

CHAPTER 15.

MIGRATION, REMITTANCES AND ECONOMIC INITIATIVES IN SUB-SAHARAN AFRICA

by

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Migrants from sub-Saharan Africa began to contribute to the development of their home countries as a result of two developments: the cycle of droughts in the 1970s that seriously affected these countries' domestic economies, which are primarily based on agriculture, and the structural adjustment measures initiated in 1981, prescribed by the International Monetary Fund (IMF) and the World Bank, requiring countries to disengage from the agricultural sector and thereby depriving a significant portion of farmers of subsidies and technical support. Under these circumstances, emigration provided an external solution to an internal crisis, and was initially aimed at meeting the basic needs of families in home countries and at contributing to building basic infrastructure (schools, mosques, etc.).

Today, the connection between migration and development is not always evident, because of the gradual dwindling of pools of jobs traditionally available to migrants in OECD countries and the consumer-oriented domestic economies that capture the bulk of migrants' savings. This situation has led many local elected officials in medium-sized towns and rural communities to rethink how these financial contributions can be used within an endogenous development strategy. The use of remittances to support development has been made possible by public and non-governmental bodies that have worked to go beyond the family and village as migrants' sole framework for investment.

This chapter will take stock of some significant development initiatives undertaken by migrants and examine the formal and informal structures used for remittances and the optimum conditions for international co-operation on projects in an urban setting.

Local development initiatives and the financial involvement of migrants

In sub-Saharan Africa, all local development is based on emigration. The correlation between migration and development is very close, as is shown by the structure of demography and migration. For example, in the urban commune of Koniakary, which is located in the sub-Saharan region of Kayes (Mali), nearly one out of two inhabitants is a migrant. Of an initial population of 9 812, 4 011 are migrants. In some ethnic groups,

migrants considerably outnumber sedentary inhabitants. However, this predominance of migration, which is not an isolated trend, is not always reflected by a significant participation of migrants in local development.

Looking at the record of the commune's projects between 1999 and 2003, the participation of migrants in terms of the volume of projects remains low, even though their financial contribution is on the whole significant. Of some twenty economic projects undertaken by the commune, migrants' funds only paid for the construction of the communal health centre (CFAF 120 million), which is absorbing the bulk of the available investments. On the other hand, for the creation of a savings and credit bank (CFAF 200 000), a reforestation operation (CFAF 780 000) and general productive investments, local actors, *i.e.* the commune, have borne the cost of all operations, sometimes with support from non-governmental organisations (NGO). The orientation towards a major projects option is dictated by a policy based on a communal development plan that organises investments on the basis of local needs, unlike previous practices in which migrants' savings were used as the migrants saw fit. This communal designed plan has been developed to give coherence to economic initiatives based on a comprehensive view of the locality's future in terms of local priorities, but it is also considered as a means of combating emigration.

Today, local authorities generally feel that emigration is no longer economically viable and that an alternative must be developed on the basis of endogenous capacities by creating skilled jobs that can enable the population to remain in the area, especially young people. To achieve this goal, it is necessary to develop adequate technical means for water control and electrification in order to explore new job niches. All these reforms require resources that are not easy to find, in particular because the new local authorities in charge of these plans do not have any funds of their own, since there is no rural tax.

The vast majority of remittances – some 82% for Mali (a representative percentage for remittances for sub-Saharan African countries) – are sent first to families in the broad sense of the term. Transfers for economic purposes only account for a residual share. The key question is whether, given the magnitude of the families' demand for support in the home country and the pressure on employment in host countries, a significant share of resources can be diverted to productive sectors. The fields of health care and village water supply remain the principal sectors for migrants' investment.

The issue of health care has become a major priority for the entire emigration area. In the area of M'Bagne, an administrative district located in the centre of southern Mauritania, despite the precariousness of the agricultural system and the high unemployment rate, health care is presented as the main sector that has benefited from migrants' investments, *i.e.* a sum of MU1 790 000 collected at the initiative of the association for the development of M'Bagne in France.

Village water supply is the second sector targeted by associations of migrants' investments, which have been growing in size and have shifted from small wells and drilling projects to the construction of more complex structures such as water towers and distribution networks, which are becoming increasingly common in the localities of the main emigration area. Studies conducted by the PS-Eau water solidarity programme in

this area show that out of some ten drinking water systems constructed, 80% of the financing was provided by migrants' funds.¹

The potential of sub-Saharan migrants to make economic contributions is being tapped through decentralised co-operation that is enabling European and African towns to develop jointly projects aimed at providing infrastructure and facilities for community use. This concept is most fully developed in France, where there is a broad range of initiatives of this kind, most of which have been initiated through twinning arrangements between towns, regions, and even associations and organisations, which are trying to build solidarity networks through the active participation of migrants' associations. In this regard the case of Montreuil can be cited, which is popularly thought of as the second city of Mali because of the number of Malian migrants living there. The co-operation is focused on the Yelimane Circle, Kayes region, where, following an agreement, three triennial plans for the construction of development infrastructures are currently under way, under the aegis of Montreuil's international relations office (OMRI), with the support of the Ministry of Foreign Affairs, the European Union (EU) and, to a lesser degree, with professional organisations such as the water board of the Île de France region.

In most cases, migrants' associations are not only involved in the planning of projects, but also contribute a portion of the financing through contributions to *caisses de solidarité villageoise* (village solidarity banks). Through the Yelimane Circle development association in France and the Malian women's association of Montreuil, contributions have accounted for 25% of the overall co-operation budget, *i.e.* some FF1 202 000 out of FF5 407 500, as was pointed out in the important report of 2004, co-ordinated by the French committee for international solidarity (CFSI), on the issue of financial flows and the mobilisation of savings and local investment.

Financial contributions and the institutional system of management

Migrants began to show a strong interest in organised forms of contributing their savings through formal financial arrangements as a result of the awareness-raising programmes of organisations such as the third-world research and rural development implementation group (GRDR). These initiatives were launched in 1999 in hostels, which are the main form of housing for migrants, in order to make associations more aware of "the need to support the development of decentralised financial systems". New financial systems were developed during these meetings, such as the savings and credit co-operative (COOPEC) and the self-managed village savings and credit bank (CVECA), together with other financial products such as solidarity credit and credit funds, which had been unknown to migrants' associations until then. As of the mid-1990s, the GRDR was one of the first bodies to decentralise its financing tools in the field, primarily in Mali, Mauritania and Senegal, by establishing the Support Fund for Basic Initiatives. The originality of this approach is that the funds contributed are transferred to awarding committees (CAT) (*Comités d'Attribution*) placed under the control of the heads of local associations, thereby helping the home countries to become autonomous in relation to migrants.

1. Cf. PSEau/GRDR (1999), *Etude sur l'implication des associations de migrants de la région de Kayes dans l'approvisionnement en eau dans leurs villages d'origine*, January; UAGF/PSEau/GRDR (1998), *Etude eau et santé auprès des associations mauritaniennes du Guidimakha*, February; PSEau/RADBFS (1996), *Etude sur les interventions des migrants dans le domaine de l'hydraulique au Sénégal*, September.

In Senegal, a development programme will be focusing on two medium-sized towns, Bakel and Matam, working through 32 grass-roots organisations consisting of village development associations, women's groups and economic interest groupings that have engaged in initiatives in the field of market gardening, processing of agricultural products, dyeing, grain banks and shops providing basic necessities. It is estimated that one-third of the joint financing is being provided by migrants. Encouraging results can be seen, in particular the improvement of management capabilities, since there has been a significant increase in working capital (grain banks and credit funds). Management tools have been introduced through accounting in the businesses being created and compliance with agreements and contracts. In short, initial steps have been taken to rationalise the management of economic projects so as to ensure the optimum use of migrants' funds for sustainable investments.

With regard to the Support Fund for Basic Initiatives (FAIB) (*Fonds d'Appui pour les Initiatives de Base*), which is intended for prospective entrepreneurs, whether individual or collective, a total of 113 applications for financial support have been filed with the awarding committees. It is important to take a detailed look at the pattern of these awards. In 1998, according to the GRDR's summary report on *Support System for Multi-local Development in Migrants' Home Regions*, the awarding committees processed 69 applications, of which 9 were awarded financing, 26 were rejected as not being viable because of an insufficient cost/benefit ratio, 14 were referred to other more appropriate forms of financing, 6 were cancelled and 14 are currently under review.

These remittances involve substantial amounts when seen within the socio-economic context of the home countries and account for a significant portion of their foreign trade. World Bank statistics show that between 1995 and 1999, these transfers were equal to 14.5% of exports, 10% of imports, 25% of the official development assistance (ODA) provided to Mali and 4% of its GDP. For Senegal, it was equal to 2.7% of GDP. These figures show the magnitude of individual contributions, which on average can represent as much as 14% of Malian migrants' average annual salary² (see Tables 15.1 and 15.2).

The amounts transferred by migrants are used in different ways, ranging from consumption for the material sustenance of families to economic initiatives. However, the share that goes to savings as such, often kept in the host country, must be identified and remittances to the home country, which may include a share of savings or investment. Because of a lack of clear statistics, it is not always possible to estimate the amounts of these flows reliably, but this in no way calls into question the actual magnitude of the remittances to the home country. According to a recent study conducted in 2004 by a consortium of organisations under the co-ordination of the French committee for international solidarity (CFSI), 68% of remittances are informal.

Another joint study carried out by CIMADE-EUROPACT in 1998 provides an overview of monetary flows from migrants. Formally, three methods of transfer are practiced, *i.e.* bank transfers, postal money orders and money transfers through Western Union. These flows, which are estimated at FF 250 million, are to a large extent derived from social transfers (retirement pensions and family allowances). These methods do not account for all remittances since, because of the costs that they entail, migrants generally use informal channels to send their money. These channels are highly structured and are based on family relationships and networks of friends, and cost far less. The difficulty in

2. Cf. *Rapport migrations et phénomènes migratoires. Flux financiers, mobilisation de l'épargne et investissement local*, Co-ordinated by CFSI.

evaluating monetary flows is also due to the fact that only a small number of migrants from sub-Saharan Africa have current accounts. However, as the study shows, this in no way impairs their propensity to save, for 75% of Malian and Senegalese migrants have savings accounts and 94% of these are with French banks. The remainder are in banks in their home country. Among the African banking institutions that have taken the initiative of opening branch offices in France to transfer funds to the home country, are Malian banks such as the *Banque de l'Habitat du Mali*, the *Banque Internationale du Mali* (BIM, formerly BIAO), the *Banque de Développement du Mali* (BDM) the Bank of Africa Mali, the *Banque Malienne des Crédits et Dépôts* (BMCD) and the *Banque Nationale de Développement Agricole* (BNDA).

Despite its large number of migrants, Senegal has not had specific banking facilities since the *Banque de l'Habitat du Sénégal* in Paris was closed. It is for this reason that development associations prefer to place their funds in European banks such as the *Crédit Mutuel* and the *Crédit Coopératif*.

A major programme of initiatives launched by the GRDR in 2000 for “the promotion of migrants’ involvement in the development of their home countries”, which is focused in particular on the Senegal River Basin, is placing special emphasis on the “development of the diaspora’s individual and collective savings in decentralised financial systems” by migrants. Objectives for action have been defined as follows:

- To encourage migrants to express clearly their needs and the contributions that they can make through remittances (and thus indirectly to encourage the managers and elected members of village solidarity banks to think about how the migrant factor can be harmoniously integrated into the development of their banks).
- To support migrants in host countries and indirectly managers of village solidarity banks in home countries in designing innovative financial products that will put the financial transfers of migrants to good use.
- To promote individual and collective investments in migrants’ home villages aimed at improving living conditions and economic growth.

Two local bodies are in charge of this programme: the Support Programme for Self-managed Savings and Credit Systems (PASECA) in Mali, and the Fedde Development Service in Senegal. These two institutions have made it their mission to ensure that financial flows from migrants are organised as effectively as possible and are consolidated so that they can be made available for development operations. To this end, a networking process has been launched to interconnect all initiatives in the field of savings and remittances in hostels for migrants. For example, the *Association Inter-caisse du Cercle de Kayes* in Mali and the *Union des Caisses du Département de Bakel* in Senegal have been created to interlink village solidarity banks and are working to establish a better financial network in rural areas. To create synergy between these organisations and strengthen dialogue between development actors and financial networks, a co-operation system, the *Réseau d'Echanges sur le Financement Alternatif*, has been established. This system has been supplemented by other initiatives, such as the self-managed village savings and credit banks (CVECA, *Caisses Villageoises d'Épargne-Crédit Autogéré*) which enable local development actors to find local financing, particularly in Kayes and the Dogon country. The procedure and system for collecting funds, as described in the report co-ordinated by CFSI on mobilising savings and local investment, is as follows:

“Two persons for each village are designated in France and are responsible for collecting migrants’ savings. The money collected is then deposited in the French bank Crédit Agricole, which organises the collective or individual transfer of funds to the CVECA’s account at the Banque Nationale pour le Développement Agricole (BNDA) in Bamako. The BNDA then transfers the funds to the CVECA’s account with the Bank of Africa (Kayes). The BOA (Kayes) then transfers the funds to the village bank. The CVECAs concerned delegate responsibility for the repatriation of funds to two designated persons. The migrants open a collective account in the CVECA in their village and deposit an amount of CFAF200 000, which is blocked to cover the risk involved in the transfer of funds from the account in Kayes to the village bank. Each migrant then opens an individual account in the village bank. The migrant designates a local representative who opens an account at the CVECA.”

These local initiatives are co-ordinated through the major banks of countries, such as Senegal and Mali, in order to channel the funds available more effectively to the village savings banks. This is aimed at overcoming the handicap faced by isolated villages that cannot have direct access to the funds provided.

Investment methods and the situations in countries

Given the magnitude of the flow of remittances, countries began to take a strong interest in this issue at the inter-regional conference devoted to the participation of migrants in the development of their home country, held in Dakar on 9-13 October 2000, made possible by financial support from northern countries such as the United States, Italy, France, the European Union, and Swiss and Japanese foundations.

It is necessary to take stock of the situations in different countries with regard to the structure of savings and investment, even though it is difficult to make an objective evaluation of data because institutional structures are sometimes lacking in the countries in question.

Côte d’Ivoire has very few migrants abroad and no statistics are available in this field. In this regard it stands apart from the other countries of the sub-region, which consider emigration as a branch of their foreign trade. Remittances from Ivorian migrants are small and are not used to support development projects, as is the case elsewhere, but rather to build up individual assets that do not have any real economic impact. The absence of an institutional framework for managing emigration is a serious handicap to channelling and distributing investments within economic sectors.

Guinea, unlike the neighbouring Côte d’Ivoire, experienced major migration in the 1960s, but it was caused by political rather than economic reasons. During this period, remittances were sent through informal and even clandestine channels strictly for the use of families. With the end of the dictatorship, there was strong interest in investments from the diaspora, leading to the creation of a State Secretariat for Guineans Abroad in the 1980s, which was later incorporated into the Ministry for Foreign Affairs in 1997. These measures have encouraged migrant Guineans in all categories (management-level staff and others) to raise remittances to an unprecedented level in order to invest in economic sectors that in some cases did not previously exist.

For example, the Assistance and Employment Section of the Division for Guineans Abroad has introduced a number of measures aimed at organising transfers of migrants’ funds and skills. A partnership and financial system has been set up to manage

remittances from the diaspora, in particular through the *Banque centrale de République de Guinée*, the *Banque Populaire Maroc Guinéenne* and the *Banque Internationale pour le Commerce et l'Industrie de la Guinée*. The Guinean Post Office also receives a substantial share of remittances and in recent years has developed a real strategy for attracting the clientele of the diaspora by forming a partnership with host countries such as Belgium, Côte d'Ivoire, France, Italy, Japan, Mali, Senegal, Spain, Switzerland and the United States.

To this can be added the Office for the Promotion of Private Investments (OPIP), which is developing a programme for channelling transfers of investments and know-how from Guineans abroad, but also from migrants of other nationalities who would like to invest in Guinea.

Alongside these institutional initiatives, migrants themselves are developing their own systems by pooling their resources to set up businesses in the fields of trade, herding, poultry and fish farming.

The most enterprising segment of Liberia's diaspora lives in the United States. Unlike some countries of the sub-region, remittances are mainly sent on an institutional basis through Western Union or individually through Money Grant, a financial institution. These remittances account for over 25% of the country's total foreign exchange earnings. Emigrants' investment goes to relatively unproductive sectors such as used cars and real estate. Sometimes a partnership with private investors is considered in leading sectors such as mining or wood exports.

Mali is one of the sub-Saharan African countries with the largest number of emigrants. They mainly live in Côte d'Ivoire, France, Gabon, Libya, Niger, Saudi Arabia, Senegal and Zambia. Despite the size of its expatriate population, Mali began to organise its diaspora at a late date. It was only after the political change that occurred in 1991 that institutional measures were taken to define a genuine public policy towards Malian migrants. In 1993, a Delegate-General for Malians Abroad was appointed in the Ministry for Foreign Affairs. An increasing number of branch offices of banks were opened in host countries, particularly in Paris, Tripoli and Libreville. To support measures aimed at consolidating initiatives more effectively within the diaspora, the High Council of Malians Abroad was created in 1991, with the primary mission of mobilising migrants' savings more effectively for the development of the country.

The issue of remittances has always concerned the role of the state and had social implications. This is why when the State began to disengage from rural areas in the 1980s, Malian emigrants themselves paid for the construction of post offices to ensure the continuous flow of remittances. The many problems due to the inefficiency of public services (money order delays, outstanding payments, etc) and the emergence of new private institutions specialised in money transfers have gradually led emigrants to give up using postal services.

The return of migrants to their home countries has generated a relatively large flow of funds. However, the first experience, which began in 1990, concerned a population of 538 emigrants living in France who, through individual or collective economic projects, were supposed to return to Mali through financial support from the host country. Unfortunately, this experiment was not very successful. Many reasons have been given, in particular administrative delay in issuing land titles, the lack of customs relief and above all the extremely high rates charged by the *Banque Nationale de Développement Agricole* (12% to 14% for associations and 14.5% for co-operatives). In addition to these

obstacles, which also concern infrastructure, there is above all “the lack of financial structures capable of assisting micro-projects locally”. A major problem faced by these prospective first-generation entrepreneurs is also the lack of additional credit, which is essential to ensure the continuity of economic projects. There are other countries with comparable situations, such as Niger, but there are no data on emigration or migration policy, which makes it difficult to organise financial flows.

Development co-operation and migration

Both African institutions (regional, sub-regional) and international institutions have taken a number of steps aimed at organising skilled African migrants. The Lagos Plan of Action, the Organisation of African Unity (OAU), various resolutions of ECOWAS and the African Economic Community (AEC) are moving in the direction of better safeguarding the contributions of migrants by encouraging States to take adequate measures to “stop the brain drain and encourage the return of skilled labour, and adopt employment policies that allow the free movement of persons within the various regional economic communities”. The IOM, for its part, is engaged in a series of initiatives, in particular through its regional field office in West Africa based in Dakar. Already in the 1990s it had launched a return programme aimed at facilitating the voluntary return and reintegration of West African migrants in Ghana, Guinea-Bissau and Cape Verde. This particularly active regional Field Office has set the following objectives: to “step up programmes aimed at facilitating the voluntary return and reintegration of West African migrants, in particular those whose skills may be useful to the development of home regions and especially disadvantaged regions, and help to create favourable conditions for the investment by migrants and the reintegration of those who choose to return voluntarily”.³

The IOM has also set up a programme known as RQN for the return and reintegration of highly qualified nationals, with the support and financing of the European Union. Already in Africa as a whole, some 1 900 nationals from Angola, Cape Verde, Ethiopia, Ghana, Guinea-Bissau, Kenya, Sierra Leone, Somalia, Uganda, Zambia and Zimbabwe, have benefited from this programme.⁴

As can be seen, there are many institutional initiatives that provide support for investment and enterprise creation for migrants’ economic projects. For example, in France, in the field of bilateral co-operation, there is the Interministerial Mission of the Ministry for Social Affairs and the Ministry for Foreign Affairs devoted to co-development, which has set as its priority “to promote productive investment by migrants by using transfers of funds from the host country to the home country” and to encourage skilled members of diasporas to use their skills for development. Under the Priority Solidarity Fund, up to EUR 7 000 can be granted to applicants with reintegration projects. However, this amount, which is rarely granted, is still not sufficient to ensure that new economic projects are launched successfully, as they require varied and lasting

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3. Presentation by Eugenio Ambrosi, IOM Regional Representative for West Africa, *L’Afrique de l’Ouest est la région du continent qui produit le plus grand nombre de migrants* (West Africa is the Region of the Continent that Produces the Largest Number of Migrants).
 4. Cf. Address by Mrs. N’Dioro N’Diaye, Deputy Director-General of the International Organisation for Migration, *Migration et développement: le fait migratoire est aussi ancien que l’Afrique* (Migration and Development: Migration is as Old as Africa), First African Union Western Hemisphere Diaspora Forum, 17-19 December 2002 Washington, D.C.

support that is unfortunately not available either from the banking institutions in home countries or from the host country because of insufficient collateral.

Another instrument introduced in this field by the Ministry for Social Affairs, Labour and Solidarity and administered by the Directorate for Population and Migration and the Ministry for Foreign Affairs, is the migration and economic initiatives programme, created in 2001 and aimed at assisting migrants to carry out economic projects in their home country. This scheme, which has been expanded around the PS-Eau water solidarity programme, has led to the establishment of a network known as the micro-business support group (GAME), which has produced a practical guide entitled *Returning home and starting your own business* and has provided migrants with a valuable operational tool. Through the Programme for Migration and Local Development (PDLM), it works with some 15 groups that provide assistance to migrants in the fields of investment and enterprise creation, including the following: the *Association pour le Conseil à la Création d'entreprises et la Coopération Internationale* (3CI); the *Association pour le Droit à l'Initiative Economique* (ADIE), *Cadres Sans Frontière Afrique International* (CSFAI); *Echanges, Financement, Information pour la Création d'Entreprises et d'Activités* (EFICEA); the *Groupement d'Intérêt Solidaire Economique et d'Echanges Equitables* (GISEE); the *Groupe de Recherche et de Réalisations pour le Développement Rural* (GRDR); the *Institut de Formation et d'Appui aux Initiatives de Développement* (IFAID); and the PS-Eau Programme. It concentrates on two activities:

- The provision of feasibility study grants in order to prepare migrant entrepreneurs to deal with the risks of investment in their home country. The amount of these grants (EUR 1 220), though small, enables entrepreneurs to avoid certain pitfalls when they launch their projects.
- “Remote investment” operations, which are currently under way in two countries, in Senegal, in partnership with *Crédit Mutuel de France*, and in Mali, with BICIM, a subsidiary of BNP Paribas. This programme has advantages for migrant entrepreneurs, as it allows them to provide collateral to banks in the home country so that their local partners can obtain the credit that they may need to launch their projects. Currently two projects are benefiting from this new mechanism for providing bank loans: a business firm in Kayes (Mali), for an amount of CFAF 4 million, and a construction company based in Rufisque, which received CFAF 8 million.

Alongside these initiatives in the North, there are also some African bodies that are seeking to organise the economic activity of migrants. Firstly, there is the Association for Training, Information and Rural Development in Africa (AFIDRA-Bamako) which, since its creation in 1993, has supported some 600 urban economic projects by migrant investors. These projects, which are in various sectors of activity, are not always significant from the standpoint of development because of the small amounts invested and their lack of impact on their economic environment. They are often affected by changes in public development co-operation policies, which make them dependant and vulnerable. This explains their high failure rate.

There are also organisations of qualified executives who make their specialised skills available to migrant entrepreneurs. An example is the Association of Engineers for the Development of the Sahel (*Collectif Ingénieurs Développement Sahel*, CIDS), which provides support and advice for some 250 individual projects in the Kayes region, particularly in the rural sector. The organisation Managers without Borders Africa (*Cadres sans Frontière Afrique*), founded by highly qualified migrants, which is active in

the field of training and support. It chiefly participates in three programmes within the PDLM Programme by acting as an interface between migrant entrepreneurs and lending institutions and by helping the former to prepare their economic projects. It is also participating in the remote investment scheme by supporting prospective entrepreneurs, primarily in Senegal, by working with partner financial institutions such as the *Crédit Mutuel du Sénégal*.

The Yaoundé enterprise creation centre is the local body operating on behalf of a Belgian organisation known by the name of *Overlegcentrum Integratie van Vluchtelingen*, which launched the programme *Becoming an Entrepreneur in Cameroon* in order to promote better economic integration of Cameroonian migrants living in Belgium. A scheme of financing and monitoring has been established to provide migrant entrepreneurs with the support required, which ranges between EUR 190 and EUR 1 200 per project. In addition to these financial grants, there is a possibility of credit at a rate of 5% over a period of 12 to 36 months. At present, the results of this programme are as follows: out of a total of 11 projects, only two have been unsuccessful, and 39 jobs have been created at a cost of EUR 5 526 each. However, the debt collection ratio remains low at 41%.

Other initiatives have also been started in Africa, as in the Democratic Republic of Congo, with the Centre for Support for Development, Information and Initiative on Appropriate Technologies (*Centre d'Encadrement pour le Développement, l'Information et l'Initiative sur les Technologies Appropriées*, CEDITA). Following a total of 200 studies conducted between 2000 and 2004, 32 enterprises have been started up by qualified migrants, generating 180 jobs. A manual entitled *A Practical Guide to Becoming an Entrepreneur in Kinshasa* has been made available to migrant entrepreneurs to help them manage their business successfully.

Most projects involve small commercial or transport businesses that do not require any special qualifications. Businesses are also being started in the sector of peri-urban market gardening, which naturally encounter difficulties in selling their produce because of market saturation. Some organisations, such as the Association for Training, Integration and Rural Development in Africa (AFIDRA) in Mali, have at times had as many as 500 projects, creating some 1 000 jobs.

Institutional programmes have been established to provide assistance to the economic initiatives of migrants. One of the most important initiatives in this field has been taken by GRDR with the Programme of Support for Prospective Entrepreneurs (*Programme d'Appui aux Porteurs de Projets Economiques*), launched in 1999. It provides interesting information both regarding demand and the profile of persons who have resettled in their home country in order to carry out an economic project planned while they were still emigrants. Three important elements seem to stand out in the typology established: 61% of prospective entrepreneurs are unemployed, 38% are aged over 50 and 55% arrived in France before 1980. This profile shows that the decision of migrants to become entrepreneurs is related to employment status, age and length of stay in the host country, and that they are more concerned about their personal economic reintegration than about development issues.

Highly skilled migration and economic initiatives

A study based on a sample of 20 entrepreneurs regarding economic investments made in their home country⁵ shows the differences between migrants of rural origin who have little or no education, and educated migrants from cities. They are not always in the same sectors of activity, and often engage in individual economic activities that do not involve other members of the group to which they belong and show little concern for development issues.

Highly qualified migrants from sub-saharan Africa have never been considered specifically or taken into account in the dynamics of development. They are generally mixed together with other migrants. It has only been in recent years that they have come to be spoken of as actors in the development of their home country. However, the development projects financed by migrants sometimes include executives, who paradoxically do not emphasise their skills but rather their solidarity. Skilled migration is perceived as a loss for home countries. This is then spoken of as the “brain drain”. The annual flows of managerial-level staff to developed countries are estimated at over 20 000 and the losses at several billion dollars, according to the IOM⁶ (Tables 15.3 and 15.4).

When these data are examined, they reveal a very diverse breakdown of skill profiles that correspond to the sectors in which the sub-Saharan African countries are most in need of labour and that most often require skilled managerial-level staff from Northern countries who are sent in the framework of co-operation or recruited directly. The basic problem is the lack of operational systems to attract significant flows of skilled workers to the home country. Within African institutions, there are a number of initiatives that show that governments are increasingly aware of the urgency of acting to create a new dynamics of development based on the diaspora option. The Conference on Brain Drain and Capacity Building in Africa held at African Union headquarters in Addis Ababa in February 2002, sponsored by the IOM, the Economic Commission for Africa (ECA) and the International Development Research Centre (IDRC), defined the following objectives:

- The creation of knowledge blocks.
- The establishment of a database on the brain drain and capacity building in Africa.
- The building of a partnership network between the African diaspora and home countries.

The IOM also agrees with this approach to African capacity building by developing action programmes to facilitate not only the mobilisation of the diaspora’s skills, but also of their financial resources for the development of their home countries. Even though this is not the dominant trend, it should be pointed out that there is a programme known as “Return of Skilled African Citizens” that has supported for the past 20 years the effective return to their home countries and successful professional integration of 2 000 highly qualified Africans. This highly selective programme is aimed at persons holding a doctorate or master’s degree, with at least two years of work experience. The initial logistical support provided to candidates is a key factor for their subsequent integration.

5. Cf. Samba Yatéra, Mahamet Timéra, Olivier Kaba (2000), *Les investissements économiques des migrants dans leur pays d’origine: rencontre de 20 entrepreneurs*, August.

6. Cf. Presentation by Mrs. N’Dioro N’Diaye, *op. cit.*

Some sub-Saharan African countries such as Côte d'Ivoire, Guinea, Mali and Senegal have benefited from this programme.

The MIDA programmes have made possible the more judicious use of skills in Africa by targeting sectoral demand according to skill profiles. The results obtained are positive on the whole, even though much remains to be done. A questionnaire was distributed at a MIDA workshop in Libreville in 2001 to the various African countries present. The results show the most pressing needs are clearly in the education and health care sectors, far more than the sectors that concern economic development (Table 15.5).

Meeting the sub-Saharan African countries' needs for skilled professionals is also the task of associations, which are seeking, with great difficulty, to launch development initiatives aimed at home countries. It is difficult for these initiatives to succeed because of the lack of support from States and co-operation institutions. This is the case of the *Groupe Diallo Telli, Senegal 2000* and the *Groupe Sahel Recherche*, associations of African managers, which are aimed primarily at transferring their skills to their home countries but whose projects often fail, hampered as they frequently are by institutional obstacles in the home countries and a lack of resources.

However, there are other organisations for scientific diasporas, such as north American foundations like the Ford, Rockefeller and MacArthur Foundations, which have provided significant support to African researchers. In Europe, there is the *Agence pour l'Investissement dans la Recherche à l'Etranger (AIRE)* in France and the Aldo Moro Foundation in Italy, which provide support for projects initiated by African scientists. Many initiatives have been carried out from Italy, for example, in the field of telemedicine, involving health care organisations that provide technical support for projects that require a transfer of skills of African medical professionals of the diaspora. In Sweden, the Stockholm-based International Foundation for Science, the main objective of which is to promote the capacity building of researchers in the South, has in recent years successfully financed the professional integration of over 1 000 African academics into their national scientific communities.

Conclusions

In summary, remittances and economic initiatives aimed at home countries continue to have a considerable impact both at the local level and in terms of the institutional transformations that they generate. Despite these contributions, there are still difficulties of co-ordination and coherence between public policies, migration dynamics and international co-operation. Because of these shortcomings, transfers and consequently investments are poorly targeted. Since the 1990s, new niches of opportunity have been emerging in medium-sized cities in rural areas that should be better exploited in territorial development policy. A less "elitist" distribution of the migration windfall, which is focused on capitals that are often far away from the priority areas of migrants, is one of the anomalies that must be corrected. Lastly, the different realities of migration (highly qualified and manual workers) must be better taken into account so that transfers of funds can be combined with transfers of skills to create a new development synergy aimed at ensuring greater autonomy of sub-Saharan African countries.

Table 15.1. Financial contributions of the African diaspora

Country	USD million	Percentage of GDP
Nigeria	1 301	3.71
Eritrea	127	19.68
Senegal	93	1.95
Mali	84	3.26
Benin	73	3.08
Cape Verde	69	11.87
Burkina Faso	67	2.59
Comoros	12	6.21

Source: Immigration and Naturalisation Service (2000), *Statistical Yearbook*.

Table 15.2. Remittances and official development assistance

Country	Remittances in million USD	Official development assistance	Percentage
Nigeria	1 301	152	855.0
Benin	73	211	34.59
Eritrea	127	148	85.81
Senegal	93	534	17.41
Mali	84	354	23.72
Cape Verde	69	136	50.73
Burkina Faso	67	398	16.83
Comoros	12	21	57.14

Source: Immigration and Naturalisation Service (2000), *Statistical Yearbook*.

Table 15.3. Population of the African diaspora in Europe

Country	Population
France	1 633 142
Germany	305 595
Italy	296 344
United Kingdom	277 000
Netherlands	175 450
Belgium	171 124
Spain	142 816
Portugal	81 717

Source: Immigration and Naturalisation Service (2000), *Statistical Yearbook*.

Table 15.4. Africans of the diaspora by occupation

Occupation	%
Teaching, education, research	22
Finance, investment, business	20
Health care	20
Engineering	15
Agriculture, environment	9
Information technology	5
Law	5
Government	3
Natural sciences	1

Source: Immigration and Naturalisation Service (2000), Statistical Yearbook.

Table 15.5. Priority needs for skilled professionals in African countries

Profession	%
Education	83
Health care	71
Agriculture	68
Finance/investment	28
Justice/government	25
Information technology	25
Scientific research	21
Environment	17

Source: Immigration and Naturalisation Service (2000), Statistical Yearbook

TABLE OF CONTENTS

Executive Summary	9
--------------------------------	----------

Introduction: International Migrant Remittances and their Role in Development	13
<i>Thomas Straubhaar and Florin P. Vădean</i>	

Part I. FINANCIAL FLOWS GENERATED BY EMIGRATION AND THEIR IMPACT ON REGIONAL DEVELOPMENT

Chapter 1. Migrant Remittances and their Impact on Development in the Home Economies: The Case of Africa	41
<i>Flore Gubert</i>	

Chapter 2. The Remittances of Moroccan Emigrants and their Usage	69
<i>Bachir Hamdouch</i>	

Chapter 3. Mexico: International Migration, Remittances and Development	81
<i>Rodolfo Garcia Zamora</i>	

Chapter 4. Migration, Remittances and their Impact on Economic Development in Turkey	89
<i>Ahmet İçduygu</i>	

Chapter 5. Migration Policies, Remittances and Economic Development in the Philippines	97
<i>Carmelita Dimzon</i>	

Part II. REMITTANCES AND FINANCIAL INFRASTRUCTURE: CHALLENGES AND PROSPECTS

Chapter 6. Principal Channels and Costs of Remittances: The Case of Turkey	103
<i>Elif Köksal and Thomas Liebig</i>	

Chapter 7. Western Union and the World Market for Remittances	123
<i>Khalid Fellahi and Susana de Lima</i>	

Chapter 8. The MoneySend and MasterCard™ Services	135
<i>Olivier Denis</i>	

Annex to Part II. Financial Infrastructures and Remittance via the Banking System and other Channels: The Cases of Portugal, Morocco, Latin America and the Caribbean... 139	
<i>José Nascimento Ribeiro, Laïdi El Wardi and Mustapha Khyar, Pedro de Vasconcelos</i>	

Part III. MACROECONOMIC IMPACT OF REMITTANCES

Chapter 9. What is the Macroeconomic Impact of International Remittances on the Home Country?	185
<i>Jackline Wahba</i>	

Chapter 10. Macroeconomic Impact of Remittances	193
<i>Sena Eken</i>	

Chapter 11. Emigrants' Remittances – A Potentially Important Development Tool: The Case of Italy	197
<i>Ricardo Settimo</i>	

Chapter 12. Remittances and Development: The Case of Greece	201
<i>Nicholas Glytsos</i>	

Chapter 13. Do International Migration and Remittances Reduce Poverty in Developing Countries?	217
<i>Richard Adams and John Page</i>	

Part IV. RECENT INITIATIVES TO CHANNEL REMITTANCES TOWARDS DEVELOPMENT

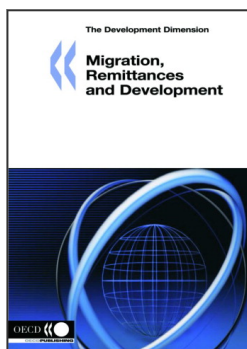
Chapter 14. Social Learning as a Productive Project: The <i>Tres por Uno</i> (Three for One) Experience at Zacatecas, Mexico	249
<i>Natasha Iskander</i>	

Chapter 15. Migration, Remittances and Economic Initiatives in Sub-Saharan Africa	265
<i>Babacar Sall</i>	

Chapter 16. “Migration and Development”: A Non-governmental Organisation Involved in Co-development.....	279
<i>Nadia Bentaleb and Jamal Lahoussein</i>	

Part V.
REMITTANCES AND PROMOTION OF DEVELOPMENT: SOME PROPOSALS

Chapter 17. Incorporating Insights from Migration Research into Policy on Remittances	289
<i>Jørgen Carling</i>	
Chapter 18. Turning Remittances into Investments	297
<i>Daniela Bobeva</i>	
Chapter 19. Motivating Migrants for Social and Economic Development in Mali and Senegal	315
<i>Mireille Raunet</i>	
Chapter 20. The Support of Non-governmental Organisations in the Collection of Remittances	347
<i>Jacques Ould Aoudia</i>	
Chapter 21. Some Lessons from the <i>Agence Française de Développement</i> in the Field of Co-development	351
<i>Guillaume Cruse</i>	
Conclusions	361
<i>Berglind Ásgeirsdóttir</i>	



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