

## CENTER FOR TRANSFORMATIONAL PARTNERSHIPS

### Diaspora Engagement

*Building partnerships to help diaspora give back to their countries of origin*

“We’re the country where people aspire to come to succeed...And so long as we connect that success back to where we came, that’s the embodiment of our humanity.”

–Dr. Rajiv Shah  
USAID Administrator



Successful entrepreneurs share their advice for growing a business at the African Diaspora Marketplace, a partnership between USAID and Western Union to support diaspora entrepreneurs. Photo Credit: USAID

### Diasporas Drive Development

Today, more than 62 million Americans—a full fifth of the nation—are first or second generation diasporas. The backbone of diaspora contributions to global prosperity come in the form of remittances – the financial resources sent back to their countries of origin. In 2013, global remittances were estimated to be \$550 billion, an amount over sixteen times U.S. official development assistance. The flow of remittances allows parents to afford a child’s school fees, supports entrepreneurs to open businesses, or helps families to buy food during economic shocks.

### Partnering with Diasporas

As diaspora populations grow in the U.S. and internationally, so

have the scope of their contributions beyond individual remittances.

- **Diasporas Innovate**– Diaspora entrepreneurs and scientists are creating innovations and growing the U.S. economy. Immigrant-owned businesses generated an estimated \$67 billion in U.S. business income in 2011.
- **Diasporas Give Back** – Diasporas often have the connections, linguistic and cultural competence, knowledge, and drive to serve as volunteers worldwide. There are 200,000 first- and second-generation immigrants who spend time volunteering abroad each year.
- **Diasporas Invest** – In the U.S. and abroad, diasporas are providing much needed capital to home economies through various financial instruments.



Diaspora volunteers from Educate Lanka Foundation support disadvantaged students in Sri Lanka. Photo Credit: Educate Lanka Foundation



## USAID Partnership Results:

- 1500+** Number of partnerships USAID has built since 2001 involving more than 3500 unique organizations.
- \$20+ billion** Estimated value of public and private funds generated through USAID partnerships.
- 3:1 leverage** Across this portfolio, USAID has leveraged nearly \$3 in partner spending for every dollar spent.

cooperatives' in Haiti to grow farmer incomes and improve food security.

Other examples of USAID's diaspora partnerships include:

- The Diasporas for Development Initiative, a partnership between USAID, Accenture LLP and Cuso International to encourage diaspora volunteerism by recruiting highly-skilled diaspora professionals to support local development projects.
- USAID's support of MentorCloud, a web-based platform that connects diaspora mentors with mentees to achieve their personal, academic, and professional aspirations.
- A Global Development Alliance between USAID and The Armenian Eye Care Project, a U.S.-based Diaspora organization, to strengthen primary eye-care in Armenia and reached over 245,000 patients.
- The Emergency Capacity Assistance Program (ECAP) for Shelter and Settlement in Haiti to connect Diaspora professionals with local organizations to provide technical and capacity building support for earthquake recovery efforts.
- A partnership with the National Albanian American Council (NAAC) to strengthen the role of women in policy and decision-making in Kosovo through Hope Fellowships.
- A 2008 multi-bank guarantee in Ethiopia to enable members of the diaspora to access up to \$12.84 million in financing to start businesses in Ethiopia. One entrepreneur, Kelly Yohannes, used her \$550,000 loan from an Ethiopian bank to build a hotel three hours north of the capital.

## Our Diaspora Partnerships

The U.S. Global Development Lab leads USAID in managing a portfolio of strategic partnerships with diaspora organizations.

As a member of the International Diaspora Engagement Alliance (IdEA), a joint initiative with the U.S. Department of State, USAID provides a platform to foster dialogue and provide a voice for Diaspora communities. Amongst its many activities, the IdEA partnership convenes the annual Global Diaspora Forum, which brings together Diaspora leaders and organizations to unleash the potential of engagement.

Recognizing the important role of diaspora entrepreneurs, USAID has facilitated a number of innovation marketplace competitions focused on connecting diaspora businesses with development potential to their founders' countries of origin. For example, USAID and Western Union partnered to create the African Diaspora Marketplace and the Libya Diaspora Marketplace to provide matching funding and technical assistance to start-up and growing diaspora-run businesses. Together with the U.S. Department of State, the Latin America Idea Marketplace and Caribbean IdEA competitions, are scaling up this model. One social enterprise supported by the Caribbean IdEA Marketplace, Mache.A, seeks to create 'virtual

## Center Leadership and Contacts

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