USAID FROM THE AMERICAN PEOPLE KNOWLEDGE MANAGEMENT

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August 19: Much Ado About Diaspora: Exploring the Development Potential of Remittances and Other Diaspora Engagements
Organizer: Thomas DeBass, Senior Adviser for Remittances & Diaspora, USAID, Bureau of Economic Growth, Agriculture and Trade**Panelists:** Dean Yang, Ph.D., Assistant Professor of Public Policy and Economics, Gerald R. Ford School of Public Policy and Department of Economics University of Michigan; Liesl Riddle Ph.D., Assistant Professor of International Business and International Affairs, George Washington University; Thomas DeBass, USAID
Materials: Presentation (3) and handout appended

Seminar Summmary

The issue of migration is currently a hot topic, both on the political and economic fronts. This session was organized to explore not only remittances, but the role of diaspora in development.

Dean Yang's presentation
There are several approaches that are quite promising in terms of maximizing the impact of remittances on economic development. According to the UN, there are approximately 200 million individuals who live outside their countries of birth. The remittances that these individuals send home have garnered a great deal of attention in the last few years, as it becomes more widely recognized. Remittances are a very large international financial flow. The data shows that from 1991-2005 the level of three different types of international financial flows, including remittances, foreign directed investments, and foreign aid, has risen? Remittances have been growing dramatically over past 17 year period. They have approached a size where they can compete in size and magnitude with the other two types of international financial flows, which are considered important for development in developing world.

In terms of official development assistance, the trend has been relatively flat, until 2002, where there is an uptake. There were big increases in official development assistance which have occurred worldwide in the last few years. Official Development Assistance constituted approximately 110 billion dollars in 2005. Foreign direct investment is also large in magnitude. It has been growing at the same rate as remittances over this 15-year time span – in 2005 the figure is approximately 220 billion dollars. Remittances starting out were about the same size as foreign direct investment, in 1991-1992. It lagged behind foreign direct investment for many years. In recent years it has grown dramatically. In 2005, the figure is approximately 191 billion dollars. In the years since through to 2007, remittances have continued to grow dramatically. There is some indication that remittances were in the realm of 250 billion dollars annually in 2007. This growth of remittance does reflect improvements in data collection by central banks, who typically track this data and keep records for international statistical agencies. A large fraction of this growth is real and reflects a number of different phenomena.

First, growth in migrant populations in the developed world, but also improvements in traditional remittances networks, such as those run by firms like Western Union or Money Gram. These firms have increased their presence in traditionally underserved areas. Finally, there has been a dramatic expansion of activity in the remittance area by other types of financial service providers, such as banks and credit unions. The bottom line is that the growth seen is not true growth, but reflects perhaps improvements in data collection; there are real factors behind this growth. Remittances are a very important financial flow, but in comparison to the other types, there is a lot less known about the various aspects of how it intersects with economic development issues.

The top countries receiving remittances are India, China and Mexico, each receiving approximately 25- 27 billion dollars per year in 2007. The next country is the Philippines with 17 billion dollars, then there are a number of European countries , which is not generally thought of in the same vein as the other remittance receiving countries. There is a wide variety of countries receiving remittances. 250 billion dollars in remittances went to East Asia and South Asia. 60 billion went to Latin America, but surprisingly little goes to Sub- Saharan Africa - they only received 10 -11 billion dollars in remittances in 2007. That number is less than remittances going to one country, the Philippines. Sub-Saharan Africa is a location where there is not much international financial flow, in contrast to other parts of the world. These figures are in US dollars, and if we change the statistics and look at remittances as a percentage of GDP, we get a very different picture. A lot of smaller countries start to become prominent in terms of remittances, as a share of their GDP, such as Tonga, Moldova, and Tajikistan. Not too many large countries have remittances as a large share of their GDP, however. In the Philippines, 13 % of GDP comes in the form of remittances; El Salvador has 18 %; and Guatemala 10 %. Some African countries do show up, such as Lesotho with 24 %, Uganda 9% and Gambia 13 %.

What do we know about remittances in economic development? There is a great amount of research in development economics that documents the results of households receiving remittances. Households receiving increases in remittances experience a large number of benefits. These households are more likely to send children to school and take children out of the labor force. They are more likely to invest in new household enterprises and more likely to exit poverty. It is widely presumed in the literature that remittance have deleterious effects on work incentives and labor supply. This may be true in principle, however the evidence is very tenuous that this occurs. There is not strong evidence that people's labor supply in remittance receiving households is dampened. It is still an open question if remittances have a labor dampening effect.

Another aspect of remittances is that it serves as insurance not only through an increase of consumption and investment levels, but insurance against negative shocks when economic situations do not improve in migrant's home countries. There is a great deal we do not know about remittances. There are 2 important questions. Firstly, even though remittances are very large in magnitude, are there ways to encourage migrants to send even more remittances home? Secondly, how can the development impact be maximized by the remittances that are being sent? The question of more remittances being sent home is important and is underlined by the fact that migrants overseas do not remit a very large fraction of what they earn. Their earnings overseas are actually quite a large share of their home countries' GDP. For example, migrants from El Salvador in the U.S. in 2001 earned 13.3 billion dollars. This number is roughly equivalent to El Salvador's GDP for that year. Of the amount of migrants' earnings in the U.S., only 14% (1.9 billion dollars) were remitted home in that same year. There is potentially a large opportunity to try to encourage migrants to send home more remittances than they currently do. We need to assess what can be done to encourage migrants to send more of these resources home.

One issue that is most often noted, particularly in some countries, is reducing remittance costs as these costs can be very large.

One initiative is to facilitate the incorporation of migrants into the formal financial system in the countries to which they migrate, such as the U.S. This would include having migrants use savings facilities, credit and better remittances services, which get the remittances closer to the family. If migrants realize that their savings are going towards remittances, they might remit more. Anything that is economically beneficial in the U.S. may have benefits for families back home.

A third type of initiative is somewhat speculative, but has a great deal of potential. The idea is to increase migrants' control over remittance uses back home. This includes facilitating the development of direct banking services, which allows migrants to directly control financial instruments in their home country, such as savings facilities or direct payment facilities, where migrants pay directly for school tuition or housing on behalf of a recipient. These remittances may also be used to facilitate micro-enterprise finance – i.e., migrants may guarantee loans for individuals in the home country. This is an important development initiative because migrants appear to have strong preferences over how the remittances are used by family members back home. However, they have very little ability to control how those resources are used. The idea is that if you can give migrants more control of the monies used, they may send more money back home for starters, and secondly they may channel the money towards more long-term types of investment. This is not speculative. The issue of whether migrants will actually spend more money on more long –term type uses is something that there is supporting data.

One example is of Salvadoran families in Washington DC who were interviewed. 1,500 of these families were asked how they prefer their remittances to be spent by recipients. The biggest category is consumption, on average - migrants state that they want 44 % of their remittances to be spent on daily consumption. However, a large amount is allocated to savings (18%) - and families would do well to set aside a fifth of the total remittances that are being sent. Interviews were also conducted in El Salvador for the same remitters in the U.S. When asked the same questions, about preference in allocating the received remittances, the results were very different. The biggest difference was daily consumption – in contrast, remittance recipients allocated 63 %, whereas remitters allocated 43%. All that difference is made due to the fact that savings is only 2.5% by remittance recipients. There are large differences between migrants and remittance recipients. These savings could be for future use, emergency or rainy- day fund or for school tuition, housing, or types of enterprise.

What does one do with these gaps in preferences? What development initiative could leverage these differences to gain more positive development outcomes? One example in DC, among the same Salvadoran population, is a savings marketing team, which is trained to offer new savings facilities that were developed in conjunction with the largest bank in El Salvador. These facilities allow migrants to send money directly into bank accounts back in El Salvador, which vary according to level of control over the account. It is important that migrants have control over these accounts as opposed to just sending money into other people's accounts or just sending money.

The same migrants who were interviewed received an offer to use these services. There was a great deal of interest to open these accounts on the part of migrants. There are three different treatments that the migrants have regarding control over the accounts. They can: 1) remit into someone else's account, not under their own name; 2) create a joint account (between the migrant and someone in El Salvador); and 3) create a joint account and an individual account for the migrant themselves in El

Salvador. There is more interest on the part of the migrants over having more control over the funds. The bottom line is that this is some of the first evidence that migrants do value control over savings in the home country.

A new initiative to channel remittances towards more development-oriented activities and uses is that of migrant-backed loans. These give migrants the opportunity to guarantee loans for specific borrowers. The migrant does not want to give money to the individual for fear of non repayment. The idea is to partner with a financial institution to offer migrants the opportunity to guarantee the loan to a specific borrower, who is identified by the migrant. 50 % of the loanable funds would be put up and the bank would provide the remainder. This has a number of potential benefits. On the side of the migrants, loanable funds would be multiplied with a match from the bank – there is a higher likelihood of repayment to a bank than to the migrant. Benefits for the borrower include establishing a credit history, which is valuable for individuals who have been excluded from the formal borrowing market. Once the loan or loans have been repaid, there is also the possibility of borrowers "graduating" so that they would not need a migrant guarantee. This is a pilot project funded by USAID in cooperation with Banco Industrial in Guatemala. There is a great deal of opportunity for long-term investment, as there is a large number of migrant earnings not being remitted. Also, there are many new initiatives that are testing and tracking the impact of migrant control over remittance uses and household wellbeing at the development level.

Liesl Riddle's presentation

The success and impact of remittances have caused many migrants to start thinking about other ways they might be able to leverage the capital they have in order to bring about development outcomes in their countries of origin. There is now more discussion about Diaspora Direct investment (DDI, which was coined by Thomas DeBass). This is slightly different then typical foreign direct investment. This is the migrant who decides to return to their home country and create manufacturing facilities for local consumption or export use; these individuals may even work in a multinational company and decide to advocate within their companies about investing into their home country. These investments could be a chain of restaurants or a law firm.

Increasingly, governments are beginning to recognize that the Diaspora community has the capital and the know-how to become engaged. DDI is, for many countries, a small subset of migrants. There are many migrants who want to bring economic capital to encourage economic development. Countries, financial institutions and Diaspora organizations are beginning to think about other ways to leverage Diaspora capital. There is chatter about DPI, Diaspora Portfolio Investment. This means taking smaller amounts of money from the Diaspora community and creating venture capital funds that are then used to purchase equity in companies back in the home country. Another way is to raise money for lending to companies back in the home country (where credit is tight), either at market rates or below market rates or no market interest rates. Members of the Diaspora community are able to purchase stock or buy mutual funds in their own home country. Many countries, such as India and Israel, offer bonds to their Diaspora community. There is discussion about going beyond remittances towards investment outcomes.

India and China have emerged on the worldwide economic landscape. With the help of the Diaspora, China has become the "world's factory." Similarly, with Diaspora help, India could be the "world's technology lab." However, there is difficulty in obtaining strong, reliable empirical evidence of Diaspora foreign investment flows as opposed to non-Diaspora investment flows. Studies have shown that in critical periods of development time, Diaspora investment has contributed to growth; for example, in China (1975 to 1995) DDI was 80% of FDI flows; in India (1991-2001), it was 26% . Diaspora investment is important not only for the emerging giants India and China; it is happening around the globe. One example is Armenia in which 25 % of flows from 1998-2004 came from the Diaspora at a critical time. We see Diaspora investment in conflict and post-conflict societies; these individuals have the knowledge, emotional investments, and motivation to engage in these difficult situations. Some other examples are Afghanistan, Liberia and Sierra Leone.

The Diaspora investor is different from the typical foreign investor. There are many different issues at play, and further discussion is needed about the information and facilitation that are needed to bring Diaspora capital to the home country. The typical foreign investor is primarily motivated by financial reasons. From initial surveys done over the past 15 years with various Diaspora communities, there is a subset among the Diaspora that also wants to make a profit. But there also are altruistic motivations at play. There are emotional reasons for investment and making a profit is not a motivating factor. There are social motivations; in some communities it is socially desirable to participate in these investment activities. It raises the person's esteem and profile within the Diaspora community and within their home country. Indeed, the motivation to invest is mixed.

A multinational company coming into a country has a lot of experience in investing. However, in many cases the findings are that those engaging in Diaspora investment have little to no former experience in the international investment arena. These are typically large firms, with foreign investors. However, it is mostly small and medium size enterprises and, in some cases, microenterprises. The level of local market knowledge is mixed. With a foreign investor there is little knowledge about how that market operates, who the main players are, and what the business and government environment is like. With the Diaspora community, depending on how long they have been outside the country and to what extent they have solid social networks in their home countries, they have the knowledge about the business environment or local operations. Or they think that they know and come face to face with the realities which are completely different on the ground. The foreign investor does not have the social networks that those in the Diaspora community have in the home country, to get a business launched. The foreign investor has a network, but it is not with individuals playing a role in the home country, which could help them launch a business.

The locus of organizational control in a multinational company is going to set up a subsidiary, such as marketing or production, to have local presence on the ground. Many of the Diaspora investments are actually maintained and operated by an individual who is a transnational (circular migration), who spends time in their country of residence and goes back to their country of origin.

A Diaspora investor is different from a typical foreign investor. This is important for development issues, because their specific financial capital needs need to be addressed, and gaining access to capital is often very difficult in countries. Secondly, there are human capital issues - including helping to develop sound business plans or brokering partnerships and alliances on the ground; as well as social capital making the introductions needed for successful investment. FDI is usually considered very important for economic progress because of the technology spillovers, capital formation and benefits, and the fact that it contributes to international trade. There is a dark side to FDI that many countries and policy makers are very concerned about. It is not always efficient and may crowd out domestic investment, in terms of the labor market and access to capital. One in five recent FDI policies changes have been unfavorable to FDI. Despite this fact, many governments are beginning to think about Diaspora Direct Investment, in particular.

One factor of this is consideration that Diasporic motivation for investment often is not just for profit making – there are emotional and social motivations that drive these economic activities. They might yield certain benefits which are important in development. The Diaspora investment might be less likely to extract capital in periods of political or economic risks; there are examples of this from around the globe. They are less likely to repatriate profits and more likely to reinvest in existing firms or establishing new operations and ventures in their countries of origins. They are more likely to invest in Greenfield activities, creating new plants, and hiring new workers to do new things, rather than acquiring existing firms. They prefer local input as opposed to outsourcing, such as hiring local employees rather than external. There is more effort to support local supply chains and engage in innovative socially and environmentally responsible business practices, and to provide social capital linkage for local firms to external supply chains and markets.

These transnationals and Diaspora members provide reputational effects and credence when speaking about the companies or countries they are seeking to invest in or gain investing monies. They may enhance human capital from knowledge developers and social remittances. It is the idea that there might be a qualitative difference in Diaspora investment largely because of these social and emotional aspects to their motivation. There are many capital needs that Diaspora investors require to help bring their businesses to fruition.

There are many different actors who are engaged in cultivating the Diaspora interest in this type of economic behavior, as well as helping to facilitate. There are major actors in this, including the Diaspora investor themselves (entrepreneurs who are setting up businesses for the first time in their countries of origin or who are working in a multinational company) – what is seen is that these individuals believe that they are working in a vacuum, and they are overwhelmed by the amount of information that is needed to launch their venture. They usually go to their migrant organizations to gain information or go to home country governments. Increasingly, there are other actors who fill the information service void. Another actor is the Diaspora organizations, who are at the forefront of trying to stimulate Diaspora investment. The Diaspora community may be a variety of different groups, such as the Armenian community. Since 1991, the Armenian church has been at the forefront of hosting convening events for potential investors and representatives of the Armenian government and business community.

The Afghan American Chamber of Commerce also has a leading edge for these types of services and activities for Afghanistan. Business incubators, which may or may not be non-profits, are dedicated to taking entrepreneurial ideas and working with an entrepreneur to help bring their business idea to fruition. Many offer services to migrants, for example, in the Netherlands, there is a business incubator that is solely dedicated to working with Diaspora members who want to go back and set up a business in their home country. There are NGOs engaged in these activities. Country of origin governments are very much engaged in these activities. For example, there are investment promotion associations and agencies around the world that are beginning to use the term Diaspora. Ghana, for instance, bifurcated its investment agency into two parts: one is dedicated to Diaspora investment versus dealing with non-Diaspora investment. In India, there is a ministry dedicated to individuals of East Indian descent and there is an office dedicated to investment issues. NGOs and governments are trying to market themselves and cater to investment activities of potential Diaspora investors.

Initiatives such as the Diaspora Network Alliance (DNA) bring these actors together. There are other examples of creating alliances and partnerships, such as the World Bank and the United Nations. These are one-time events. What is needed is regular and sustained interaction among these actors, which the DNA supplies.

Research questions remain about this phenomenon, as it is relatively new. With globalization, investment and trade barriers have come down. As more of these activities occur, however, there is not a lot of research being done in the area of global investment and Diaspora community. Research projects are trying to define and answer questions, such as developing a better understanding of Diaspora investment from the pre-investment phase through to the actual investment phase, as well as the post investment evaluation, within specific and broad Diaspora communities. What is the market potential? There is much discussion about the power of Diaspora investment. What is lacking is strong evidence – how many people are interested, how many people are capable, how many people are already engaged? Doing a market segmentation study would reveal some answers. Understanding more about the psychologies is needed, as well, as this is a very complex investment motivation. There needs to be better understanding of how governments and Diaspora organizations may better market and better facilitate the idea of DDI or Diaspora entrepreneurship. Understanding what are the necessary facilitating institutions, and how they can turn interest into meaningful investment on the ground. What are these important facilitating institutions, such as business incubators. We also need to assess the current investment flows in terms of magnitude.

The more important questions, however, are related to impact. What is the impact? Many of these Diaspora investments are being made by individuals who have spent time outside their country and they have been exposed to new institutional arrangements, new ways of governing and working within a civil society, and new ways of businesses interacting with each other. As well, there are new ways in which consumers have certain expectations from businesses. All of these new experiences are being brought back with the migrant/Diaspora member to their home countries as they try to bring about change. In all sectors of society, the money and economic opportunities of Diaspora investment sometimes gives voice to the migrant, which gives them more change agent power on the ground. To what extent does Diaspora investment have all those previously stated benefits? It is better to quantify how much effect the Diaspora investment really has on development outcomes.

Thomas DeBass's presentation

USAID is trying to engage with what it is currently doing. The issue of Diaspora and remittances is viewed from the lens of a partnership, as USAID is looking for players in the development community who are contributing to these home countries and what can be done together. In 2005, total U.S. resource flows going to the developing world was $164 million, which has fallen since 1970. The trend for public sector in the role of development shrinks and the private sector plays a significant role in development in 2005. The public sector is still playing an important role; however, the share of total flows has shrunk. Development institutions need to look for partnerships with others, such as foundations. We need to find ways to build partnerships. In 2001, USAID created the Global Development Alliance (GDA), which is the public-private partnership arm of the Agency to create alliances and partnerships with NGOs, religious organizations and universities and private companies. There are 900 distinct alliances leveraging 9 billion dollars – 2 billion of that is private sector money. Remittances comprised of 25% of the resource flows in 2005; however, if informal flows are to be included the number becomes quite large.

Why partner with the Diaspora community, since they are fragmented and scattered? It is a response to a rapidly changing global phenomenon, which is migration. Due to globalization, the migration of people from across borders and oceans has drastically increased. What happens is that financial flows go back to their home countries. There is humble recognition that the Diaspora plays a greater role in development than development organizations, such as USAID. The sheer number of financial flows going to these places outnumbers USAID almost 1 to 10. There is also the question of sustainability when discussing development economics. Diasporas are inherently sustainable, because of their connection to the homeland, and are actually unbreakable. Official development agencies like USAID may leave or fall out of favor with a country, whereas the Diaspora community does not have that option, due to a strong connection to the home country. The Global Diaspora Network Alliance (DNA) is a framework that leverages this unbreakable bond and connection with the home countries and looks for opportunities and links to Diaspora engagements, as well as different Diaspora segments.

Remittances are a critical issue when discussing partnerships with agencies like USAID and other organizations. The problem with focusing on remittances and partnerships in relation to financial flows is that there needs to be a refocus on the people who send the money. There needs to be a multidimensional approach to see beyond remittances, to see communities being engaged. The circular framework of DNA is that brain strain leads to brain drain, because there are no economic opportunities in their home country, like El Salvador or Mexico – they migrate to a country with more economic opportunities. Once they migrate to the new country, there is a nostalgic behavior that occurs, which is brain pain. They feel that they are not realizing their full potential in the country of residence. The brain pain leads to brain gain.

There are seven strands of DNA, the most prominent being remittances. The others are collective remittances or philanthropy, volunteer corps, Diaspora direct investment, capital markets, tourism and nostalgic trade, and advocacy and diplomacy. Remittances are mostly used for daily consumption, health, education, housing, debt repayment and MSME financing. There are some who believe that it is inappropriate for development and aid agencies to dictate how monies should be sent by Diaspora members. What needs to happen is to amplify the development impact of these monies. For example, if Diaspora individuals are investing in the stock market, perhaps there should be some programmatic economic activities to support this, with education projects. The possible partnerships for supporting the Diaspora communities are:

Financial literacy: this involves the migrants and the households who receive the monies. In order to offer financial services to these communities, the community needs to understand what these services are and what they mean.

MFIs: there has been a democratization of remittances, as most remittances were informal or sent through outfitters such as Western Union. With the work of CGAP, USAID and IDB, MFIs have been linked to that market, to be used as a delivery mechanism for the households receiving the monies.

Promoting mobile banking: USAID has done much work in this area, particularly in the Philippines. This is a means for transferring and receiving remittances. The use of technology reduces the costs of transferring remittances.

Another method is indigenous savings schemes that migrant communities bring from home. These are called rotating saving schemes. Migrants, such as members of the Ghanaian community, use these schemes to save money amongst themselves and the money is dedicated to the home country.

Securitization of future flows of remittances is a structured and true way of leveraging remittances. Financial institutions, as the conduits for delivering the money, are able to use these future "Western Union" receipts as collateral for raising debt financing or lending projects in the home country. Countries such as Turkey and Mexico have done this. The question arises about how can smaller countries, which may have the depth, but have not used this structure type of financial scheme are able to participate.

Remittance linked investments include:
Health Insurance: there are different projects in Latin America which link remittances to HMO plans.
Housing loans for housing expenses needs to be linked to a formal financial structure, whether it is a mortgage or a home improvement loan. There is a project in Guatemala which links remittances to housing maintenance plans.

Education fund or student loans: In some countries, such as Haiti, the education system is fee based. Remittances play an enormous role in paying for these fees. How can these relationships be formalized between the financial institutions and the schools?

Pension Plans: The Philippines is one country that has a formal policy of exporting labor. It is trying to create a pension plan for those migrant workers living abroad, but who are not participating in the country's domestic pension plan.

Entrepreneurial lending: the migrants themselves may be used as collateral for lending.

Collective Remittances, or philanthropy, is the second DNA strand. This includes hometown associations, where there is a geographic or religious affinity. The members organize themselves to do development projects on the ground. Mexico has a project in which one dollar from a migrant community is able to leverage to three more dollars from the Mexican government. There is discussion about how USAID can partner with these organizations and associations, such as Western Union, foundations and local governments.

Volunteerism or what has been called hyphenated Peace Corps. These are volunteer organizations that target mainly second generation migrant communities to go back to the home country. The most prominent example is Armenia, which has two organizations – the Armenia Volunteer Corps and Birthright Armenia. It is for second or third generation Armenian Americans to volunteer their time and effort to go to Armenia and work with NGOs, the private sector or government, to contribute. What is interesting is that some of the volunteers end up staying and do not come back, because there are other opportunities to explore. USAID has a volunteer corps in South Sudan, called Volunteers for Economic Growth Alliance (VEGA). The south Sudanese Diaspora comes to South Sudan to volunteer.

Entrepreneurship is another DNA strand, which focuses on Diaspora Direct Investment (DDI) and is almost on the same level as FDI, especially in conflict and post-conflict situations. Remittances increase during these times. DDI is a FDI with the soul and resilience of remittances. USAID is working with local banks in West Africa to create a guarantee system with these institutions to extend credit to underserved sectors.

Capital Markets are instruments used to invest in the countries. In particular, Diaspora bonds, such as the ones in India and Israel, which are issued through the respective governments. What is of particular interest is the private sector partnership with regards to these types of bonds and working with a local bank or financial institution to be able to raise the same type of structure.

Tourism and Nostalgic trade is an area that is under-researched. The Diaspora constitutes a great share of tourism traffic into home countries, but the home countries do not recognize them as tourists. Their behavior towards their country and spending habits is important but is not seen as tourism. Nostalgic trade is the reverse; home comes to the migrant. Food, drinks, etc. are brought here from the home country; a great deal of trade is coming in, but it is not recognized as such, because the channels are informal and unstructured. Research is underway to examine the magnitude of nostalgic trade. It is the hope that value chain support programs for these markets be established.

The Diaspora community plays a huge role in advocating for their home countries. For example, the Armenian Diaspora in California has a quite a lot of influence in Congress in terms of what the U.S. government should and should not do in Armenia. These and other Diaspora members are agents for conflict mitigation and management, as well as act as agents of knowledge networks.

What are the engagement mechanisms for Diaspora communities with donor organizations like USAID and the private sector? How can scattered and disparate Diaspora communities be in synchronization with other groups? One option is to create a Diaspora Marketplace, which is the first initiative under USAID's Global DNA framework. It is a competition platform to engage Diaspora and Diaspora-serving organizations in coming up with ideas to create partnerships around that platform. This was inspired by the World Bank's Development Marketplace Series, which is a mechanism where there is request for proposals from the World Bank about a particular sector, such as agriculture from private sector and other organizations, for example. If an interesting idea or project emerges, it is funded. This is the model being used by USAID. USAID is in discussions with the World Bank and the Inter-American Bank to have such marketplaces for Africa and Haiti, respectively. It would have structure and criteria to let the marketplace determine the engagement mechanism and the quality of the projects. The private sector, such as Western Union, is also involved.

There should be caution in over glorifying remittances. It is an important phenomenon; however, it is not a panacea for development. Diaspora engagement must go beyond remittances and there needs to be increased emphasis on the supply side of the Diaspora. It is giving power to those who are the agents of the resources going to the home countries.

Question and Answer

Question about the models, which seem to go from highly developed countries to lesser developed countries. What are your thoughts, successes, of evidence of being lower migration and remittances from lesser economic developed countries to lesser economic development countries? In particular, in Southern Africa (Lesotho or Swaziland or South Africa), there are workers who travel to these countries for work. Remittances are sent to their home countries, the workers are staying in townships and that money is depressing the local economy, which may potentially lead to xenophobia or exclude the migrant workers. How would the models effect lower developed countries?

Yang: This is not a widely recognized phenomenon, however it is important to note that a large fraction of international migration, 200 million individuals living outside their countries of birth, are actually residing in other developing countries. The example of workers from Lesotho remitting home from South Africa is a very important example of that phenomenon. Does it work to the detriment of the remittance resource country, for example South Africa, if workers from Lesotho and Swaziland are sending money back home? It can be argued that the multiplier effects of any workers' resources would be higher, if individuals spend and consume in the country they are earning money as opposed to sending it home. However, countries like South Africa, which receive migrants, still benefit from the migrant flow in the sense that migrants are providing services, such as labor services in the countries where they work. South African employers hire migrant workers to provide services and, to the extent that market wages reflect the value that employers place on the labor, it is a mutually beneficial transaction. There might be a multiplier effect if the money stayed in South Africa, but it cannot be stated that South Africa, for example, is worse off for having migrant workers come in. The benefits extend to the migrants' families in the other countries.

Social unrest and xenophobia are important as was seen in the recent unrest in South Africa. This will be offsetting factors when discussing the benefits of remittances and migration for people in developing countries. The importance of xenophobia cannot be denied and a subset of migration policies will have to orient towards facilitating integration of migrants into their host countries.

Over the last few years, Jamaica has developed a very active Diaspora movement. Every 2 years there is a Diaspora conference in Jamaica. The main participants are from United States, England and Canada. It occurred in June 2008 with over 1,000 participants. Part of the problem being faced is that, despite the fact that there is an active Diaspora, is the capacity building efforts for a country like Jamaica, where 18% of the GDP is from remittances. How does Jamaica build that capacity among the members, since they are motivated? The dialogue is moving away from remittances to long-term development, but how can that be instilled in the minds of the migrants? How can capacity be built and sustained by the countries themselves, when organizations such as USAID and the World Bank leave?

The first generation of migrants is usually more active than the second generation of migrants. How can it be insured that the second generation of migrants is included in the process to a greater extent?

DeBass: In terms of capacity building, there needs to be discussions between the donor groups and the Jamaican government in order to prioritize the development needs for capacity building and does this issue of Diaspora engagement make it on the list. What is being created is the platform to support the Diaspora marketplace. The onus is on the Jamaican government to have these discussions about moving forward and sustainability with development partners to make sure that this issue receives the highest priority.
The second generation may be engaged through volunteer programs similar to the Armenian and Israeli communities. This is targeted tourism which caters to the Diasporas. They create the sentiment of not only nostalgia but a connection that cannot be forgotten or broken. It is not just the DNA (biological) that connects them to the country, but something beyond that, such as social, political or economic connections, that they should have. The best example is Armenia.

Riddle: JamPro (Jamaica Promotions Corporation) is actually sited as doing phenomenal work in investment promotion. The work that they do in terms of promoting Diaspora investment in that many investors (Diaspora and non-Diaspora) have participated. These organizations provide a convening platform to demonstrate what is being done to mitigate investment related projects. In terms of second generation, which many countries, not just Jamaica, are facing – many countries are looking to and bringing back sports clubs and transnational sports leagues. For example, the Dominican Republic has a program for baseball. Other Latin American countries have soccer. This is not a one time event, but the individuals go back regularly to the home country, where they have opportunities for educational trips and nostalgia. It provides a venue for learning more about the home country. Other countries are starting to find ways to get university students more engaged in projects. For example, the government of Morocco sponsors a program that tries to get students engaged in a university setting and get them to work on and solve real world problems that the home country or companies are facing. This involves bringing the Diaspora student to the country. This could be considered as Diaspora Student Tourism or a university or class project. Governments need to think about multi-channel marketing outreach to the younger generation through the Internet. For example, there are some Facebook approaches that some governments are considering to get the message across about homeland connection and nostalgia and their role in the future of their countries of origin.

Yang: Regarding the topic of trying to engage the second generation with the home country, it is also an issue for first generation migrants. The longer people stay in their countries of migration, the fewer remittances they send back home. The decline is quite steep for remittance spending when comparing someone who recently migrated to someone who has been in their migrant country for a number of years. This decline could be due to the fact that when migrants arrive in their host country, they bring their family members with them, so there is no longer that close relational tie to motivate sending remittances.

A question for Dean Yang. To what extent do we know of why migrant household members in the home countries are not investing their remittances? One reason for not investing is because there is a lack of investment infrastructure in the home country, for example the Philippines. The migration itself is considered the investment. Is there any research as to why any of these particular households are not investing?

Yang: It is not true that remittance receiving households are not investing in important ways. There is evidence that migrant families who receive remittances use resources in a number of ways which could be thought of as investment, such as education and taking children out of the labor force and even small enterprise investment. It is not desirable for every remittance receiving family to be an entrepreneur and to use the money as investment in a small enterprise. Most individuals prefer the security of a wage job and do not necessarily want to be entrepreneurs. One way of promoting investing and small enterprise investment is to get the resources into the financial system. We can encourage migrants and their recipient families to place the remittances in a formal financial system, so that it may be channeled into investment, such as banks. The broader issue is that there is not investment opportunities in general – even if the money is intermediated in the financial system, there may not be broader investment opportunities. This is an important point and speaks to the idea of what is required, which is a broad range of development initiatives that seek to improve the investment climate. This will enable more productive investment.

Does the downturn in the US economy lead to a rise in xenophobia and intolerance? In the development community we want to keep these individuals tied to their home countries, but there is a gap between engaging them in programs in the host country that has the opposite effect. There was discussion here today about nostalgia trade and how society can make migrants feel welcomed – how can there be a balance of belonging to both home country and the host country?

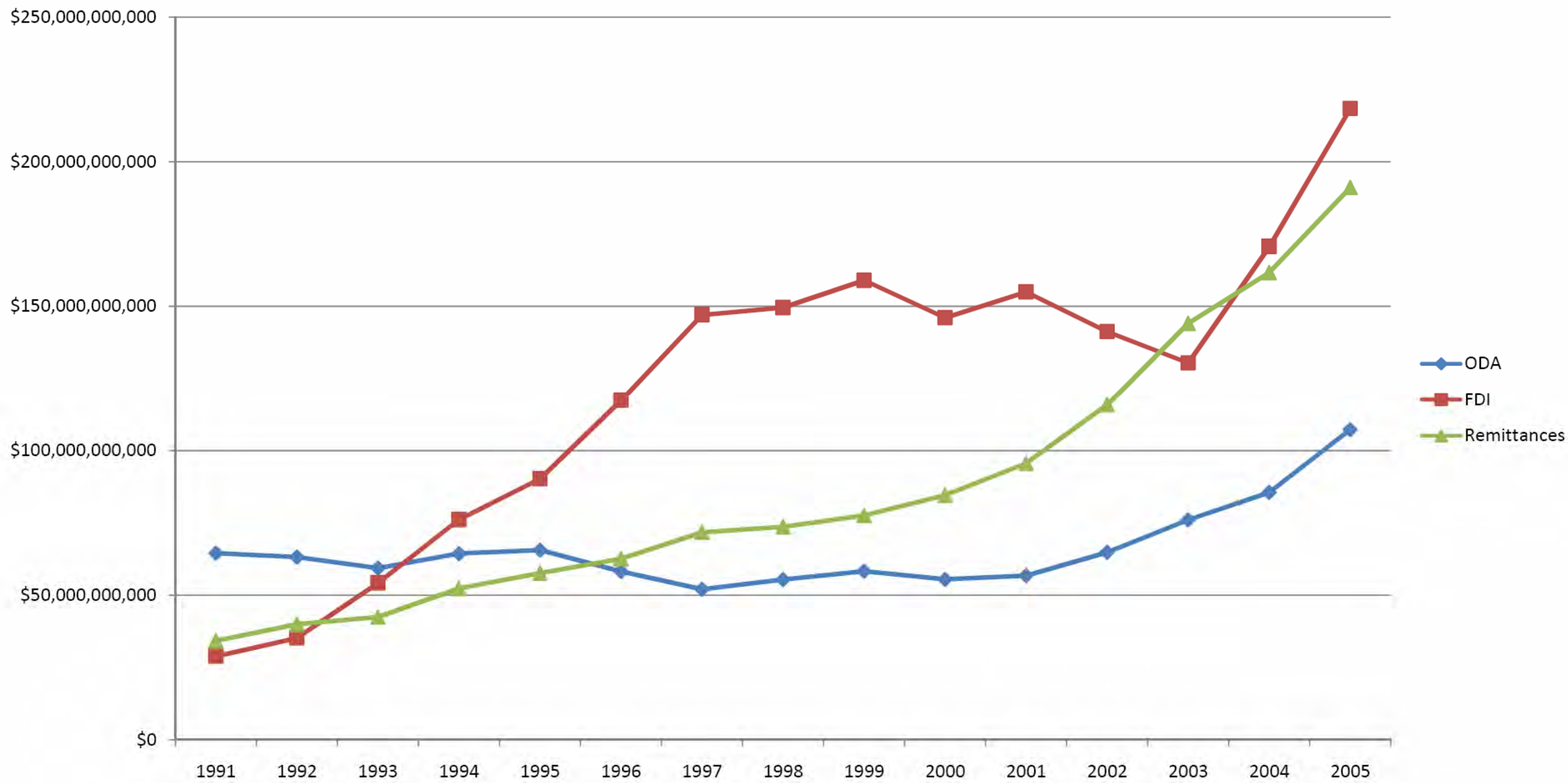
DeBass: This is a domestic issue and, because USAID is an international development agency, I cannot comment. Looking at nostalgic trade from an economic point of view, we are not encouraging organizations themselves in these communities to feel nostalgic, but from a trade perspective. The producers of these nostalgic trade products are benefiting and they are tremendous. However, the unit of analysis is how this can have an impact on the ground. Some of these nostalgic activities that are happening within the U.S. are really a bridge for understanding. The official food of England is Indian food, which has surpassed the traditional English fare of fish and chips. These Indian foods were not coming for the UK population, but for those nostalgic feeling Indians; however, it transformed the consumption behavior of the British. The ethnic restaurants in neighborhoods and the ethnic sections of the grocery store are not catering to the migrants, but these institutions have moved into mainstream.

Riddle: The migration phenomena has been considered for some time. Using words such as “home” and “host” country – when you speak to the migrants themselves, they do not think of it in these terms. There is a different type of psychology, this transnational psychology. It is important to recognize that they can have their feet in one place and their hearts and minds in two places simultaneously. It is not always a choice. When they go back to their home countries there is a wake-up moment of recognizing the similarities between themselves and the population; however, there are some very deep differences. In many ways, it crystalizes what they love and what they really appreciate about their new country. These transnational networks and economic ties are, in many ways, a reinforcement of allegiance identity to the country of residence. Also, the reality is that in the global economy there is a need for people who are going to the far reaches of the world and not only the urban areas, but the rural areas as well. These people know and understand how and what these populations are thinking. These are important knowledge conduits for our own global economy. The psychology of migration has really changed.

Maximizing the Impact of Remittances on Economic Development

Dean Yang
University of Michigan

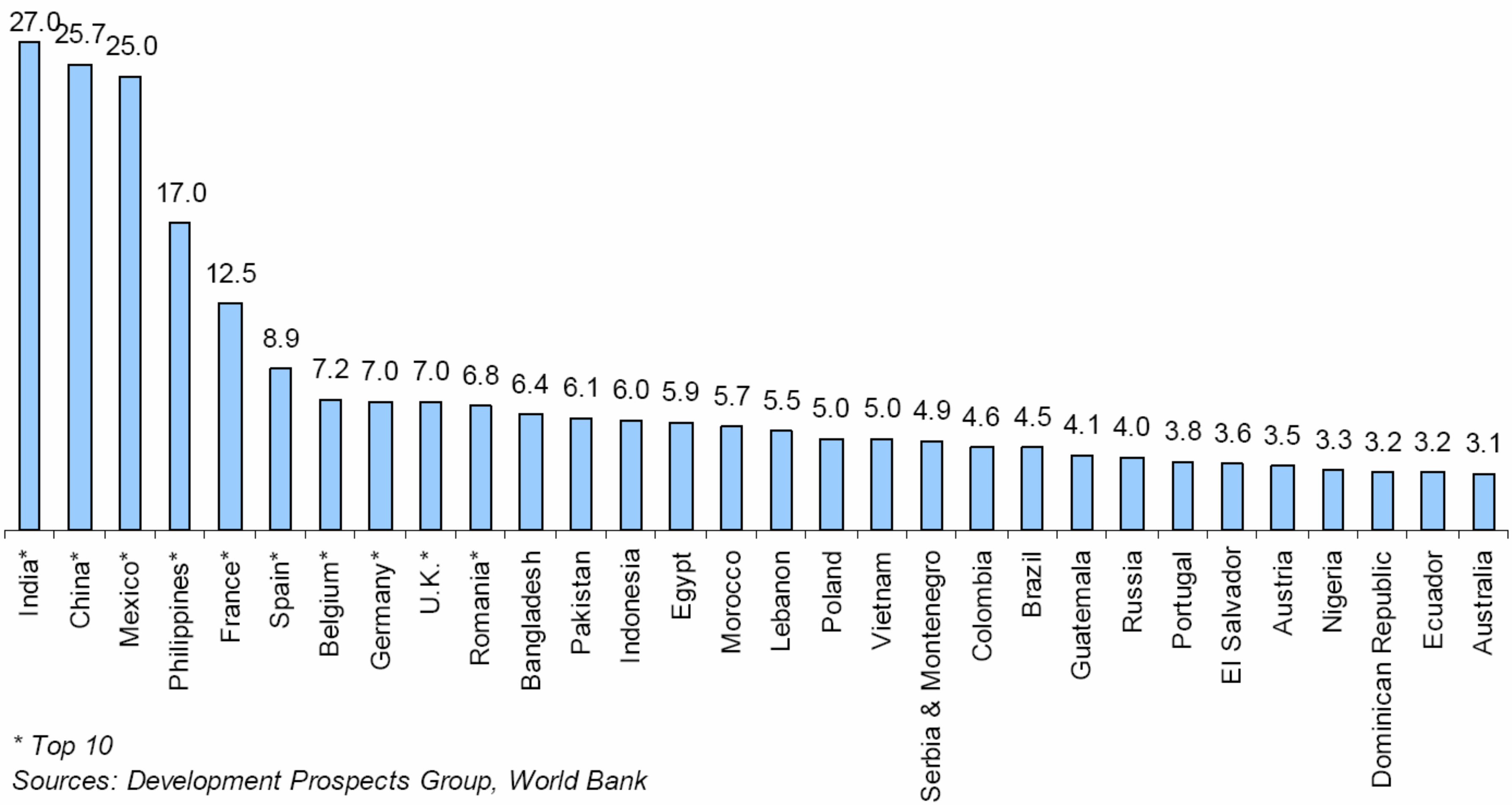
Remittances vs. ODA, FDI
(1991-2005)



Source: World Development Indicators 2007. Data are in current US$.

Top Remittance-Receiving Countries, 2007e

(US$ billions)

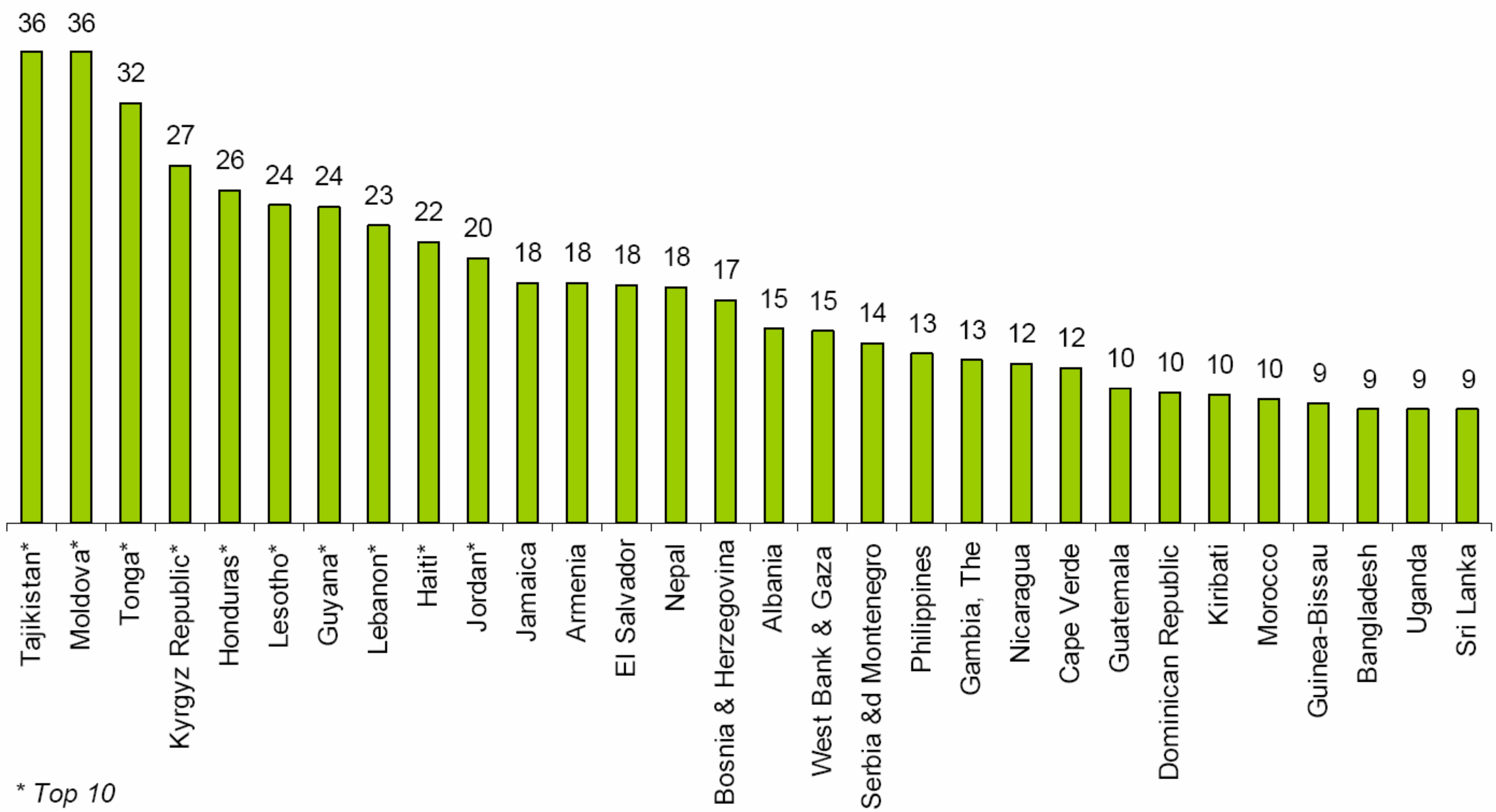


** Top 10*

Sources: Development Prospects Group, World Bank

Top Remittance-Receiving Countries, 2006

(as % of GDP)



** Top 10*

Sources: Development Prospects Group, World Bank

Remittances and economic development: some things we know

- Households receiving increases in remittances are more likely to:
  - Send children to school
  - Take children out of labor force
  - Invest in new household enterprises
  - Exit poverty

- Remittances serve as insurance, rising in wake of negative shocks

Key open questions

- Are there ways to encourage migrants to send more remittances home?
- How can the development impact of remittances be maximized?

Migrant earnings vs. remittances

- Migrant earnings in the developed world are often very large, compared to:
  - Home country GDP
  - Remittances sent home

- Migrants from El Salvador:
  - Earnings in US: $13.3 billion
  - Roughly equal to El Salvador's GDP
  - Only 14% ($1.9 billion) remitted home

- Migrants from Guatemala:
  - Earnings in US: $7.1 billion
  - 38% of Guatemala's GDP
  - Only 8.4% ($0.6 billion) remitted home

Notes: Data are from 2001. Remittances and home country GDP are from World Development Indicators. Migrant earnings in US are from US Census 2000 supplementary survey.

Remittance-related development initiatives

- Reduce remittance costs
- Facilitate migrants' incorporation into the formal financial system
  - Savings
  - Credit
  - Remittances
- Increase migrant control over remittance uses back home
  - Facilitate development of direct banking, direct pay facilities
  - Facilitate use of remittances for microenterprise finance (e.g., migrant-backed loans)

DC-area Salvadorans on the problem of control

"I have many uncles and they get drunk, so I just send money when needed, or I send to someone like my sister who I trust."

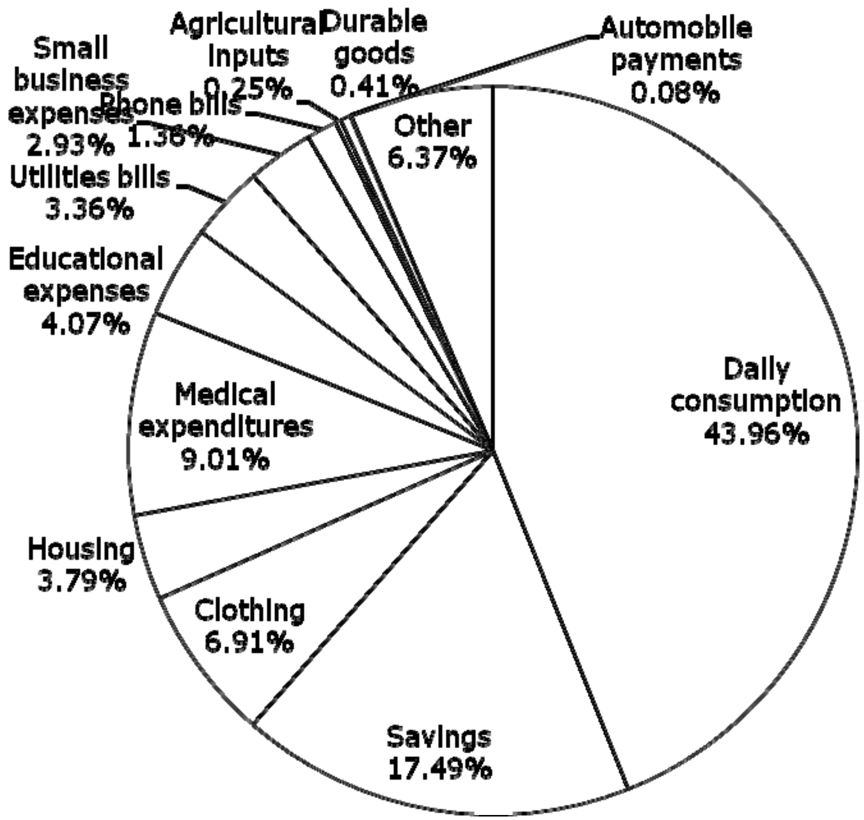
Male, 34 years old, 8 months in the U.S., works as roofer

"The brother of my boss sent around $50,000 to his mother over the years. When he thought he had enough money to build a house, he asked his mom for the money. She said she didn't have it. She had lent it to an uncle. When he asked for the money back, the uncle threatened to kill him if he came back to El Salvador for the money."

Male, 30 years old, 1 year in the U.S., works as a carpenter

Migrant survey – Washington DC

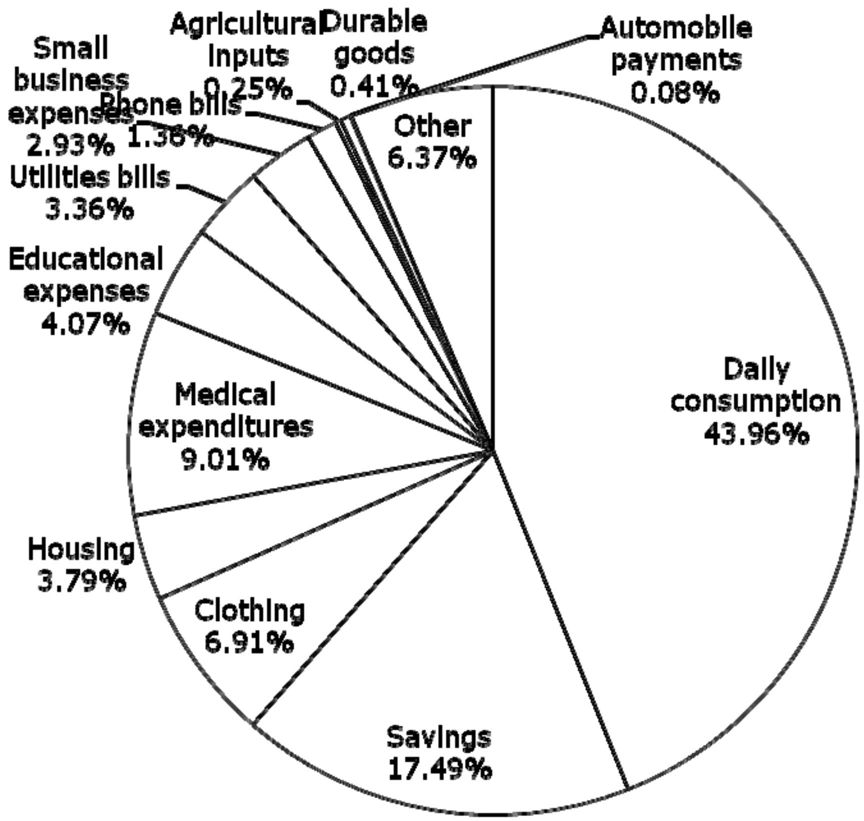
Preferred allocation of remittances (migrants from El Salvador in Washington, D.C.)



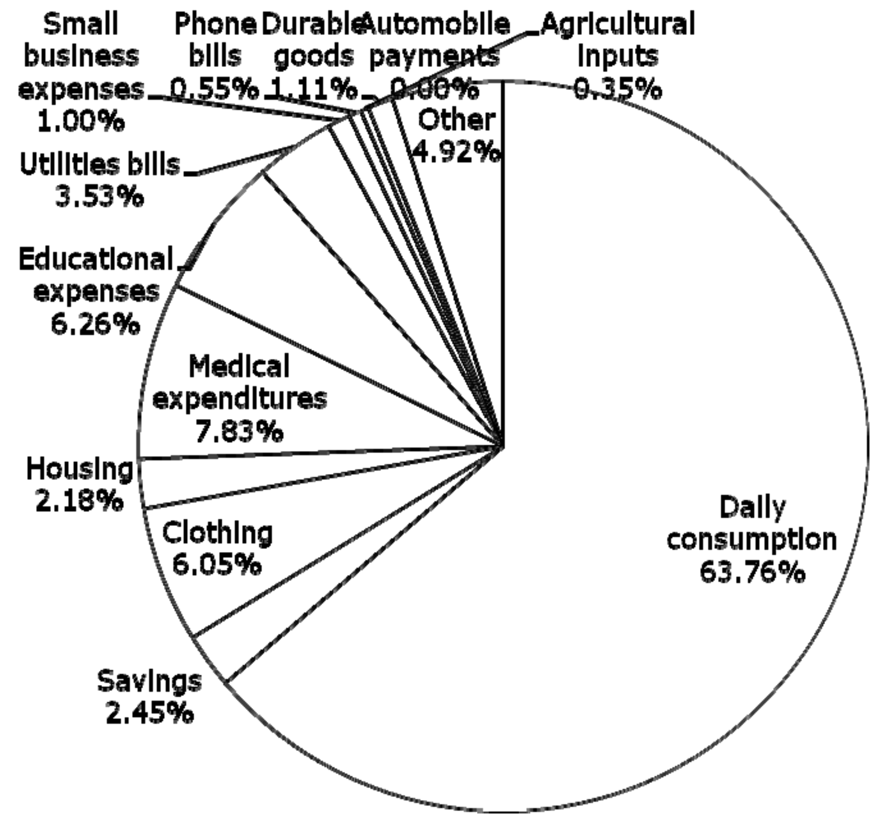
Migrant

Household survey – El Salvador

Preferred allocation of remittances (migrants from El Salvador in Washington, D.C.)



Migrant



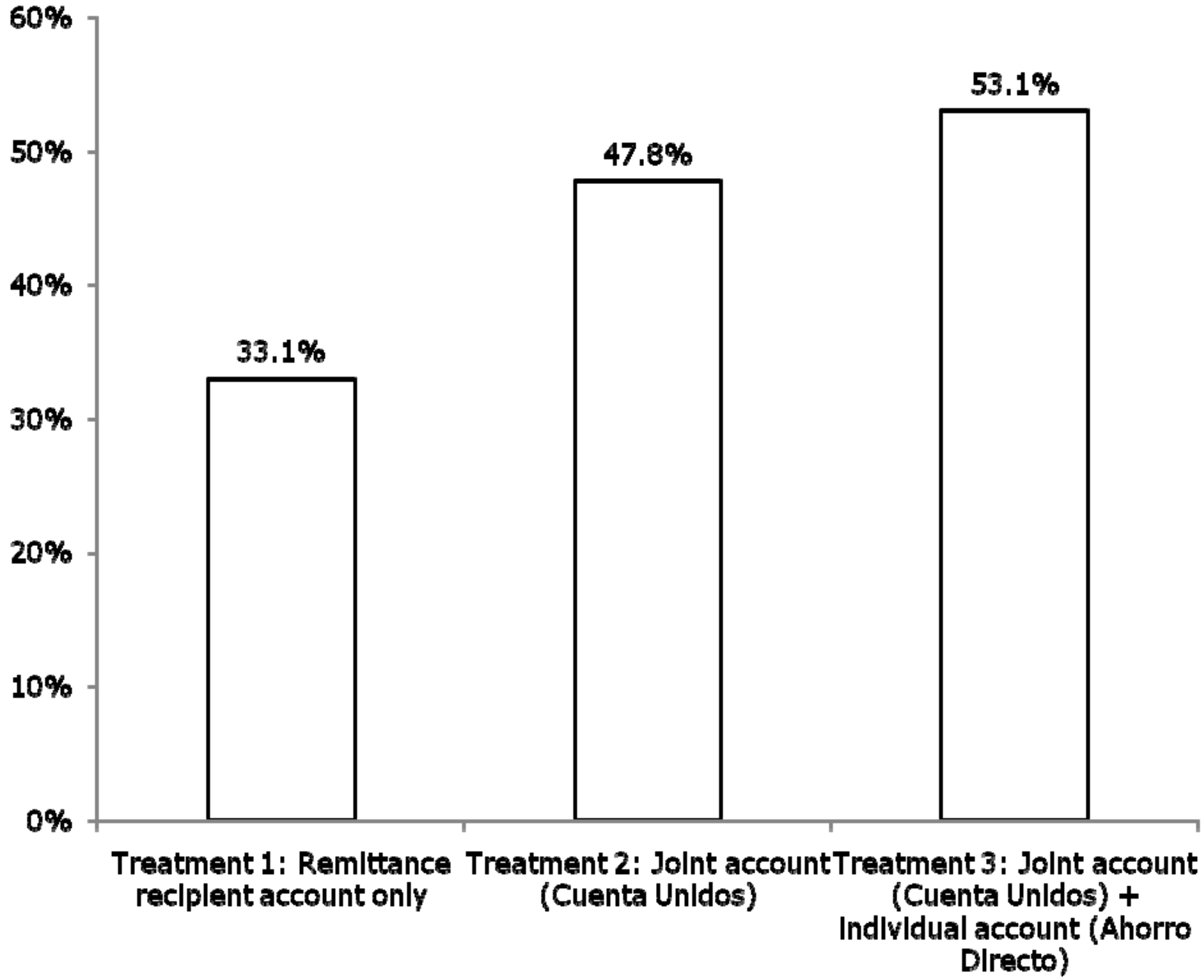
Remittance recipient

Savings marketing team

Marketing visit (1)

Marketing visit (2)

Percentage of Salvadorans opening accounts



- Percentages of migrants filling out account-opening forms as of May 19, 2008 (236 treatment 1, 253 treatment 2, and 243 treatment 3)

Migrant-backed loans

- Give migrants opportunity to guarantee loans for specific borrowers (identified by the migrant) in the home country
  - E.g., migrants put up 50% of loanable funds, bank provides remainder

- Benefits for migrants:
  - Loanable funds multiplied
  - Higher likelihood of repayment

- Benefits for borrower:
  - Establish formal credit history
  - Can eventually “graduate” to not needing migrant guarantee

- Pilot project with Banco Industrial (Guatemala)
  - A USAID-funded initiative

In sum

- Remittances are huge and growing
- But large shares of migrant earnings are not remitted
- Offering increased control over remittances may both:
  - Raise remittances sent
  - Channel higher share of remittances towards long-term (investment) purposes
- Ongoing initiatives are testing the impact of migrant control over remittance uses

THE GEORGE WASHINGTON UNIVERSITY
WASHINGTON DC

Much Ado About Diaspora Investment:
Potential

Dr. Liesl Riddle

Acting Director, GW Diaspora Program

Associate Professor of International Business & International Affairs

http://www.gwu.edu/~elliott/researchcenters/diaspora.cfm

Many Forms of Diaspora Investment

Diaspora Direct Investment (DDI)	*Diaspora Portfolio Investment (DPI)*
▪ Creating manufacturing facilities for local and/or export sale ▪ Setting up subsidiaries for existing businesses ▪ Establishing service operations	▪ Contributing to VC fund ▪ Purchasing mutual funds or other stock ▪ Purchasing homeland bonds

"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."

- 1979-1995 China DDI 80% FDI **(Wei & Balasubramanyam, 2006)**
- 1991-2001 India DDI 26% FDI **(Wei & Balasubramanyam, 2006)**
- & Many others!
  - 1998-2004 Armenia 25% FDI **(Hergnyan & Makaryan, 2006)**
  - Post-conflict investments in Afghanistan, Liberia, Sierra Leon, etc.

	Typical Foreign Investor	Typical Diaspora Investor
MOTIVATION TO INVEST	Financial	**Financial *AND* Social & Emotional**
INTERNATIONAL EXPERIENCE	Significant	**None**
ENTERPRISE SIZE	Large Firms	**Micro, SME, & Large Firms**
LEVEL OF LOCAL MARKET KNOWLEDGE	Little	**Moderate**
STRENGTH OF LOCAL SOCIAL NETWORKS	None	**Moderate**
LOCUS OF ORGANIZATIONAL CONTROL	Operation with Some Influence from Headquarters	**National or Transnational Operation**

FDI is Often Heralded as Key Driver of Economic Progress

"FDI triggers technology spillovers, assists human capital formation, contributes to international trade integration, helps create a more competitive business environment, and enhances enterprise development. All of these contribute to higher economic growth, which is the most potent tool for alleviating poverty"

(OECD, 2002: 5)

The "Dark Side" of FDI

- **Not always efficient** (Krugman, 1998)
- **May crowd out domestic investment and displace local firms in production, service, and financial markets**
  - *Reducing local competition and leading to lower quality products and inflated prices in local markets (Moran, 1998)*
- **May crowd out domestic borrowing capital**
  - *Increasing interest rates and the cost of capital to business (Caves, 1996)*
- **UNCTAD** *(2006)* **reports that 1 in 5 FDI policy changes were unfavorable to FDI -- highest recorded**

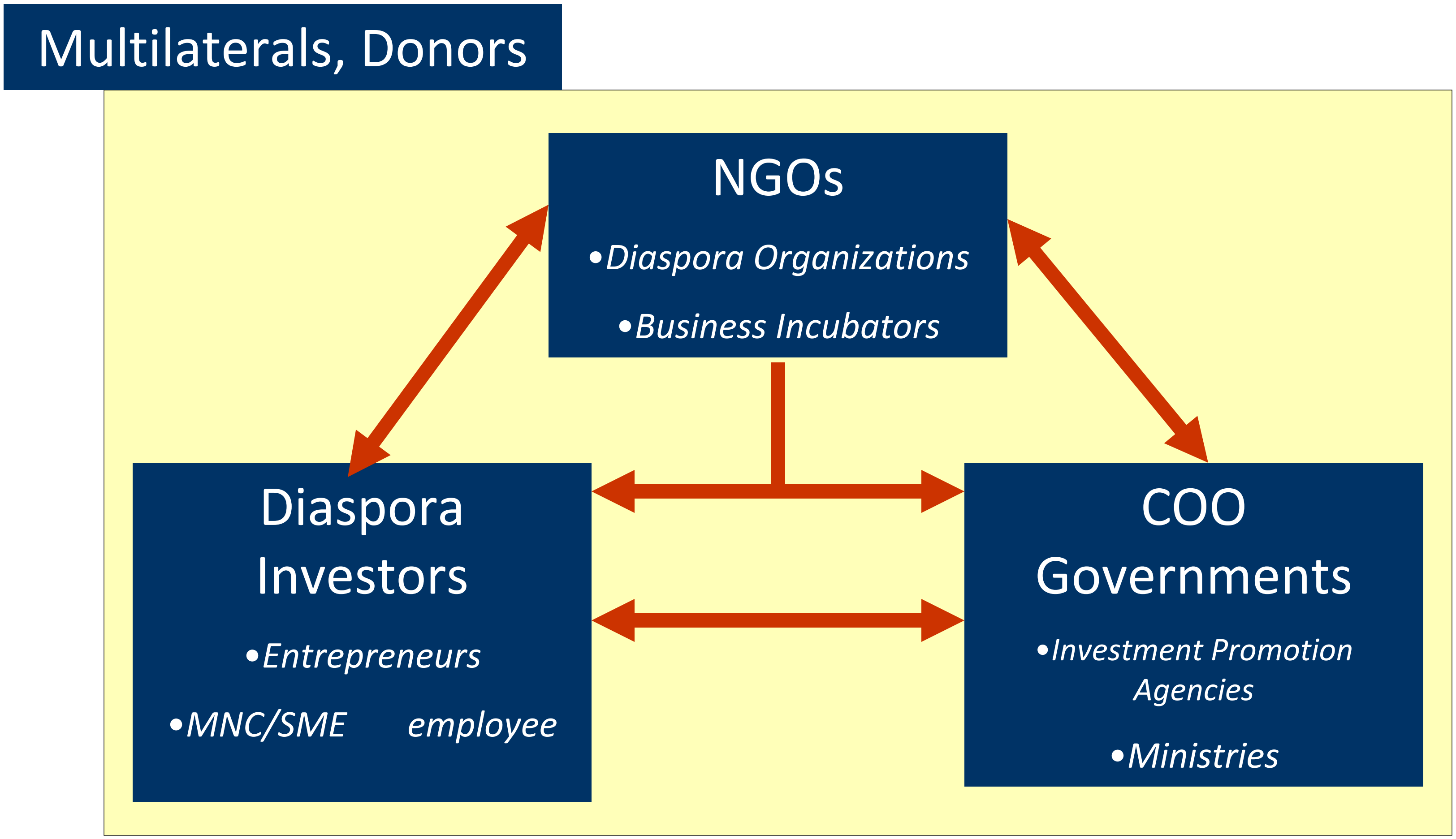
Potential Benefits of Diaspora Investment

- ✓ Be less likely to extract capital in periods of political and/or economic risk
- ✓ Be less likely to repatriate profits and more likely to reinvest in existing firms and/or establishing new operations and ventures in their country-of-origin
- ✓ Be more likely to invest in greenfield activities rather than merely merging or acquiring local firms, thereby creating positive employment effects
- ✓ Prefer local inputs and employees over imported products and labor

Potential Benefits of Diaspora Investment

- ✓ Seek to cultivate and strengthen local supply chains
- ✓ Engage in innovative socially and environmentally responsible business practices
- ✓ Provide social capital linkages for local firms to external supply chains and markets, thus enhancing opportunities for local firm internationalization
- ✓ Enhance local human capital through knowledge spillovers and social remittances

Promoting Diaspora Investment



Diaspora Capital Investment Project

WHAT ARE THE NECESSARY FACILITATING INSTITUTIONS?
WHAT ARE THE SPECIFIC INVESTMENT FLOWS?

PRE-INVESTMENT

INVESTMENT

POST-INVESTMENT

WHAT IS THE MARKET POTENTIAL?
WHAT ARE THE PSYCHOLOGICAL DRIVERS?

HOW CAN GOVTS ATTRACT DDI & D-ENTREP?

WHAT'S THE AFFECT ON INSTITUTIONS?

DIFFERENT BUS. ENVIRON. PERCEPTIONS?

QUALITATIVE DIFFERENCE OF DIASPORA INVESTMENT?

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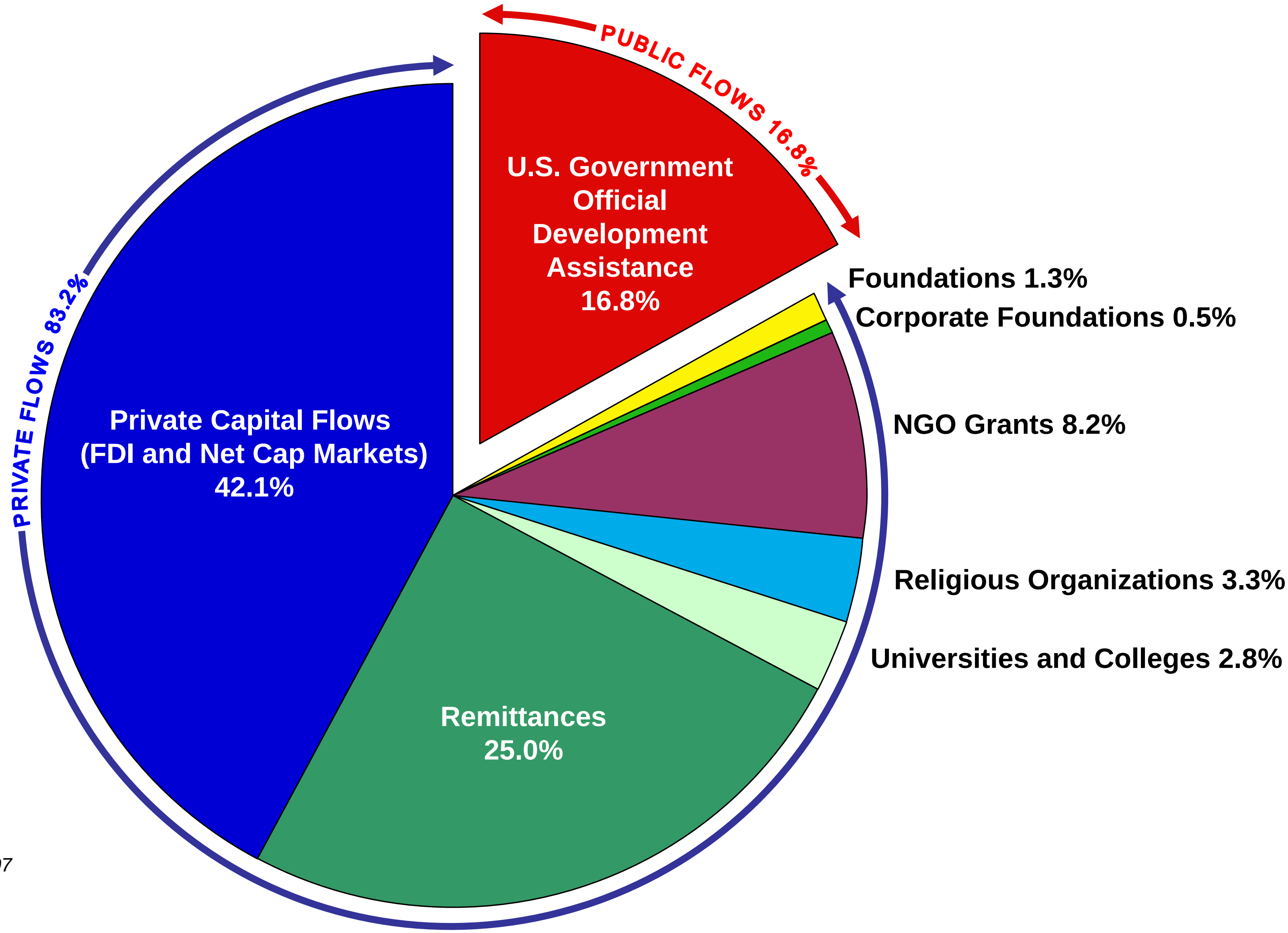
Diaspora: Development Partner?

Thomas DEBASS

2005 US Total Resource Flows to the Developing World: $164 Billion



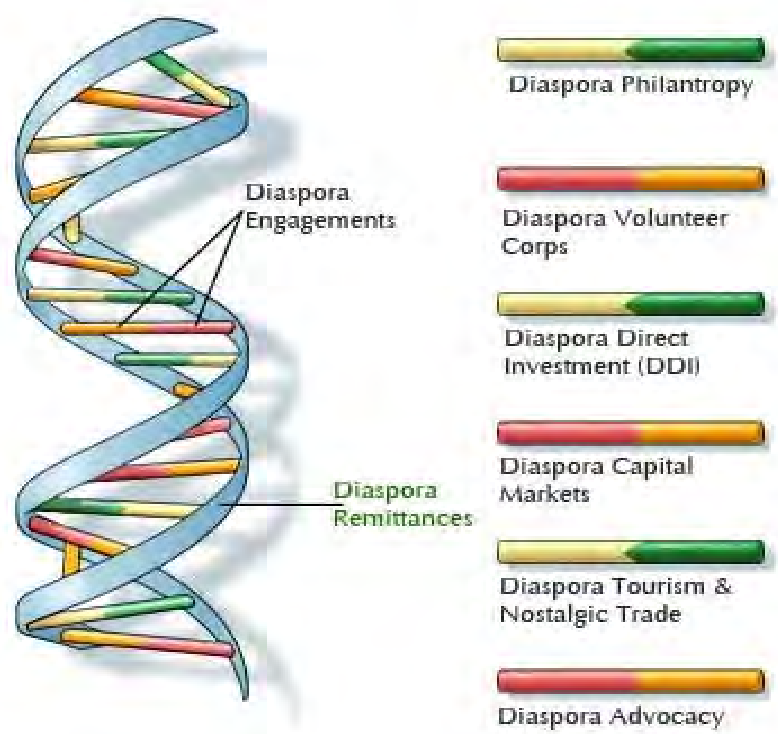
USAID, June 2007

Why Partner with Diaspora?

- **Respond to a rapidly changing global phenomenon: migration**
- **Humble recognition that the Diaspora plays a greater role in development than USAID**
- **Inherently sustainable as Diaspora's connection to the homeland is unbreakable (DNA)**

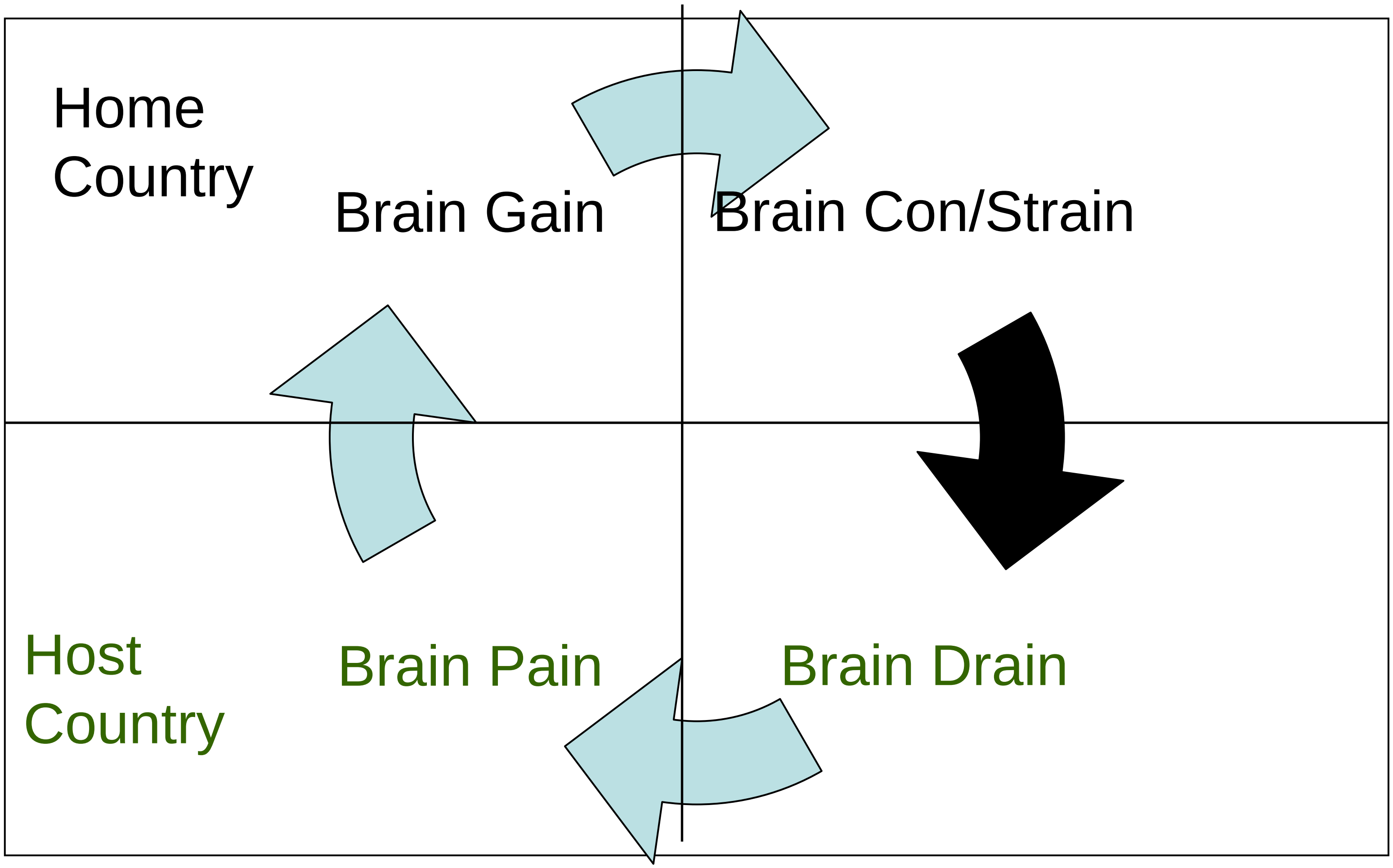
Global DNA Framework

DIASPORA NETWORKS ALLIANCE [DNA]



USAID

DNA's Circular Framework



7 Strands of DNA

1. Diaspora Remittances
2. Diaspora Philanthropy
3. Diaspora Volunteer Corps
4. Diaspora Direct Investment (DDI)
5. Diaspora Capital Markets
6. Diaspora Tourism & Nostalgic Trade
7. Diaspora Advocacy & Diplomacy

1. Remittances

- Consumption
- Health
- Education
- Housing
- Debt Repayment
- MSME Finance

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Remittances in a global context

($ billion)	1995	2007
Recorded remittances	58	251
ODA	59	104
FDI	107	460
Pvt. debt & portfolio equity	126	543

Possible Partnerships

- Financial literacy
- Involving MFIs in banking the “unbanked”
- Promoting innovative modes of transfer: mobile banking
- Linking indigenous saving schemes with remittances
- Securitization of future flows of remittances
- Remittance-linked investments
  - Housing loans
  - Health Insurance
  - Education fund or student loans
  - Pension plan
  - Entrepreneurial lending

2. Philanthropy

- Also known as collective remittances
- Indigenous charity organizations
- Possible Partnership: ONE-4-ALL
  - Hometown Associations (HTAs)
  - USAID/Missions
  - Foundations
  - Private Sector (“Migrant-serving”)
  - Local governments

3. Volunteerism

- Hyphenated Peace Corps
- Hometown Associations
- Notable Examples:
  - Armenia Volunteer Corps (AVC)
  - IndiCorps
  - EthioCorps
- USAID’s VEGA – South Sudan

4. Entrepreneurship

Diaspora Direct Investment (DDI)

- DDI is FDI with the soul and resilience of remittances
  - DDI, The Brave/Patient Capital
  - DDI, The Brain Gainer
  - DDI, The Technologist
  - DDI, The Recycler
  - DDI, The Catalyst
  - DDI, The Diplomat

5. Capital Markets

- The Diaspora as institutional investor
  - Diaspora Bonds (Private sector)
  - Diaspora-backed P2P Lending Networks
  - Investment Funds or Clubs
  - Foreign Currency Bank Accounts
  - Local Stock Markets

6. Tourism & Nostalgic Trade

- Significant source of foreign exchange earnings
- Conduits for market entry
- Research is underway to examine the magnitude of nostalgic trade
- Possible partnership: value chain support

7. Advocacy & Diplomacy

- Agents of Knowledge Networks
- Advocacy role for good governance
- Agents for Conflict Mitigation & Management
- Possible partnership: Global Development Commons

USAID FROM THE AMERICAN PEOPLE

Engagement Mechanism?

Diaspora Marketplace

- First initiative under USAID’s Global DNA Framework
- A competition platform to engage Diaspora and Diaspora-focused organizations
- Inspired by World Bank’s *Development Marketplace* Series

Final Comments

- Avoid the glorification of remittances (migration is a symptom and remittances are the pain killers)
- Diaspora engagement goes beyond remittances
- Increased emphasis should be given to the supply side [Diaspora]
- DNA is the only way forward

Additional Information

- **Visit more resources on-line at**
  www.usaid.gov/gda
  www.diasporamarketplace.org

- **Thomas DEBASS**

  tdebass@usaid.gov

  202-712-5967

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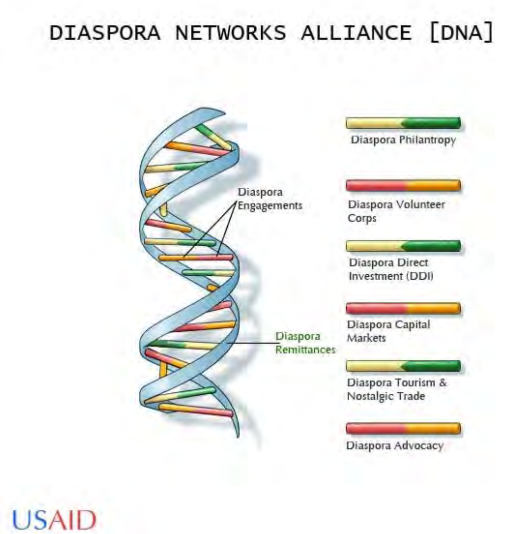
Diaspora Networks Alliance

Leveraging Migrant Resources for Effective Development



DNA: Diaspora's link to the homeland.

Over the last 35 years, the number of worldwide international migrants has almost doubled, from 76 million to 150 million. As migration increased, reflows in the form of personal and collective remittances, investments, information and knowledge, tourism and trade have continued to grow at unprecedented rates. Today, remittances are the second-largest source of financial resources to developing countries just behind foreign direct investment (FDI). Of the $158 billion of U.S. total resources flows to the developing world in 2005, 26 percent came from remittances.

Although Diaspora community engagement with home countries is sizeable, the developmental potential for this group remains largely untapped. USAID recognizes that by not engaging with this community, we are missing out on a huge opportunity. That is why USAID is launching a flagship public-private alliance called the Diaspora Networks Alliance (DNA). DNA is a USAID effort to enable partnerships between USAID and Diasporas through knowledge development, engagement, and operational work with the purpose of promoting economic and social growth in the countries of origin.

REMITTANCES

Under the DNA framework, USAID and its resource partners will engage in programmatic activities designed to amplify the development impact of remittances. These activities will focus on four areas.

- Encourage traditional money transfer organizations and banks to develop and market their services to remittance clients and/or promote linkages with microfinance institutions to deepen outreach.
- Develop regional and domestic payment systems to meet the needs of migrants and their families and facilitate international transfers.
- Support pilot programs that link remittances to financial products (housing loans, health insurance, consumer loans, student loans, education funds, pension plans, enterprise loans, indigenous rotating saving schemes, etc.).
- Explore technological innovations (such as mobile-banking) that could reduce transaction costs, increase security, and provide remittance clients with a range of convenient services.

DIASPORA ENGAGEMENT

Beyond remittances, USAID and its DNA partners will seek to focus on creative mechanisms through which migrants can contribute to growth in their homelands. The Agency has identified six strategic Diaspora engagement mechanisms:

Diaspora Philanthropy: Also referred to as "collective remittances", this concept is based upon strong personal, cultural, and community ties and offers unique promise for migrants to become directly engaged in development of their home communities. These partnerships have emerged to leverage the collective donations that migrant associations send to their home countries to finance community development projects. A successful example is Mexico's "4-por-1" program, which brings together home town associations, local and federal governments, and Western Union to fund development projects in communities with high levels of "out" migration.

Diaspora Volunteerism: These organizations offer opportunities to Diaspora community members to return to their home countries to perform short or long-term public service, bringing specialized knowledge to the tasks of economic and social development. USAID has already assisted such efforts in Sudan and Iraq, helping to bring both technical and local knowledge to its development efforts. Other notable examples in Diaspora volunteerism are the *Armenian Volunteer Corps* and *IndiCorps*.

Diaspora Entrepreneurship: Currently, most research and focus on Diaspora involvement in their home countries' development have been limited to family remittances. One area that academics, development practitioners, and policymakers have neglected to explore is the role the Diaspora entrepreneurs can play in gearing investments toward their home countries. Standing at the intersection between the Diaspora, remittances and FDI, Diaspora Direct Investment ("DDI") offers immense possibilities given the willingness, motivations and resiliency of Diaspora entrepreneurs to invest in risky markets.

Diaspora Capital Markets: Diasporas can also provide much needed capital to home economies through various capital market instruments. These include hard currency bank accounts, certificates of deposit, equity and debt funds, bonds, securitization of remittances, etc. Notable examples of Diaspora capital market instruments are Diaspora bonds and remittance-backed securities. These instruments are issued either by a country or local financial institutions to raise debt capital to finance development projects.

Diaspora Tourism & Nostalgic Trade: Developing countries receive over 300 million tourists visit each year. Diasporas make up a large portion of this group. Through tourism, besides stimulating the local economy while they're visiting, Diasporas support their home communities by buying nostalgic goods which typically are produced by micro- and medium enterprises. Greater efforts can be made to promote Diaspora tourism and to develop the capacity of the makers of nostalgic goods through value chain work.

Diaspora Advocacy & Diplomacy: Increasingly Diaspora communities are inserting themselves into the policy dialogue of their home countries and are engaged in cultural and commercial diplomacy that in ways bridge understanding between their adopted and home countries. USAID, in collaboration with its DNA partners, can help to facilitate this important influence and lend weight to program areas, such as conflict mitigation, democracy and governance, and knowledge management.

Global Development Alliances at USAID

The Global Development Alliance (GDA) is USAID's commitment to change the way we implement our assistance mandate. GDA mobilizes the ideas, efforts and resources of governments, businesses and civil society by forging public-private alliances to stimulate economic growth, develop businesses and workforces, address health and environmental issues, and expand access to education and technology. To date, USAID has cultivated over 680 public-private partnerships with 1,700 different partners, leveraging over $9 billion in combined resources.

A Call for Partnerships

USAID invites interest from prospective partner organizations to form alliances to carry out activities in support of USAID's DNA initiative. DNA partners are expected to bring significant new resources, ideas, technologies, and/or partners to address development problems in countries where USAID is currently working. Partners could include a wide range of organizations such as: foundations, U.S. and non-U.S. non-governmental organizations (NGOs), U.S. and non-U.S. private businesses, international organizations, other U.S. Government agencies, civic groups, hometown associations, migrant/Diaspora organizations, other donor governments, host country governments, and regional organizations.

For more information on DNA, contact:
Thomas Debass
202.712.5967
tdebass@usaid.gov