



Background paper for Rabat Process Technical Workshop on Diaspora Remittances and Sustainable Development

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Some key figures:

- Remittances are something measurable, it is visible in the countries they affect and it is relevant for **1 out of 7** individuals worldwide.
- They concern **1 billion people** in the world directly, either as remittance recipient or as sender.
- The **total volume of remittances** to low-and middle-income countries reached **USD 529 billion** in 2018, an increase of 9.6 % from the previous year. Altogether, with the flow to high-income countries, remittances stood at USD 689 billion.¹ Those are the numbers of officially recorded flows; in practice, the volume is estimated to be considerably higher when taking into account those that move through informal channels.
- Remittances are now the **largest sources of foreign exchange earnings in low- and middle-income countries (LMICs)** with the exception of China. They are three times higher than official development assistance (ODA) and have surpassed foreign direct investments in 2017.
- In the Rabat Process region, **the Gambia has the largest share of remittances** (in relation to its GDP) followed by Cabo Verde, Liberia, Senegal, Togo, Ghana and Nigeria.

I. Introduction and purpose of the Technical Workshop

Sub-Saharan Africa, with a population of 1.066 billion, received USD 46 billion in remittances in 2018.² By way of comparison, the top recipient country alone, India with USD 78.6 billion, received more inflow of remittances than the continent of Africa, though that inflow only represents 2.6% of its GDP.³ India has seen massive developments lifting many out of poverty. It is therefore not just the volume of remittances that matters, but also the way governments have fostered smart connections between their diaspora and the development of their countries. Examples of such **success stories** are increasingly being made worldwide, with first steps taken into developing diaspora strategies and building strong relationships that go beyond family ties.

Innovative instruments which have positively impacted development have emerged thanks to new technologies that make those connections easier, faster and cheaper. With remittances being part of the SDG goals⁴, policymakers around the world have become sensitised to this topic and face the common challenge of mediating those funds in a way which benefits the economy at large.

While diaspora investments have demonstrated considerable potential for supporting economic growth in countries of origin, **they are often hampered by a lack of appropriate financial instruments and access to information.**

This background document **identifies and analyses certain initiatives which help to mobilise and catalyse diaspora savings and resources to be better used to serve the development of communities.** Although the issue of reducing the cost of sending remittances is relevant (transaction costs to Africa are among the highest in the world⁵), this document and the workshop will not specifically

¹ World Bank (2019), Migration and Remittances: Recent Developments and Outlook, Migration and Development Brief 31
<https://www.knomad.org/sites/default/files/2019-04/Migrationanddevelopmentbrief31.pdf>

² *ibid.*

³ *ibid.*

⁴ SDG indicator 10.c. to reduce remittance costs; indicator 10.7.1 to reduce recruitment costs for migrant workers and indicator 17.3 to mobilise additional financial resources for developing countries from multiple sources.

⁵ Approximately 9.3 % as compared to a global average of around 7% (World Bank 2019: *supra*, note 1)



address this issue, which is already being explored by specialised agencies and fora⁶. This background document was prepared within the framework of the Rabat Process (part of the Africa-EU Migration and Mobility Dialogue funded by the EU and implemented by the ICMPD) in preparation for the **Technical Workshop on Diaspora Remittances and Sustainable Development, which will take place in Abuja on 5th and 6th November 2019.**

Objectives of the workshop:

- Bring experts and practitioners from the public and private sectors together with Rabat Process partners, as policy- and decision makers in their respective countries/ organisations.
- Improve Rabat Process partners' technical understanding of remittances and sustainable development; promote mutual learning and the exchange of good practices leading, potentially, to the replication of successful initiatives and practices.
- Present some initiatives, paying particular attention to their impact and results achieved to promote the productivity of diaspora remittances.
- Formulate recommendations from practitioners on ways in which Dialogue partners can facilitate and optimise such initiatives through their policies.

Deliverable:

- A final outcome document; based on the presentations and discussions that will take place during the technical workshop, will be distributed to partners afterwards.

II. Mapping of instruments and initiatives, and limitations of the methodology used

Phase 1: Mapping

A mapping of some of the key initiatives that can leverage remittances for sustainable development was conducted (Annex A below). Most of these initiatives are situated in Rabat Process partner countries although selected initiatives which are implemented in other (non-Rabat Process) countries were included where these provided interesting lesson learnt or good practices⁷.

Phase 2: Consultation of Rabat Process partners

The background document and mapping is sent to Rabat Process partners for consideration. Partners are invited to complete the mapping by **sharing with the Rabat Process Secretariat instruments and initiatives which they are implementing or contributing to**, and which aim to mobilise diaspora savings and resources, and to catalyse diaspora investments.

Phase 3: Short-listing

Once completed, the consolidated mapping⁸ will be analysed and a **“short-list” of initiatives and instruments made**, using pre-established selection criteria⁹. Those selected will form the basis of presentations at the Technical Workshop.

⁶ E.g. the African Institute for Remittances (AIR). ICMPD supports AIR's technical programme. A joint AIR-ICMPD meeting will be held in December 2019, focused on reducing the cost of remittances in Africa and developing a roadmap to tackle barriers to reduction of costs.

⁷ All attempts were made to document the impact/ effectiveness of the selected initiatives, but this was not always possible given the difficulty of obtaining accurate and objective information and the particular way in which initiatives are marketed. Since the mapping was developed on the basis of a desk research, the researcher relied heavily on resources found online. As such, whenever there was no (or an insufficient) internet trail of a particular initiative, the researcher was unable to take it into account. This may mean that some potentially promising initiatives were excluded from the mapping due to their lack of visibility and information online.

⁸ This mapping is not designed to be exhaustive; rather it seeks to depict some of the most interesting examples in the region, to help stimulate discussions at the Technical Workshop.

⁹ E.g. the instrument contributes to sustainable development / the SDGs; it allows diaspora members to assist their families back home; governments can help maximise the impact of the instrument; it adds value and is innovative; there is scope for the instrument to be replicated in other countries; it makes use of new practices (online and mobile banking or financial technology); it is relevant and of quality.



III. Impact and limitations of instruments which lever diaspora contributions for sustainable development

Diaspora contribute in many ways to their countries of origin: their emotional connection to their families and perhaps even nostalgic links to the country itself makes them **more resilient investors, more dedicated mentors** willing to share their know-how and global network in their countries of origin. In addition, they are **better brokers** as they are able to make smart business connections across borders. **The value of diaspora remittances is not just measurable in financial terms; they also have an emotional value.** For families, remittances can represent their lifeline. For countries, remittances can have a positive impact on the economy at large with respect to poverty reduction and economic growth. Remittances are countercyclical, meaning that in times of crisis when foreign direct investments tend to dwindle, the flow of remittances goes up; they have been a factor in raising a country's sovereign debt rating or in mobilising funds for strategically important investments in the country. **Remittances are a topic of interest for policymakers who reflect on how they can be leveraged for the benefit of the country at large i.e. how to put 'remittances into productive use'.**

Many studies confirm that **a high proportion of remittances is spent on household consumption.** Around 10 % is used for education and health, and around 15 % for savings and investing in housing, small assets and other income-generating activities. The other 75% is used to cover immediate needs such as shelter or food, thereby putting pressure on prices for all products (non-traded and traded).

There are a number of **financial instruments** that diaspora can utilise to improve their own situation and those of their families and friends back home:

- remittance services;
- savings products;
- loans to complement investments back home;
- insurance to cope with uncertainty and be offered the possibility to build a credit history in order to access long-term financial investment products.

1) Remittances

Remittances are an **important source of income for families**, mostly used to sustain themselves. **On average, individuals send USD 200 back home monthly.** However, from that sum, **around 7 % does not reach the beneficiary.**¹⁰

There are various traditional transfer mechanisms, be it through postal service, banks, hawala systems¹¹, credit unions, money transfer operators (MTOs, such as Western Union, Money Gram), but also newer forms for payment transfers have emerged in the last years through mobile phones or online money transfer providers using blockchain technology. The most expensive form of sending money, with 10.9 % is by means of bank transfers.¹² Conversely, mobile money transfers, sending money between mobile wallets, are 50% cheaper than alternatives. Reducing transaction costs is an important part of the global agenda, but as already mentioned, this background paper and the workshop will focus on other mechanisms that lever diaspora resources. Linking remittances to financial savings and insurances yields much potential to leverage financing for development, and there are various ways to do so.

¹⁰ *ibid*

¹¹ Hawala is a form of remittance operating outside of the traditional banking system that is based on trust and informal channels whereby money does not actually cross borders. Access to bank accounts is not needed. As an illegal money system, it has been criticised for funding illegal activities and for being susceptible to fraud.

¹² *ibid.*



2) Diaspora savings and other resources

Diaspora savings are estimated to be worth approximately USD 497 billion per year, much of which is held in bank deposits.¹³ Turning those into productive assets can help migrants themselves to build a better future and – provided trustworthy instruments are put in place by governments – it can also be mobilised for critical development projects.

a) Mobilisation of diaspora savings through diaspora bonds

Diaspora bonds are public sector bonds, issued by a country as an alternative to borrowing from the domestic capital market or from international debt markets (lending institutions or countries). The issuing country relies on some kind of **patriotic discount**, as they would be servicing the debt at interest deemed below market rates. The first such bond was issued in the 1930s by China and Japan; it has now been done in Bangladesh, Ethiopia, Ghana, Israel, India, Kenya, Lebanon, Pakistan, the Philippines, Nepal, Nigeria, Rwanda, Sri-Lanka and South Africa, with varied levels of success.

Lesson learnt: where diaspora bonds have not succeeded

The Ethiopian Millennium Corporate Bond aimed to collect diaspora investment in order to finance the Ethiopian Electric Power Corporation hydroelectric power project. However, this was unsuccessful. In Kenya, the government did not succeed in meeting their financial target of proceeds for their infrastructure bonds. **There are numerous reasons for this, but one of the most important ones is for governments to earn the trust of their diaspora before launching a diaspora bond.**

An example of success

By planning ahead, structuring their bond as a fixed rate US dollar denominated retail instrument, registering their bond with the US Securities and Exchange Commission and with the UK Listing Authority, Nigeria successfully issued diaspora bonds raising \$300 million for investment in infrastructure and oversubscribing its initial target by 130%. Nigeria also managed to target their diaspora and mobilise partners through an international road show, and built trust in general through good governance and engaging their diaspora in the development of the countries. Diaspora need to trust that the government will be able to service the debt.

b) Enhancing diaspora's asset building efforts – savings and insurance products

Digital platforms offer: from health care insurance packages offering medical evacuation and access to foreign health care providers when needed (Susu) to car insurance, life insurance, retirement plans and home buying plans financed by the diaspora and intended for their families back home (Diaspora Assur). Some private companies have capitalised through the diaspora and their strong bonds to families and friends back home to offer insurance products applicable in both countries of origin and countries of destination.

¹³ Rustomjee, Cyrus (2018), Issues and Challenges in Mobilizing African Diaspora Investment, Centre for International Governance Innovation, Canada



To make financial products accessible to all, it is necessary to bear the following elements in mind: to be able to build assets requires financial literacy on both senders' and receivers' side. On the part of governments, banks and other finance institutions, it requires considerable effort to make their products accessible to all. Without a bank account, there is no access to a foreign currency deposit account nor the possibility to take out a small business loan or to capitalise on one's future retirement through a mortgage loan. Over the past years, there have been an increasing number of alternative savings account not embedded in the traditional banking system (Zoono, MTN Mobile Money) linked to other investment products tailored to the diaspora.

c) Diaspora philanthropy – collective remittances

There are many examples of collective remittances, whereby diaspora pool their resources to help build schools in their home communities, infrastructure projects or to provide assistance when countries are hit by emergencies. **The term social investment¹⁴ (instead of charity or philanthropy) is now often used to highlight the transformative nature of continued support.** Using the **power of networks, social media** have introduced tools for charitable giving. In addition, NGOs have been using social networks to increase their reach. **Online platforms** have emerged to accelerate community-led changes, some of which cater to NGOs, not just with a platform to pool funds and resources, but also by training them to become more effective. Such platforms can help to mobilise vast amount of funds by connecting NGOs with donors and companies (e.g. Global Giving).

d) Mobilisation of diaspora networks

Diaspora are networked individuals: they have connections in both communities of origin and destination and there are an increasing number of platforms that aim to harness that power. There are uncountable transnational networks in place that gather in the form of associations, clubs, hubs: some are open to all, others by invitation only and then there are those clubs that cater to top talent exclusively (e.g. Club Efficiency). Many start on a voluntary basis and their activities depend on the administrator's good will and external funding – in cases where they manage to mobilise funds for their activities. Those governments with a diaspora strategy in place often consider how to mobilise high profile diaspora by establishing awards or turning such diaspora into honorary Ambassadors, to name just a few examples.

3) Diaspora investments

Investing into business development is often referred to as diaspora direct investment, and is the cornerstone of any diaspora engagement strategy. Business creation helps to create jobs and increases the country's tax base. Entrepreneurship can be nurtured, yet it is also requires a set of basic financial skills in order to succeed.

a) Micro-loans for SMEs – the potential of crowdfunding

Many of the world's poor are likely to set up capital-intensive businesses, and saving enough from remittances is a daunting task. Machines are needed to farm the land, more livestock is needed to produce more milk or more sophisticated processing machines which can turn raw material into finished products. Investment of diaspora capital in micro-small- or medium-sized enterprises can have transformative effects on livelihoods and communities.

¹⁴ Defined by the Philanthropic Initiative as the 'strategic and systematic investment of private philanthropic resources to address complex, inter-connected manifestations of chronic underdevelopment'. Johnson, Paula (2001), Global Social Investing: A Preliminary Overview, The Philanthropic Initiative, Boston, M.A.



Kiva: enabling access to microcredit

One of the major issues when it comes to accessing microcredit is the lack of credit history or collateral needed to be considered fundable, often coupled with the fact that money is borrowed through non-institutional and informal channels. In response to this issue, Kiva, a crowdfunding platform, is piloting a project together with UN agencies, funds and programmes, whereby individuals have digital wallets based on distributed ledger technology¹⁵. The **Kiva Protocol is a digital identification system**: a lender can make a loan, which is sent as a signed verifiable claim to the borrower. Once accepted by the borrower, it will be posted to their private credit ledger in their digital wallet. Repayments are also made through the digital wallet. In that way, any borrowing/repayment history is saved in a single ledger accessible through an 'agent' or app on the mobile phone or computer, and to which access can be controlled and granted by the wallet owner. With this, a credit history that goes beyond the traditional institutions can be built up.

Crowdfunding is a game changer for SMEs: through online platforms that crowd in small amounts of money from micro-lenders or investors, SMEs can benefit not only from funding, but also from marketing their services and/or products globally. Many of those digital platforms are targeted to impact investment (e.g. Babyloan, Bettervest), which are investments 'made into companies, organizations, and funds with the intention to generate a measurable, beneficial social or environmental impact alongside a financial return'.¹⁶ Some also provide incubation to social businesses, linking them physically to impact investors (e.g. Bond D'Innov, Diasporas Welcoming Diasporas). There are thousands of equity-, debt- or reward-based crowdfunding platforms in place, some of which provide matching funds in the form of grants, while others protect the lender through capital guarantee schemes from donor countries (e.g. SIDA in the case of the crowdfunding platform Lendahand). Due to the fact that payments via mobile phone are commonplace in many countries in Africa, some crowdfunding platforms have integrated such a payment method via M-Pesa, Airtel or Equitel for example.

b) Other ways to incentivise investments

Some initiatives exist to stimulate diaspora businesses through **business plan competitions, mentoring, matchmaking, network events and access to investors**. Many European countries offer **credit insurances** that help to manage risks related to financial default of clients in the domestic and export market (e.g. Coface in France), which can also serve as an incentive to take the leap into a risky market.

IV. Incentivising diaspora investments: some preliminary recommendations to policymakers in order to create an enabling environment

There are many initiatives that help to lever the potential investment modalities of remittances relating, amongst other, to the emergence of fintech companies that help to lower transaction costs, government bonds to mobilise resources from the diaspora, impact investing to support SMEs, crowdfunding, bank savings, insurance and investment products, and diaspora entrepreneurship.

Underlying all those instruments is the need for financial education of remittance senders and receivers to foster financial inclusion so that all can have better, safer and more affordable access to the financial products and services that meet their needs.

¹⁵ Distributed ledger technology (DLT) is a digital system for recording the transaction of assets in which the transactions and their details are recorded in multiple places at the same time. Unlike traditional databases, distributed ledgers have no central data store or administration functionality.

¹⁶ Global Impact Investing Network (GIN), 2017, Annual Impact Investor Survey, NYC, USA



Digitalisation is considered an important driver of inclusive growth and sustainable development. Promoting access to affordable and secure broadband connectivity and digital infrastructure as well as fostering digital skills is key to development. **Enabling Fintechs** to reach their full potential in Africa requires policymakers to adapt regulations quickly, lifting the heavy red tapes on startups and to make investments attractive for venture capitalists. Africa has already shown that it can **leapfrog technology** when introducing mobile phones within a short period versus establishing monopolistic state-owned landlines. The same could take place now with banking, considering the high number of “unbanked” people on the continent. Finnovation from Africa are bringing new business models tying crowdfunding with mobile payment services or enabling microcredit lending with blockchain technology. Africa’s startup scene is active with numbers that can show: in 2017, African tech startups raised USD 195 million (in USA, it was USD 84 billion; in the EU, it was USD 19 billion).¹⁷ Now it is up to the governments to adapt their regulations fast enough to these changes to enable disruptive business models to flourish and to open the doors so that diaspora can become part of this transformation.

Detailed recommendations will be developed during the Technical Workshop and provided in an outcome document. However, some preliminary suggestions for Rabat Process partners, in their role as policymakers, are explored here, relating to the creation of an enabling framework conditions for doing business and investing:

- **Creating enabling macro-economic conditions** through good governance, setting up investment protection agreements, improving the (road) infrastructure, including in the most rural areas of the country, fostering macroeconomic stability (including relating to foreign exchange/lifting foreign exchange controls and enabling cross-border money transactions), improving the education level and access to good healthcare.
- **Create enabling framework conditions for businesses** by 1) making it easier to start a business (e.g. one-stop shops to register a business), 2) making it easier to obtain construction permits (e.g. to build a warehouse), 3) facilitating access to electricity, 4) making it easier to register property (commercial real estate), 5) enabling access to credit, 6) setting up means to protect investors, 7) facilitating the process of paying taxes (e.g. time spent on preparing taxes, tax rate as share of gross profit), 8) enabling trade across borders (e.g. documentation and procedures to export/import), 9) enforcing contracts (e.g. rule of law enabling the fulfilment of debt contracts), 10) making it easier to resolve insolvency (e.g. cost and recovery rate of businesses under bankruptcy proceedings). All of these 10 suggestions are indicators that are part of the World Bank’s ‘Ease of Doing Business’ index. Additional measures include providing tax incentives for investments or the import of equipment, adopting legislation allowing the expansion of e-commerce payment systems, legislation enabling the establishment of crowdinvesting platforms and other micro-funding institutions, easing the licensing process for new technologies to enter the market and enabling competition between money transfer providers.
- **Create an enabling environment for brain circulation** by enabling the portability of social benefits and pension schemes (through bilateral agreements), allowing multiple citizenship or extending special entry/residency conditions (e.g. visa-free entry, right to access the country’s services as a special card holder), extending and enabling voting rights to their citizens abroad.
- **Diaspora investors:** raise awareness and show appreciation to diaspora investors, not just by setting events honouring their contributions, but also by including them in the (policy) discussions on how to improve the framework conditions for their investments. Start to map diasporas, develop diaspora policies, strategies and actions, collect data and evidence, thereby helping to monitor risks and decide on policies to stimulate diaspora investment.

¹⁷ Disrupt Africa (2018), Finnovating for Africa 2019: Reimagining the African financial services landscape, <http://disrupt-africa.com/funding-report/>

Annex A - Identification of instruments that lever diaspora contributions for sustainable development in the Rabat Process region

Name of initiative and link to website	Countries involved	Short description of initiative	Link to SDG
INSTRUMENTS TO MOBILISE MIGRANTS' SAVINGS AND OTHER RESOURCES			
Zoona (private sector) http://ilovezoona.com	Malawi, Mozambique and Zambia	Zoona was founded in 2009 and offers various products all with the aim to bring together the drive of young entrepreneurs and the power of cutting-edge technology to bring safe and reliable financial services to underserved communities all over Africa. Zoona offers 1) easy, quick and safe ways to send and receive money, 2) the Sunga Pockets which allows money to be stored in an affordable and accessible electronic account with accessibility through a Zoona agent in communities and with no fixed fees, 3) Bill payments for utilities. It currently has a consumer base of around 3 Mio. people.	SDG 8,10, 17
Susu (private company) http://susu.fr	France and Côte d'Ivoire (Abidjan)	Susu is a digital platform offering health care services for families in the country of origin or in France. It acts as an insurance provider from which you can choose three different packages starting at EUR 35/month up to its 'susu plus' package, which includes medical evacuation and access to foreign health care. Their partners (pharmacies, labs, health care clinics) are located throughout Abidjan. (Note: the term "Susu" is known as a method for pooling savings in parts of West Africa and Caribbean).	SDG 3
Club Efficiencie (Association) http://club-efficiencie.com	African (economic) diaspora residing in France, Germany, Great Britain, Belgium, Italy, Spain, Luxembourg and Portugal	Club Efficiencie calls itself an economic and social hub uniting the affluent African diaspora in Europe. Club Efficiencie is an NGO that was set up in 2008. Next to the 700 economic leaders and other personalities who are part of that network, it partners with enterprises that have a link to Africa, academic institutions and partner institutions. They cover a wide range of activities, from helping young Africans to enter renowned universities (including with scholarships) to a labour-skills matching platform and the pooling of resources for investments into SMEs in African. The participation in the hub is fee-based.	SDG 1, 2, 4,8, 10, 16, 17



Rabat Process

Euro-African Dialogue
on Migration and Development

Diaspo Assur (private company) http://diaspoassur.com	France and several (undefined) African countries	Diaspo Assur offers customised insurances to individuals living outside of their country of origin intended for his/her relatives remotely, including car insurance, life insurance, health insurance, for retirement, home buying. It also offers a prepaid credit card without obligations to open a bank account. Its customers are African Diaspora members. The company, established in 2017, is based in France and partners with African insurance companies.	SDG 3, 8
Global Giving (NGO) https://www.globalgiving.org	World wide	The platform's mission is to transform aid and philanthropy to accelerate community-led change. It supports non-profit organisations across the world to access tools, training and support needed to become more effective. The platform connects non-profits, donors and companies globally. The local organisations are vetted and donations are US tax-deductible.	SDG 8, 17
Diaspora Bond (institutional)	Nigeria	Nigeria issued its first diaspora bond in 2017 through which it raised USD 300 Mio. The bond was registered amongst other with the U.S Securities and Exchange Commission (SEC) and pitched to the Nigerian diaspora with a focus in the USA. It is a five-year bond at 5.625% interest rate.	SDG 17
Talent2Africa (private company) http://talent2africa.com	Europe/Africa (worldwide)	Talent2Africa is a pan-African recruitment platform matching talents and recruiters for Africa. It uses the LinkedIn profiles and other algorithms to help companies find the best talent worldwide. Additionally, it also offers tailor-made services to recruiters.	SDG 8
Solidarco (private foundation) https://www.solidarco.org/	Belgium, Democratic Republic of the Congo	Solidarco is a transnational health insurance company offering health care services for families in the Democratic Republic of the Congo (DRC). Members or organisations of the Congolese diaspora can sponsor, for 30€/month, a group of 7 persons (family members, relatives, partner organisations...) in DRC, who then can access services in health centres in Kinshasa.	SDG 3
INSTRUMENTS TO FACILITATE DIASPORA INVESTMENTS			
Afrikwity (private company) http://afrikwity.com	France and Africa (so far in Togo, Côte d'Ivoire and Guinea)	Afrikwity is an equity-based crowdfunding platform based in France. Set up in 2017, it supports startups and innovative SMEs. For each investment, the money is kept in a holding and the investors can follow the evolution of their investment through the platform (regular reporting). The investors earn interest on their investment.	All 17 SDGs



Rabat Process

Euro-African Dialogue
on Migration and Development

<p>Babyloan (private company) http://babyloan.org</p>	<p>Belgium, Benin, France, Mali, Senegal, amongst other</p>	<p>Babyloan is a (French-based) platform established in 2008 through which small amounts of money can be loaned to specific businesses presented over the platform in the form of a microcredit.</p>	<p>All 17 SDGs</p>
<p>Lendahand (private company) http://lendahand.com</p>	<p>From the Netherlands/ Belgium to Cameroon, Kenya, Mozambique, amongst other</p>	<p>With the slogan ‘crowdfunding a better world, one project at a time’, the online impact investing platform links money to vetted entrepreneurs in developing countries while the micro-investors can earn interest by doing something good. Lendahand, an AFM¹⁸-licensed investment company, currently has 2546 fully funded projects. Lendahand has signed a guarantee agreement with the Swedish International Development Cooperation Agency (Sida), whereby Sida offers investment protection to the lender: in case of default from an investee, a maximum of 50% of the initial investment is covered.</p>	<p>All 17 SDGs</p>
<p>Diaspora Finance Initiative (NGO) http://www.afford-diasporafinance.org</p>	<p>UK-based diaspora investments in Nigeria, Rwanda, Sierra Leone (and Zimbabwe)</p>	<p>It is run by AFFORD, the African Foundation for Development (NGO) established in 1994 and based in London. It aims at supporting and stimulating UK-based diaspora investments towards SMEs with the mission to create more jobs. The initiative provides grants (match funds) to those selected through the business plan competition “Diaspora Enterprise Accelerator”, strengthens diaspora African networks and capacity-building through AFFORD’s Business Club and supports the improvement of the policy framework for diaspora investments, amongst other.</p>	<p>All 17 SDGs</p>
<p>Kiva (NGO) http://kiva.org</p>	<p>78 countries, amongst other: Benin, Burkina Faso, Cameroon, Congo</p>	<p>Kiva is a (US-based) crowdfunding platform, similar to Babyloan, founded in 2005. It also has offices in Bangkok, Nairobi, Portland and staff around the globe. The platform also lists the default rate of their field partners with whom they work for the disbursement of the microloan. Kiva has recently started the Kiva Protocol, a pilot between UNCDF, UNDP for Sierra Leone as a way to expand financial inclusion. It enables digital identification to all citizens in a digital wallet (through distributed ledger technology) thereby allowing formal</p>	<p>All 17 SDGs</p>

¹⁸Dutch Authority for the Financial Markets (AFM)



Rabat Process

Euro-African Dialogue
on Migration and Development

	(DRC), Côte d'Ivoire, Ghana, Mali, Nigeria, Senegal, Sierra Leone, Togo	and information institutions to contribute to a person's verifiable credit history. In that way, it also records the financial history from the 'informal economy'.	
Coface (private company) http://coface.fr	Worldwide	Coface (Compagnie Française d'Assurance pour le Commerce Extérieur), established in 1946, is a credit insurer that helps to manage risks relating to financial default of clients in the domestic and export market. In addition to credit insurance, it also supports with bonds, factoring, business intelligence and debt collection. It publishes on a quarterly basis a risk assessment for 160 countries that is based on payment behaviours, amongst other. Coface has subsidiary offices or operates through strategic partners in 100 countries and can provide services to their customers in over 200 countries.	SDG 8
DiafrikInvest (project) http://diafrikinvest.com	Europe, Morocco, Tunisia and Senegal	Under the slogan 'Connecting Talents and Opportunities', DiafrikInvest aims to strengthen business relations between Europe, Morocco, Tunisia and Senegal. It is financed by the EU (EuropeAid) under a call for proposals entitled "the Euro-African Dialogue on Migration and Development (Rabat Process)" and coordinated by the ANIMA Investment Network in partnership with Conect (Tunisia), Start Up Maroc and AMDIE, Morocco's Investment and Trade Agency, and CJD (Senegal). The initiative started in 2016 and will finish in December 2019. DiafrikInvest mobilises high potentials, entrepreneurs and investors from the diaspora for the benefit of the countries of origin.	All 17 SDGs
MEETAfrica (project) http://meetafrica.fr	France, Germany, Algeria, Morocco, Tunisia, Cameroon, Mali, Senegal	The first phase of project aimed at supporting 80 African entrepreneurs, who have graduated from university in France or German, to establish their business in their country of origin or any other in Africa. The business idea needed to be innovative, either by applying a high-tech solution, or more generally through its innovative approach. The programme started with funding from the EU/ICMPD in June 2016 and is coordinated by Expertise France. Consortium partners are Campus France, CIM and IRD. They work closely with local institutions in the respective countries. A second phase of the project is still pending. The link to the funded projects can be found here: http://meetafrica.fr/projets/ A second phase of the programme, funded by the EU Emergency Trust Fund for Africa (EUTF) and AFD, will start in 2019. Its objective will be to guide at least 1,000 potential	All 17 SDGs



Rabat Process

Euro-African Dialogue
on Migration and Development

		entrepreneurs from the diaspora, provide technical support to 140 entrepreneurs and finance up to 175 entrepreneurs.	
ANIMA Investment Network (International association) http://animaweb.org	Algeria, France, Morocco Tunisia, amongst other	ANIMA Investment Network calls itself a multi-country cooperation platform for economic development in the Mediterranean. Set up in 2002, it aims to strengthen the cooperation between economic actors from European and Mediterranean countries through networking, economic intelligence tools on the Mediterranean markets, the development of projects and economic exchanges. Amongst other, it links budding enterprise with investors in various formats, such as THE NEXT SOCIETY or the DiafrikInvest Business Angel Community. The ANIMA network includes a network of 75 members across 22 countries in Europe and the Mediterranean. The ANIMA resource centre provides an overview of investments, financing opportunities and territorial development strategies.	All 17 SDGs
Bond D'Innov (private company) http://bondinnov.com	France and partners in Italy, Benin, Burkina Faso, Côte d'Ivoire, Gabon Cameroon, Morocco, Niger, Senegal, Tunisia, amongst other.	Bond D'Innov, based close to Paris, is a business incubator that supports those ideas with a strong economic and societal impact. Set up in 2011, it specialises in supporting businesses directed towards the global South. It regularly launches calls, e.g. in partnership with the World Bank, to support innovative businesses or business ideas in the countries of the South. It enables, amongst other, co-incubation with their partners in the South.	All 17 SDGs
Bettervest (private company) http://bettervest.com	Germany and countries throughout the world	Bettervest is a German-based crowdfunding debt platform specialised in investments in the energy sector. The language used for raising (project) funds is German. Through the platform, micro-investors can jointly invest into a projects starting from EUR 50 up to EUR 5.000.	All 17 SDGs
M-Changa (private company) http://changa.co.ke	For Kenyans in Kenya	M-Changa is a fundraising platform for individuals, organisations and businesses based in Kenya. What makes this crowdfunding platform different from those initiated in Europe is that you can use a variety of payment methods by mobile phone including through M-Pesa,	All 17 SDGs



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on Migration and Development

		Airtel or Equitel. This platform focuses on humanitarian causes as well as on funding social businesses in impoverished communities.	
Diasporas Welcoming Diasporas (NGO) http://welcomingdiasporas.com	France/Africa	Created in September 2016, Welcoming Diasporas looks at supporting both locals and diasporas to invest in the countries of origin in sustainable and eco-friendly businesses. It enables the participation to their bootcamp (as budding entrepreneur), as a business mentor or as partner.	All 17 SDGs
Project for Strengthening the Management of Financial Resources Generated by the Diaspora for the Sustainable Development of Cameroon	Cameroon (two regions of Cameroon) / Cameroonian diaspora worldwide	Pilot project carried out in Cameroon over 18 months, funded by the IOM Development Fund. The objectives of the pilot project were: to carry out a field survey of 1000 Cameroonian households to better understand how remittances funds are used and how to improve the impact of these fund transfers on the recipients' standard of living (i.e. to try to direct remittances away from use for simple household expenses to more productive use via income-generating activities); to strengthen the capacity of public and private institutions and government decision-makers to identify, design and develop policies and initiatives related to remittances from Cameroonian migrants; to promote productive remittances through awareness raising of the actors involved economic operators, migrants and households; to identify actions to be undertaken for a better channelling of diaspora funds. Implemented by a team comprising the IOM, members of the Cameroonian government and the office of a diaspora expert. An inter-ministerial team was set up to manage the project and to supervise the implementation of the projects, by providing entrepreneurs with the facilities and expertise of state agencies. These measures have helped to build trust between the government, the diaspora and the beneficiaries (recipients of remittances).	SDG 8
PayKap	Canada, Cameroon, Côte d'Ivoire or Togo (money can be sent to and from these countries)	PayKap is a provider of online payment services and a free or low-cost Mobile Money transfer platform. PayKap allows you to: transfer money online to a PayKap account; transfer money online to a bank account; pay for purchases in partner stores with the PayKap card; pay for services online or in partner agencies: insurance, education, bills; pay for online purchases or services: e-commerce sites, airline booking sites, hotels, etc. To add the money to his/her card, the customer can do so: online in his/her PayKap account if it is linked to his/her bank account or credit card; by depositing his money in the PayKap bank account and scanning the payment receipt; with a PayKap partner in his country. Once charged up, the customer can transfer money to all countries where PayKap is present with the deposit to a PayKap or bank account; pay for services or products anywhere with	All 17 SDGs



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		companies that accept PayKap payment; pay for services or products anywhere on websites that accept PayKap payment.	
Project to promote secure money transfers	Guinea	Implementing partners: Banque Populaire Maroc-Guinéenne and NSIA Insurance and Banking Group. Implementation area: the pilot phase will take place in the Africa and Europe area. Government's role: to reduce the tax rate on transactions Added of this project: accumulation of profits on transactions are used to finance local economic initiatives. Expected results: secure channels or formal channels for sending remittances are created.	All 17 SDGs
Project to set up the Fund to Support Investment by Guineans Abroad	Guinea	Implementing partners: Technical and financial partners (European Union...) Implementation area: national territory Role of the government: to create a legal and institutional framework, provide resources (financial and logistical) Added value of this project: improvement of economic growth and reduction of unemployment Expected results: the volume of investment by the Guinean Diaspora is increased and remittances for consumption are redirected towards productive, profitable investment.	All 17 SDGs
Transfast	Global	Now owned by Mastercard, with headquarters in the USA, Transfast is used, for example, by the Togolese diaspora in Canada and the USA for online transfers or to prepaid payment cards. Transfast has existed for 25+ years, is a global cross-border payments network provider serving over 125 countries across Asia, Europe, Africa, Americas and Australia. It has around 200,000+ points of payment, and is partnered with almost every bank and cash pickup location in the world. Direct integrations with 300+ banks and other financial institutions enables person-to-person, business-to-person and business-to-business payments services to our partners via a series of web and mobile product applications. The applications deliver compliance, risk management, currency conversion, liquidity management and multi-format messaging solutions to clients, which include banks, financial institutions, e-commerce companies, and service marketplaces, as well as small businesses and individual consumers.	All 17 SDGs



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