



USAID
FROM THE AMERICAN PEOPLE

BANGLADESH DIASPORA ASSESSMENT PROJECT

Bangladesh Diaspora Assessment Final Report

Bangladesh Diaspora Assessment Project

Task Order AID-388-TO-15-00001

June 28, 2015

Submitted by:

International Development Group LLC

Table of Contents

Acronyms	4
Executive Summary	5
Introduction & Purpose of Research.....	7
Purpose of Research.....	7
Organization of the Report.....	7
Assessment Team and Acknowledgements	8
Background Information & Development Problem.....	8
What are Diasporans?.....	8
Diaspora Contributions to Development in Their Countries of Origin	9
Assessment Methodology	13
Research Questions	13
The study explores five major research questions:	13
Methods, Sample, Participants and Measures.....	14
The study comprised three phases: Phase One (desk study), Phase Two (focus groups and interviews), and Phase Three (pilot survey).	14
Phase One (Desk Study)	14
Phase Two (Focus Groups & Interviews)	14
Phase Three (Pilot Survey)	15
Study Participant Demographics	15
Findings/Conclusions	18
Supply-Side: Diaspora Point of View	19
US Bangladeshi Diaspora Demographics	19
US Bangladeshi Diaspora Organizations	20
US Bangladeshi Diaspora Engagement	21
Investment	27
Perceived Barriers to Engagement	32
Demand-Side: Opportunities	36
Policies & Regulations in Bangladesh that Support Engagement.....	36
Diaspora Engagement by Bangladesh-based Organizations	37
Recommendations	41
1) Enhance USAID/Bangladesh Diaspora Outreach & Communication Activities	44
2) Strengthen Capacity of Diaspora for Engagement in Development	47

3) Develop mobile money and e-payment services to better facilitate diaspora transfers, investment and philanthropy, including for resilience against climate change and other disasters.....	49
4) Encourage Diaspora Philanthropic Efforts by Providing New Giving Opportunities.....	51
Social Investment Philanthropy.....	52
Fundraising Philanthropy: Rana Plaza Garment Factory.....	52
Cause-Related Philanthropy.....	52
Volunteerism-Related Philanthropy.....	53
5) Encourage Diaspora Business Investment through Diaspora Investment Promotion, New Investment Opportunities, and an improved enabling environment.....	55
(6) Tap the diaspora for “brain gain”—work and volunteer opportunities for diaspora in Bangladesh.....	57
Appendices.....	59
Appendix 1: List of Diaspora Organizations Contacted.....	60
Appendix 2: Final Interview Protocol.....	65
Appendix 3: Final Focus Group Protocol.....	66
Appendix 4: References.....	73
Appendix 5: Final Survey... (Separate document).....	75

Acronyms

BASSFL	Bangladeshi American Society of South West Florida
DDI	Diaspora Direct Investment
DPI	Diaspora Portfolio Investment
ECHO	Educational Charitable Humanitarian Organization
FAR	Federal Acquisition Regulation
FDI	Foreign Direct Investment
FOBANA	Federation of Bangladeshi Associations in North America
GBTI II	USAID Global Business, Trade and Investment II Project
GoB	Government of Bangladesh
GDP	Growth Domestic Product
IDG	International Development Group
IDIQ	Indefinite Delivery Indefinite Quantity
IOM	International Organization for Migration
ILO	International Labor Organization
LEAP-II	Learning, Evaluation and Analysis Project-II
M&E	Monitoring and Evaluation
MCC	Millennium Challenge Corporation
MENA	Middle East North African
MPI	Migration Policy Institute
NGO	Non-Governmental Organization
NRB	Non-Resident Bangladeshis
PFM	Public Financial Management
SAALT	South Asian American Leaders
SME	Small Medium Enterprises
USAID	United States Agency for International Development
USG	United States Government
VAB	Volunteer Association for Bangladesh

Executive Summary

The US Agency for International Development (USAID) contracted International Development Group, LLC to conduct an assessment of Bangladeshi diaspora activities in the United States. USAID's main objective for this assessment is to understand the capacity and interest of the US Bangladeshi diaspora in being involved in the development activities of Bangladesh.

The study was designed as a mixed-method investigation, including a desk study of existing research about the US Bangladeshi diaspora and its organizations, focus groups in target cities, interviews with diaspora leaders, and a pilot online survey. The full study was completed in 14 weeks from February 1, 2015, through May 15, 2015.

Assessment results suggest that the US Bangladeshi diaspora is relatively limited in size and is dispersed throughout the United States. It is comprised of two main generations: The first generation is an older, educated, wealthy, and professional/managerial generation and their children are young. They tend to visit Bangladesh almost once a year. US Bangladeshi diaspora organizations mostly are small, fragmented, nascent organizations that exist throughout the United States but are quite concentrated in California and New York. Many organizations are unaware of each other's activities. The greatest number of diaspora organizations focused on development and humanitarian issues in Bangladesh are in California, but others exist in New York and other areas.

The US Bangladeshi diaspora is an important source of remittance inflow for Bangladesh. US Bangladeshi diasporans remit US\$10 billion or more each year to Bangladesh, comprising 13-15% of total remittances to this significant remittance-recipient country. When remittances from Bangladeshi workers in the Middle East are extracted from the calculation, US Bangladeshi remittance inflows to Bangladesh rises to 33-42% each year over the past five years.

Many individuals and groups in the US Bangladeshi diaspora community are philanthropically engaged both in the United States in their diaspora communities and in Bangladesh. Significant numbers of US Bangladeshi diasporans are interested in helping anyone in need in Bangladesh – as opposed to assisting specific individuals, groups, or organizations in the country.

While US Bangladeshi diasporans currently are investing in Bangladesh, the majority of this investment is made in the form of real estate either for personal use or rental or resale purposes. Investment interest is particularly high regarding investments in the healthcare and education sectors. US Bangladeshi diasporans significantly are driven to invest by emotional and social-status motivations, while financial and political motivations are less salient investment-motivation factors.

Interest in direct investment and social-impact investment options is substantial, but gaps remain between levels of investment interest and actual investment activity. Among direct investment options, US Bangladeshi diasporans are most interested in establishing manufacturing facilities for export sale and the direct purchase of equity in companies in Bangladesh. Contributing to funds that lend capital to microenterprises in Bangladesh is an attractive portfolio investment option for many US Bangladeshi diasporans. Interest in investment in a fixed-income security that would lend money to small- and medium sized

enterprises in Bangladesh in social-impact sectors (like the current US India Diaspora Investment Initiative) also was notable.

Government of Bangladesh policies that inhibit or impede the business-enabling environment in Bangladesh are issues of great importance for the US Bangladeshi community. In all phases of this assessment, diaspora concerns about government corruption, safety/security, red tape, high taxation levels, and policy unpredictability and uncertainty were high. Many in the diaspora are also concerned that infrastructure issues – the cost and time it takes to transport goods and get access to energy – are major impediments to diaspora investment in the country. Property right concerns, including worries about property-right protection and difficulties in obtaining building permits, also are perceived to be impediments to diaspora investment by the community. US Bangladeshi diasporans also voice that the high importance of personal relationships in the Bangladeshi business environment can also be an important obstacle to diaspora investment in Bangladesh, particularly in terms of finding access to reliable suppliers in the country.

There is a perception in the US Bangladeshi community that there is not enough communication or structured activity between the US diaspora and USAID/Bangladesh specifically, or with the Government of Bangladeshi in general. US Bangladeshi diasporans indicate that they believe a lack of frequent communication between USAID/Bangladesh and the US diaspora community and the lack of a point person to spearhead this communication are very important obstacles to further US Bangladeshi diaspora engagement. They also believe that a lack of regular communication between the Government of Bangladesh and the lack of a one-stop-shop in Bangladesh to promote and facilitate diaspora investment is an important obstacle to engagement. Although a Ministry for Expatriate Welfare and Overseas Employment exists, many in the diaspora believe that its activities are focused on low-skill workers, particularly in the Middle East, and that their focus could be expanded to better address the needs and opportunities in the global diaspora. Many US Bangladeshi diasporans suggested that a lack of a Ministry of Diaspora Affairs was an obstacle to further diaspora engagement in Bangladesh.

This assessment suggests USAID/Bangladesh could further develop its engagement with the US Bangladeshi diaspora engagement by:

- (1) Enhance USAID diaspora outreach and communication activities.
- (2) Strengthen diaspora capacity for engagement.
- (3) Develop mobile money and e-payment services to better facilitate diaspora transfers, investment and philanthropy, including for resilience against climate change and other disasters.
- (4) Encourage diaspora philanthropic efforts by providing more giving opportunities.
- (5) Support increased diaspora business investment through investment promotion, new investment opportunities, and an improved enabling environment.
- (6) Tap the diaspora for “brain gain”—work and volunteer opportunities in Bangladesh.

See summary table under section on Recommendations for detailed actions.

Introduction & Purpose of Research

Purpose of Research

The International Organization for Migration estimates that over five million Bangladeshis are living and working abroad and contributing to their communities and the Bangladeshi economy through remittances. Therefore, the Government of Bangladesh recognizes the value of engaging Non-Resident Bangladeshis (NRBs) to support its overall development goals. The Ministry of Expatriate's Welfare and Overseas Employment and the Bureau of Manpower, Employment and Training have engaged diaspora through remittances, overseas employment and the welfare of migrants has been a priority since 2001. As one of the top host countries, according to the U.S. Census Bureau, the United States was home to over 151,000 Bangladeshi in 2010. US-based Bangladeshi diaspora represent an untapped resource to contribute to the development of Bangladesh.

Based on this understanding, the US Agency for International Development (USAID) contracted International Development Group, LLC to conduct an assessment of Bangladeshi Diaspora activities in the US. USAID's main objective of this assessment was to understand the capacity and interest of the Bangladeshi diaspora in being involved in the development activities of Bangladesh. Based on the results of the research, the assessment makes specific recommendations on how USAID can most productively engage the US diaspora in supporting GoB and US development goals. The data and recommendations generated from the assessment will enable USAID/Bangladesh to design a comprehensive activity focusing on increasing US-based Bangladeshi diaspora investment in Bangladesh-based development activities that support the development goals and objectives. The Assessment of US-based Bangladeshi Diaspora Project presents an opportunity to build on GoB successes and identify economic development possibilities at the national and community levels to further engage diaspora.

Organization of the Report

This report includes five main sections. The first section provides an introduction and addresses the purpose of the study. The second section provides background and a discussion of the development question. The third details the assessment methodology. The fourth section explains in detail the findings of the study. This section includes a description of both the supply side of diaspora engagement -- the demographic and organizational profile of the community and its current engagement activities -- and the demand side of diaspora engagement in Bangladesh, outlining current development activities in the country that may offer important opportunities for diaspora engagement. The last section provides specific recommendations for actions that can be taken by USAID to optimally engage the US Bangladeshi diaspora community for efficient and effective engagement in Bangladesh for development. Additional reference information can be found in the appendices at the end of this report.

Assessment Team and Acknowledgements

The assessment team included team leader, Dr. Liesl Riddle, and team members Ms. Semhar Ariaia, Ms. Kim Foulds, and Mr. Kazi Mohiuddin working in the US and in Bangladesh. Though the team was made of these particular individuals, many people contributed to the contents of the assessment document itself through direct one-on-one interviews, focus group discussions, and through completion of an online survey. We especially would like to thank USAID Bangladesh, and in particular Mr. Shaheen Siraz, for his support throughout the project with in-country contacts, suggested organizations to include in the process, and general support to help us keep the project moving forward. Additionally, we would like to thank all the foreign and Bangladeshi government representatives that offered their time to provide information on current diaspora activities. Lastly, we would like to thank all the Bangladeshi organization representatives that met with us and contributed to the outreach and completion of the surveys. We could not have completed the assessment without their support.

Background Information & Development Problem

Globalization has given rise not only to an accelerated flow of goods and services around the world; but it also has fostered an increase in the movement of people across borders. In the later part of the twentieth century (1970-2000), the number of international migrants in the world more than doubled. In just the last decade of the twentieth century, the proportion of foreign born in the United States almost doubled from 5.8% in 1990 to 14.3% by century close. Today, one in 10 persons in the developed countries of the world is a migrant, and one in five of migrants in the world now call the United States home (United Nations, 2007).

In their new countries of settlement, migrants often acquire new knowledge, skills, social contacts, and financial resources. Even though they may be far from home, migrants often maintain social and psychological connections to their countries-of-origin, and they often encourage their children and grandchildren to continue these homeland connections. These individuals are often referred to as “diasporans.”

What are Diasporans?

“Diasporans” are individuals who “reside outside of their perceived homeland, whether independent or not. They regard themselves, or are regarded by others, as members or potential members of the national community of their homeland, a standing retained regardless of the actual status of their citizenship inside or outside their homeland” (Shain, 2007). Diaspora capital—human, social, and financial—may be a useful development resource for migration sending countries, many of which are among the most capital needy in the world. Today, a host of actors engaged in poverty-reduction activities—policymakers, non-governmental organizations (NGOs), socially responsible businesses, and academics—are asking the question: How can diasporans be engaged to mobilize capital for development activities?

Coined in the third century, the term, diasporas, originates from the Greek word, διασπορά, meaning “a scattering or sowing of seeds.” Traditionally the term – utilizing a capital letter “D” – was limited to the historic dispersion of the Jewish people. But in the latter part of the twentieth century, recognizing that the psychological and lived experience of migration was changing,

many English-language dictionaries expanded the definition – when used with a lower-case “d” – to refer to the dispersion of any people from their original homeland.¹

Innovations in transportation and communication technologies now allow diasporans to psychologically and physically connect with their countries-of-origin in ways that were virtually unimaginable in the past. Declining costs in air and other transportation modes make it easier for diasporans to visit their countries-of-origin. Global media provide diasporans with a constant stream of information about their origin countries, and social media create the opportunity for “digital diasporas” to engage with one another (Brinkerhoff, 2008).

Diaspora Contributions to Development in Their Countries of Origin

For many diasporans, the experiences and opportunities they are exposed to in their countries-of-residence inspire them to seek ways to contribute to the development of their countries-of-origin. They engage with their countries-of-origin in many different ways, including (1) advocacy and philanthropy; (2) remittances, investment, and entrepreneurship; and (3) tourism and volunteerism.

Some diasporans join diaspora advocacy groups, lobbying the government of their country-of-residence on behalf of development issues in their countries-of-origin. Other diasporans strive to enhance the development of their countries-of-origin by engaging in philanthropic activities, raising money in the country of residence or volunteering their time for social and environmental organizations located in the country-of-origin.

Bangladeshis in Technology and Public Service

In addition to diaspora organizations, a number of successful Bangladeshi-Americans have emerged as national and global leaders in many industries. YouTube (www.youtube.com) co-Founder, Mr. Jawed Karim, launched the company as a Stanford University graduate student, and Michigan Congressman Hansen Clarke, is the first Bangladeshi-American Member of Congress. These two individuals are two of the most publicly recognizable members of the US Bangladeshi diaspora.

Increasingly diasporans are searching for avenues to extend their development impact beyond politics and philanthropy. They seek ways to leverage the human, social, and financial capital they have acquired to make investments and establish new businesses in their countries-of-origin.

For many developing countries, individuals living in the diaspora earn relatively higher incomes compared to those earned by individuals living in the country-of-residence. These higher incomes increase the potential

for investment and entrepreneurial activity among diaspora populations as higher incomes may

¹ For example, the American Heritage Dictionary defines Di·as·po·ra (dī-ās-pər-ə): n. 1. The dispersion of Jews outside of Israel from the sixth century BC, when they were exiled to Babylonia, until the present time. often Diaspora The body of Jews or Jewish communities outside Palestine or modern Israel. 3. diaspora. A dispersion of a people from their original homeland. b. The community formed by such a people: "the glutinous dish known throughout the [West African] diaspora as ... fufu" (Jonell Nash). 4. diaspora A dispersion of an originally homogeneous entity, such as a language or culture: "the diaspora of English into several mutually incomprehensible languages"(Randolph Quirk).

result in greater amounts of disposable income available for economic investment. This is particularly true when an origin country's *income per natural* (the mean per person income of those born in the origin country regardless of current country-of-residence), substantially exceeds its gross domestic product (GDP) per capita. In a 2008 study, Clemens and Pritchett estimate that income per natural exceeds GDP per capita by 10% or more in almost 30 countries. In some smaller countries with large emigration, the differential is much higher. For example, the difference between income per natural and GDP per capita exceeds 103% in Guyana, 81% in Jamaica, 60% in Albania, and 51% in Liberia.

Many diasporans remit money back home to friends or family. Taken together, remittance payments account for a substantial flow of cross-border capital: global total remittance flows in 2015 are estimated to be US\$608 billion. Diaspora remittances are key sources of capital inflow for many developing countries. Remittance flows to developing countries are expected to total US\$454 billion in 2015, three times larger than the amount of development aid expected to be sent to those countries from all sources. India, China, the Philippines, Mexico, and Nigeria are the world's largest remittance receiving countries. In some countries, such as Tajikistan, Kyrgyzstan, and Nepal, remittances constitute a significant part of the overall economy (42, 32, and 29% of GDP, respectively) (World Bank, 2014).

But many diasporans seek ways to become more economically invested in the economies of their countries-of-origin beyond making remittance payments. Bal Joshi, is a prime example. Born in Nepal and educated and now living in the United States, Mr. Joshi created Thamel.com, (<http://www.thamel.com>), a web portal allowing Nepalese diasporans to purchase goods and services online from Nepalese suppliers and have them delivered to the homes of friends and family living in Nepal. Mr. Joshi's investment has generated many benefits for his home country. Thamel.com has created over 400 new jobs, improved the operational efficiencies and quality control of its local suppliers, and broadened the array of goods and services its suppliers provide to consumers. Thamel.com suppliers earn more than 30% of most local suppliers in terms of annual sales; during festivals Thamel.com suppliers earn on average 50% more than their competitors (Riddle & Brinkerhoff, 2011).

Bangladeshis in Healthcare and Business

In business and technology, Dr. Omar Ishrak is the chairman and chief executive officer of Medtronic (www.medtronic.com), a leading American medical technology company that has created technologies for various medical conditions with over \$27 billion in revenue. Medtronic has over 84,000 employees, has approximately 53,000 patents and operates in 140 countries. Under Mr. Ishrak's leadership, Medtronic secured \$10 billion dollar acquisition of surgical product and supply company Covidien and recently secured the Food and Drug Administration's approval for a new noninvasive heart valve device.

Diaspora investments do not always involve the internet. Some diasporans set up service operations, such as restaurants, retail chains, consulting companies, or tourism-oriented enterprises. Others create manufacturing facilities in their home country, producing goods for local and/or export sale, or establish subsidiaries for businesses based in other countries. In some cases, these investments are made by "diaspora foreign direct investors," or diasporans who already own and operate a business based outside their country-of-origin. But in many

other instances, the service or manufacturing operation established by the diasporan is a new venture, or an example of “diaspora entrepreneurship.”

The development impact of diaspora investment is often discussed in terms of the growth of emerging giants, China and India. As an article in *Foreign Policy* aptly noted, “with the help of the diaspora, China has won the race to be the world’s factory. With the help of the diaspora, India could be the world’s technology lab” (Huang & Khanna, 2003). But, the impact of diaspora investment and entrepreneurship extends beyond the emerging markets of China and India. Diaspora investment and entrepreneurship are particularly important for nations that might be deemed less attractive by non-diaspora investors because of small domestic market size, inadequate infrastructure, or less-attractive structural characteristics. Diaspora investment also plays an important role in the reconstruction of many post-conflict countries. The positive economic impact of diaspora homeland investment flows in Afghanistan, Liberia, Sierra Leone, and other post-conflict environments have been recognized by the United Nations.

Even developing country governments that are underwhelmed with foreign direct investment (FDI) as a whole have begun seeking creative ways of encouraging diaspora investment. Skeptics of FDI as an economic development tool often voice concerns that FDI is not always efficiently invested. They argue that it crowds out domestic investment, displaces local firms in production, service, and financial markets, generates a reduction in local competition, and leads to lower quality products and inflated prices in local markets.

Many governments believe that diaspora investment has a greater chance of yielding business operations that are more beneficial for development than non-diaspora FDI. Why? Because diaspora investment and entrepreneurship often is not just driven by the quest for profit maximization; social, emotional, and political motivations also play a role (Gillespie et al., 1999; Nielsen & Riddle, 2011). Some seek the potential emotional satisfaction they receive by “helping out the homeland” or feel it is their duty or obligation to contribute to the country-of-origin economy. In many cases, investing in the country-of-origin is deemed an honorable activity within diaspora communities or by friends and family back in the country-of-origin. The social recognition a diasporan receives by investing in the origin country may also be a key motivating factor. Others believe that their investments will yield greater political influence, access, or protection.

These non-pecuniary investment motivations may incentivize diasporans to make investment decisions that may or may not generate immediate rich profit rewards but instead may sow the seeds of an investment in the country’s long-term economic and social development. For example, diasporans’ emotional and social investment concerns may make them more likely to keep their capital in the investment-destination country rather than repatriate profits. They may be more likely to reinvest in their established operations or use the profits to establish additional new ventures in the country-of-origin economy. Diaspora investments may also be less vulnerable to capital flight in a time of crisis.

The emotional and social drivers of diasporans’ investment interest may inspire diaspora investors and entrepreneurs to serve as economic change agents, leveraging their investment and new venture creation to strengthen the country-of-origin economy. One of the main goals of

diaspora economic activity in the country-of-origin may be to generate employment—for their family, friends, local community or nation in general. Thus, diaspora investors and entrepreneurs may be more likely to establish greenfield activities rather than merely merge with or acquire existing firms in the country-of-origin economy. They may prefer local inputs and employees over imported products and labor and be more likely to strengthen and cultivate local supply chains.

The presence of diaspora investors and entrepreneurs in the country-of-origin’s economy also may contribute to the internationalization of domestic firms in the country-of-origin by enhancing local firms’ transnational social capital. Diaspora investors and entrepreneurs often share market information about their country-of-settlement, such as information about import and

Bangladeshis in Human Rights and Development

Ms. Anika Rahman, a Columbia University trained human rights lawyer rose to become the CEO of the Ms. Foundation for Women (www.msfoundation.org) and Mr. Salman Khan, a Massachusetts Institute of Technology and Harvard University graduate who created Khan Academy (www.khanacademy.org), a free, online, non-profit educational site that has garnered support from major donors, including the Gates Foundation and Google. Mr. Khan was listed as Time’s 100 Most Influential People for 2012. These two individuals are just two more examples of Bangladeshi diaspora leadership in the US.

operational regulations, consumer demand, and competitive intelligence, with other entrepreneurs and firms in the country-of-origin. Domestic firms can utilize connections that they have with diaspora investors and entrepreneurs to tap into the diaspora investor/entrepreneurs’ transnational networks to identify business leads, opportunities, and financing in markets abroad. Diaspora investors and entrepreneurs can serve as reputational intermediaries for domestic firms in foreign markets.

Migrants who venture abroad often gain knowledge and skills that are lacking in the country-of-origin. When they return to invest or start a new business, they remit this acquired human capital back to the origin country, thereby turning “brain drain” into “brain gain.” Diaspora investors and entrepreneurs also serve as transnational knowledge linkages, contributing to the diffusion of technology and production know-how from individuals in the country-of-origin to the country-of-settlement.

Recognizing the importance of diaspora investors and entrepreneurs, many countries have created diaspora-specific investment promotion agencies, groups within their general investment-promotion organizations dedicated to diaspora investment attraction, and/or specific policies providing diaspora investors and entrepreneurs with dedicated investment incentives (Riddle, Brinkerhoff & Nielsen 2008; Riddle & Marano 2008).

Diasporans may be interested in investing in their home countries but may be inhibited or unable to do so due to a lack of available time, financial resources, know how, and/or other constraints. New investment vehicles are becoming available that allow diasporans an opportunity to invest in their countries of origin quickly, easily, with small amounts of capital (portfolio investment)—all without ever leaving their country-of-residence. For example, diasporans can invest smaller amounts of money into vetted projects back in their home countries through online platforms aimed at diaspora communities, such as Homestrings

(www.homestrings.com). They can lend money to firms back in the home country at below-market rates of interest through organizations like Kiva (<http://www.kiva.org>) and Investors without Borders (<http://investorswithoutborders.wordpress.com/>). Some diaspora organizations have established venture capital funds that purchase equity in businesses in the country of origin.

Some governments, such as Ethiopia, Israel, and India, have targeted bond offerings to their diaspora communities abroad. In some cases, diasporans invest in companies listed on the stock exchange of their country of origin or purchase mutual funds consisting of companies from their home country. Recently, President Obama announced the US Indian Diaspora Initiative, which enables Indians living in the diaspora to invest in a fixed-income security that will generate funds that will be lent to small and medium-sized enterprises in India in social-impact sectors (<http://www.calvertfoundation.org/blog/530-indian-diaspora-initiative>).

Assessment Methodology

This report examines the case study of the US Bangladeshi diaspora to identify opportunities for better engagement with USAID/Bangladesh to increase and strengthen US diaspora contributions to development efforts in their country of origin. The key aim is to pinpoint synergies between ways that the diaspora is currently or desires to contribute to development in Bangladesh (supply side) and opportunities in current or planned development activities in Bangladesh with USAID and its stakeholders (demand side).

The study was designed as a mixed-method investigation, including a desk study of existing research about the US Bangladeshi diaspora and its organizations, focus groups in target cities, interviews with diaspora leaders, and a pilot online survey. The full study was completed in 14 weeks from February 1, 2015 through May 15, 2015.

Research Questions

The study explores five major research questions:

- (1) What is the demographic profile of the US Bangladeshi community?
- (2) How is the US Bangladeshi community organized?
- (3) How does the US Bangladeshi community currently engage with Bangladesh through remittances, philanthropy, volunteerism, and business investment?

- (4) What are the major barriers impeding or inhibiting US Bangladeshi engagement in development efforts in Bangladesh?
- (5) Are there opportunities for USAID/Bangladesh to better engage with the US Bangladeshi diaspora to contribute to development in Bangladesh?

Methods, Sample, Participants and Measures

The study comprised three phases: Phase One (desk study), Phase Two (focus groups and interviews), and Phase Three (pilot survey).

Phase One (Desk Study)

A literature review was performed utilizing both open internet searches (via search engines such as Google and Bing and social media sites such as Facebook and Twitter) and targeted subject searches in academic, full-text databases, including ABI/Inform Complete Plus, Business Source Complete, Factiva, and Lexis-Nexis Academic. Key articles were identified that provided information about the Bangladeshi diaspora demographic profile; diaspora organizations and their activities; diaspora engagement through remittances, philanthropy, volunteerism, and investment; and the business and investment climate in Bangladesh. Appendix 5 includes a list of all references utilized in this project.

Phase Two (Focus Groups & Interviews)

Research team members designed and populated a diverse database of over 120 different Bangladeshi diaspora organizations in the United States (see Appendix 1 for a full listing by state). Organizations were identified through both desk-study approaches and through conversations with diaspora community leadership and members. The database includes academic, civic participation, community, cultural, development, faith based, human rights, humanitarian, media, networking, professional, social services, sports, students, women, and youth organizations.

Each organization included in the database was contacted by research team members by email, phone, and (where applicable) social media and were invited to participate in the study. In-depth interviews were conducted with diaspora organization leaders to learn more about diaspora organization activities and individual leaders' experiences with and attitudes about financial and human-capital diaspora investment in Bangladesh (see Appendix 2 for interview protocol).

Diaspora organization leaders assisted the research team with the recruitment of focus group participants in three key cities: Los Angeles, New York, and San Jose, where significant numbers of diverse Bangladeshi diaspora organizations exist. Given the relatively larger number of diaspora organizations in New York, two focus groups were held in that city on April 4, 2105, and May 2, 2015. Focus groups were held in Los Angeles on April 16, 2015, and San Jose on April 18, 2015. Twenty-eight US Bangladeshi diasporans participated in focus group conversations across all locations.

The focus group protocol (see Appendix 3) explored participants' attitudes about their diaspora community identity, diaspora investment in Bangladesh (via different forms of philanthropy, volunteerism, and business investment), and perceived barriers to diaspora engagement in Bangladesh.

Phase Three (Pilot Survey)

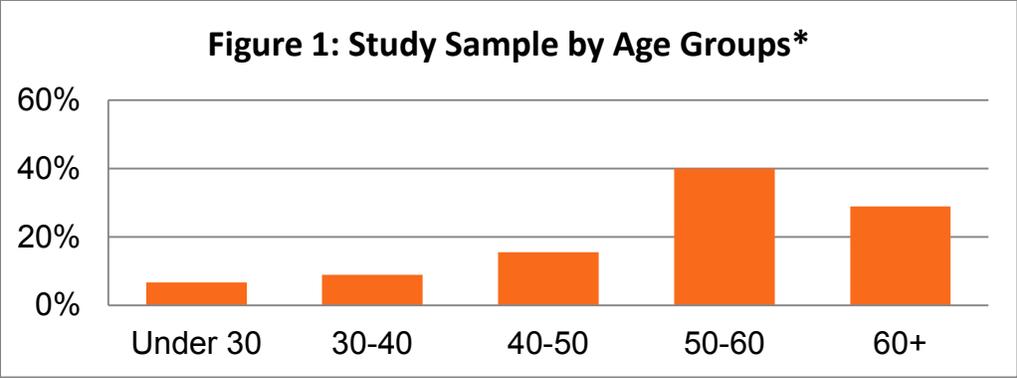
Qualitative insights gleaned during Phase Two of the project – coupled with input from USAID/Bangladesh – shaped the creation of a pilot online survey (see Appendix 5). The survey contains measures assessing respondents':

1. Socio-psychological attachment to the diaspora community, Bangladesh, and the USA,
2. Diaspora organizational participation,
3. General giving attitudes,
4. Giving interest by activity,
5. Estimated charitable contributions,
6. Investment interest by activity,
7. Current investment activity and motivations,
8. Estimated remittances and channel use,
9. Perceived barriers to diaspora engagement, and
10. Demographics

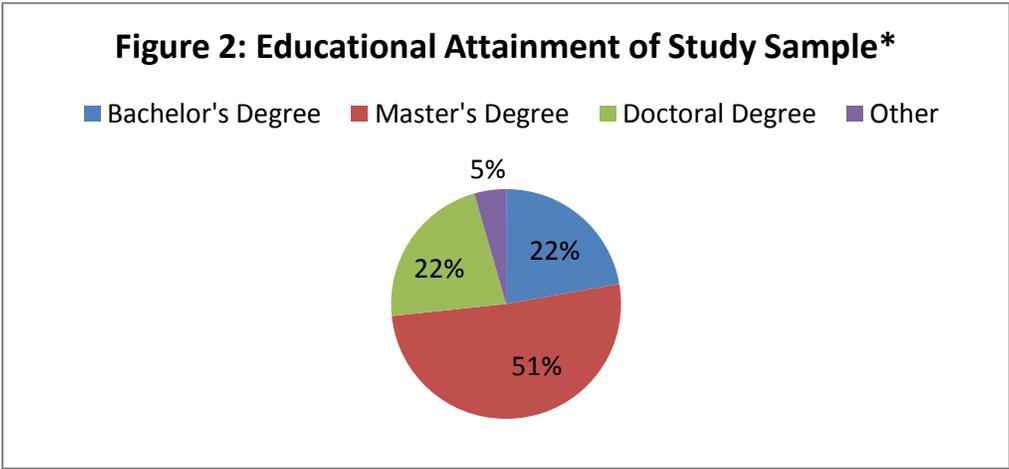
Each of the 120 organizations in the compiled database were contacted by email and phone and asked to distribute the survey to their membership. The research team also actively engaged with the diaspora and diaspora organizations via Facebook, Twitter, and Instagram throughout March, April, and May to promote the survey and encourage participation. The survey was pretested with a small group of diaspora volunteers on April 26, 2015, and wording was slightly modified based on feedback received during the pre-test. The survey was launched on April 27, 2015, and was open 14 days. During that time, fifty respondents completed the pilot survey.

Study Participant Demographics

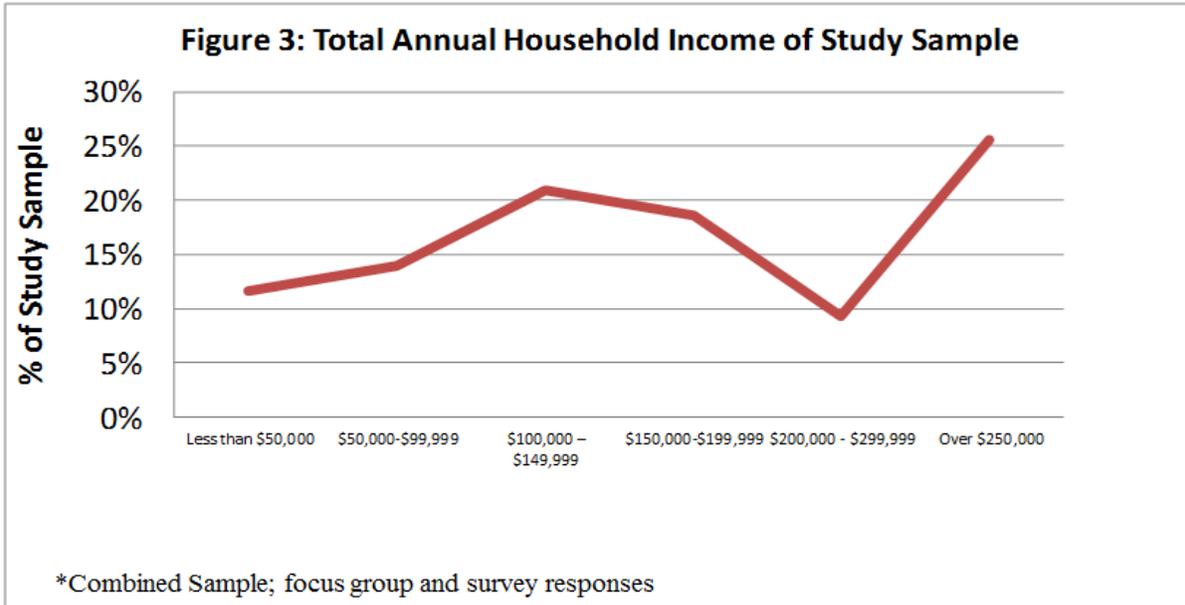
Study participants include both focus group participants and pilot survey respondents. An analysis of the total study participant demographics reflects a similar demographic profile to the US Bangladeshi population (discussed in depth in "Findings" below). Study participants are primarily middle-age, well educated, and earn significant annual total household income. The average age of study participants was 53 years old (see Figure 1).



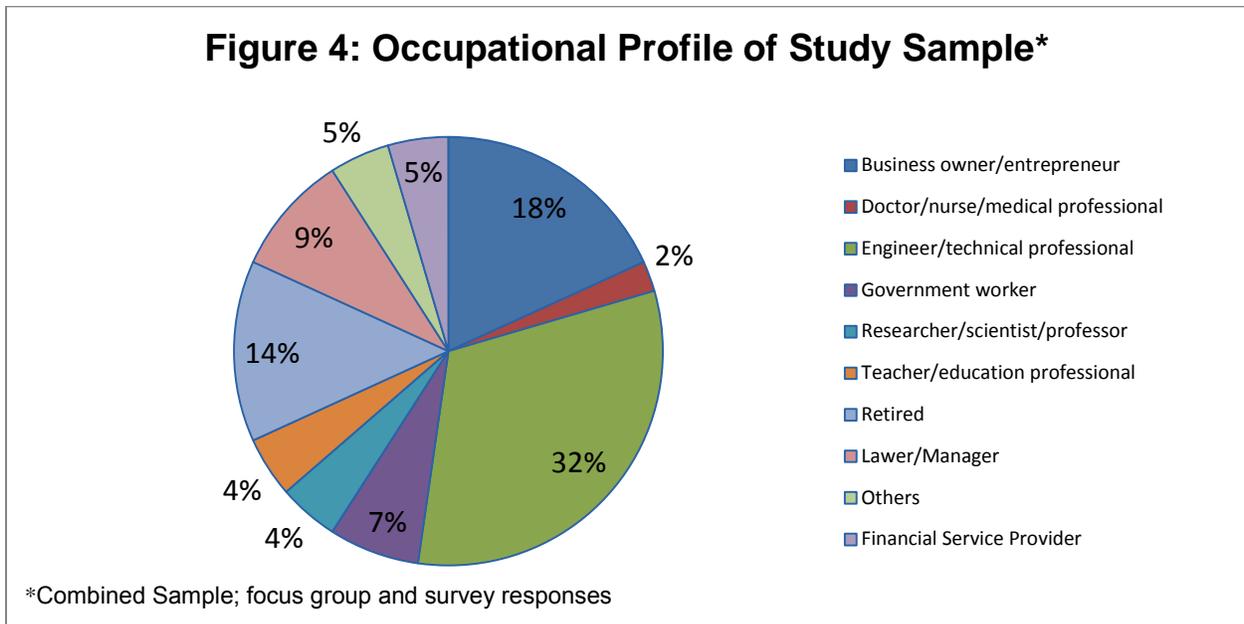
The study sample – like the US Bangladeshi population – is highly educated. Almost all of the study participants attained a Bachelor’s or higher degree of education (see Figure 2).



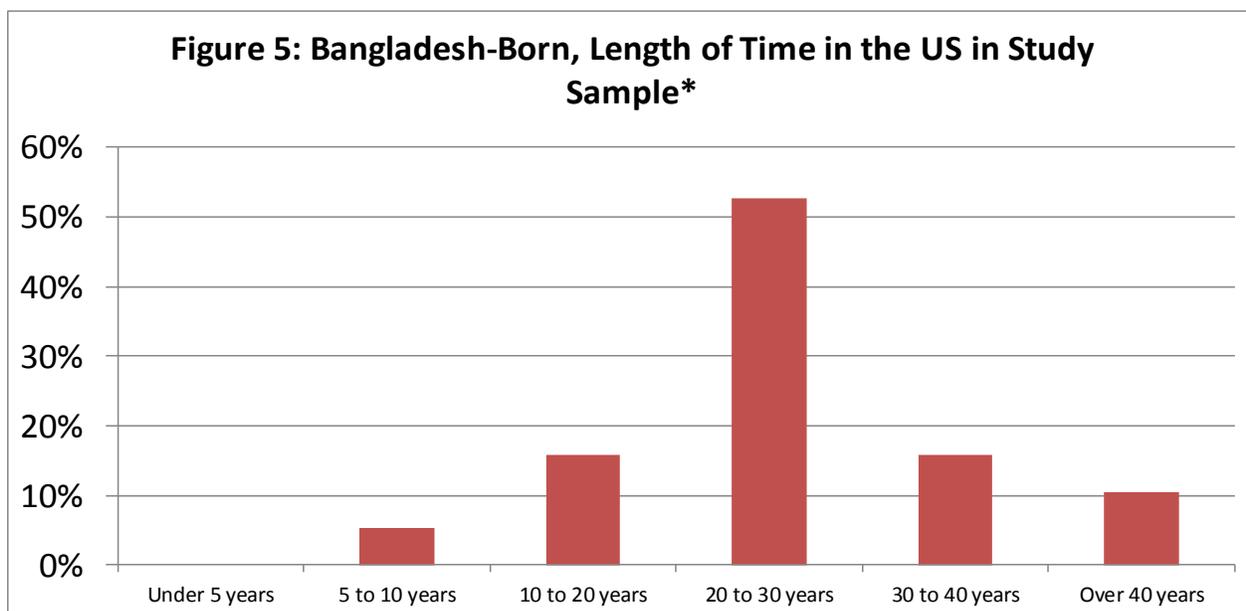
The study sample reflects diversity in terms of annual household income. However, a significant percentage of the study sample (75%) report relatively higher (greater than US\$100K) annual income (see Figure 3).



Individuals in the study sample are employed in a wide variety of occupations. Most of the study participants were employed in professional or managerial positions (see Figure 4 below). Almost one third (32%) are engineers or employed in technical professions. Eighteen percent are business owners and entrepreneurs. Fourteen percent are financial services providers, and nine percent are teachers or other educational professionals.



Most of the study participants (94%) were born in Bangladesh. Over 70% have lived in the United States for over 20 years (including those living more than 30 and 40 years in the US).



Significant specific steps were taken by the research team to recruit female study participants. Research team members sought wherever possible to identify and include Bangladeshi-women’s organizations in the study, requested diaspora organization leaders to encourage the wives of male Bangladeshi study participants to participate, and initiated female-targeted social media campaign messages. One-fifth (20%) of the study participants are female.

On average, study participants have made two trips to Bangladesh over the past three years. No significant differences were found in the number of visits made to Bangladesh by gender.

Table 1: Visits Made to Bangladesh in Study Sample by Gender

Number of Visits to Bangladesh in the Past Three Years		
	Male	Female
Total	71	18
Average	2	2
Proportion (% of total visits)	80%	20%

Findings/Conclusions

Data gathered via multiple methods is triangulated in this report to provide a summary of the supply-side – e.g., what the diaspora is currently doing and what it would like to do in terms of contributing to development in Bangladesh – and the demand-side – e.g., the policies and programs in Bangladesh that offer opportunities for US Bangladeshi diaspora engagement. These findings inform the recommendations that the team offers USAID/Bangladesh to increase and strengthen diaspora engagement for development in Bangladesh.

Supply-Side: Diaspora Point of View

This section describes the US Bangladeshi diaspora in terms of its demographic and organizational profile. It also explores current diaspora engagement in Bangladesh in terms of remittances, philanthropy, volunteerism, and investment. Also included in this section is a description of US Bangladeshi diaspora perceptions of the barriers that exist that currently impede or inhibit diaspora engagement in Bangladesh.

US Bangladeshi Diaspora Demographics

Current estimates from the International Organization for Migration indicate that more than five million Bangladeshis are working overseas (IOM 2011), an increase of nearly four million from 2004 estimates (Siddiqui 2004). An estimated four percent (4.3%) of those with tertiary education in Bangladesh emigrate each year; while over six percent (6.5%) of physicians trained in Bangladesh have left the country to live elsewhere (World Bank, 2011). Worldwide, most Bangladeshi emigrants live (in order of community size) in India, Saudi Arabia, the United Kingdom, Kuwait, Oman, the United States, Malaysia, the United Arab Emirates, Italy, and Jordan.

Data from the United States reveals similar growth in the Bangladeshi diaspora. According to the 2010 U.S. Census, the United States is home to 147,300 Bangladeshi immigrants, though other outlets estimate this number to be closer to 270,000 (MPI 2014). Relative to the 2000 U.S. Census, which included data from 57,412 Bangladeshi immigrants, the Bangladeshi diaspora has seen an increase of 156.6% (Hoeffel, Rastogi, Kim, and Shahid, 2014), making them both the third largest and third fastest growing South Asian community in the country (SAALT 2012).

According to MPI (2014), approximately 52% of Bangladeshi diaspora in the United States arrived after 2000. The average age is 39 years old and a majority of the population of working age. The second generation of Bangladeshi diasporans (those born to Bangladeshi immigrants in the United States) is quite young. Only 20% of this group are of working age; the median age of the children of Bangladeshi immigrants is nine years old (MPI, 2014). Seventy-nine percent of the children of Bangladeshi immigrants reported that both parents were born in Bangladesh; only 11% said that only one parent was US-born.

The median income of US Bangladeshi diaspora households is approximately \$54,000, placing this diaspora community in the top 10% of the overall US household income distribution. Twenty-five percent of the Bangladeshi diaspora in the United States over the age of 25 years old have a Master's, PhD or advanced professional degree. MPI (2014) found that 32% of the Bangladeshi households in the United States have reported an annual income of more than \$90,000. Fifteen percent of Bangladeshi households report an annual income of more than \$140,000. One-third of Bangladeshi diaspora individuals report working in a professional or managerial role, such as engineering, science, law, education, finance and human resources.

New York City is home to the largest Bangladeshi community in the United States, a community that continues to witness considerable growth. For example, between 2008 and 2011, the Bangladeshi diaspora population in NYC grew 42%, from 34,237 in 2008 to 48,677 in 2011, fastest among the seven largest Asian groups in the city (Asian American Federation 2013). The New York-based Bangladeshi American Community Development and Youth Services

reports that this number is closer to 74,000 (BACDYS). At 30.3 years old, the median age of the Bangladeshi population in New York City is younger overall than the general population (35.5 years) (Asian American Federation 2013).

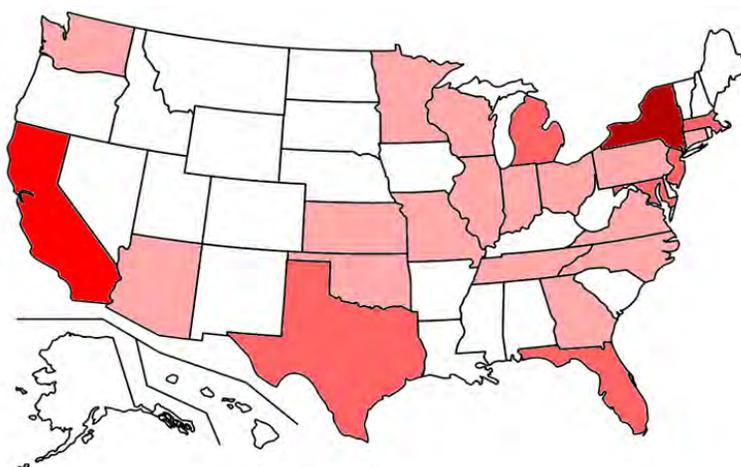
Other cities with notable Bangladeshi communities include Paterson (NJ), Los Angeles, San Jose, Washington, D.C., Boston, Houston, Detroit, and Atlanta.

US Bangladeshi Diaspora Organizations

The Bangladeshi diaspora is notable for its extensive network, in cities with significant populations and those without alike. Beyond the collective interest in building community, the majority of Bangladeshi diaspora organizations are committed to bringing greater awareness and understanding of Bangladeshi culture and people to their broader communities.

Over 120 US Bangladeshi diaspora organizations were identified in this study across the United States. While organizations were identified in 26 US states, 40% of the identified organizations are located in New York (28 organizations) and California (22 organizations), states where most US Bangladeshi diasporans reside. States with substantial numbers of US Bangladeshi diaspora organizations include Texas (8 organizations), Massachusetts (7 organizations) and Florida (5 organizations). In most states, however, less than 5 organizations exist. Figure 6 below graphically displays the US Bangladeshi diaspora organizational density by state. Darker shades of red indicate greater concentrations (5 organizations or more) of US Bangladeshi diaspora organizations. Light pink indicates a light concentration of organizations (less than 5 organizations), and white states indicate an absence of organization.

Figure 6: US Bangladeshi Diaspora Organizational Density by State



Organizations have diverse areas of focus, from philanthropy, development, volunteerism to social service provision and professional associations. The vibrancy of the Bangladeshi diaspora is highlighted by the existence of organizations focused on facilitating networking

among small diaspora organizations, such as the Bangladesh Unity Federation of Los Angeles and Federation of Bangladeshi Associations in North America.

Examples of organizations focused on cultural awareness include the Bay Area Bangladesh Association (CA), Bangladesh Institute of Performing Arts Inc. (NY), Bangladesh Association Houston, Bangladesh Association of Phoenix, Bangladesh Association of Nashville, Bangladesh Association of Central Ohio, and North American Bangladeshi Islamic Community (TN).

Bearing in mind the social and economic positioning of many members of the Bangladeshi diaspora, a number of organizations in large urban areas, particularly in New York, provide educational, legal, and social services. Examples of these organizations include the Bangladeshi American Community Development and Youth Service (NY), DRUM-South Asian Organizing Center (NY), and South Asian Council for Social Services (NY).

Bangladeshis in the diaspora are committed to Bangladesh's national development. Examples of these organizations include SpaandanB (CA), which implements education, health, and nutrition projects in Bangladesh; Agami (CA) which works to provide quality basic education for underprivileged children in Bangladesh; and The Optimists (NY), who run child sponsorship and family medical assistance programs, including a program specific to help the children of the garment workers killed when the Rana Plaza building collapsed in 2013.

There is a wide array of organizations serving professionals in the Bangladeshi diaspora. The Network of Young Bangladeshi American Professionals serves Bangladeshi American professionals in the early and middle stages of their career, regardless of industry. The sciences are also well-represented among diaspora professionals. Examples of these include American Association of Bangladeshi Engineers and Architects and Bangladesh Medical Association of North America. Journalists and academics have also organized professional associations, as in the case of the South Asian Journalists Association, Bangladeshi American Professional and Academic Network, and the Bangladesh Development Initiative, the latter serving to facilitate scholarly exchange between Bangladesh and overseas scholars through educational programs, an academic peer-reviewed journal, and a book publication program.

Across the United States, most (80%) of US Bangladeshi diaspora organizations are community organizations (39), professional groups (17), development organizations (15), faith-based groups (15), cultural associations (7), student networks (5), or women/youth organizations (5).

There are slightly different organizational profiles by state. For example, in the US Bangladeshi diaspora organizational landscape of New York, there are more professional and social service organizations, whereas in California there are more development and humanitarian-oriented organizations.

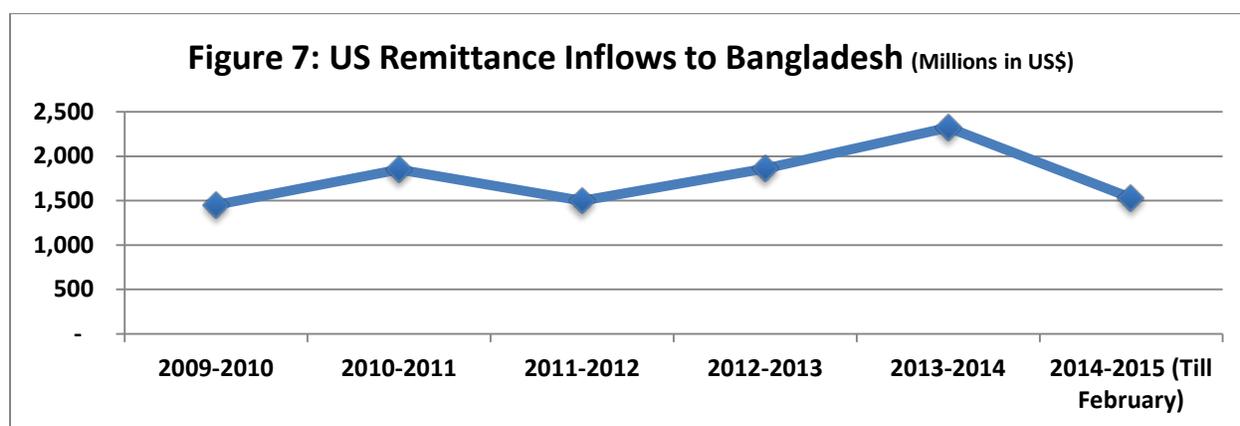
US Bangladeshi Diaspora Engagement

There are many ways that the US Bangladeshi diaspora engages with Bangladesh, including via remittances, philanthropy, volunteerism, and investment. This section summarizes the existing literature and details the empirical study findings on each of these topics. The section

also reports several diasporan-perceived barriers to engagement in Bangladesh as identified in conversations and surveys in the US Bangladeshi diaspora community.

Remittances

Remittances to South Asia are estimated to have risen by 4.5% in 2014, compared to 2.5% in 2013, reflecting soaring remittances to Pakistan (16.6% increase), and to a lesser extent, Sri Lanka (9.6%) and Bangladesh (8%). According to the World Bank’s 2014 issue of the Migration and Development Brief, Bangladesh is the world’s eighth-largest national recipient of remittances (India, China, the Philippines, Mexico, Nigeria, Egypt and Pakistan reported larger inflows). Since fiscal year 2009-2010, remittances from the United States to Bangladesh have exceeded US\$10 billion annually. In 2014, remittance inflows to Bangladesh comprised approximately nine percent of the country’s GDP and 77% of its foreign reserves.



US Bangladeshi diasporans have remitted over \$1530 million to Bangladesh thus far this current fiscal year of 2014-2015 (as of February). As Figure 7 details, the total US remittance flow to Bangladesh from the United States thus far is about 16% of the country’s entire remittance incursion, after that of Saudi Arabia (22%) and United Arab Emirates (19%).

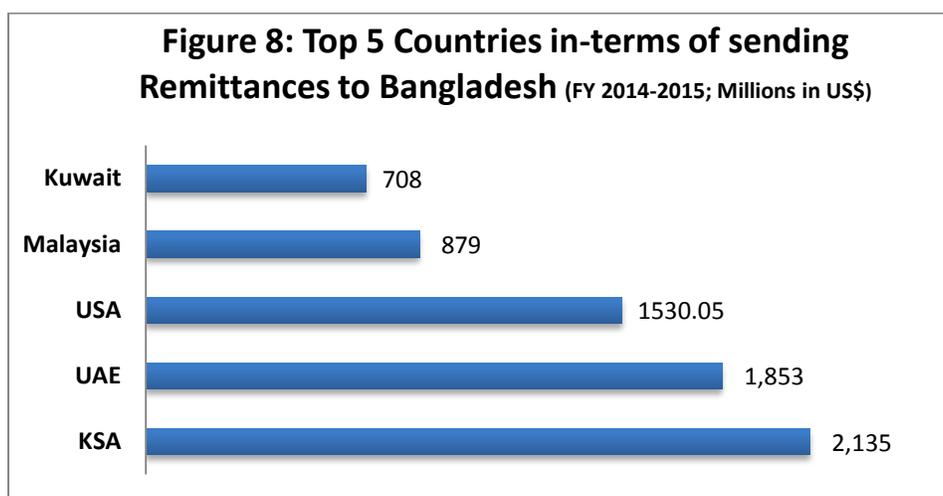


Table 2 below provides a snapshot of the contribution of US Bangladeshi remittance flows to total remittances sent to Bangladesh in the last fiscal years (FY 2009-2010 to February 2015).

Compared to the total remittance collection for Bangladesh, remittance outflow from the USA to Bangladesh has comprised a roughly 15% contribution margin. However, if we exclude the MENA region, which accounts for the largest number of Bangladeshi wage earners residing abroad, the contribution of US Bangladeshi diasporans increases substantially. The contribution margin provided an average contribution of 38% from FY 2009-10 to FY 2014-15.

Table 2: US Flow Contributions to Total Remittances Sent to Bangladesh (2009-present)

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015 (as of February)
US to Total	13%	16%	12%	13%	16%	15%
US to Total (Excluding the Middle-East)	39%	42%	33%	35%	40%	38%

The usage of remittances in Bangladesh is still more consumption-based rather than investment-based. It is estimated that three-quarters (75%) of remittances are spent on consumption, over one-fifth (21%) on savings, and only four percent on investment (ILO, 2014). A 2014 International Labor Organization report suggests that this is due mainly to a lack of policies and programs that promote the utilization of remittances for investment, including awareness-building campaigns and financial literacy training for migrating workers and families dependent on remittances.

As Table 2 details, the majority of investment-based remittance use is spent on the construction of a house or other property in Bangladesh (72%) or on the purchase of an apartment or condominium (approximately 16%).

Table 3: Investment-Focused Remittance Spent by Category in Bangladesh (2012)

Investment Category	Duration of Investment	
	Last One Year (2012) (%)	Cumulative (%)
Own Business/Industry	5.05	8.84
Joint Business/Industry	1.69	2.8
Purchase of Agriculture Equipment	0.2	0.46
Purchase of Share	0.36	0.58
Purchase of Bond (Premium/Investment/Wage Earners Development Bond)	0.1	0.27
MLM	0.11	0.15
Purchase of Flat (Real Estate)	15.89	20.83
Commercial Building Purchase/ Construction	1.26	1.36
Dwelling House Construction	72.05	59.67
Others	3.29	5.04
Total	100	100

(ILO, 2014)

Household surveys of Bangladeshi remittance-receiving households indicate a slightly higher use of remittances for investment (a reported 25.32% of remittances were reported to be received by these households and used for investment purposes). These household surveys also reveal some division-level differences in remittance-investment behavior. The highest reported use of remittances for investment purposes was reported in the Rangpur (36.63%), Khulna (31.35%), and Rajshahi (26.86%) divisions. The lowest reported use of remittances for investment purposes was reported in Sylhet (16.33%) and Barisal (21.63%) divisions. The Dhaka (25.27%) and Chittagong (23.5%) divisions were closer to the national average (25.32%).

Table 4: Use of Remittances for Investment by Division (2012)

Division	Remittance Receiving Household		
	Total	Invest	Do Not Invest
National	100	25.32	74.68
Barisal	100	21.63	78.37
Chittagong	100	23.5	76.5
Dhaka	100	25.27	74.73
Khulna	100	31.35	68.65
Rajshahi	100	26.86	73.14
Rangpur	100	36.63	63.37
Sylhet	100	16.33	83.67

(Bangladesh Bureau of Statistics, 2013)

Study participants were queried about their remittance sending behavior. Study participants reported sending on average US\$4,567 annually in remittances to Bangladesh (see Table 4 below).

Table 5: Study Respondents' Remittances Sent to Bangladesh

	In the past yr.	1yr .ago	2 yrs. ago
Mean	\$4,128	\$4,889	\$4,733
Max	\$20,000	\$20,000	\$20,000
1st Quartile	\$800	\$1,750	\$1,350
Median	\$2,000	\$4,000	\$3,500
3rd Quartile	\$5,000	\$5,000	\$5,000
Standard Deviation	\$5,058	\$4,705	\$4,716

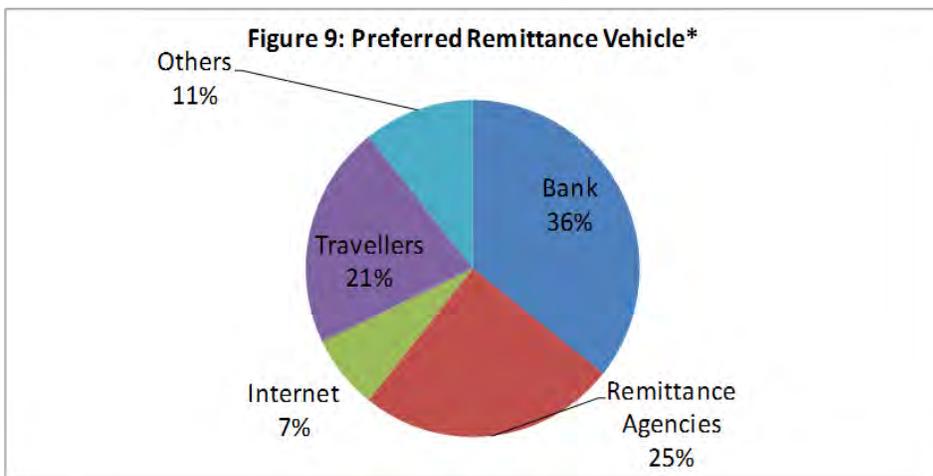
There were no significant differences between the remittance behavior of men and women in the study sample (see Table 5). Of the collective US\$ 751,450 remitted by the study sample over the past three years, female respondents sent US\$341, 700 (45%) and male respondents sent US\$ 409,750 (55%). On the surface, this may seem surprising, given that focus group

conversations suggest that within most households, males dominate financial decision-making. However, it is important to note that in these qualitative discussions with individuals in the diaspora community, the sending of remittances is viewed as a household chore. Thus, the substantial remittance-sending rates by women in the study may be more reflective of women’s participation in the task of remitting, not necessarily in the decision to remit money, how much, and to whom.

Table 6: Study Respondents’ Remittances Sent to Bangladesh by Gender

	(\$)	(%)
TOTAL REMITTANCES IN THE PAST 3 YRS.	\$751,450	
<i>Total male contribution in the past 3 yrs.</i>	\$409,750	55%
<i>Total female contribution in the past 3 yrs.</i>	\$341,700	45%

Most (60%) of the remittances sent by study respondents were reportedly sent through formal channels, but many (40%) individuals still send their remittances via informal channels.



Of those reporting sending remittances through specific formal channels, most (57%) mentioned that they preferred to send remittances through bank wire transfers with Citibank, Wells Fargo, Sonali

Exchange, or another bank. Thirty-six percent mentioned that they prefer to send their remittances through Western Union. Seven percent mentioned a preference for Moneygram.

Philanthropy & Volunteerism

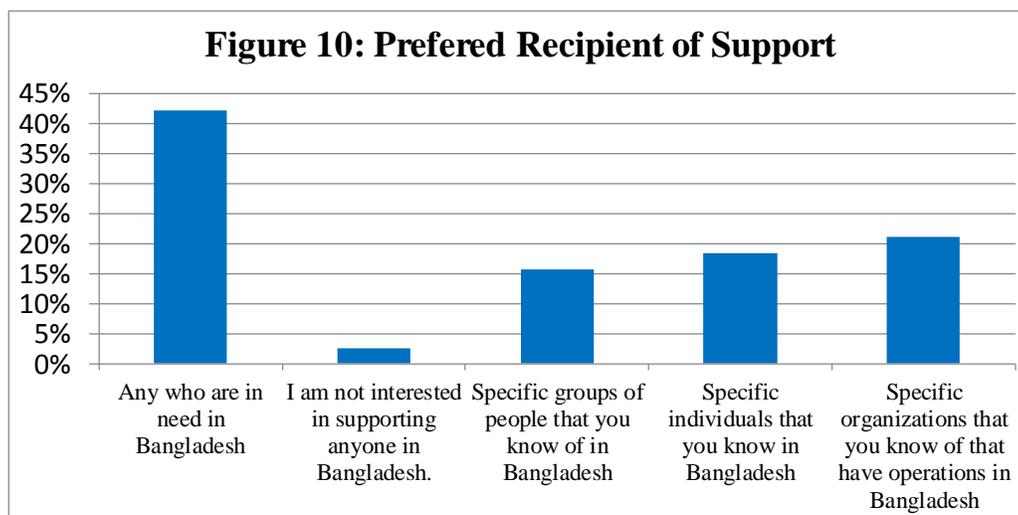
Diaspora philanthropy remains a largely untapped source of funds for social projects in Bangladesh (Asian American Federation, 2013). While most remittances are directed at the household level, a noteworthy portion is transferred as charity geared towards impoverished relatives and village residents, or community development through faith-based organizations. In

general, philanthropic support to Bangladesh is used to pay food, household essentials, education, and healthcare (Beelal, 2010).

A substantial number of US Bangladeshi diaspora organizations are engaged in small-scale philanthropy and volunteer projects both for and in Bangladesh and among the local Bangladeshi diaspora community. Interviews and focus group conversations reveal a lack of coordination and knowledge-sharing across groups about who is doing what and where. Most projects described to the research team during Phase Two of this project by US Bangladeshi diaspora community leaders were initiated by personal connections (usually familial) in Bangladesh with the US Bangladeshi diasporan providing and raising funds on behalf of the need or project in Bangladesh.

Study participants were asked questions about their giving attitudes, experience, and preferences. Study participants indicated interest in making both financial contributions (97%) and donations in-kind (59%) to individuals and groups in Bangladesh. Over half of study respondents spent at least one day volunteering in Bangladesh annually over the past three years. In that same time frame study respondents also spent on average 31 days in the United States on projects directed at Bangladesh.

When queried about to whom they prefer to direct their financial and in-kind charitable support in Bangladesh, a strong percentage (43%) indicated they were interested in providing support to anyone in need in the country (See Figure 10). Others maintained that they preferred to support a particular recipient, such as a specific organization in Bangladesh (21%), a specific individual that they know in Bangladesh (17%), or a specific group of people in Bangladesh (15%). Only four percent of study respondents indicated that they are not interested in supporting anyone in Bangladesh at all.



Seventy-two percent of study respondents reported contributing to charities in Bangladesh in the past three years. On average, study respondents contributed US\$3,930 annually over the

past three years to charities in Bangladesh; the median amount given during the period ranged from US\$2,000-US\$3,000.

Table 7: Study Respondents’ Charitable Contributions to Bangladesh

	In the past yr.	1yr .ago	2 yrs. ago
Mean	\$4,213	\$3,864	\$3,765
Max	\$24,652	\$15,000	\$15,000
1st Quartile	\$1,000	\$1,000	\$625
Median	\$2,000	\$3,000	\$2,500
3rd Quartile	\$5,000	\$5,000	\$5,000
Standard Deviation	\$5,188	\$5,791	\$3,855

A significant gender difference in charitable contributions sent to Bangladesh was found in the study sample, perhaps reflecting male dominance in the charitable decision-making process (see Table 7). In several focus groups, male participants claimed that they were the household decision-maker in charitable giving, including which charities to give to and how much to give to these organizations and their initiatives.

Table 8: Study Respondents’ Charitable Contributions Sent to Bangladesh by Gender

	(\$)	(%)
TOTAL CHARITABLE CONTRIBUTIONS IN THE PAST 3 YRS.	\$404,750	
<i>Total male contribution in the past 3 yrs.</i>	\$360,550	89%
<i>Total female contribution in the past 3 yrs.</i>	\$44,200	11%

Investment

Little is known about Bangladeshi diaspora investment in Bangladesh; this diaspora community has not been well researched in the academic or policy arena. This lack of information is particularly noteworthy given the substantial amount of remittances sent to Bangladesh from the diaspora and extensive research on diaspora investment in other parts of Asia, particularly India and China. Thus, this study investigated diaspora investment interest broadly, including interest in and experience with diaspora direct investment (DDI), such as diaspora real estate purchases, establishing a business in Bangladesh focused on exporting and/or domestic sale, and direct equity purchase of an existing business in Bangladesh, and diaspora portfolio investment (DPI), such as investing in a fund that lends money to microenterprises in Bangladesh or in a fixed-income security that would lend money to small- and medium-sized enterprises in Bangladesh (similar to the US India Diaspora Investment Initiative).

Study respondents first were queried about their level of interest in investing in various industries in Bangladesh. On a scale of one to seven, where seven indicates “Strongly Interested,” the healthcare and education industries in Bangladesh received an average attractiveness rating of 6.0 among study respondents. Clean energy (5.58), information and communications technology (5.56), sanitation/water (5.46), manufacturing/assembly (5.41), and construction and infrastructure (5.29) were viewed as somewhat attractive. Agriculture/fisheries/livestock and real estate were found relatively less attractive (5.0 and 4.3 respectively). It should be noted that the standard deviation for the mean score for real estate was twice the size of the same statistic for the other industries, suggesting greater variability among respondents’ ratings of real estate’s attractiveness for investment. This may reflect respondents’ differing experiences with and knowledge of this investment type.

Table 9: Study Respondents’ Investment Preferences by Industry

Industry	Mean	Std. Deviation
Healthcare	6.00	1.09
Education	6.00	1.15
Clean energy	5.58	1.47
Information and Communication Technology	5.56	1.69
Sanitation/Water	5.46	1.61
Manufacturing and Assembly	5.41	1.39
Construction/infrastructure	5.29	1.71
Agriculture/fisheries/livestock	5.00	1.67
Real Estate	4.43	2.06

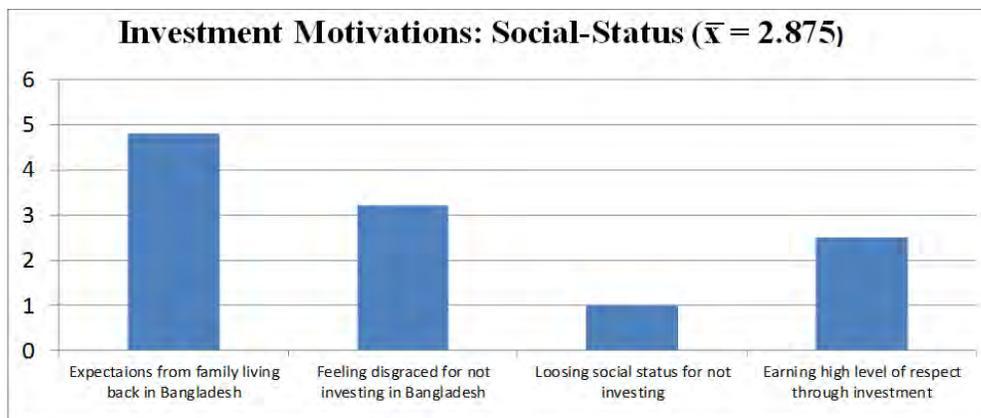
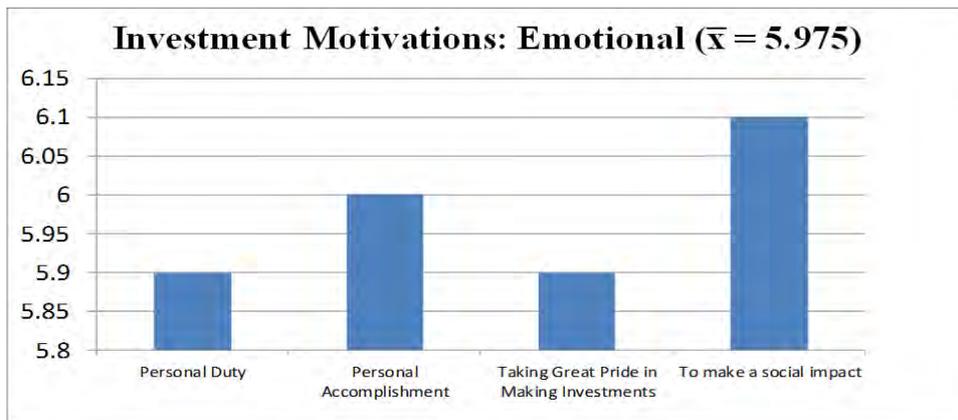
To identify the salient psychological and social motivations of US Bangladeshi diaspora investment, study participants were provided with a series of statements offering several possible motivations for investing in Bangladesh. These statements were organized around four primary motivational categories: financial, emotional, political, and social-status investment motivations. Figures 11 through 14 below present the results from these queries.

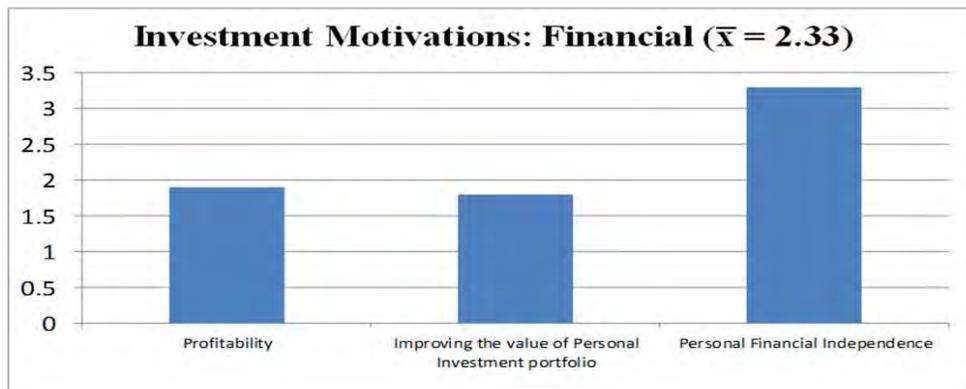
Study respondents were primarily motivated to invest in Bangladesh for emotional reasons (mean of means score = 5.975; 1= Do Not Agree At All and 7=Strongly Agree). Among the various emotional motivations for investment, study respondents most strongly agreed with the statement “I invest in Bangladesh to make a social impact.” Study respondents were also

motivated to invest in Bangladesh because doing so gives them a feeling of personal accomplishment, they feel it is their personal duty to invest, and they take great pride in their investments in Bangladesh.

Social-status concerns also are salient investment drivers in this community (mean of means score = 2.875; 1= Do Not Agree At All and 7=Strongly Agree). Study respondents report expectations from family living back in Bangladesh influence their investment decision. Many stated they would feel disgraced for not investing in Bangladesh. Some noted that they would earn a high level of respect investing back home. Few felt that they would significantly loose social status in the diaspora for not investing.

Financial concerns (mean of means score = 2.33; 1= Do Not Agree At All and 7=Strongly Agree) relatively were less important to study participants. The most important financial concern among study participants was achieving personal financial independence when they invest in Bangladesh. Political motivations of investment, such as expecting greater political influence, access and/or political protection as a result of investments made in Bangladesh were much less important to study participants (mean of means score = 1.43; 1= Do Not Agree At All and 7=Strongly Agree).





Study respondents were queried as to their level of interest in each of the following investment categories: real estate purchases for personal use, real estate purchases for rental or resale purposes, manufacturing or service enterprise for local distribution/sale, manufacturing facilities for exported goods, direct equity purchases, investment in a fund that would purchase equity, purchase of sovereign bonds issued by the Bangladesh government but marketed to the diaspora (i.e., a diaspora bond), investment in a fixed-income security that would lend funds to social-impact small- and medium-sized enterprises, and lending funds that would lend capital to microenterprises at either market or below-market rates. Respondents then were asked whether they had made any of these types of investments in Bangladesh in the past three years. Interest was noticeable across all categories: All categories other than real estate observed an interest level of at least 30% of the study sample. Interest was highest for diaspora direct investment and social-impact oriented portfolio investment options.

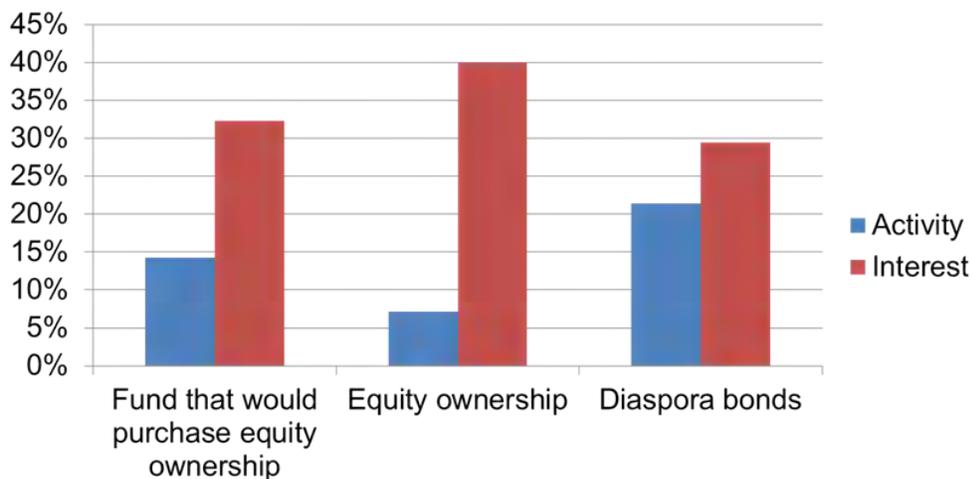
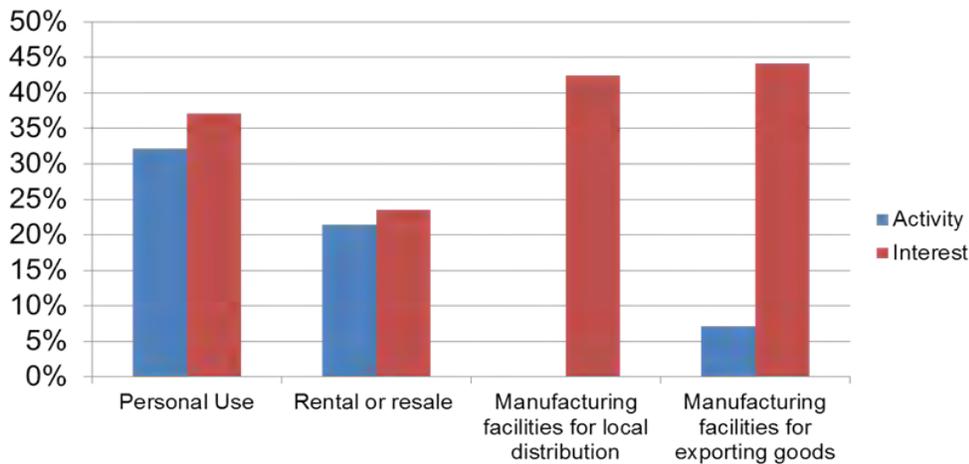
Figures 15-17 below report the percentages of study respondents who had made these investments in the past three years as well as the percentage of respondents who indicated some degree of interest (reporting 5 or greater on a scale of 1-7, where 7 = Strongly Interested). Noting the gaps between investment activity and interest provides a suggestion of potential investment opportunity.

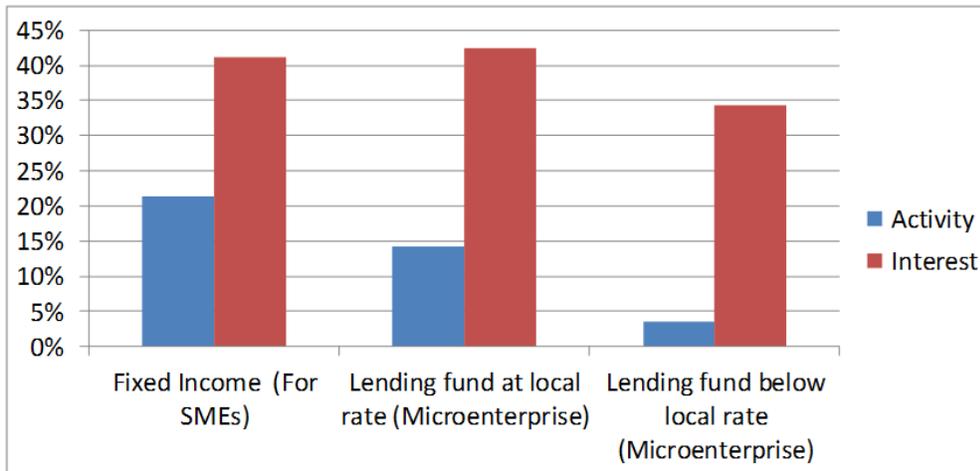
The smallest gap between investment activity and interest exists for real estate. Substantial gaps exist across all other diaspora direct investment categories, including manufacturing/services for the local market, manufacturing for export, and direct equity purchases.

Notable gaps also exist in several diaspora portfolio investment categories. Of these, the greatest interest is in contributing to a fund that would lend capital to microenterprises at local or below-market rates. A greater percentage of respondents (15%) indicate that they already are making contributions to a fund that lends money to microenterprises at market rates (compared to less than 5% giving to funds lending money at below-market rates) and interest in funds lending at local market interest rates attracted a slightly larger pool of interested respondents (40% versus 35%), although with a limited sample this difference is marginal.

There was also a noticeable gap between the level of interest in a fixed income security that would lend funds to social-impact small- and medium-sized enterprises in Bangladesh (like the US India Diaspora Initiative model). Approximately 40% of survey respondents indicated interest in this model, while about 20% reported already investing in a similar investment vehicle.

Gaps between investment activity and interest for diaspora bonds (10% gap) and equity investment funds (5% gap) relatively were smaller in comparison to other investment options in the study.

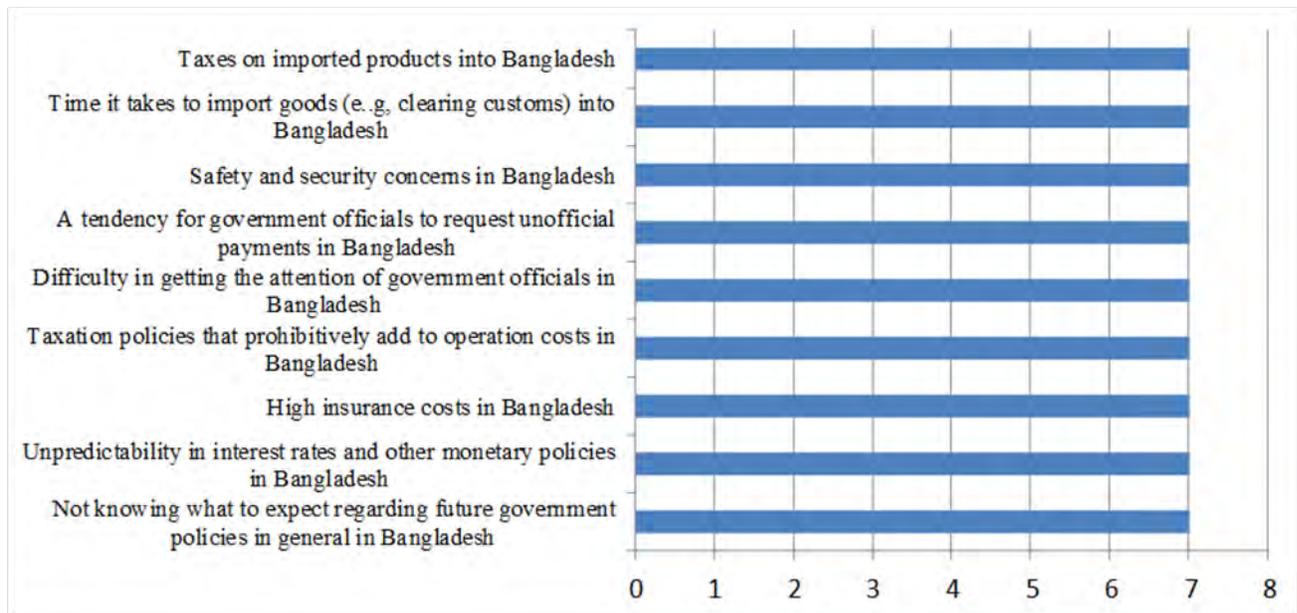




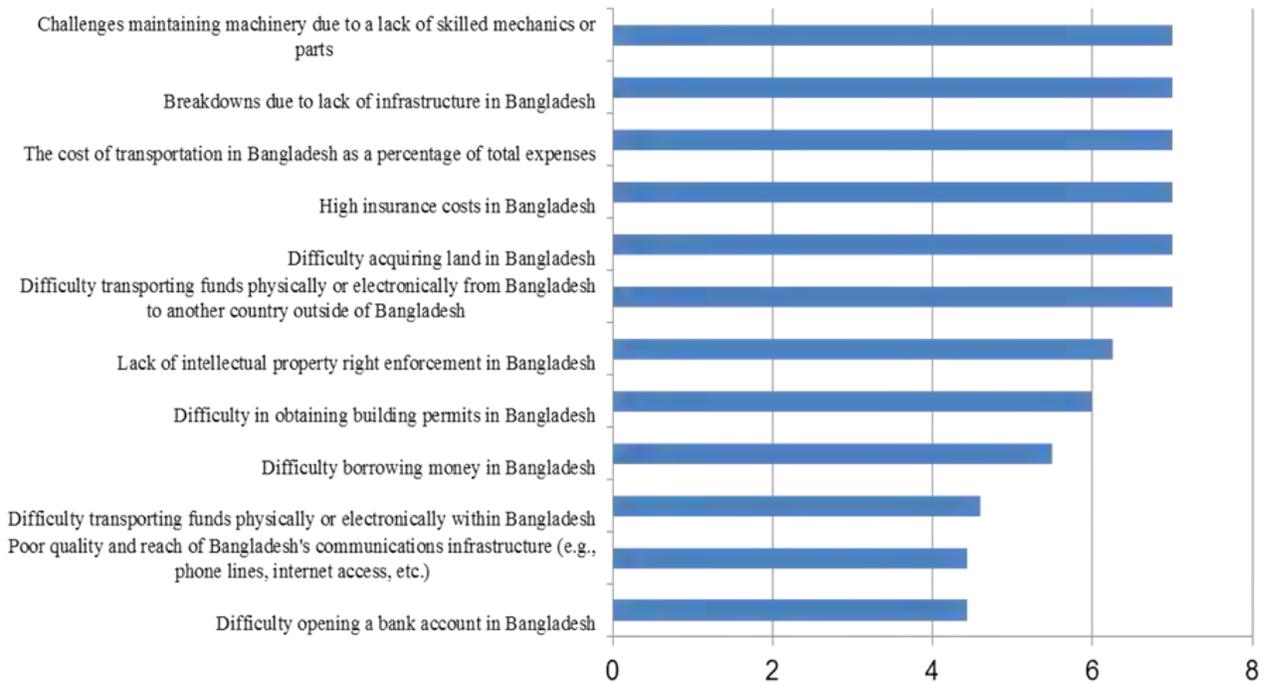
Perceived Barriers to Engagement

Phase 1 and Phase 2 research suggested a long list of potential barriers to diaspora engagement in Bangladesh. This list included several policy, infrastructure/logistics, intellectual property, financial, and human capital and relationship-oriented issues that may impede or inhibit diaspora investment in non-profit or for-profit enterprises. They also included some issues specific to USAID/Bangladesh mission interaction with the diaspora. Study participants were asked to rate each of these on a survey in which 1=Not an Obstacle at all and 7= An Extremely Important Obstacle.

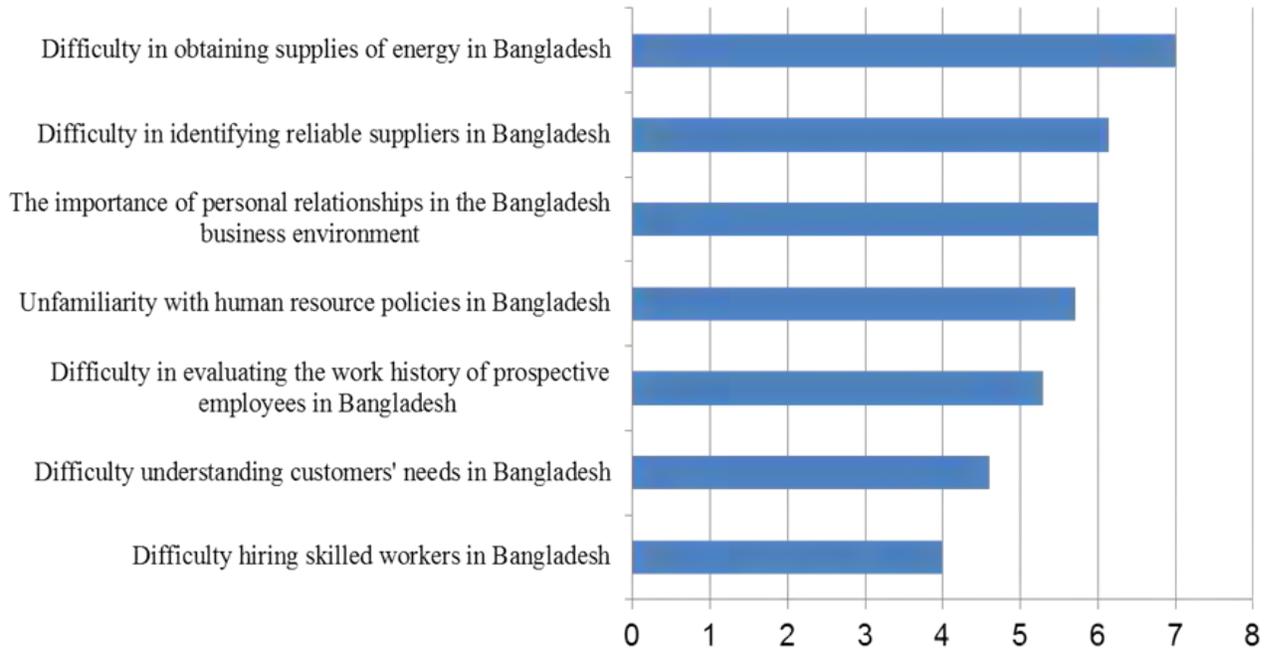
Policy issues resoundingly rose to the top of the list as extremely important obstacles. Each policy issue received an average score of 7.0 with no variation across all study respondents. These include taxes on important products, the time it takes to import goods (e.g., clearing customs), safety and security concerns, a tendency for government officials to request unofficial payments, difficulty in getting the attention of government officials, taxation policies that prohibitively add to operation costs, unpredictability in interest rates or other monetary policies, and not knowing what to expect in terms of government policies in general (see Figure 18 below).



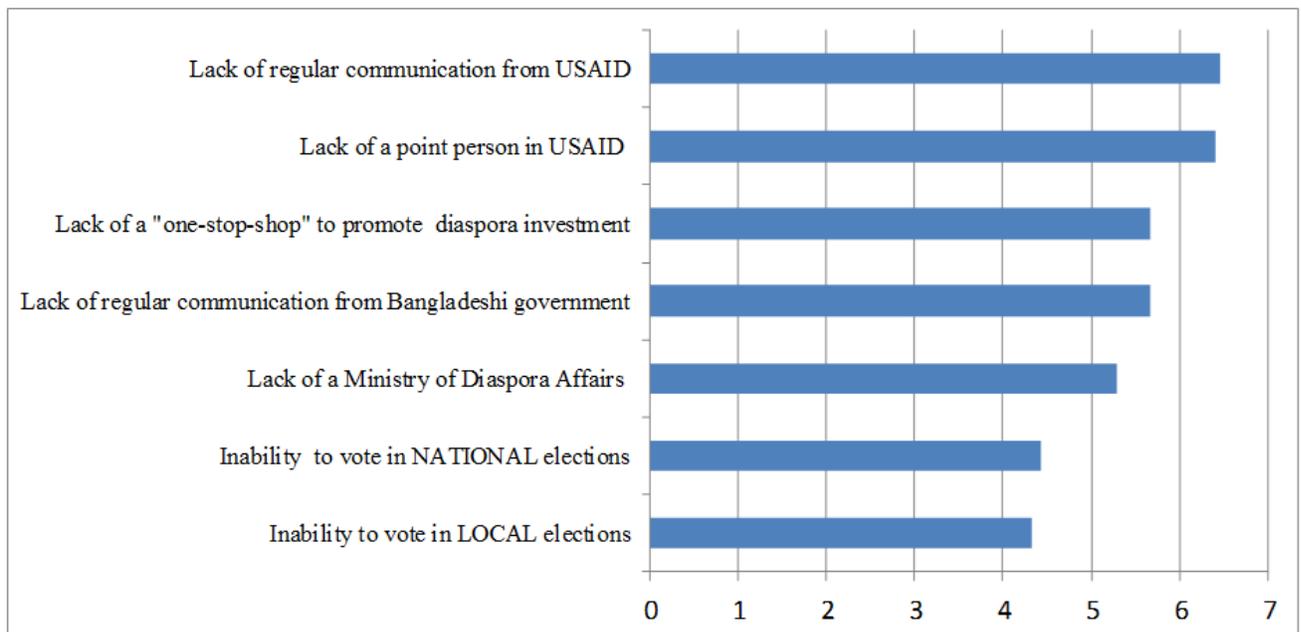
Similarly, all of the infrastructure and logistics items (challenges maintaining machinery due to a lack of skilled mechanics or parts, breakdowns due to lack of infrastructure, cost of transportation, and high costs of insurance) scored an average 7 score, indicating that these are all extremely important obstacles to diaspora engagement via investment (see Figure 16 below). Other extremely important obstacles include difficulty acquiring land and transporting funds physically and electronically from Bangladesh to another country. Lack of enforcement of property rights and difficulty obtaining permits were also noted a strong obstacles to diaspora investment. Still of concern but relatively less so are difficulties in borrowing money, transporting funds within Bangladesh, and difficulties opening a bank account.



Relationship-oriented issues were noted as some of the extremely important obstacles to diaspora investment in Bangladesh. Difficulty in identifying energy suppliers specifically, reliable suppliers in general, and the relative importance of personal relationships in doing business in Bangladesh were rated as major obstacles to investment. Unfamiliarity with human resource polices and difficulty in evaluating the work history of prospective employees also registered as important obstacles. Of lesser importance were difficulties in understanding customer needs and hiring skilled workers in Bangladesh.



Study respondents rated a lack of regular communication with USAID and a lack of a point person at USAID focused on the US Bangladeshi diaspora community as significant obstacles to diaspora engagement in Bangladesh. The lack of a “one-stop shop” to promote diaspora investment, lack of regular communication from the Bangladeshi government, and a lack of a Ministry of Diaspora Affairs were also noted as substantial obstacles to engagement. Study respondents were less concerned with voting rights, although these issues scored on average above the “neutral” range.



Demand-Side: Opportunities

Policies & Regulations in Bangladesh that Support Engagement

Given its relatively small population and size, the government of Bangladesh recognizes its diaspora members as a critical component of its long-term development. Multiple government agencies, public universities and research institutions track Bangladesh's growing population and migration as part of its planning. The government has also established and implemented diaspora policies inside the country and its embassies.² The Bangladesh government is one of the few countries in the world with a ministry dedicated to the welfare of its expatriate workers abroad.³

According to the Bangladesh Bank, a person of Bangladeshi origin is a person of Bangladeshi origin or ancestry (other than from Pakistan, India, and some other countries) who was or whose ancestors were born in Bangladesh but is not a citizen of Bangladesh and is the citizen of another country. This includes first, second and multiple generation people of Bangladeshi origin.⁴

Within this context, a large number of Bangladeshi citizens travel to foreign countries for temporary, seasonal work. The government defines this category of migrants as non-resident Bangladeshis, or NRBs. Specifically, NRBs are Bangladeshi citizens "who possess a Bangladeshi passport and have temporarily emigrated to another country for six months or more for work, residence or any other purpose".⁵ Between 1976 and 2009, over 5 million Bangladeshis migrated to work in the Gulf States between 1976 and 2009, with Saudi Arabia and the United Arab Emirates being the top country destinations.⁶

Different Bangladeshi ministries and offices were established to support NRBs, migrant workers and foreign nationals of Bangladeshi origin. These include offices in the Bangladesh Central Bank, Ministry of Foreign Affairs and the Ministry of Expatriates' Welfare and Overseas Work, including Wage Earners Welfare Board and the Bangladesh Overseas Employment and Services Limited. These offices focus primarily on providing guidance, services and policies for their expatriate workers, including worker's rights, ease of travel, and remittance sending.⁷ Their policies encourage diaspora engagement from migrant workers and remittance sending countries that have a large Bangladeshi migrant worker population.

Unlike the other regions, few NRB policies specifically target the Bangladeshi diaspora population in the United States. Unlike European or Middle Eastern based embassies, the Bangladesh Embassy to the United States has fewer NRB resources available for its diaspora but offers general guidance on travel, economic investment, trade and business.

² See for instance the Embassy of Bangladesh to Sweden and the University of Dhaka Refugee and Migration Movements Research Unit.

³ Migration Policy Institute, Committed to the Diaspora: More Developing Countries Setting Up Diaspora Institutions, November 2, 2009, Available at: <http://www.migrationpolicy.org/article/committed-diaspora-more-developing-countries-setting-diaspora-institutions>

⁴ Central Bank of Bangladesh, Definition of Non-Resident Bangladeshi, Available at: <http://www.bangladesh-bank.org/nrb/faq.php>

⁵ *Ibid.*

⁶ Migration Policy Institute, Working Hard for the Money: Bangladesh Faces Challenges of Large-Scale Labor Migration, August 9, 2011, Available at: <http://www.migrationpolicy.org/article/working-hard-money-bangladesh-faces-challenges-large-scale-labor-migration>

⁷ Policies, Ministry of Expatriates' Welfare and Overseas Workforce, May 15, 2015, Available at: http://www.probashi.gov.bd/index.php?option=com_content&view=article&id=124&Itemid=222

In interviews, research participants acknowledged the Government of Bangladesh's approach and policies towards NRBs. Ongoing public outreach, remittance management, migration and workforce policies were cited as positive indicators of the government's desire to support NRBs around the world. They considered these policies towards NRBs as straightforward, consistent and primarily focused on the migrant workforce.

Participants believed the government spends a majority of its engagement efforts on NRBs in migrant worker regions, namely South Asia, Middle East and in Europe. Some academic and non-governmental organization participants expressed frustration at the government's narrow lens with its population abroad, calling it too "short-sighted" and "burdensome" to attract NRBs from developed economies.⁸ Nearly every participant identified challenges with the enabling environment and ease of working with the government, including bureaucratic impediments, ease of doing business, corruption, trust, lack of vision with diasporas in developed economies.

They believe such policies reflected a larger issue of economic dependency on remittances and population management, arguing that the government lacks the foresight to expand its approach to include NRBs from developed economies such as the United States. One government official stated fewer engagement policies existed for NRBs in the United States because there was a lack of information and demographic data about that segment of the population.

Despite these challenges, opportunities do exist for greater engagement with diaspora organizations. The research participants expressed a desire for greater engagement and investments by creating policies designed to incentivize NRBs from the United States. The Bangladeshi-American population is viewed by the local organizations as an important but untapped source for partnership, opportunity, and wealth. Many admitted such a partnership would require different services and incentives from the government and local actors, including easing the process for doing business and establishing more NRB banks for U.S.-based diasporas.

Diaspora Engagement by Bangladesh-based Organizations

Bangladeshi-based organizations maintain strong, ongoing relationships with the Bangladeshi diaspora in the Middle East, Europe and the United States. Many academic, humanitarian, research and for profit institutions rely on diaspora counterparts and supporters for collaboration, support and training. In interviews, local actors expressed confidence and desire to work more closely with diaspora organizations and actors and find robust solutions for investment and partnership.

There are multiple avenues and opportunities to engage with U.S. based Bangladeshi diaspora and local Bangladeshi organizations. Bangladeshi diaspora engagement by other donor countries remains high but is primarily in the host country. For instance, Comic Relief UK, DFID and the Embassy of Norway in Bangladesh all indicated they work directly with Bangladeshi diaspora communities in their respective countries but mostly on capacity building and philanthropic support. Few had programs that applied diaspora talent and skills inside

⁸ Field interviews with local Bangladesh-based organizational representatives in Dhaka, Bangladesh, March 2015.

Bangladesh. When asked why they had not yet developed such programming, most admitted they had little to no engagement with the diaspora communities on this question.⁹

However, unlike the United Kingdom, the United States has a smaller, yet educated, wealthy, and impactful Bangladeshi diaspora population. It also has a handful of U.S. based private entities engaged in diaspora engagement, such as Oxfam America, the Migration Policy Institute and the International Diaspora Engagement Alliance. Potential public-private partnerships with organizations like these groups would create a unique opportunity to attract targeted philanthropic, investment and long term development projects with Bangladeshi diaspora organizations and groups for development activities in Bangladesh.

Diaspora Philanthropy & Humanitarian Assistance

The increasing frequency and reoccurrence of humanitarian disasters and crises in Bangladesh have led to stronger partnerships between various local organizations and diaspora communities. During times of crisis, diaspora members are one of the first actors to respond to emergencies and provide support. In addition to emergencies, diaspora engage in regular philanthropic measures, including providing regular, direct assistance and support to local organizations for development, such as sending supplies or serving as funders and advisors.¹⁰ These networks are critical and help keep lifelines open while governments and donor agencies work to respond.

Recent disasters and crisis, such as the Rana Plaza factory collapse and Cyclone Sidr, have prompted diasporas from developed economies to invest more heavily in response and recovery efforts. For example, in 2007, Cyclone Sidr killed 4,500 people and destroyed at least 1.5 million homes. A U.S based Bangladeshi diaspora-led initiative called the United Bangladesh Appeal was launched by twelve diaspora organizations, raising over \$300,000 for relief efforts.¹¹

Local relief and development organizations in Bangladesh also rely on regular diaspora fundraising, operational support and organizational development. Organizations like Agami and the Bangladesh Medical Association of North America help secure funds, supplies and medical assistance to Bangladesh.

Among those interviewed, the most common form of partnership existed through diaspora philanthropy and fundraising, board oversight and direct training or capacity building. These organizations view diasporas as better suited - economically, socially and politically - to fulfill larger foundational capacities of an organization while the national staff oversee daily management, planning and programming.

For instance, SpaandenB is a Dhaka-based non-profit organization that relies completely on Bangladeshi-American fundraising and donations. The founder, a local Bangladeshi, reports to a diaspora-led board based in the United States. They are responsible for oversight and

⁹ Interviews with the research team in Dhaka, Bangladesh and London, United Kingdom, March and April 2015.

¹⁰ Diaspora: New Partners in Global Development Policy, Migration Policy Institute: 2010.

¹¹ Asian Philanthropy Forum, "Asian Diaspora in the U.S. Responding in Times of Disaster", April 14, 2008, Available at: <http://www.asianphilanthropyforum.org/diaspora-respon/>

fundraising, while the local staff manage and oversee the programs. The local staff maintain full independence and autonomy on programming, policies and organizational decisionmaking. As explained by its executive director, they have a “strong partnership with our diaspora supporters through the board and their fundraising efforts. We are free to design and develop programming because we are on the ground and know what is needed.”¹²

Many wanted more direct support from diaspora members and partners like USAID, especially for new kinds of disasters and rights-based development challenges, such as access to quality education, strengthening girls’ education, and protection of basic rights.

The Volunteer Association for Bangladesh (VAB), for example, is a small Bangladeshi-based organization founded by a retired engineer from the United States who recently returned to Bangladesh. VAB relies heavily on diaspora fundraising, which has helped the organization with its programming, administration, office and equipment needs. However, VAB noted a significant decline in its diaspora giving, which they believe was related to the difficulty of conducting a fundraising campaign during the 2012 national elections. The political tensions inside the country deterred diaspora members from actively engaging in local developments.

Now, VAB recognizes that it had a significant dependence on diaspora funding which could put its operations into jeopardy if that funding were to disappear again. As a result, they have since diversified their sources of funding and are supported by the American oil company Chevron and local Bangladeshi banks. VAB is an example of a successful local organization that is open and able to scale up its programming with various donors if presented with the opportunity.

Another example of diaspora philanthropy is through Professor Abul Hussam of George Mason University. He developed a filter for groundwater that had arsenic contamination, called the SONO filter. In 2007, Professor Hussam was awarded the Grainger Challenge Prize from the U.S. National Academy of Engineering.¹³ He donated the bulk of his \$1 million award to a local organization in Bangladesh. Two-hundred fifty-thousand SONO filters have since been produced and distributed to impoverished communities.¹⁴

Academic Institutions

In the interviews, focus groups and surveys, education and access to quality education was identified as a top priority for many Bangladeshis. A number of local, private research institutions and think tanks were established by Bangladeshi diasporas from Europe, the Middle East and the United States and maintain partnerships with donors and foreign universities for research and support.

Many independent academic and research institutions receive diaspora support for research and funding, through diaspora based non-profit organizations, student associations and individual members. The American Institute for Bangladesh Studies, a diaspora supported

¹² Interview with SpaandenB in Dhaka Bangladesh, March 1, 2015.

¹³ National Academy of Engineering, 2007 Grainger Challenge Prize Winners, Available at: <https://www.nae.edu/Projects/48083/page2007PrizeWinners.aspx>

¹⁴ International Labor Organization, Reinforcing Ties: Enhancing Contributions from Bangladeshi Diaspora Members, September 23, 2014, Available at: http://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---ilo-dhaka/documents/publication/wcms_308802.pdf

institution based in Madison, Wisconsin, helps diaspora scholars travel to Bangladesh for a short or long-term basis to examine topics related to Bangladesh's development. Other U.S. based universities have recently launched similar centers and institutes focused on Bangladesh and South Asia, including the newly inaugurated Subin and Malini Chowdhury Center for Bangladeshi Studies, which opened in March 2015.¹⁵

Another example of diaspora investment and opportunity in education is with diaspora returnees who establish centers of excellence and learning institutions. For example, Professor Omar Rahman of Harvard University in Boston, Massachusetts, who after twenty-five years in the United States, returned to Bangladesh to establish an Independent University in 1993. Today, the university is a well-respected, accomplished educational institution with a wide range of academic offerings.

Despite varying levels of diaspora engagement in academia and educational institutions, there are opportunities for USAID and the diaspora communities to help strengthen their engagement, particularly where gaps in local academic and research-based institutions exist. Institutions are in need of money, human capital, training, and long-term partnerships.

First, local researchers and academics have access to data and information from a handful of centers, professional associations and networks. As noted by local organizations and diaspora organizations, limited access to information and academic journals is inhibiting their ability to develop leading research and analysis from inside the country. This gap presents an opportunity for USAID/Bangladesh to establish initiatives for diaspora academics, researchers and educational institutions to provide virtual platforms for learning and providing access to research platforms.

Second, as indicated above, while diaspora philanthropy into the academic sector is fairly high and Bangladeshi government funding is minimal, academic centers and institutions are left to rely heavily on external, often private, sources of support. Diaspora giving alone is not enough to sustain these newly established institutions and cultivate a space for academic leadership.

Public and private partnerships should exist in this regard. It should exist between USAID/Bangladesh and a U.S. based research institution, to strengthen research programming, improve access to information and research, and support researchers, academics and practitioners from all fields, including health, physical and social sciences, humanities, law, arts and literature.

Lastly, because of deep skepticism towards the government's ability or willingness to invest in independent research institutions, many research participants did not want to work directly with the government for diaspora engagement strategies. They want a credible and trustworthy international institution like USAID to work with diasporas in developed economies who have more access to educational opportunities and major universities. Diaspora professionals with

¹⁵ See for example, the University of California Berkeley Subin and Malini Chowdhury Center for Bangladesh Studies, the American Institute of Bangladesh Studies, and the Bangladesh Development Research Center.

American education and access to American networks in a partnership with the U.S. development agency were preferred terms of partnership for many of the respondents.

For Profit

Local businesses, professional associations and other for-profit entities are strong proponents of diaspora engagement, particularly with diasporas from developed economies. These local business associations and small enterprises include Bangladeshi professional staff, many of whom have traveled, studied or worked abroad in Europe or the United States for professional reasons.

When asked about the business climate and the government’s role as a partner, participants expressed concern over their ability and willingness to attract professional diasporas from different sectors and provide them with meaningful professional opportunity. As one participant said, “the government is too inward looking to see beyond its politics and corruption.”¹⁶

Despite these grievances however, these actors expressed the highest expectations and desire to partner with diasporas. Given their expertise, skill set and unique ability to navigate different markets and industries, they felt strongly that with proper regulation and management, the diaspora was best suited to serve as investors and stakeholders. Organizations like the American Chamber of Commerce and the Bangladesh Enterprise Institute emphasized the key role diasporas play in advancing investment in non-garment industries, such as technology, healthcare and banking.

Recommendations

The United States is in a unique position to engage with Bangladeshi-Americans to help advance Bangladesh’s development and America’s interests. Bangladeshi local actors and diasporas alike express deep respect and appreciation for the investments made between the people of the United States and Bangladesh. USAID continues to be viewed as a credible and trustworthy organization for partnership by both sides.

This assessment suggests USAID/Bangladesh could further develop its engagement with the US Bangladeshi diaspora through the following interventions which are described in more detail below:

Area of Support	Summary of Proposed Actions
Enhance USAID diaspora outreach and communication activities.	Coordinate with State Department and other USG or local government officials who regularly organize meetings with diaspora to participate in events according to an agreed schedule.
	Organize group meetings strategically with the leadership of complementary diaspora organizations located in close proximity to one another.

¹⁶ Interview with Bangladeshi-based research participant, March 2015.

Area of Support	Summary of Proposed Actions
	Establish regular, organized communications from USAID/Bangladesh to the diaspora including an development of an integrated marketing communications plan.
	Create and coordinate content across a quarterly electronic newsletter, a Facebook page, and a Twitter account with information of interest to diaspora.
	Utilize Instagram and YouTube channel to motivate and inform diaspora of important events, activities and information.
	Host regular listening sessions with the US Bangladeshi diaspora community through town halls, webinars, and conference calls.
	Partner with a diaspora student or other academic organization to voluntarily design the integrated communications program and assist with content creation.
	Appoint a point person from within USAID/Bangladesh to be responsible for communications program.
	Host a three year annual gathering of the US Bangladeshi diaspora to provide the opportunity for diaspora networking, knowledge sharing, and capacity development. Announce, develop, organize, and hold first event in New York in Fall 2015
	Strengthen diaspora capacity for engagement
Expand existing USAID programs in Bangladesh focused on NGO capacity building to also include US-based organizations.	
Identify existing organizations providing relevant training, partner with them, and jointly offer training to US-based diaspora organizations.	
Collaborate with select Bangladeshi organizations to provide train-the-trainer programs so they have capacity to offer training on an ongoing basis.	
Develop and deliver training curricula focused specifically on targeting women and youth participating in diaspora organizations and ways in which they can become involved in Bangladesh's development.	
Craft and regularly update a disaster-response blueprint document and disseminate it throughout diaspora organization leadership.	
Develop mobile money and e-payment services to better facilitate diaspora transfers, investment and philanthropy,	Convene a meeting that includes: representatives of diaspora organizations in the US, identify services that would better serve diaspora and their families back home and agree action plan to implement new services.
	Assess ongoing diaspora, climate change resilience and e-payments initiatives, identify synergies and gaps, and make

Area of Support	Summary of Proposed Actions
including for resilience against climate change and other disasters.	recommendations, develop action plan and implement joint activities to improve this infrastructure.
	Assess cost, regulatory and infrastructure impediments to growth in e-payments, and recommend measures, build consensus and implement activities to mitigate.
Encourage diaspora philanthropic efforts by providing more giving opportunities.	Convene a meeting between USAID and diaspora organizations to brainstorm philanthropic programs, agree one or two with which to start, and agree action plan to launch.
	Hold meeting with Aspen Institute to explore joint USAID-Aspen initiative to create a diaspora investment fund, and agree and implement an action plan.
Support increased diaspora business investment through investment promotion, new investment opportunities, and an improved enabling environment.	Conduct an assessment to explore whether existing investment promotion authorities could create programs focused specifically on diaspora and agree and implement an action plan.
	Meet Homestrings, formulate and implement an action plan for joint initiative to create “one-stop-shop” for portfolio investments for diaspora.
	Embed social investment opportunities in any new programs jointly supported through USAID-diaspora organization activities.
	Produce and disseminate education materials on how diaspora organizations can promote social investment opportunities and hold trainings jointly with diaspora organizations.
	Create, informally or formally, a list of US-based current or potential diaspora investors willing to be involved in public-private dialogue on Bangladesh’s investment enabling environment.
	Conduct an assessment of impediments to investment in the enabling environment.
	Organize a conference or roundtable in Dhaka to discuss, build common understanding, consensus for business environment reforms, and an action plan.
	Provide technical assistance to collaborate on implementing reform action plan.
Tap the diaspora for “brain gain”—work and volunteer opportunities for diaspora in Bangladesh.	Create a comprehensive Brain Gain Agenda and bring together potential partners to discuss programs and agree activities.

1) Enhance USAID/Bangladesh Diaspora Outreach & Communication Activities

The US Bangladeshi diaspora wants to hear from USAID/Bangladesh more often and in a more systematic, intentional, proactive way. There is an opportunity to capitalize on the existing relationships USAID/Bangladesh has established by developing regular methods of communication, designating a point person to lead diaspora outreach efforts and to serve as a convener of diaspora organization leadership and members in aggregate to better focus and coordinate diaspora efforts in the United States.

- **Continue to strengthen the relationship with Bangladeshi-American communities.** The efforts of the current and previous U.S. ambassadors and the respective diplomatic staff, together with the diaspora communities, have helped to engender trust and create more opportunities for partnership between USAID and Bangladeshi-American communities. These investments should continue with deeper opportunities for impact and partnership.

USAID should join the State Department in its U.S. diaspora visits to key U.S. cities. Diaspora communities are familiar with the programming and roles of each agency and have significant experience meeting with U.S. diplomats and elected officials in their respective cities. Congressman Mike Honda and members of the Bronx City Council in New York, including Assemblyman Michael Blake, regularly meet with their Bangladeshi-American constituents. With this kind of ongoing engagement and interests, there are more opportunities to deepen this relationship and advance U.S. development interests in Bangladesh with Americans of Bangladeshi origin.

- Coordinate with State Department and other USG or local government officials who regularly organize meetings with diaspora to participate in events according to an agreed schedule.
- Consider also organizing group meetings strategically with the leadership of complementary diaspora organizations located in close proximity to one another to foster a collective identity among the diaspora and identify opportunities for cooperation and partnership.

Develop regular methods of communication between USAID and Bangladeshi diaspora leadership throughout the United States. Respondents want to remain informed about USAID/Bangladesh's developments and have stronger relationships with the agency to promote U.S.-Bangladesh relations and support Bangladesh's development. Focus group participants also emphasized the importance of USAID making an effort to continue the conversation after the public official visits are over and hold them on a regular basis with community members. There was a sense of diaspora fatigue with some members of the California focus groups who felt the U.S. government needed to improve as a partner of diasporas for development. Specifically, they stated USAID should make itself more available to the diaspora communities working on projects in Bangladesh.

Study participants also voiced concern that the relationship between USAID/Bangladesh and the diaspora community may be highly dependent on a singular personality and was vulnerable when personnel or leadership changes occur. A desire for a more institutionalized approach to diaspora engagement was clearly expressed by many participants. An established set of communication channels regularly employed to communicate with the US Bangladeshi community would mitigate these concerns and also serve as a knowledge management repository, chronicling the history of USAID/Bangladesh's relationship and interaction with the US Bangladeshi diaspora community.

- Establish regular, organized communications from USAID/Bangladesh to the diaspora. An integrated marketing communications plan should be created – inclusive of one-way and two-way communication channels and multiple communication platforms – to attract and engage a broad base of diasporans with varying levels of technological prowess and different preferences for communication style and platform. Such an integrated approach will increase the reach of USAID/Bangladesh's message and help insure the message is received in today's increasingly cluttered media space.
- USAID/Bangladesh can create and coordinate content across a quarterly electronic newsletter, a Facebook page, and a Twitter account to share updates of project activities, announcements of project events to take place in the United States, information about opportunities for diaspora to get involved in USAID projects, and stories of successful diaspora contributions to development in Bangladesh.
- A USAID/Bangladesh Instagram and YouTube channel can provide motivating and informative image and video content to communicate greater detail about these issues, events, and opportunities to fully engage the audience in the issues. Links to this content can be embedded in the USAID electronic newsletter, Facebook page and Twitter postings.
- USAID/Bangladesh can also host regular listening sessions with the US Bangladeshi diaspora community through town halls, webinars, and conference calls.
- USAID/Bangladesh may seek to partner with a diaspora student or other academic organization (e.g., the Bangladesh Student Association of MIT or the American Institute of Bangladesh Studies) to voluntarily design the integrated communications program and assist with content creation. George Washington University's Center for International Business Education and Research (GW-CIBER) might also be considered a viable partner for such a project. The Center offers a course entitled "Migration, Identity and International Business" in which MBA students volunteer to design and deliver projects for government, for-profit, and non-profit organizations to improve clients' diaspora engagement strategies.

- **Assign a point person to serve as a USAID diaspora outreach and communications liaison.** USAID should assign a point person responsible for USAID diaspora outreach and communications to the Bangladeshi-American community. This liaison would be responsible for developing and managing relationships with diaspora leaders and organizations and serve as a liaison between the communities and USAID/Bangladesh.

This point person would also be responsible for developing and managing communications in diaspora, American, and Bangladeshi media platforms. Most importantly, this position would be responsible for developing and maintaining public-private partnerships with institutions focused on diaspora engagement, such as the International Diaspora Engagement Alliance and Oxfam America. USAID should also develop targeted outreach efforts to notable Bangladeshi-American individuals, including philanthropists, educators, entrepreneurs, and other high profile Bangladeshi-Americans representing the diaspora's social, economic and civic progress in the United States.

- Appoint a point person from within USAID/Bangladesh program or communications offices, agree job description, agree schedule of activities, events and outputs for first year of work.
- **Create convening opportunities to bring diaspora organization leadership and members together in aggregate to foster learning, cross-organization coordination, efficiency and effectiveness.**

USAID/Bangladesh should consider hosting an annual gathering of the US Bangladeshi diaspora to provide the opportunity for diaspora networking, knowledge sharing, and capacity development. Such an event could provide an opportunity for USAID/Bangladesh to highlight its development efforts to the broader community, build relationships with rank-and-file diaspora in a face-to-face context, and create linkages between existing diaspora organizations on the ground. Such a forum also could provide the opportunity for representatives from the Government of Bangladesh and other USAID/Bangladesh stakeholders to share with the diaspora relevant policies and initiatives that are important to the US Bangladeshi diaspora and identify opportunities for these stakeholders to strengthen and further develop their engagement with the broader US Bangladeshi diaspora community.

If undertaken, such an event should be crafted around a specific theme or outcome, stretching beyond a “meet-and-greet” opportunity. One suggestion is to announce a three-year annual convocation cycle, rotating convocation meeting locations between New York City, San Francisco/San Jose, and Dhaka, around the themes of “Partnership, Coordination & Impact” (to identify opportunities to link, coordinate, and scale existing diaspora organization and USAID/Bangladesh stakeholder activities), “New Approaches to Diaspora Philanthropy” (highlighting diaspora and USAID/Bangladesh stakeholder initiatives), and “Diaspora Investment: Past, Present & Future” (examining the important role that diaspora investment can and does play in Bangladesh).

- Announce first convocation event for New York for Fall 2015.

- Select topic, partner with Bangladeshi diaspora organizations, formulate program.
- Hold first event.

2) Strengthen Capacity of Diaspora for Engagement in Development

Many of the US Bangladeshi diaspora organizations are nascent organizations run by volunteer staff on limited donor-raised funds. USAID/Bangladesh could play an important role in developing the capacity of these organizations through funding and training mechanisms, thereby improving the diaspora’s development impact in Bangladesh.

Given that Bangladesh is highly prone to natural disasters – and that diaspora organizations typically are some of the most generous and willing-to-mobilize resources once a disaster occurs – USAID/Bangladesh has the opportunity to proactively organize its diaspora in the United States before a natural disaster strikes to further strengthen the diaspora capacity to engage post-disaster. Too often, aid organizations scramble in the aftermath of such disasters to identify viable partners in the diaspora and struggle to coordinate activities within and among these organizations. Armed with the database of 122 US Bangladeshi diaspora organizations in the United States provided in this report, USAID/Bangladesh can seize the opportunity to initiate conversations with the leadership of these organizations, share information about possible natural disaster scenarios, and plan organization-specific roles, responsibilities, and coordination functions in each scenario.

- **Provide funding and trainings to help strengthen the capacity of diaspora organizations in the provision of humanitarian assistance and development.** Bangladesh’s development needs and history of reoccurring disasters makes it a prime candidate for innovative approaches to diaspora assistance. Bangladeshi local actors and the Bangladeshi-American communities have long held, well-established practices and approaches, including fundraisers and educational centers but they are limited in capacity and resources.

Many diaspora humanitarian efforts are volunteer-run efforts with limited access to funding for organizational development and training. The costs to deliver medical supplies, food and blankets, and equipment are often borne by diaspora communities with occasional sponsorships from U.S. based companies. These sponsorships are secured through personal and professional diaspora networks, typically in cases where a member of the diaspora organization is affiliated with the sponsoring institution.

- Design a short training program on issues important for diaspora NGOs, such as:
 - Mobilizing for disaster relief.
 - Overview of humanitarian assistance—what NGOs can do to have the biggest bang for the buck.
 - Institutionalizing an NGO—strategic plans, staffing plans, rules and procedures, job descriptions, recruitment and retention, etc.
 - NGO financial management.

- Offer the training program in several high-concentration US cities over the course of a year.
- Expand existing USAID programs in Bangladesh focused on NGO capacity building to also include US-based organizations.
- **Offer certified trainings and courses through public-private partnerships.** To help improve services to local Bangladeshi communities and strengthen the role of diaspora inside Bangladesh's development activities, USAID/Bangladesh should partner with U.S. based organizations focused on diaspora engagement and offer certified trainings, programs and initiatives to strengthen their capacity in humanitarian response and development. Trainings should be provided through public-private partnerships with diaspora in development focused institutions, such as the International Diaspora Engagement Alliance and Oxfam America, and offer courses on humanitarian sphere standards, disaster risk reduction and combating climate change.
 - Identify existing organizations providing relevant training, partner with them, and jointly offer training to US-based diaspora organizations.
- **Invest in diaspora-led trainings and knowledge transfers of skills to local organizations in Bangladesh.** Despite the relative size of the Bangladeshi-American community, research shows it is a highly educated, influential group with strong networks and access to resources in the United States and in Bangladesh. Bangladeshi based organizations recognize the value of an American education and the skills gained when living and working in the United States. Many Bangladeshi-American professionals possess graduate degrees and have affiliations with top tier American colleges and universities.

For relief and development actors, they would seize training opportunities from more American partners, including USAID/Bangladesh and diaspora professionals. Trainings and transfer of skills could also exist in multi-generational settings to encourage social bonding and preservation of cultural heritage across generations.

- Collaborate with select Bangladeshi organizations to provide train-the-trainer programs so they have capacity to offer training on an ongoing basis.
- **Develop programming in partnership with diaspora organizations targeting diaspora, youth and gender mainstreaming in development.** The few women and youth focused initiatives that appeared during the study echoed sentiments from Bangladesh regarding women and girls' access to quality health and education, and the need for stronger youth programming.

With the current average age of second-generation Bangladeshi-Americans at nine years old, this demographic is on the rise. By 2030, this group will emerge as a new generation of highly networked, educated 25-year old Americans of Bangladeshi descent seeking opportunities to serve Bangladesh and America equally. Programs and

initiatives designed to capture this new bridge of partnership and opportunity are ripe with potential.

- Develop training curricula focused specifically on targeting women and youth participating in diaspora organizations and ways in which they can become involved in Bangladesh's development.
 - Offer training courses in several US cities over the course of a year.
- **Craft and regularly update a disaster-response blueprint document and disseminate it throughout diaspora organization leadership to provide a roadmap to more efficient response and resiliency post-disaster.** An initial document could be created, drawing upon previous natural disaster response experience in Bangladesh and elsewhere to outline the typical disaster-response needs on the ground and examples of diaspora disaster-response roles and impact. Such a document could be circulated to diaspora organization leadership by the USAID/Bangladesh point person and could initiate brainstorming conversations through one-on-one and group in-person meetings as well as webinar conversations. Input provided from these conversations could help USAID/Bangladesh propose specific organizational roles and seek early buy-in and understanding from the diaspora community leadership before a disaster strikes. A final blueprint document could then be generated and disseminated to diaspora organizations and other stakeholders and utilized if a disaster occurs. Plans to revisit and update the blueprint should be put in place, and if the blueprint is activated in a disaster situation, its effectiveness should be formally assessed in the post-disaster evaluation process.
 - Convene discussion through various means with diaspora and other organizations to discuss disaster relief needs.
 - Develop disaster response blueprint document that defines needs and includes a roadmap of diaspora and other organizations and their roles and responsibilities to support disaster relief.
 - Assess effectiveness of blueprint post-disaster and make any needed updates

3) Develop mobile money and e-payment services to better facilitate diaspora transfers, investment and philanthropy, including for resilience against climate change and other disasters.

Remittances are non-traditional but important sources of private external finance for developing countries, with remittances being larger than official development assistance, foreign direct investment and portfolio flows in many countries, combined. Remittance is thus a powerful force for sustainable economic development, which includes the alleviation of poverty in countries like Bangladesh.

The Government of Bangladesh has spent significant time and effort to work with MTOs and banks to extend the reach of remittances throughout Bangladesh, expanding distribution particularly in rural areas of the country. Efforts have also been focused on decreasing the cost of sending remittances as well, although many impediments remain, including high transaction fees in some cases and anti-money laundering (AML) rules that inadvertently impede low-size, low-risk transfers.

A substantial proportion of the US Bangladeshi community remits money to Bangladesh and when they do so, many prefer more formal remittance channels. What is needed are increased opportunities to leverage these important remittance inflows for development by empowering remitters with options for utilizing their remittances for investment.

- **Encourage Money Transfer Organizations to Create Enhanced Downstream Remittance Services.** The greater majority of remittance inflows to Bangladesh are currently spent on consumption; the small proportion spent on investment is focused on real estate purchases. Few banks or MTOs provide downstream remittance services, such as savings, credit, insurance, bill-pay or other remitter-designated use of transferred funds. Such services provide an opportunity – desired by many US Bangladeshi diaspora remitters – to have greater control and direction over how their money is used back home in Bangladesh. USAID/Bangladesh could encourage MTOs and banks to develop diaspora savings accounts, create new lines of credit for remittance recipients, make possibilities of greater insurance coverage possible, and insure bill payment through the use of downstream remittance financial services.
 - Convene a meeting that includes: representatives of diaspora organizations in the US that can represent the desires of members and perceptions of impediments, US-based MTOs, and Bangladesh-based MTOs and other institutions providing financial services to the poor. For example, a convocation timed to take place during the annual Global Forum on Migration and Remittances would be an ideal opportunity to convene such individuals and raise awareness in the financial and policy communities of these important issues.
 - Identify services that would better serve diaspora and their families back home.
 - Agree action plan to implement new services.

- **Launch Initiative to Merge Diaspora, Climate Change Resilience, and E-Payments Programs.** Resilience of the population during climate change-related or other disasters can be greatly enhanced with the existence of a well-functioning e-payments system through which US-based diaspora can quickly and inexpensively send money to families in remote areas in the event of an unexpected event. Given that USAID/Bangladesh places priority on all three of these agendas—diaspora engagement, climate change resilience, and e-payments—the Mission is well placed to facilitate collaboration among these efforts.
 - Conduct an assessment of ongoing diaspora, climate change resilience and e-payments initiatives, identify synergies and gaps, and make recommendations for joint activities to improve this infrastructure.
 - Convene a meeting of stakeholders in the three initiatives to discuss the assessment and agree an action plan of activities.
 - Launch collaborative initiatives bringing together these activities to improve this infrastructure.

- **Assess Cost, Regulatory and Infrastructure Impediments to E-Payments Development, and Recommend Measures to Mitigate.** Transaction fees on small e-

payment transactions, such as fees to make transfers particularly across networks, to check balances, or to cash out funds, can significantly impede the growth in use of such payments. Regulatory rules, especially anti-money laundering (AML) rules that are poorly targeted at high risks also can impede the growth of e-payment use by creating onerous bureaucratic obstacles to registering new uses. Infrastructure also can be a factor. USAID is well positioned to help Bangladesh to reduce the obstacles, particularly as they affect e-payments by diaspora.

- Assess cost, regulatory and infrastructure impediments to growth in e-payments, and recommend measures to mitigate.
- Convene stakeholders from diaspora, US-based, and Bangladesh-based e-payments institutions, to discuss the assessment, increase awareness, and build consensus and support for recommended measures.
- Support implementation of recommended measures.

4) Encourage Diaspora Philanthropic Efforts by Providing New Giving Opportunities

The notion of diaspora philanthropy, or the giving of private donations of diasporas to a wide range of causes in their countries of origin, is a longstanding practice within immigrant and multigenerational groups around the world.¹⁷ For diasporas, philanthropy extends between active community giving at the local level of the countries they have adopted as well as inside their country of origin.

Diaspora philanthropy occurs at various levels and can take on different forms depending on the diaspora community and its relationship with the country of heritage. The most common types of diaspora giving occur through individuals, informal and formal channels, and grassroots or established organizations. The most recognizable form of diaspora philanthropic activity is the sending of remittances, through individuals or groups, to their home country of origin.¹⁸ This is often a direct and reoccurring form of charity within diaspora communities. However, philanthropic practices vary across different diaspora groups and many forms of philanthropy exist.

Other common forms of diaspora giving include investing in short and long-term projects for their local community of origin, fundraisers for disasters or emergencies, contributing to a cause of personal importance benefiting members of their community in their adopted or home country, and volunteering one's time to perform service for others. A study by the Worldwide Initiatives for Grantmaking Support revealed that for the Bangladeshi, Pakistani, Indian and Thai diaspora members surveyed, religion was a driving factor that shaped their concept of giving through zakat and charity.¹⁹

¹⁷ Diaspora Philanthropy, Migration Policy Institute, 2010.

¹⁸ Ibid.

¹⁹ Worldwide Initiatives for Grantmaking Support and The Philanthropic Initiative, http://www.tpi.org/sites/files/pdf/global_institutional_philanthropy_a_preliminary_status_report_-_part_one.pdf

Social Investment Philanthropy

High net-worth forms of giving are also emerging within the Bangladeshi diaspora. In a 2014 study, the UK-based Charities Aid Foundation surveyed 1,000 high net-worth donors, assessing their motivations for giving. Of those respondents, 250 identified as having roots in the Indian subcontinent or the Asia Pacific region, including Bangladesh.

The results from the 250 respondents compared to the rest of the group revealed that “diaspora donors” were more likely to volunteer, fundraise and use social investment models to make the most of their resources. Diaspora donors from the Indian subcontinent shared a common empathy for the widening gap between the rich and the poor. As such, the study revealed that social investments comprised approximately 11 percent of philanthropic activity for those diaspora donors from the Indian subcontinent. This was compared to six percent from the Asia Pacific and 4.6 percent for non-diaspora donors.²⁰

It is this heightened sense of social responsibility and awareness that attracts diasporas to invest in schemes addressing the root causes of poverty, inequity and suffering. As income levels rise within these newer diaspora communities, it should be assumed that more high-net worth Bangladeshi diaspora philanthropists will make social investments to address Bangladesh’s long-term developmental needs.

Fundraising Philanthropy: Rana Plaza Garment Factory

On April 24, 2013, the Rana Plaza garment factory in Savor town, Dhaka collapsed, killing 1,129 workers and injuring 2,515 more. As is the case with natural disasters, the first international responders to the recovery efforts were members of the members of the Bangladesh diaspora. They held fundraisers, delivered supplies and supported local recovery efforts through diaspora organizations. One example of this type of diaspora philanthropy came from The Optimists, a New York based non-profit organization whose mission is to “salvage the children whose hopes, possibilities and future have been snatched by poverty, broken families, lost parents and numerous anomalous social conditions”.²¹

After the collapse, The Optimists organized a series of online and in-country fundraisers to support relatives who lost loved ones in the collapse. By January 2014, they had raised funds to support eighty-one children who had lost a sister or mother as part of the newly launched fundraising program, Rescue Savor’s Future.²² The program has since been expanded to an eight-year program to aide the children until 2021.

Cause-Related Philanthropy

In addition to high net-worth giving and fundraising, Bangladeshi diaspora groups also perform philanthropic activities for cause-related purposes. This type of giving focuses on a specific

²⁰ Charities Aid Foundation, International Giving: How British Donors Whose Roots Stretch Around The World Are Creating An Impact With Their Pioneering Spirit, August 21, 2014, Available at: https://www.cafonline.org/PDF/CAFFPhilanSeries_IntRpt_1159N_WEB_210814.pdf

²¹ Optimists website, <http://www.theoptimists.org/aboutus>

²² <http://www.globalgivingresource.com/blog/trends-in-diaspora-philanthropy-as-represented-by-the-optimists-of-bangladesh-and-usa/>

issue or cause affecting their communities in their country of origin and tends to operate through an organization who has committed to the cause as part of its mission.

One example of cause-related philanthropy is with Agami, a California-based non-profit organization whose mission is to focus on effecting lasting socio-economic change in Bangladesh through education.²³ As Agami's vice-president, Dr. S Mahmudul Hassan explains, "[E]ducation is the only tool that will bring the children of Bangladesh out of the darkness of poverty and into a bright future."²⁴ With this view, Agami's philanthropic efforts aim to support basic education in poor rural communities and urban slums by providing educational materials, access to education and support and an end goal of creating self-sufficiency in these areas.²⁵

Volunteerism-Related Philanthropy

Another type of philanthropy is with the giving or donating of one's time. According to the Migration Policy Institute, it is estimated that approximately 1 million Americans volunteer abroad each year. This number includes approximately 110,000 immigrants and 76,000 second-generation immigrants.²⁶ For many of these immigrants, the desire to volunteer and perform charity in their country of origin is high. Unfortunately, opportunities remain limited and often small scale. However, there are non-profit organizations that offer programming for diaspora volunteers to perform charity work for projects in their country of heritage.²⁷

Bangladeshi diaspora organizations and communities regularly volunteer as a philanthropic activity, either in their local diaspora community or in their country of heritage. Nearly every diaspora organization in this study is volunteer-led with board members and staffers overseeing the programs and fundraising.

Diaspora leaders explained they felt compelled to give back and resolved to do so anyway they could by using their time, talent, and treasure. Second-generation Bangladeshi diaspora emphasized during the focus group study that volunteering in Bangladesh allowed them to learn about their cultural heritage, serve communities in need and embrace their diaspora heritage as Americans of Bangladeshi descent.

Through diaspora organizations, US Bangladeshi diasporans are engaging in social-investment, fundraising, cause-related, and volunteer models of philanthropy. Oftentimes these efforts are highly localized and limited in scope. Beyond developing the capacity and effectiveness of existing diaspora organization efforts in these areas, USAID/Bangladesh could also consider creating opportunities to scale diaspora philanthropic efforts for a greater development impact.

- **Establish short and long-term partnerships between USAID, private institutions and first- and second-generation members for volunteerism, education,**

²³ Agami website

²⁴ Diaspora Philanthropy in Bangladesh

²⁵ Agami website, <http://www.agami.org/about>

²⁶ Migration Policy Institute, Connected through Service: Diaspora Volunteers and Global Development, August 2010. Available at: <http://www.migrationpolicy.org/research/diaspora-volunteers-and-global-development>

²⁷ See VSO-UK and Cuso International

mentorship and research opportunities. Respondents expressed their desire to establish social investment models that would attract first- and second-generation diasporas through educational exchanges, service projects, voluntourism and knowledge transfer of skills, specifically as members of the American public.

- Convene a meeting between USAID and diaspora organizations to brainstorm programs, agree one or two with which to start, and agree action plan to launch. Given the larger size (300,000+) and similar income and education levels of the Bangladeshi diaspora in the United Kingdom, USAID may wish to include DIFD in these brainstorming programs, to broaden the market for and potential impact of such opportunities
- **Support a Diaspora-Advised Fund to aggregate pools of capital for impact grants awarded to non-governmental organizations in Bangladesh.** This study indicates an interest among a significant number of US Bangladeshi diasporans in giving to anyone in need in Bangladesh. Diasporans are seeking emotional and social-status returns on their investments in Bangladesh. Many US Bangladeshi diasporans currently are engaged in charitable giving and volunteer efforts. Thus there is an appetite for philanthropic activity in this diaspora community but few opportunities to scale capital for broad and significant development impact.

A diaspora-advised fund based in the United States could aggregate capital among the US Bangladeshi diaspora community and create tax-advantaged pathways for capital flows from the diaspora to Bangladesh. In such a model, US Bangladeshi diasporans could make tax-deductible donations to a fund that is advised by a group of US Bangladeshi diaspora leaders. The raised capital could, in turn, be invested (for example in US equities, US income securities, local money markets, local equity funds, etc.). This capital pool could also possibly be matched by funds provided by US corporate sponsors as part of their corporate social responsibility programs. The capital pool could provide impact grants to local non-governmental organizations vetted by USAID/Bangladesh. Given study results, it is recommended that an emphasis be placed on providing grants to education and healthcare-related organizations.

The Aspen Institute's Diaspora Alliance currently is launching diaspora-advised fund projects with the US India, Kenya, and Filipino diaspora this year and is considering developing a pilot project with the US Bangladeshi diaspora community.

- Hold a meeting with the Aspen Institute to explore joint USAID-Aspen initiative to create a diaspora investment fund, and agree an action plan.
- Implement action plan.

5) Encourage Diaspora Business Investment through Diaspora Investment Promotion, New Investment Opportunities, and an improved enabling environment.

The US Bangladeshi diaspora has made substantial investments in the real estate sector in Bangladesh. Interest in other forms of investment – direct and portfolio – exists, although reported levels of interest outstrip current investment activity. Many US Bangladeshi diasporans say they are taking a wait-and-see approach to business investment in the country, noting concerns and uncertainty about the business-enabling environment in Bangladesh. Others argue that investment has waned because potential diaspora investors are uncertain of specific, trustworthy and reliable investment opportunities in the country. What potential investors need is better access to reliable and targeted information about investment opportunities in Bangladesh and attractive models of social-impact investment for development.

- **Support diaspora direct investment promotion efforts of the Government of Bangladesh.** Although many potential Bangladeshi diaspora investors and entrepreneurs are well-educated and highly skilled, many are engaging in cross-border investment and new-venture creation for the first time. Diasporans less familiar with and connected to the country-of-origin might require greater information-provision assistance and relationship brokering to decrease their uncertainty about the investment or venture and to contribute to the growth and development of the enterprise.

Navigating bureaucratic red tape and establishing business operations in a country is always challenging but can be particularly daunting for diasporans who have never lived in the country-of-origin, have lived abroad for a number of years, or know few people in the country. Potential diaspora investors and entrepreneurs often need more than just access to market and operational information and a one-stop-shop for paperwork processing to turn their business idea into a successful, tangible operation in the country-of-origin. They need trustworthy, reliable contacts, including key government officials, real estate brokers, bankers, buyers, suppliers, distributors, management and tax consultants, and individuals and organizations who can assist the diasporan with his/her human resource management, marketing, and legal needs.

To decrease the complexity and opaqueness often associated with establishing business operations in a foreign country, many countries have set up diaspora investment promotion organizations (or subgroups in existing investment promotion agencies dedicated to diaspora investment issues) for potential investors or entrepreneurs that help guide them through the requisite process and paperwork. These types of organizations also often conduct syndicated market research and disseminate studies about national industries, consumers, and organizational buyers, which can be particularly useful to diaspora investors and entrepreneurs who are less familiar with the market and operational environment in the country-of-origin. These organizations also host convening events, bringing potential investors, buyers, suppliers, and partners together and often provide one-on-one relationship brokering services for potential diaspora investors. USAID/Bangladesh may consider working with Bangladesh's Board of Investment group to assist the organization in developing its diaspora investment-

promotion activities. Given the large size and potential investment potential of the Bangladeshi diaspora in the United Kingdom, there may also be potential for cooperation with the UK's Department for International Development on this initiative.

- Conduct an assessment to explore whether existing investment promotion authorities could create programs focused specifically on diaspora. Agree an action plan.
 - Provide technical assistance to implement action plan.
- **Create a “one-stop-shop” for portfolio investment opportunities for Bangladeshi diasporans seeking to invest in Bangladesh.** USAID/Bangladesh could create or invest in an existing electronic platform to provide a catalog of vetted investment opportunities to the Bangladeshi diaspora community. Such a platform could provide diaspora investors with a trustworthy vehicle through which their funds can be invested into equity, fixed-income and other investments in Bangladesh.

USAID currently partners with Homestrings (www.homestrings.com), which already provides such a service to Africa and Central European diaspora investors. Homestrings is currently expanding its operations into Asia. USAID/Bangladesh may consider cooperating with Homestrings to develop the Homestrings platform and market opportunities therein to the Bangladeshi diaspora community not just to the US Bangladeshi community but globally.

- Meet Homestrings. Formulate action plan for joint initiative to create “one-stop-shop.”
- **Create social investment opportunities focused on leveraging diaspora commitments to humanitarian response, education, philanthropy, technology and innovation.** As evidenced in the survey data and research, Bangladeshi-American diasporas are invested in helping support Bangladesh's development. Fundraising appeals and emergency support are to be expected, but at a deeper level, they care about social impact and supporting projects that promote service, assistance, access and inclusion.

Given the nature and sizeable impact of Bangladeshi-American giving, significant opportunities exist to attract more innovative social investments that benefit the social good, support USAID's mission to end extreme poverty, promote resilience and offer greater ownership by local organizations. Bangladeshi diaspora philanthropists, tech leaders, college students, and entrepreneurs would want to see social investment models that not only provide relief and support to local communities but that also empower the Bangladeshi society, validate their diaspora experience and preserve the culture and heritage of Bangladesh.

- Embed social investment opportunities in any new programs jointly supported through USAID-diaspora organization activities.
- **Support the development of social-impact investment models for Bangladesh.** USAID/Bangladesh can help promote and facilitate diaspora investment in Bangladesh

by supporting the development of diaspora business investment models that emphasize a social-impact. Such models could be supported or developed by USAID/Bangladesh, providing a trustworthy “brand” effect and improve marketing reach and scope.

USAID/Bangladesh might explore the possibility of replicating the US Indian Diaspora Investment Initiative in Bangladesh. This initiative includes a fixed-income investment offered by the Calvert Foundation that loans money (raised through community notes that are marketed to the Indian diaspora) to small- and medium-sized enterprises in social-impact sectors in India.

Crowdfunding investment platforms may also be another conduit for aggregating US Bangladeshi diaspora capital for business investment in Bangladesh. For example, the Aspen Institute is developing a specific investor crowdfunding vehicle that will allow accredited and non-accredited diaspora investors the opportunity to invest in small- and medium sized enterprises within corporate supply chains that adhere to specific environmental and social responsibility guidelines.

- Produce and disseminate education materials on how diaspora organizations can promote social investment opportunities.
 - Hold trainings jointly with diaspora organizations.
- **Promote an Improved Enabling Environment for Diaspora Investment.** While many obstacles that diaspora investors face in Bangladesh are common to those faced by all investors, some uniquely affect diaspora investors. Also, diaspora investors can be particularly positioned to speak to government authorities about these impediments, as they share a common language and culture and may be seen less as outsiders dictating reforms. Diaspora investors can be an important ally for USAID in engaging the Government of Bangladesh on enabling environment reforms.
 - Create, informally or formally, a list of US-based current or potential diaspora investors willing to be involved in public-private dialogue on Bangladesh’s investment enabling environment.
 - Conduct an assessment of impediments to investment in the enabling environment. This assessment can consider: business registration; repatriation of profits; ownership of companies, equipment, and land; taxation; labor rules; currency controls; and other issues.
 - Organize a conference or roundtable in Dhaka to discuss, build common understanding, consensus for reforms, and an action plan.
 - Provide technical assistance to collaborate on implementing reform action plan.

(6) Tap the diaspora for “brain gain”—work and volunteer opportunities for diaspora in Bangladesh.

While much has been written over many years about the negative impact of “brain drain” from developing countries, the flip side of this phenomenon is the positive possibility for “brain gain”, when diaspora who have gained new knowledge and skills return to their home countries to use what they have learned to help with development. The highly educated and highly skilled US-based Bangladeshi diaspora is particularly well placed to provide such brain gain.

- Create a comprehensive Brain Gain Agenda. This should include lists of diaspora organizations interested in such programs, assessment of opportunities for receiving short- and long-term workers and volunteers in Bangladesh, and outlines for proposed programs.
- Bring together potential partners to discuss programs and agree activities—diaspora organizations that can supply workers and volunteers, and Bangladeshi organizations seeking to make use of such resources.

Conclusion. Building on a successful history of cooperation with the US Bangladeshi diaspora community, USAID/Bangladesh is well poised to further develop this trusted relationship. Through these recommended approaches, USAID/Bangladesh will build even stronger within-diaspora linkages and cooperation, provide new opportunities for philanthropy and investment, and support the voice of the diaspora with the Government of Bangladesh and other USAID/Bangladesh stakeholders to pave the way for a brighter future for Bangladesh.

Appendices

Appendix 1: List of Diaspora Organizations Contacted

Appendix 2: Final Interview Protocol

Appendix 3: Final Focus Group Protocol

Appendix 4: References

Appendix 5: Final Survey Instrument

Appendix 1: List of Diaspora Organizations Contacted

Arizona	
<i>Community</i>	Bangladesh Association of Phoenix
<i>Cultural</i>	Bangladesh Theater of Arizona
<i>Professional</i>	American Association of Bangladeshi Engineers and Architects
<i>Social Services</i>	Charity Organization of Bangladeshi Arizonans
California	
<i>Community</i>	Bangladesh Association of Los Angeles
	Bangladesh Puja Committee of Northern California
	Greater San Diego Bangladesh Association
	Little Bangladesh Improvements
	Bay Area Bangladesh Association Inc.
<i>Cultural</i>	Dakshini Bengali Association of California
	Ogrojatra- Bangladeshi Association for San Diego and Vicinity
<i>Development</i>	Agami
	Hridoya Bangladesh
	SpaandanB
<i>Faith-Based</i>	Bangladesh Buddhist Society of California
	Bangladeshi Adventist Society of America
<i>Human Rights</i>	Human Rights Congress for Bangladeshi Minorities
<i>Humanitarian</i>	Bangladesh Relief Fund
	Educational Charitable Humanitarian Organization (ECHO)
<i>Media</i>	Porshi
<i>Networking</i>	Bangladesh Unity Federation of Los Angeles
<i>Professional</i>	American Association of Bangladeshi Engineers & Architects - Silicon Valley Chapter
	Bangladesh Medical Association of North America – CA
<i>Students</i>	Bangladesh Students & Alumni Association of California
<i>Women</i>	Bangladesh Women’s Organization of California
<i>Youth</i>	Youth Association of Bay Area Bangladeshis)
Connecticut	
<i>Professional</i>	Bangladesh Medical Association of North America Connecticut Chapter
District of Columbia	
<i>Civic Participation</i>	US Bangladesh Advisory Council
<i>Community</i>	Bangladeshi Association of America Inc

Florida	
<i>Community</i>	Bangladesh American Foundation of Central Florida
	Bangladeshi American Society of South West Florida (BASSFL)
<i>Development</i>	Hope Foundation for Women and Children of Bangladesh
<i>Professional</i>	Bangladesh American Chamber of Commerce
	Bangladesh Medical Association of North America Florida Inc.
Georgia	
<i>Community</i>	Bangladeshi-American Association of Georgia
<i>Cultural</i>	Bangladesh Cultural Society of Georgia
<i>Professional</i>	Network of Young Bangladeshi American Professionals
<i>Sports</i>	Bangladesh Sports Federation of Georgia
Illinois	
<i>Community</i>	Bangladesh Association of Chicagoland
<i>Faith-Based</i>	Bangladesh Islamic Community of Greater Chicago
Indiana	
<i>Students</i>	Bangladesh Student Association of Purdue University
Kansas	
<i>Community</i>	Mid Continent Bangladesh Association of Kansas Inc.
Louisiana	
<i>Professional</i>	Bangladesh Medical Association of North America
Massachusetts	
<i>Community</i>	Bangladesh Association of New England
<i>Development</i>	Book Drive for Bangladesh
	One Horizon Bangladesh Inc.
	The Society to Help Education in Bangladesh International Inc.
<i>Faith-Based</i>	Bangladesh Islamic Society of New England
<i>Media</i>	Boston Bangla News
<i>Students</i>	Bangladesh Student Association at MIT
Maryland	
<i>Community</i>	Bangladesh Association of America, Inc.
	Bangladesh Society of America Inc.
	Bangladesh Society of Washington D C

<i>Faith-Based</i>	Bangladesh Christian Association Inc.
<i>Professional</i>	American Society of Bangladeshi Microbiologists Incorporated
Michigan	
<i>Development</i>	Foundation for Charitable Activities in Bangladesh
<i>Faith-Based</i>	Bangladesh Hindu Cultural Organization
<i>Professional</i>	American Association of Bangladeshi Engineers & Architects - Michigan Chapter
	Bangladesh Medical Association of North America Michican Chapter
Minnesota	
<i>Faith-Based</i>	Lutheran Health Care Bangladesh-Usa
Missouri	
<i>Community</i>	Bangladesh Association of Greater Kansas City
	Bangladesh Association of Greater St. Louis
North Carolina	
<i>Professional</i>	Bangladesh Medical Association of North America
New Jersey	
<i>Community</i>	Bangladesh Association of New Jersey Inc.
<i>Development</i>	America Bangladesh Medical Inc.
	Smile Bangladesh
<i>Faith-Based</i>	Bangladesh Christian Charity USA
<i>Youth</i>	Bangladeshi American Youth Association – BAYA
New York	
<i>Civic Participation</i>	Bangladeshi American Democratic Society, Inc.
<i>Community</i>	Bangladesh American Community Council
	Bangladesh Community Welfare Organization Inc.
	Bangladesh.i.Circle
	Bronx Bangladesh Women's Association
	American Bangladesh Friendship Association Inc.
	Bangladesh Association of New York
	Bangladesh Society Inc. New York
<i>Cultural</i>	Bangladesh Institute of Performing Arts Inc
	Bangladesh Puja Samiti of New York Inc.
	Bangladeshi Heritage Inc.
<i>Development</i>	Volunteers Association for Bangladesh
<i>Faith-Based</i>	Bangladesh Muslim Center Inc.
	Bangladesh Hindu Mandir
<i>Humanitarian</i>	Bangladesh Orphans Center

<i>Philanthropic</i>	The Optimists
<i>Professional</i>	American Association of Bangladeshi Engineers & Architects NY NJ CT
	Bangladesh Medical Association of North America
	Bangladeshi American Pharmacists' Association (BAPA)
	Charity Organization of Bangladeshi Arizonans
	Jackson Heights Bangladeshi Business Association of NY Inc.
<i>Social Services</i>	Bangladeshi American Community Development & Youth Service
	Organization of Bangladeshi American Community Inc.
	Bangladesh American Association for Rehabilitation in New York
<i>Students</i>	American Youth and Students Association of Bangladesh
<i>Youth</i>	United Bangladeshi American Youth Association Inc.
Ohio	
<i>Community</i>	Bangladesh Association of Central Ohio
<i>Development</i>	Bangladesh Environment Network
<i>Students</i>	Bangladeshi Students Association of Ohio
Oklahoma	
<i>Development</i>	Bangladesh Educational Foundation Inc.
	Bestow Blessings on Bangladesh Children Foundation
Pennsylvania	
<i>Community</i>	Bangladesh Association of Pennsylvania Bangladeshi American Association of Western Pennsylvania
Tennessee	
<i>Community</i>	Bangladesh Association of Nashville Bangladesh American Nashville
<i>Faith-Based</i>	North American Bangladeshi Islamic Community
Texas	
<i>Community</i>	Bangladesh Association Houston Bangladesh Association of Greater Austin Bangladesh American Center Bangladesh American Society of Greater Houston Bangladesh Association of North Texas Bangladeshi Expatriate Society of Texas
<i>Faith-Based</i>	Bangladesh Muslim Foundation
<i>Networking</i>	Federation of Bangladeshi Associations in North America (FOBANA)

Virginia	
<i>Community</i>	Bangladesh Center for Community Development Inc. Bangladesh Association of Hampton Roads Inc.
<i>Development</i>	Teach for Bangladesh
<i>Faith-Based</i>	Bangladesh Islamic Center
Washington	
<i>Academic</i>	Bangladesh Development Initiative
<i>Faith-Based</i>	Bangladesh Christian School Sponsorship of America Bcss
Wisconsin	
<i>Academic</i>	American Institute of Bangladesh Studies

Appendix 2: Final Interview Protocol

BANGLADESHI DIASPORA INTERVIEW REPORT

NAME OF INTERVIEWER

DATE/LOCATION

NAME, JOB TITLE, AND ORGANIZATIONAL AFFILIATIONS OF INTERVIEWEE

KEY INTERVIEW QUESTIONS

The objective of the interview is to learn what organizations and individuals are doing now to invest in Bangladesh – and what they would like to do in terms of investment but feel currently unable to do. Investment includes financial capital (money in for-profit, social entrepreneurship and not-for-profit ventures and organizations) and human capital (volunteerism). In the interview policy, regulatory, and other perceived obstacles to investment should be identified and explored.

1. (If diaspora organization leader) Does your organization promote or facilitate diaspora investment in Bangladesh? If so, what and how? If not, why not? (If an individual) Are you currently or have you ever engaged in philanthropy, investment, or other development support in Bangladesh? If so what and why? If not why not?
2. Beyond what you or your organization are doing, what other types of investments have you heard about that are being made by non-resident Bangladeshis in Bangladesh? Have these been success stories? Why or why not?
3. What do you think Bangladesh needs in terms of investment? Are there specific industries or sectors, geographic areas, etc. that are be particularly capital-needy?
4. To what extent do you think the diaspora will be willing to invest in these important areas? Why or Why not? Are there other areas that the diaspora prefers to invest in?
5. Do non-resident Bangladeshis perceive any obstacles or challenges that might prevent or inhibit them from engaging in investments in Bangladesh? What and why? How likely do you think that any of these issues can be changed?

OTHER USEFUL INFORMATION

Appendix 3: Final Focus Group Protocol

BANGLADESHI DIASPORA FOCUS GROUP PROTOCOL

DATE/LOCATION

New York I 4/4/2015, Los Angeles 4/16/2015, San Jose 4/18/2015, & New York II 5/2/2015

RECRUITMENT

Each group will include 5-12 Bangladeshi diasporans living in the United States recruited with the help of various different partner diaspora organizations identified by the research team.

Each group also will include individuals representing a diverse mix of gender, occupations, income, and interest/experience in investing in Bangladesh.

TIMING

10:00am-10:10am	Participants arrive, are greeted by research team, are provided snacks and are asked to complete a short survey (demographics & investment activity ~10 min)
10:10am-10:15am	Participants are invited to join moderator at conference table at their designated (with nameplate) spot. Moderator provides an overview of the focus group activity and “rules of the game.” (~5 min)
10:15am-10:35am	Introduction (Q1) and transition question (Q2) are discussed. (~10 min each)
10:35am-10:50am	Key question Q3 is discussed (~15 minutes)
10:50am-11:40am	Key question Q4 is discussed (~10 min each; five parts)
11:40am-11:55am	Key activity Q5 is completed by participants (~15 minutes)
11:55am-12 noon	Closing questions Q6 is discussed. Participants are thanked for their participation.

QUESTIONS

INTRODUCTION – My name is XXX. I’ve been hired as a consultant for the US Agency for International Development (USAID) to moderate this focus group discussion today. In this study, USAID is asking the question: How does the Bangladeshi diaspora feel about investing in a post-Ebola economy in Bangladesh? What types of investment opportunities are the most

attractive to the Bangladeshi diaspora? Your opinion and voice count. Thank you for taking the time to participate in this conversation today.

Let's first identify terms. "Investment" means a broad range of things from investing financial capital into for-profit businesses or non-profit businesses, contributing money to charities, and participating in volunteer opportunities in Bangladesh. "Diaspora" refers to people who maintain an identity or connection with Bangladesh. This can refer to those who have emigrated from Bangladesh and are now living outside the country, it can refer to individuals who spend part of their time in Bangladesh and part of their time in another country(countries), or it can refer to the children and grandchildren of emigrants from Bangladesh – as long as they feel an affinity for Bangladesh as a type of "home."

How many of you have ever participated in a focus group (show of hands)? This is how one works. The role of the moderator is to facilitate conversation (like a class), foster conversation – even disagreement, by asking questions. The goal is to have everyone speak, and it is more interesting when different points of view are voiced. There are no right or wrong answers to anything we will discuss today. We are seeking your honest and detailed opinion. Please respect the opinions of others. Our discussion will be audio recorded for the purposes of notetaking and analysis only. The audiofile will remain in the possession of the research team and will not be shared. The transcript of the discussion will be analyzed along with the other data collected in this study. In neither the transcript nor in the final report will your comments be attached to your name. We will only identify speakers by gender, age, and the city where this discussion is taking place.

The conversation should last about two hours. If you need to use the facilities at any time, please feel free to step out. The restrooms are located XXX.

Any questions?

[OPENING]

1. **First, tell us your name. Then using only adjectives – descriptive words –please describe how you feel about being a member of the Bangladeshi diaspora– and WHY?** [PROBE – Is it comforting? Is it frustrating? Is it sad or lonely? Is it joyful?]

[TRANSITION]

2. **If we think about investment as the contribution of financial capital (money) or human capital (gift of time, volunteerism), do members of the Bangladeshi diaspora community invest in Bangladesh? Why or why not?** [PROBE – Do they do it to make a profit? Do they do it because it makes them feel good to contribute? Do they do it because it strengthens their social status in the diaspora community or back home? Do they do it because they feel that they might get some kind of political gain?]

[KEY]

3. **What do you think are key obstacles to diaspora investment in Bangladesh? What needs to change, improve, or be created to encourage diasporans to invest more in Bangladesh?** [PROBE – Are there specific things you wish the Bangladeshi government would do? The World Bank? The diaspora organization that you belong to?]
4. **Next, I'm going to show you five different general descriptions of investment opportunities that could be marketed to the Bangladeshi diaspora. We will discuss each in turn. For each, I'd like you to tell me how you feel about it, how you think the diaspora would feel about it, and what kinds of features each would have to have to be attractive to the diaspora as an investment.**

NOTE – PLACE THE TEXT THAT APPEARS IN EACH OF THE GRAY BOXES BELOW ON A FLIPCHART BEFORE THE FOCUS GROUP BEGINS. MAKE SURE THERE ARE SEVERAL BLANK PAGES COVERING UP THESE OPTIONS ON TOP. THEN REVEAL ONE AT A TIME AND DISCUSS DURING THIS PART OF THE FOCUS GROUP. IN EACH FOCUS GROUP, CHANGE UP ORDER OF CONCEPT PRESENTATION TO PREVENT ORDER-EFFECT BIAS.

[DISPLAY GRAPHIC THAT ILLUSTRATES ONLINE FOR-PROFIT INVESTMENT]

A. Imagine an online portal that would provide you with a catalog of business projects that have been selected based on stringent criteria. Key information about selected business projects and other due diligence information is offered on a factsheet. Each factsheet provides further information to help you make informed decisions about your investment choices, including information about the expected rate of return. Factsheets are organized by geography, industry focus, and development theme in the catalog.

4A1. What do you like or dislike about this model?

4A2. Do you think such a model would be attractive to the Bangladeshi diaspora? Why or why not?

4A3. Next, let's talk about what other aspects or details about the opportunity you would want to consider before deciding to invest.

WHO - What kind of organization do you imagine would best offer this type of opportunity to the Bangladeshi diaspora (Bangladesh government, World Bank, USAID/DIFID, a for-profit company, diaspora organization, other NGO)?

WHAT - What types of sectors should the projects focus on? Would you prefer that the projects be from microenterprises? Small and medium sized firms? Larger firms?

[DISPLAY GRAPHIC THAT ILLUSTRATES VC FUND INVESTMENT]

B. Imagine an organization that raises venture capital to be invested in new small and medium-sized enterprises in Bangladesh. Leaders in the organization determine which companies receive venture capital and promise the investor a specified minimum rate of return on the investment.

4B1. What do you like or dislike about this model?

4B2. Do you think such a model would be attractive to the Bangladeshi diaspora? Why or why not?

4B3. Next, let's talk about what other aspects or details about the opportunity you would want to consider before deciding to invest.

WHO - What kind of organization do you imagine would best offer this type of opportunity to the Bangladeshi diaspora (Bangladesh government, World Bank, USAID/DIFID, a for-profit company, diaspora organization, other NGO)?

WHAT - What types of sectors should the projects focus on? What would be the most compelling to the Bangladeshi diaspora?

[DISPLAY GRAPHIC THAT ILLUSTRATES CHARITABLE GIVING]

C. Imagine a campaign designed to raise money for a worthy social cause in Bangladesh.

4C1. What do you like or dislike about this model?

4C2. Do you think such a model would be attractive to the Bangladeshi diaspora? Why or why not?

4C3. Next, let's talk about what other aspects or details about the opportunity you would want to consider before deciding to invest.

WHO - What kind of organization do you imagine would best offer this type of opportunity to the Bangladeshi diaspora (Bangladesh government, World Bank, USAID/DIFID, a for-profit company, diaspora organization, other NGO)?

WHAT - What types of social causes should the projects focus on? What would be the most compelling to the Bangladeshi diaspora?

[DISPLAY GRAPHIC THAT ILLUSTRATES FIXED INCOME SECURITY OPPORTUNITY]

D. Imagine a fixed income security, an investment vehicle in which an investor loans money to an entity (like a government or corporation) that borrowes the funds for a defined period of time at a fixed interest rate. Funds generated by this fixed income security would then be loaned out to SMEs in Bangladesh that are engaged in areas that make a social impact in Bangladesh, such as in healthcare, education, renewable energy, sanitation, etc.

4D1. What do you like or dislike about this model?

4D2. Do you think such a model would be attractive to the Bangladeshi diaspora? Why or why not?

4D3. Next, let's talk about what other aspects or details about the opportunity you would want to consider before deciding to invest.

WHO - What kind of organization do you imagine would best offer this type of opportunity to the Bangladeshi diaspora (Bangladesh government, World Bank, USAID/DIFID, a for-profit company, bank, diaspora organization, other NGO)?

WHAT - What types of sectors should the projects focus on? What would be the most compelling to the Bangladeshi diaspora?

[DISPLAY GRAPHIC THAT ILLUSTRATES VOLUNTEER OPPORTUNITY]

E. Imagine a volunteer opportunity in which members of the Bangladeshi diaspora were invited to participate in short-term internships or mentor programs in Bangladesh, working in local organizations or with entrepreneurs there.

4E1. What do you like or dislike about this model?

4E2. Do you think such a model would be attractive to the Bangladeshi diaspora? Why or why not?

4E3. Next, let's talk about what other aspects or details about the opportunity you would want to consider before deciding to invest.

WHO - What kind of organization do you imagine would best offer this type of opportunity to the Bangladeshi diaspora (Bangladesh government, World Bank, USAID/DIFID, a for-profit company, diaspora organization, other NGO)?

WHAT - What types of sectors should the projects focus on? What is the ideal length of time? What types of expenses would need to be covered to make volunteer opportunity attractive?

[KEY ACTIVITY]

- 5. Next, I'm going to give each a worksheet. The back side is blank. Imagine a post-Ebola economy in Bangladesh. If you were to make ONE investment in Bangladesh, what would it be? What would be the ideal investment? How would it be structured? If your ideal investment looks like any one of the models that we discussed today, pick the appropriate box, check it and tell us about it. If you have another investment idea you can use back of the sheet to describe your idea. If you would not be interested in or able to invest, please use the back of the sheet to tell us why too.**

Note – We will take 15 minutes here to break and complete the worksheets.

[CLOSING]

- 6. Our goal today was to learn from you how the Bangladeshi diaspora feels about investing in Bangladesh . Is there anything we missed? Is there anything that you wanted to say tonight that you did not get a chance to say?**

FOCUS GROUP WORKSHEET

If I could only pick one investment in Bangladesh, my ideal diaspora investment model would be a(n)

- Contribution to a Social Cause
 - Online Investment Portal Providing A Catalog of Vetted Business Projects
 - Venture Capital Fund
 - Volunteer Experience (Circle one -- Internship? Mentorship Program?)
 - Other
-

WHO WOULD OFFER THIS OPPORTUNITY AND WHY?

WHAT SECTORS WOULD THIS OPPORTUNITY FOCUS ON? WHY?

WHAT OTHER FEATURES SHOULD THIS MODEL HAVE TO ENHANCE TRUST AND INCREASE ATTRACTIVENESS AS AN INVESTMENT MODEL FOR THE BANGLADESHAN DIASPORA?

WHY DID YOU MAKE THIS SELECTION?

Appendix 4: References

- Shain, Yossi. 2007. Kinship and Diasporas in International Affairs, Ann Arbor, MI: p. 11.
- Clemens, Michael and Lant Pritchett. 2008. "Income Per Natural: Measuring Development as If People Mattered More Than Places," Working Paper #143, Washington DC: Center for Global Development.
- United Nations, Report of the Expert Group Meeting on Measuring International Migration: Concepts and Methods, UN Department of Economic and Social Affairs, Statistics Division, 5 February 2007, Available at:
<http://unstats.un.org/unsd/demographic/meetings/egm/migrationegm06/Final%20REPORT%20L3.pdf>
<http://www.worldbank.org/en/news/press-release/2014/10/06/remittances-developing-countries-five-percent-conflict-related-migration-all-time-high-wb-report>
- Riddle, Liesl and Jennifer M. Brinkerhoff. (2011). "Diasporas Entrepreneurs as Institutional Change Agents: The Case of Thamel.com," *International Business Review*, 20: 670-680.
- Huang, Y. and Tarun Khanna. 2003. "Can India Overtake China?" *Foreign Policy*, (July-August): 74-78.
- Nielsen, Tjai M. and Liesl Riddle. (2009). "Investing in Peace: The Motivational Dynamics of Diaspora Investment in Post-Conflict Economies," *Journal of Business Ethics*, 89(4), 435-448
- Gillespie, Kate, Liesl Riddle, Edward Sayre, and David Sturges. (1999). "Diaspora Homeland Investment." *Journal of International Business Studies*, 30(April): 623-634.
- Riddle, Liesl; Jennifer Brinkerhoff, Tjai Nielsen. (2008) "Partnering to Beckon Them Home: Public-Sector Innovation for Diaspora Homeland Investment Promotion" *Public Administration and Development*, 28: 54-66. Riddle, Liesl and Marano, Valentina (2008). "Homeland Export and Investment Promotion Agencies: The Case of Afghanistan," Pp. 190-217 in Jennifer M. Brinkerhoff (Ed.), *Diasporas and Development: Exploring the Potential*, NY: Lynne Reinner Publishers.
- World Bank Remittances Factbook, available
<http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/Bangladesh.pdf>.
- "Financing for Development" Migration and Development Brief No. 24, World Bank, Washington DC, available <http://siteresources.worldbank.org/INTPROSPECTS/Resources/334934-1199807908806/Bangladesh.pdf>(Source: Bangladesh Bureau of Statistics. (2013). Survey on the use of Remittance . Dhaka: Ministry of Planning)Bangladeshi American Diaspora Philanthropy, Part 1 and 2, Asian American GivingBeyond ODA: Philanthropy, Remittances, and other Transfers, World Bank, Last Visited March 5, 2015,
<http://go.worldbank.org/0AHMR4ULS0>."Diaspora Giving: An Agent of Change in Asia Pacific Communities? Bangladesh", Last visited March 4, 2015, <http://www.asiapacificphilanthropy.org>.
- "Migration, remittances and assets in Bangladesh: Considerations about their intersection and development policy recommendations", *Inter-American Dialogue*, Last visited March 5, 2015, <http://www.thedialogue.org>.

Ahmad, Rashida, Khan, Safi Rahman, Islam, Mazharul, *Diaspora Philanthropy in Bangladesh*, Bangladesh Freedom Foundation, May 2010.

Sidel, Mark, *A Decade of Research and Practice of Diaspora Philanthropy in the Asia Pacific Region: The State of the Field*, College of Law, University of Iowa, May 2008.

Beelal, Saika Shaolin, *Motivation of Remittances and the Potential for Diaspora Philanthropy: Empirical Studies of Rural Bangladesh, and the US- Bangladeshi Diaspora*, The College of William and Mary, April 2010.

Asian American Federation, *“Profile of New York City’s Bangladeshi Americans: 2013 Edition”*, Asian American Federation Census Information Center, 2013.

Rahman, M. and Yong, T. *“Diaspora Engagement and Development in South Asia”*, Palgrave Macmillan, October 2013.

Rahman, S. *“The Bangladeshi Diaspora in the United States After 9/11: From Obscurity to High Visibility”*, LFB Scholarly Publication, 2011.

Terrazas, A. *“Connected through Service: Diaspora Volunteers and Global Development”*, Migration Policy Institute, August 2010.

Appendix 4: Final Survey Instrument

See separate document.