CHAPTER 19.

MOTIVATING MIGRANTS FOR SOCIAL AND ECONOMIC DEVELOPMENT IN MALI AND SENEGAL

by

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Introduction

Most West Africans who migrate to the OECD area are economic immigrants, from countries where development is such that the majority of the population cannot live decently and where key workers and technicians, in particular, are largely sufficient in number to ensure development but unable to find established jobs in line with their qualifications.

After encouraging immigration at a time when labour demand was high, driven by economic growth, but the labour market was insufficiently responsive,[1] OECD member countries are gradually returning to a situation in which fewer and fewer immigrant workers are needed to meet labour demand, with the notable exception of specific industrial and service sectors such as information and communication technology (ITC) This has given rise to policies that encourage the return home of foreign nationals whose profiles no longer match the sectors still offering numerous job vacancies. These policies provide incentives and assistance in the form of grants for migrants to inject into the home economy upon their return. Then there are the migrants who decide of their own accord to return to the home country (not necessarily because they have been unsuccessful), and this means the return of nationals with the potential for investment and enterprise creation.

Migration within the sub-region of West Africa (the most common form) may also be followed by returns to the home country, which also brings back would-be investors and entrepreneurs.

Have returning migrants genuinely fostered home-country development? Can host countries include support for assisted returns under the heading of official development assistance? Have the mechanisms introduced to date been effective? Can they be called

1. “Migration is inextricably linked with the labour market” acknowledged the Council of Europe in *Towards a Migration Management Strategy*, Strasbourg, July 2003.

"co-development" (co-operation for development) schemes inasmuch as they involve migrants in projects based in the South?

The sending countries are engaged in a more or less efficient development process, in which remittances by migrant nationals abroad play a vital role, accounting for a considerable share of the gross national product (GNP). Understandably, then, these countries may not look favourably on the return of their expatriates, and they are not prepared to back the migrant repatriation policies introduced in the North, for instance by promoting reintegration measures for returnees. On the other hand, they are all prepared to develop incentives for migrants to come and demonstrate their know-how and deposit their savings in the home country (provided this does not jeopardise their stay abroad, be it legal or otherwise).

As development remains just as crucial an issue for the home countries as it is for the countries and international or multilateral organisations seeking to promote it, the challenge lies in encouraging migrants to become engaged in and contribute to home-country development. In the sending countries, this kind of mechanism should restrict further emigration. In the North, it should help migrants to become part of civil society, particularly through society's efforts to foster development in the South through decentralised co-operation and "co-development".

This chapter will draw on the experience of migrants returning to Mali and Senegal and the implications for development there, with a view to learning lessons and defining principles and mechanisms that will serve to revamp the approach used to actually engage migrants in that development.

It is worth noting that there are a number of migrants with substantial financial capacity and sufficiently few family or clan commitments to envisage investing in businesses outside their region or country of origin. Like anyone with floating capital, they prioritise institutional and political stability, and opportunities for repatriating their profits. These migrants can be said to be benefiting from globalisation and investment opportunities, whether they come from Africa or elsewhere.

Evidence

General observations[2]

Migration is not a new phenomenon in West Africa. Mobility has always been a major feature of life in the sub-region. In 1993, national migration surveys revealed the leading migration pathways in eight of the countries there (Burkina Faso, Côte d'Ivoire, Guinea, Mali, Mauritania, Niger, Nigeria and Senegal) (REMUAO, 1998).[3] Burkina Faso is shown to be the main sending country and Côte d'Ivoire the main receiving country. In the wake of the crisis in Côte d'Ivoire, inter-regional migration flows are expected to shift to other more stable countries such as Senegal. Much of the movement is cross-border migration into neighbouring countries. In West Africa, migration flows fall into two categories, namely rural-to-urban and international. Some international flows are intra-regional, while others are extra-regional or inter-continental. There are a host of inter-linking factors determining all of them. Choice of destination is based on economic,

2. From *Gestion des migrations et politiques de développement : optimiser les bénéfices de la migration* internationale en Afrique de l'Ouest (October 2003), by Ms Savina Ammassari.

3. REMUAO (Western Africa Migration and Urbanization Network), *Migrations Internationales,* Bamako, 1998

demographic, social, political, cultural and environmental criteria, not to mention linguistic considerations and legal issues relating to the movement of persons. Migration pathways are very diverse. Some migrants proceed in stages. Others move directly from their village to a foreign capital. In Mali for instance, over 60% of migrants from rural areas leave to go abroad.

Since the 1970s, labour migrants have been moving to the North. They are males in search of work, but their decision to go North stems from policies to promote family reunification. Intercontinental migration flows have grown considerably more diverse. Since the 1980s, they have targeted mainly Europe and North America, in particular the United States and to a lesser extent Canada, but also the Middle East and Asia. Flows to Europe target France and the United Kingdom, where the immigrant population has stabilised, or Germany, Italy and Spain.

All of these migrants leave with the idea of returning home after "making their fortunes" abroad. While a number return earlier than planned because of employment (or other) failures or changed circumstances (*e.g.* natural disasters, war or harassment), most migrants wait until they have acquired experience, know-how or financial capacity, or until retirement age, before returning to their countries of origin.[4] In the meantime, the vast majority send remittances home to their families or villages or to have houses built for their eventual retirement. These remittances, sent through formal or informal channels, are a financial windfall that is particularly beneficial to countries with a large number of emigrants abroad and serious poverty at home.

The questions to be addressed are: 1) whether these financial flows contribute to home-country development[5] and 2) how these remittances can be used to create more wealth and jobs, thereby curbing further emigration.

Experience of migrants returning to Mali

Mali is one of the West African countries with high international migration and extensive immigrant communities in neighbouring countries (mainly Côte d'Ivoire), Europe (France, Germany) and the United-States. Data from the 1998 General Population and Housing Census (RGPH) put the number of international migrants returning home to Mali between 1993 and 1997 at almost 42 000 (over a five-year period, giving an average of 8 400 per year). Most of the international migrants returning to Mali come from neighbouring West African countries (*e.g.* 59% from Côte d'Ivoire, 12% from Mauritania, 7% from Burkina Faso, 3% from Niger and Senegal), then from the rest of Africa (5% in all) and elsewhere (5%, including 3% for France alone). Social and economic reintegration is a major concern when Mali's international migrants return. It consists largely in help with individual projects and, in some cases too, various forms of international co-operation, with projects that are particularly diverse in terms of their nature, scale and duration.

4. The general trend is towards returning to either the region of origin or an economic hub where the skills acquired abroad can be put to best use. When emigration has been a failure, migrants avoid returning to their region of origin.

5. According to the IMF, the overall amount remitted by migrants to developing countries (via formal channels) was an estimated USD 105 billion in 1999.

A recent study[6] carried out by the Joint IOM/IRD Unit, based in Dakar (Senegal) at the Regional Office for Western and Central Africa of the International Organization for Migration (IOM), in partnership with West Africa's national institutions in charge of migration issues, shows the starkly contrasting impacts that this phenomenon can have on development in the countries of origin. The study (the only one of its kind) focuses on reintegration projects and programmes initiated from 1996 to 2000 by migrants returning to Mali[7] under the implementation and follow-up arrangements appended to the Dakar Declaration closing the West African Regional Conference on "The Participation of Migrants in the Development of their Country of Origin", held in Dakar from 9 to 13 October 2000. The aims of the study were, *inter alia*, to identify needs regarding the technical and/or financial upgrading of poorly performing projects and propose guidelines to encourage investment initiatives, support the economic reintegration of returning migrants, and enhance future projects and programmes in terms of their impact on home-country development and individual perceptions of migration. Figure 19.1 gives a profile of migration flows from 1993 to 1997.

Type and scale of migrant projects

Sectors and investment chosen by returning migrants

With regard to Mali as a whole, the findings of the 1998 General Population and Housing Census (RGPH) show that returning Malian migrants focus on the agricultural sector: 84% of them opt for farming. Commerce, which requires more initial investment, ranks second with only 7%, well behind agriculture. Crafts (6%) and other services (3%) are low on the national list, while industry is all but absent (0.2%).

With regard to investment, the heavy focus on farming (first sector for investment) is basically due to the large number of Malian migrants returning from neighbouring or adjoining countries (Côte d'Ivoire, Mauritania, Niger) where the majority worked on rural plantations.

Investment in non-farm sectors (second for investment) focuses on commerce with the opening of retail stores and shops, public transport, crafts, catering and services (*e.g.* telephone centres, cyber-cafes and millet mills). Commercial activities predominate in various forms, including warehouses and stores selling grain, cement, building materials, electronic goods and so on. Those who were shopkeepers before emigrating and/or in the host country (particularly Côte d'Ivoire and other parts of the sub-region) take up the same business again on their return to Mali.

In Bamako, a highly urbanised business hub, the RGPH findings for 1998 reveal that services remain the prime sector attracting returning immigrants (86%: 41% in commerce and 45% in other services). Crafts and agriculture attract only 8% and 5%, respectively, of returning migrants.

In the Kayes area (with its high out-migration to Europe and emphasis on farming), migrants return mainly to agriculture (86%), regardless of the type of work they did in the host country. Commerce (6%), other services (6%) and crafts (3%) come very low on the

6. *Diagnostic des initiatives de réinsertion économique des migrants de retour dans leur pays d'origine : étude de cas au Mali, Rapport final* (French only) (Assessment of initiatives to foster the economic reintegration of migrants returning to their country of origin. A case study of Mali. Final report), 88 pages, Dakar, June 2003.

7. Financed by the Swiss government.

list. Transport is in third place, with the emphasis on passenger and/or goods transport in or between Mali's towns.

Project lifespans

By and large the crafts sector does not hold much attraction for returning investors, owing to the need for expensive tools and materials, quite apart from the craftsmanship required (in areas such as mechanics, carpentry, welding, or sheet-metalwork). The same applies to other businesses that require extensive skills and start-up funding (*e.g.* catering or industrial firms).

For returning Malian migrants investing in their social and economic reintegration, the cost of maintaining their families is a major source of problems when setting up commercial ventures (retail stores, craft workshops or street food stands). An entrepreneur with a project costing CFAF 3 million, for example, cannot keep 10 to 15 family members while at the same time facing keen competition in the local market.

Other reasons for failure that limit the length and success of migrant ventures relate to project-management problems, poor knowledge of the investment sector and inadequate start-up funding (*e.g.* no basic management skills, insufficient capital investment, inability to compete, dishonesty on the part of customers, social and family pressure, lack of supervision and control).

Problems encountered by migrants with home country projects

Some of the problems encountered by migrants wishing to transfer their assets back to the home country to support their families, take part in community projects or invest in productive ventures are listed in Table 19.1, covering Mali, Senegal, the Comoros, Vietnam and Morocco (from the report *Migration et Phénomènes Migratoires* published by the French Development Agency (AFD).[8]

Impact of projects on home-country development

Investment by returning migrants can be substantial. In Mali, 54% of migrants have invested over CFAF 100 000, 22% up to CFAF 900 000 and 32% over CFAF 1 million. The projects per se (irrespective of funding source) exceed CFAF 2 million in 60% of cases. Forty-one per cent of projects range from CFAF 2 to 5 million, and 19% exceed CFAF 5 million (with some as high as CFAF 30 million).

All of this investment has created jobs, wealth and income in migrants' communities of origin. Investment by Malians returning from abroad falls into the following categories:

- Family investment to meet the direct needs of the household.
- Collective social investment to provide basic community infrastructure in the area of origin.
- Economic investment in a productive personal project.

8. *Migration et Phénomènes Migratoires* (Migration and Migratory Phenomena) published by the AFD, Paris, November 2003.

The remittances sent back to the home country for family use "are a form of protection or insurance against the uncertainty and insecurity weighing on the population in these areas"[9] and are used to cover the cost of food (61%), home construction (12%), clothing (10%), healthcare and education (9%) and family events (4%). Migrant remittances go first and foremost to families and home communities, substantially boosting the income of both.[10] Real estate, accounting for 12% of all remittances to families, ranks second in terms of the mobilisation and investment of Malian migrant remittances. The term covers buildings for family use or for commercial or rental purposes.

The impact that projects have on home-country development is also visible at the local community level, in particular new social infrastructure (schools, healthcare centres, post offices, mosques) and/or basic facilities provided by Malian migrants, village authorities, the state (as in the case of healthcare and teaching staff) or a combination of all three. Initiatives by Malian migrants benefiting their communities of origin account for 22% of their remittances every year. Investment also focuses on building and maintaining the water supply (wells, boreholes, water points, water towers in villages). Although such initiatives are usually the responsibility of government, they are increasingly being undertaken, fully or partially, by migrants themselves. Projects such as new grain banks, shops and pharmacies for the community, post offices, basic supplies, village electrification, rural telephones and road infrastructure are gradually helping to improve living standards for the people and communities in migrants' home areas. This kind of investment is generating denser land-use and promoting local development.

However, one feature of this concentrated investment by Malian migrants in family needs and community projects is that it detracts from economic projects with the potential to create wealth and sustainable employment. Economic projects are the least common form of investment, accounting for only 14% of the remittances sent back to Mali by its migrants. They focus mainly on opening stores and purchasing passenger transport vehicles, farm equipment or industrial plant

Impact of projects on individual perceptions of migration: staying or emigrating again

Individual perceptions of migration, particular in respect of decisions to leave (new migrants), to stay or to leave again (returning migrants), depend to a great extent on "ideology" and the social and cultural "images" that profoundly shape a person's choices, calling and motives regarding mobility. In the Kayes area, migration is a fact of life. Emigration is in itself a point of reference, an event for which families are ready to make the most unexpected sacrifices, including financial hardship. Returning to the home community, or at least demonstrating one's ties and gratitude by helping in all kinds of ways to improve the economic and social standards of living of one's relatives and friends back in the village are two of the main demands made by families and local communities.

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9. *Migration et Phénomènes Migratoires* (Migration and Migratory Phenomena) published by the AFD, Paris, November 2003.

10. To such an extent that, in some families, people have lost the habit of working. Some will argue that remittances offset the labour lost to emigration. Others highlight the emergence of real cases of "remittance dependency" among some families.

The impact that projects have on individual perceptions of migration, in particular decisions whether or not to emigrate again, might therefore also be contingent on factors such as the would-be migrant's frame of mind, the success of returning migrants' social and economic reintegration, and the prospect of seeing other family members taking their place in migration networks.

Even when their reintegration projects have been a success, returning migrants retain their close links with the host country and their network of relations abroad, in this case information on niche markets, opportunities in individual sectors and for individual products, and strategies to obtain goods or commodities (for instance, returning migrants show a clear preference for host-country goods, a fact worth bearing in mind when it comes to commercial competition, particularly between European countries).

When their initial projects for reintegration in the home country fail, returning migrants try to develop replacement activities in other sectors with their remaining capital. As has been seen, emigrating again is one option.

Experience of migrants returning to Senegal

There are no studies on Senegal that are comparable with the IOM/IRD study on migrant returns to Mali and contain valuable information on the impact of projects on development. The only data available are from the 1993 Survey on Migration and Urbanization in Senegal (EMUS),[11] which provides some interesting information on migration flows in Senegal.

Incentive schemes for returning migrants

OECD member countries have sought to introduce incentives for migrants to leave and return to their countries of origin when they are no longer vital to the economy. Only France has actually gone ahead and introduced a scheme, namely the *Programme Développement Local Migration* (PDLM) (migration and local development). The PDLM was basically devised to back up the repatriation orders or IQFs (*Invitations à Quitter le Territoire Français*) issued to Malians and Senegalese immigrants (the two groups of nationals most commonly concerned). Consequently, it is also seen as a support scheme to offset the repercussions of authoritarian decisions by the French government.

The programme has two official goals, one being to ensure the reintegration of migrants returning from France by providing financial assistance for economic micro-projects in their home countries, while the other is to foster the emergence of sectors with local development potential in their regions of origin. Initially the aim was to dissuade would-be emigrants from coming to France and encourage those already in the country to return home. This goal is obviously not shared by the sending countries, where emigration is viewed as a real windfall because of the regular remittances it generates and where the job market is often unable to accommodate the surplus labour (even when skilled). "Labour migration is also a means of easing competition on the local labour market, as migration relieves the pressure stemming from a tight market".[12]

11. Abundantly cited by the final report for the study on *Aspects statistiques des migrations internationales au Sénégal* (Statistical aspects of international migration in Senegal) published in French only by the ILO office in Dakar, October 2003.

12. *Migration et Phénomènes Migratoires* (Migration and Migratory Phenomena) published by the AFD, Paris, November 2003.

With regard to the first goal, *i.e.* migrant reintegration, the PDLM scheme is confined largely to the creation of micro-enterprises. It is confined to migrants who have already returned to their home countries, as they only learn of it when they are about to leave France. Any micro-project, which must be presented within 6 months of returning to the home country, is subject to a preliminary study conducted through the French embassy services in Mali.[13] Local government-regulated support structures (*e.g.* AFIDRA, CIDS and GRDR)[14] then implement the project and monitor it over a twelve-month period. (grants were initially awarded up to a ceiling of EUR 4 000, recently increased to EUR 7 000).

PDLM beneficiaries are all, in practice, Malian or Senegalese emigrants to France who have their own plans for economic reintegration and are eligible for one of the OMI returnee schemes[15] (*e.g.* government aid for reintegration, humanitarian aid for repatriation, reintegration programmes for IQF returnees), as well as those returning of their own accord less than 6 months after a stay of at least two years in France.

In Mali, the PDLM data-file for 1996-2000 lists 404 recipients of micro-project grants, with a *de facto* ceiling of EUR 3 664, or CFAF 2 400 000. PDLM-funded projects are located mainly in the District of Bamako and the Kayes area.

In Senegal, PDLM support has been awarded to only about 60 project initiators, including only 11 from 1995 to 1999 in the Senegal River area, home to most of Senegal's emigrants to France.

This scheme certainly plays a social, practically humanitarian role, providing support for those whose emigration to France has been a failure or who are in serious difficulty, even after their return to the home country.

But the scheme is not suitable for everyone, as migrants do not necessarily have the entrepreneurial skills, even with supervision, to run a micro-enterprise.[16] In some cases this is a major reason for project failure, as indicated in the abovementioned IOM/IRD report.[17]

Conversely, the PDLM programme could well interest and apply to migrants wishing to start up businesses, without the grant being tied to their prior return home. And the development rationale requires that support be made available locally to all would-be entrepreneurs, not just returning migrants.[18]

With regard the second goal, namely support for local development in migrants' home regions, it must be said that returnees are not directly involved. This aspect of PDLM is dealt with by *La Coopération Française*, independently of the OMI and

13. A steering and grants committee has been set up, in which the local authorities in Mali (and Senegal) play little part.

14. AFIDRA: *Association pour la Formation, l'Insertion et le Développement en Afrique;* CIDS: *Collectifs des Ingénieurs pour le Développement du Sahel;* GRDR*: Groupe de Recherche et de Réalisation pour le Développement Rural.*

15. OMI: *Office des Migrations Internationales* (reporting to the French Ministry of Employment).

16. If migrants have a trade and substantial savings, PDLM support is viewed as supplementary income, increasing their chances of success.

17. Other reasons for at least partial failure include a particularly long wait before funds become available (for purely administrative reasons), obliging applicants to use up their savings while waiting to launch their projects.

18. In this case, coupling with a credit mechanism may be essential.

addressed like any other development projects receiving French backing.[19] The main focus of such projects is on hydraulics, rural electrification and sanitation. If former migrants are involved, it is because they have fitted back into the social fabric of the area and are engaged in the development of their own region, for instance as members of village associations or elected representatives of local authorities.[20, 21]

It is safe to say that these projects have an immediate social impact. What is less certain is whether that social impact is sustainable, and whether it discourages new emigrants.

All in all, while France is the only country to have introduced a reintegration scheme offering assistance for returning migrants (coupled with a local development programme designed to curb the propensity of would-be emigrants to leave the region), this initiative does have the merit of existing, easing the hardship encountered by some returnees and setting an example for other countries. Switzerland, for instance, has been looking into returns by Malian migrants to see why and how assisted return schemes can lead to success stories or failure.

"Co-development" or co-operation for development

"Co-development" is a flexible concept that originated in France.

Historical overview

To summarise in a few lines the concepts underpinning the work of Sami Naïr[22] and the now defunct interdepartmental mission for co-development and international migration (MICOMI), the French notion of co-development can be described as follows:

It is a new approach that seeks to raise the profile of the role played by migrants in their country's development, facilitate migration flows within a legal, dialogue-based framework and promote active co-operation on the part of the countries concerned. Co-development puts the emphasis on initiatives by migrants with the potential to develop the local economic fabric in their home countries; promotes partnerships between enterprises, local authorities, training institutions and associations; and facilitates the movement of co-development players as part of a negotiated, egalitarian consensus with the home countries. This may lead to the signing of co-development agreements (two have already been signed, one with Senegal and another with Mali, while a third similar agreement has been signed with Morocco but does not refer to co-development as such).[23]

These agreements emphasise the need to develop migrants' occupational skills and know-how, and to mobilise existing instruments such as grants, training courses and work experience.

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19. Hence the involvement of Mali's (or Senegal's) national authorities and external government services.

20. Their migration experience and the know-how they acquire can, in a number of cases, make them competent, credible and reliable project owners.

21. This does not necessarily mean that elected local authorities are themselves involved in the scheme. Yet they are directly concerned by what is, after all, local development.

22. Sami Naïr, an academic, was appointed to head the Interdepartmental Mission "Migration/Co-development" in 1997.

23. Statement by the MICOMI Representative at the West African Regional Conference organised by IOM and ECOWAS on "The Participation of Migrants in the Development of their Country of Origin", Dakar, Senegal, 9-13 October 2000.

Co-development sheds new light on migration, by acknowledging it and raising its profile. Once migration has become a permanent feature or fact of life in the host country, it can indeed support development in the home country. Migrant remittances can exceed the amount that some countries receive in official development assistance. Diasporas play a major role in generating economic activity. There are more and more association-based initiatives that provide basic infrastructure. It is therefore important to take this into account and provide support in a pragmatic way.

The diaspora elite in France (including teachers, doctors, researchers, engineers and computer scientists) comprises several thousand high-calibre individuals, trained in French universities and *Grandes Ecoles*. Most have maintained close ties with their home countries but do not envisage moving back there for the time being, as living standards and working conditions currently stand.

But there are many highly skilled migrants ready to share their know-how and experience on an *ad hoc* basis. This has been confirmed in a recent study by the *Institut de Recherche pour le Développement* (IRD), commissioned by the Ministry of Foreign Affairs. Numerous associations, some of them members of the umbrella association *Forum des Organisations de Solidarité Internationale Issues des Migrations* (FORIM), have already begun moving in this direction.

Owing to the lack of concrete achievements to date, in spite of the three co-development agreements signed with Mali, Senegal and Morocco, the European Commission remains sceptical about France's vision but has retained from the concept of "co-development" the need to work in a spirit of common interests and shared responsibility.

In 2002, an Ambassador for Co-development was appointed24 to take charge of promoting new approaches that involve migrants' associations, government and local authorities and are based on partnerships with the authorities in the countries concerned.

Assessment, current situation and ongoing initiatives

A speech by the French Minister for Co-operation, Development and French-speaking Countries to the Council of Ministers on 8 October 2003 was very specific as to the government's intentions: "How can the formidable energy generated by the diasporas in France be channelled into home-country development? This is the great challenge that co-development is intended to meet".

The French government has accordingly decided to give new impetus to an idea which, since the early 1990s, had remained largely on the drawing board. The time has come to define an overarching strategy and devise programmes that will put it to practical use. Co-development is aimed at harnessing the energy of migrants who have settled in France but retained strong links with their home countries, the aim being to promote development. The primary goal is therefore to encourage wealth creation in those countries, regardless of whether entrepreneurs stay in France or return home, which will in any case be a personal decision taken of their own accord.

The French Ministries of Foreign Affairs, Social Affairs, Labour and Solidarity, working with the *Agence Française de Développement*, have accordingly launched a series of initiatives:

24. Ambassador Christian Connan.

- In Mali, which was first to sign a co-development agreement, an FSP[25] project worth EUR 2.6 million is now under way. Launched by the French Ambassador to Mali, with the help of the Ministry of Social Affairs, Labour and Solidarity, it has three components: co-financing local development projects, supporting the reintegration of migrants wishing to return to the home country to set up economic activities (in liaison with France's OMI) and mobilising Mali's scientific diaspora to assist the University of Bamako. General budgetary problems at the French Ministry of Foreign Affairs may well have something to do with the delays in actually launching migrant projects. Meanwhile, the AFD[26] is looking into a project involving savings accounts for would-be homeowners in Mali. The French Embassy there is also conducting a feasibility study on ways of mobilising migrant savings.
- In Senegal, where a co-development agreement was signed in May 2000 (but has not as yet been implemented), plans for FSP funding have been under way since late 2003 but the proposal has not yet gone before the FSP Steering Committee.[27] Here too, general budgetary problems at the French Ministry of Foreign Affairs are probably responsible for delays in actually implementing the agreement. The co-development project between France and Senegal provides, first, for the introduction of a permanent mechanism to harness the expertise and know-how of highly skilled migrants legally settled in France, with a view to meeting the needs of the civil service and private sector in Senegal and, second, for the transfer of Senegalese migrants' savings back to their country of origin. France intends to use the same procedures and structures as in Mali (the OMI and non-governmental organisations [28] in France and local NGOs in Senegal).
- In Morocco, a project worth a total of EUR 3.8 million (with EUR 1.5 million in European funding and the remainder from investors) and implemented by the AFD will create rural tourism infrastructure in the region of Taroudannt and establish SMEs with the help of a seed fund set up by the *Caisse des Dépôts et Consignations* (CDC) and its Moroccan counterpart. The CDC is also participating in a technical co-operation project that will reinforce the legal and financial framework to attract more migrant savings back to Morocco, where they will be channelled into productive medium and long-term investment projects.

At the request of the French Ministry of Foreign Affairs, the AFD is also working on the theme of co-development and has commissioned from the CFSI[29] a study entitled "Migration and Migratory Phenomena: Financial Flows, Mobilising Savings and Local Investment".

The outstanding point here is the dual policy focus behind co-development:

- Channelling migrant savings into investment that is productive and/or creates jobs in migrants' home countries.

25. FSP: *Fonds de Solidarité Prioritaire* or priority solidarity fund.

26. AFD: *Agence Française de Développement* (French Development Agency).

27. Amounting to possibly EUR 2.5 million.

28. The French government is employing fewer and fewer officials for this type of work, preferring to contract it out to specialised NGOs, along the lines of the Anglo-Saxon model.

29. CFSI: *Comité Français pour la Solidarité Internationale* (French Committee for International Solidarity).

- Engaging diaspora elites in home-country development (there can be no development without supervision and the transfer of knowledge and know-how, however competent people may be).

The French approach to co-development can accordingly be viewed as a means of linking migration and development that might well serve as a model for other OECD member countries.

Lessons drawn from the initiatives under way

Two existing studies are particularly instructive in terms of the lessons that they can teach. First, there is the IOM/IRD Dakar study on migrants returning to Mali mentioned above, and then there is the very recent study commissioned by AFD Paris on *Migration et phénomènes migratoires.*[30]

The study of the IOM/IRD Dakar Joint Research Unit

According to this study, migrants returning to Mali who are engaged in the economic reintegration process find themselves in a wide range of situations: among the many parameters involved, can be mentioned, for example, the conditions in which emigrants lived in the host country, the conditions in which they returned to their home country and in which the actual idea of the project emerged. There are also other relevant factors, in particular with regard to their projects, such as their skills and know-how, level of education and training in relation to the project, financial capacity, entrepreneurship and ability to take advantage of opportunities in the various sectors of the home country's economy, etc. The migrants' social position in relation to their family and local community of origin are also other factors that affect the economic and social reintegration process when they return.

In the following section, some of the conclusions of the IOM/IRD Dakar study are presented, although the author does not necessarily agree with all of its recommendations:

Conclusion *1a)* of the study. Like many sending countries, Mali finds itself in a somewhat difficult position for developing an institutional framework responsive to the current context of international migration (*i.e.* the fact that host countries are closing their borders, combating clandestine migration and repatriating undocumented migrants). This framework must be defined in partnership with the main destination countries of its nationals and enable it to manage all aspects of international migration more effectively, in particular those involving the return and reintegration of Malians abroad. Even though the creation of a department within the Foreign Affairs Ministry responsible for developing national policy for managing, assisting, protecting and promoting nationals living abroad shows that the government is genuinely committed to developing a management policy aimed at Malians abroad, concretely this has not given it any control over the international migration process and, more specifically, over the process of the return and reintegration of Malian migrants.

Comments: If Mali wishes to benefit from its migrants, like Senegal and some of the sub-region's other countries, it is not in its interest for too many of them to return home. Migrants living abroad legally generally do not pose diplomatic problems with host countries. Consequently, it is definitely in the Malian government's interest to maintain

30. The interim document consulted is dated November 2003

good relations with its expatriate nationals so that they will have an incentive to send home all the resources that they can. This is why it has created specialised "departments" within the Foreign Affairs Ministry which are theoretically in charge of all administrative, assistance and protection issues involving Malian nationals living abroad. In fact, these departments can do relatively little because of the limited funds available to them, and they are unable to provide any assistance to Malians who wish to return and resettle in Mali, just as they are unable to defray any costs or provide support for the reintegration of migrants who have already returned.

Conclusion *1b)* of the study. The programmes for the assisted return and reintegration of migrants that have been developed thus far in this country have not in fact led to any direct involvement of the Malian government, which sometimes has been faced with a *fait accompli* requiring it to manage a group of nationals in a "situation of distress" because they have been repatriated, most often involuntarily. The fact is that the lack of co-operation and synergies between host countries and sending countries can lead to dysfunctions in the planning and execution of projects for productive ventures.

Comments: Mali has had to face, in particular during the recent events in Côte d'Ivoire, mass forced returns and the Malian State has allocated resources to pay for certain repatriations, the reception of returning migrants and, to a lesser extent, their reintegration into Malian society. Of course, dialogue with the Côte d'Ivoire authorities was not an option. Mali has also regularly had to face involuntary returns from third countries, particularly from European countries, because of "escort to the border" operations (deportation of undocumented nationals). There is formal dialogue for this type of return, in particular since readmission visas are requested for all persons concerned. Dialogue at the policy level has been discussed a number of times, in particular during Franco-Malian bilateral negotiations regarding the co-development project, but without much success, as the viewpoints are hard to reconcile. programmes of assisted voluntary return (and economic reintegration) in the home country are currently only being organised and financed by the host country.

Recommendation: Programmes for the return and reintegration of migrants must be carried out through a partnership with the government of the home country, which must be involved in the entire process of assisted return and economic and social integration of recipients.

Comments: This is certainly an objective to be attained, but given the current situation and the fact that it is not in the home country's interest for its migrants to return, this does not currently seem to be a priority for authorities of home countries.

Recommendation: The partnership should lead to the establishment of functional support and guidance structures in the host and home countries for the planning and implementation of return programmes, the realisation of investment projects and the creation of pools of viable projects for migrants.

Comments: It would be advisable to separate return programmes (which really only interest the host country) from programmes and mechanisms that encourage migrants to become involved in investment and/or know-how transfer projects that will benefit the home country.

Conclusion *2)* of the study. The fact that financial aid is provided does not automatically guarantee that the projects of migrants returning from a foreign country will be successful. It cannot replace the indispensable training required and the need for the project to be adapted to the local context and for entrepreneurial skills. This is why, in the case of migrants returning from other African countries and who follow the family traditions of becoming shopkeepers (the Soninké, which are the largest group in our sample, have long been active shopkeepers), which opens up opportunities that are not available to migrants returning from Europe, even if their projects only produce mixed results.

Recommendation: The financing of economic reintegration projects for returning international migrants must be based on each applicant's specific socio-economic profile. Surveys have shown that each migrant with a project has a specific profile, and that returning migrants will have a better chance of being successful in their economic reintegration if their projects are handled on a case-by-case basis.

Comments: It is advisable to verify each person's entrepreneurial abilities. These are not something innate, but are associated with a frame of mind. For example, there is every reason to expect that someone who has worked as an employee all their life may have difficulties in developing an entrepreneurial frame of mind.

Conclusion *3)* of the study. Cities, rather than villages, hold out greater promise for returning migrants with projects, as cities provide them with opportunities, markets, labour, innovations, etc. If difficulties arise, the returning migrants are hopeful that they will always be able to find a solution. The city of Kayes, despite it being much smaller than Bamako, also offers opportunities that that are not available in the Soninké villages of the surrounding areas.

However, the fact that an investment is made in a city does not make it any easier to develop the project. Surveys have shown that half of urban-based projects, whether or not they are supported by funding providers, ultimately fail, which is the same percentage as for rural projects.

Recommendation: The projects of returning migrants must be suited to the local context of the place where they intend to move.

Comments: There are many causes of failure and it is important not to lose sight of the fact that, in addition to the local context mentioned above, other factors related to individuals and their intrinsic abilities also play a role. Furthermore, support is certainly more readily available in cities than in the country, especially when more than one kind of support is required simultaneously.

Conclusion 4) of the study. There is no discernable standard socio-economic profile for migrants returning with economic reintegration projects that predisposes them to be more successful. Their managerial capacity is low, as most of them do not have effective management tools. The technical grasp of projects is also very low for the returning migrants surveyed. This weakness is explained by migrants' lack of adequate training for the project, either because they have changed their occupation or because they are insufficiently prepared in the field of activity chosen. Not surprisingly, surveys have shown that sound knowledge of management, a clear idea of the project before starting up, and experience and knowledge of the sector involved are factors that have a positive influence on the success of any economic initiative for reintegrating returning international migrants.

Comment: Plans made in advance about the sector of reintegration are very theoretical if this sector is different from the one in which the migrants worked while living abroad or before they migrated, especially if they have been away for a long time.

Recommendation: Occupational training and training in project management should be promoted among migrants living in host countries to enable them to reintegrate more successfully through their productive economic activity. To this end, there must be lasting technical support, advisory services and monitoring of progress for projects initiated by returning migrants.

Comment: It would be advisable for occupational and management training also to be provided in the home country, for the learning conditions will be closer to the real local situation that the migrants will have to face when carrying out their projects. The difficulty with this approach is that funding providers (who are currently exclusively in the host county) prefer that this training be provided in their country so that they can oversee its various aspects more effectively.

Conclusion *5)* of the study. Some projects undertaken in Mali (such as farm investment) cannot be thought of as productive economic activities, for this type of project, based on non-commercial subsistence farming, is aimed entirely at meeting family consumption needs. For this reason, it does not generate a profit that can be reinvested and used to expand an economic activity. This type of project is not aimed at creating a cash surplus that can raise the standard of living of the returning migrants and their families.

Recommendation: Promising projects must be better targeted in the few sectors of activity in which returning migrants will be able to reintegrate successfully.

Comments: Out of pragmatism, rather out of a desire to boost the technical success rate of the initiatives they support, funding providers choose to finance projects that, by definition, can generate an income through a professional activity that is at least sufficient to cover the needs of assisted return applicants and their families. Agricultural projects of a type that will only meet the family consumption needs should not be eligible.

Conclusion *6)* of the study. The failure of many projects can be explained by a poor preparation process and by their financial vulnerability. Those initiating projects have no access to additional resources, in particular from outside the project. This being the case, the economic viability of projects is far from certain because of difficulties in the preparation stage and in the way the projects have been designed.

Recommendation: Measures to facilitate the mobilisation of national and international funds for the granting of credit on preferential terms to migrants initiating projects in reintegration programmes should be promoted and if possible made permanent.

Comments: 1) there are many causes of failure. It should be pointed out that one of the causes of financial vulnerability that has not been mentioned previously is generated by delays in payment by funding providers. These delays (which can be as long as several months) have forced certain returning migrants to live off their own savings while waiting for the promised credit to arrive, with the result that their savings have been depleted when the aid subsidies arrive, 2) it is not possible under the present circumstances for preferential terms to be granted solely to migrants with projects.

Conclusion *7)* of the study. A large household can provide support to returning migrants, for they initially recruit manpower within their families. In some cases, it will be difficult for a single individual to develop a project, and this also shows that these projects are rarely separate from broader family considerations that will have a positive impact on the economic activity.

Recommendation: Any reintegration project by a migrant should be integrated into the family context, especially for projects involving SMEs, which in reality are family-run businesses.

Conclusion *8)* of the study. Migrants who are in a difficult situation in host countries have real difficulties in being successful in their economic reintegration after returning to their home country. They are in a difficult situation because they have little available capital, and must simultaneously meet the consumption needs of their family and develop a profitable economic activity.

Comment: It is unlikely that such persons will have the ability to develop a profitable business activity, even if it is very small. The best solution for them is no doubt for them to find work as an employee.

Recommendation: For this group of migrants, an assisted return and reintegration programme should include a "social reintegration" component (within the family) and an "economic reintegration" component (a productive project to be financed when they return). For the social component, a system of financial aid for the reintegration of migrants should be established, taking into account the specific needs of their family of origin.

Comment: It is unlikely that funds will be found to introduce this type of scheme in Mali, unless they are provided by private charitable institutions.

The AFD Paris study[31]

This study is broadly devoted to how migrants' savings can be used for development, and it proposes the introduction of adequate financial tools. It is based on a strong assumption: "that the migration pathways of migrants can be decoupled from the flows of the financial resources that they have saved".

The author agrees with this assumption inasmuch as migrants' migration pathway and their conditions of residence in the host country have little influence on their decision to transfer their available funds to the home country. It is well-known that illegal migrants send as much in remittances to their families in their home country as do legal migrants, if not more. The former keep a low profile and often simply send remittances to their family to cover their basic needs, and generally do so through informal channels. The latter, however, who are legal residents, are able to save and consider investing in economic activities, and can act openly and use formal channels if they so wish.

With regard to the purposes for which the remittances are used, the study enumerates the specific difficulties encountered for each purpose in Figure 19.4.

The study proposes two series of recommendations:

31. The study *Migration et phénomènes migratoires* conducted by a consortium of organisations: the *Comité Français pour la Solidarité Internationale* (CFSI), the *Forum des Organisations de Solidarité Internationale Issues de l'Immigration* (FORIM), the *Groupe de Recherche et d'Echanges Technologiques* (GRET) and FINANSO, Paris, November 2003.

First series of recommendations of the AFD study: the need to ensure the security and optimum use of the savings transferred

The study recommends ten conditions to ensure the security and optimum use of the savings:

1. Interbank channels should be used for remittances, relying on local financial networks both in the host and home countries.
2. Access to preliminary study and advisory services would make it possible to ensure the relevance and viability of economic projects.
3. Activities and results of initiators of projects working in partnership with migrant investors should be monitored regularly.
4. The establishment of an investment assistance structure in the home country would provide the administrative interface for reducing the problems of corruption and misappropriation of funds often mentioned. The objective is to create a favourable institutional environment.
5. A structure that could act as an interface in direct contact with entrepreneurs and investment projects in the home country and migrant entrepreneurs would make it possible to create a favourable economic environment by providing information on investment and partnership opportunities.
6. A mutual insurance system would cover major expenses in the home country, such as health care.
7. Co-investors would provide financing for social investments (public subsidies, international solidarity aid) and productive investments (venture capital from the organisations of the social economy) approved by migrants or their associations.
8. The decision to invest in local social infrastructure would be discussed and included in a local development plan, which would incorporate elements that would ensure its continuity.
9. Guarantee funds would make it possible to grant bridging loans in the home country to ensure continuity in the construction of social infrastructure and housing.
10. Guarantee systems would make it possible to grant credit in the home country.

Second series of recommendations of the AFD study: possible targets for new activities.

Community infrastructure

The objective is to support associative projects that will not initially be able to meet the full cost of the planned infrastructure. Even if a project is institutionally co-financed (decentralised, bilateral or multilateral co-operation), the financial participation required from the migrants' association, provided through a call for contributions, can be burdensome to its members.

To spread the contribution required by members over time, the introduction of a financial product, such as bridging loans, might be envisaged. Steps could be taken to set up a guarantee fund financed by an institutional lender and managed by an international solidarity organisation or by an interface structure within the social economy.

This interface would select the projects of migrants' associations (on the basis of their social utility and plans to ensure their continuity). Thanks to this guarantee fund, a bank in France would grant credit to the migrants' association. All members would reimburse their share of the loan and a principle of joint surety would cover any member's failure to pay. Projects would be monitored by the interface through its local office.

Remote mutual health care insurance[32]

Local investment and support

The objective is to establish favourable conditions that will enable returning migrants to carry out the entrepreneurial initiatives as successfully as possible by providing assistance with the preparation of the project, its final start-up and its management. For this purpose, support structures in the North and the South can provide a number of schemes more or less adapted to the migrant's profile. However, the high cost of this "training" can sometimes discourage migrants. A co-financing system would enable migrants with business projects to enrol in this type of scheme (if they thought it were in their interest to do so). Steps must also be taken to identify and develop in the South structures that can continue to provide this training, support, technical assistance and aid to investment [such as the Regional Investment Centres (CRI) in Morocco]. The experiences of IntEnt (Netherlands) and of PMIE (France)[33] in this field are very instructive about the mechanisms that must be established.

Local investment and guarantee funds

To promote investment at a distance and thus access to credit, contacts must be established between migrants and institutions of the social economy in France. Migrants put their savings to use when they provide support to a family member carrying out a project. Institutions of the social economy collect the savings for solidarity in the North in order to promote investment in the South (guarantee funds, venture capital, refinancing, etc.). The conjunction of these mutual interests, which could be given an institutional structure, would make it possible to share risks and management costs and structural expenses. This system would generate a financial leverage effect (on the financial structure of the enterprise).

These recommendations call for some comments:

Who is carrying out the project? Most existing or planned mechanisms only envisage projects carried out by returning migrants, with the issue of financing being left until later.[34] Experience shows that it is vital to be as fully informed as possible about the

32. This item is not part of the subject being treated.

33. PMIE: *Programme Migrations et Initiatives Economiques* of PS-Eau (Water Solidarity Programme), a network of French NGOs. One of this programme's many objectives is to help set up projects for resettlement in the home country and what are known as "investment at a distance" projects by providing information, advice and guidance to migrants. PS-Eau is also a key partner of the French Foreign Affairs Ministry for Franco-Malian co-development. This NGO might play a similar role within the Franco-Senegalese co-development programme currently being prepared.

34. It is perhaps a mistake to wish to transform all migrants that one would like to help into entrepreneurs. No doubt this is due to the fact that the implicit objective is to help these migrants to return home.

situation in the field and about the most crucial parameters likely to ensure the project's success. Experience also shows that knowledge of these parameters diminishes increasingly the longer migrants live outside their home country. It would appear that the best designed projects are those carried out by actors in the field, independently of migrants. This means that the best role that migrants can play is either to finance (or co-finance) the project or provide modern techniques that complement those mastered by local actors, or both. For socio-cultural projects, local authorities (when they exist and are functional) seem to be the most appropriate local actors for preparing proposals that are adapted to the real needs of the population. If carefully planned, there is every reason to believe that the various projects will be highly cohesive (well-co-ordinated, complementary, etc.) and can be proposed to funding providers.[35]

Furthermore, it seems inappropriate to speak of transfers of savings, since migrants generally transfer their available funds as soon as they receive their wages (since they know that their enlarged family or friends from the same village are likely to ask them for any money that they do not intend to use immediately and that it is hard to refuse such a "loan", which will rarely be paid back). Only a minority of them, who is sufficiently independent of local traditions, is able to consider accumulating real savings (and/or preparing real economic projects for themselves or even for a family member). These people can be described as "migrant investors".

With regard to banking networks, it is certain that only networks consisting of stable and reliable banking partners at both ends can guarantee the effective transfer of funds to their recipients in the field. The more local branches and correspondents the bank has in the home country and even in villages, the easier it will be to send the funds being transferred to final users.[36] In addition to the ability to make secure transfers to the most remote areas, migrants are looking for the most economical ways of transferring money and therefore refuse to pay bank commissions that they consider to be excessive.

It is certain that if these transfers could be made by banks that also were able to loan additional funds for projects in the home country (which is rarely the case today),[37] these channels would be more successful.[38] It would then be possible for projects carried out by local operators or returning migrants (the initiators) to be guaranteed by migrants who would continue to live outside their home country. These kinds of cross-border guarantee mechanisms would require highly innovative and solid (and closely monitored?) inter-bank ties.

35. If the local authorities of the South (or the state) are also able to participate in financing, their involvement will be even more effective.

36. In many cases, the only possible solution is to use informal channels that generally go through shopkeepers (even small ones) located in the villages to which the funds are being sent. The "SFD" system (decentralised financial system) studied by the *Centre International du Crédit Mutuel*, mentioned by the AFD study, no doubt constitutes an approach that should be explored.

37. Defaults on repayment have been so frequent that banks are reluctant to lend, and when they do so, they apply such high interest rates that they have a heavy impact on the profitability – and thus the feasibility – of the project.

38. Some experts and NGOs recommend establishing contacts between migrants and organisations of the social economy in the North (in particular in France, such as PS-Eau). A Europe-wide venture capital and consulting company such as "Afrique Initiatives" is active in the same field. Although these micro-credit schemes can provide solutions for a few migrants (or migrants' associations), it is difficult to give them institutional status and solve all the credit access problems of all migrants.

It is clear that if official (and therefore institutional) mechanisms for promoting private investment were to play their role fully, they could also make it easier to contact and involve "migrant investors". These interfaces, known as "one-stop shops" (since they theoretically facilitate all administrative procedures) are generally available to all investors. They are found in most developing countries but not all of them are very effective. It would also be possible to consider creating dedicated organisations for "migrant investors" to attract this type of investor more specifically.

Co-investment is no doubt one of the most innovative ideas that should be promoted.[39] However, a careful distinction must be made between public interest infrastructure of a "socio-cultural" nature and productive investments (business creation generating wealth and employment). The former concerns all categories of migrants (from the wealthiest to the poorest and the most highly to the least educated) and co-investments can only come from official assistance or international solidarity and, in our view, more especially from local authorities in the North that govern the areas where the migrants live. In the latter case, the co-investment follows a different rationale, of an industrial and commercial kind. The co-investors may be other types of investors (not necessarily migrants) or public or private support programmes (PDLM type grants, venture capital from organisations of the social economy, bank loans,[40] etc.).

In any event, it can be seen as the need to establish structures in the South, close to the populations concerned, that will prepare projects and propose them to migrants (through appropriate intermediaries in the North), and that will imagine, search out and organise the appropriate partnerships.[41]

Approaches to be explored

The institutional landscape

Policy directions in the North and the South

Most European migrant receiving countries now have two relatively distinct concerns: 1) to retain the migrants that they need the most to keep their own economies healthy and even dynamic, while using all means available to ensure that all migrants not indispensable to their economic development leave, and 2) to help sending countries with their development, for reasons of international solidarity but also in order to develop new markets that will consume their industrial goods and service. The problem here is one of integrating policies that are generally the responsibility of two ministries that work independently of one another. This difficulty is made greater for each of the European countries concerned by the requirements of European construction and the need to integrate domestic policies (labour markets) with foreign policies (development assistance/co-ordination with the European Development Fund and the other EU aid instruments).

Most of the ACP countries, which are sending countries, although they do not support a mass return of their nationals living abroad because of the situation on their local labour

39. The PDLM type "one migrant, one project" approach appears to be very restrictive.

40. See above.

41. If such mechanisms were successful, central governments would be very tempted to step up their already very real disengagement from high-emigration regions.

market and the funds that would be lost if remittances were to decrease,[42] nevertheless wish to strengthen these nationals' ties with the home country so that they will contribute as greatly as possible to their development. Concretely, this means using not only the surplus savings, but also the intellectual and technical abilities that they can invest in economic development.

In both cases, there is a stated policy objective of linking migrants and development. What is the situation regarding the implementation of these policies? What structures and mechanisms are being used?

Existing structures and mechanisms

Ministries and departments in the North and the South

In most European receiving countries, the Ministry of the Interior is in charge of migrants, while the Ministry of Labour is responsible for the labour market and the Ministry of Foreign Affairs is primarily responsible for ODA. Some countries, such as the United Kingdom, Germany and Belgium, have a specific Development Agency. Some countries may have Inter-Ministerial Commissions or Committees, or, as was formerly the case in France, an Inter-Ministerial Mission to co-ordinate policies regarding migrants with development assistance policy. However, these policies cannot be described as being integrated.[43]

It is increasingly common for policy-makers and especially Heads of State in most emigration countries to praise the achievements of their diaspora and wish to involve them if they can promote or contribute to the country's development in any way, whether they are football players, academics or workers. In some countries, such as Benin, Senegal and Mali, a specialised Ministry has been created within the government. At present, these Ministries generally have scant financial and human resources and are focusing their efforts on improving relations between the diaspora and state administrative services. However, migrants, who have a real need for these improved relations with their capital, also intend to use these structures to participate in the political and economic life of their country. Thus, many of them propose plans for projects to these Ministries, which range from projects of a social nature to business projects.

Events such as the "First Malian Diaspora Forum" (Bamako, October 2003) mainly provide an opportunity for the authorities and expatriates to discuss the respective issues that are of concern to them. An attempt is often made to try to find points of convergence. In general, the government makes commitments, but the challenge will be for it to keep them.

Consequently, much remains to be done to broaden and intensify internal dialogue both in the North and the South.

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42. "The situation is exacerbated by the economic importance of remittances in many countries of origin, the loss of which as a result of large-scale returns might bring about serious economic difficulties", Council of Europe, "Towards a Migration Management Strategy", Strasbourg, July 2003

43. Study by the CES Paris 2001: *De l'exode à la mobilisation des compétences dans le cadre d'un véritable co-développement.*

Organisations for bilateral, multilateral and international co-operation

With regard to bilateral co-operation, there are different approaches to the relationship between migration and development. France committed itself to the idea of co-development over ten years ago, but it is only now adapting its content, which is constantly changing, so as genuinely to involve migrants in development operations. Italy is a country that is only now initiating these types of concepts, with Ghana and Ethiopia as pilot countries. Senegalese migrants, who are very numerous in northern Italy, are encouraging the Italian authorities to support them in their efforts to make proposals to the Senegalese authorities.[44]

Multilateral co-operation between the European Union and African, Caribbean and Pacific (ACP) countries is governed by the Cotonou Agreements. Article 13 of these agreements clearly specifies the commitment to non-discriminatory practices regarding the employment of migrants in the European Area.[45] It also provides specifically for training programmes for migrants from ACP countries aimed at their re-employment (again implying the underlying idea of their return).

International co-operation in the field of migration and development was initiated by the UNDP with its TOKTEN Programme.[46] This programme is still being implemented in some countries such as Senegal (harnessing of know-how in many fields) and Mali (chiefly the University of Bamako). The IOM, for its part, has successively implemented the Return of Qualified African Nationals (RQAN) Programme and then the Programme Migration for Development in Africa (MIDA). The latter programme is aimed at setting up and ensuring the continuity of a national scheme for harnessing the diaspora's skills. It is currently operational only in the region of the Great Lakes, but a number of sub-Saharan countries have expressed great interest in this programme. On a number of occasions, the World Bank has shown interest in the issue of harnessing of the diaspora's skills, particularly when the aim is to finance the training of high-level staff for the government administrations of African countries.[47]

All things considered, as dialogue between partners is crucial, the author believes that it is advisable to adopt the following position of the Council of Europe:

> *"Therefore, migration should be on the agenda of political dialogue between states of origin, of transit and hosting states and issues such as human rights, bilateral technical co-operation, causes of migration, irregular migration as well as obstacles to return should be discussed. As this dialogue aims at sustainable co-operation, and as the countries of origin are not particularly interested in the return of emigrants, it is important to first establish a climate of confidence and mutual understanding, which will subsequently allow both parties to negotiate on an equal footing. There is something for everybody in such a situation and it is therefore in the interest of each party to fulfil his side of the contract"*.[48]

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44. For further information on this project, consult the IOM Rome on www.iom.int/mida/index.html

45. Provided, that is, that the migrant is living there legally. This same article stipulates that readmission agreements will be virtually automatic for undocumented ACP migrants.

46. TOKTEN: Transfer of Knowledge through Expatriate Nationals.

47. Symposium of the World Bank/Association *Démocraties* on "Diaspora et mobilisation des compétences", 12 March 2003, video-conference Paris, Bamako, Dakar and Cotonou.

48. "Towards a Migration Management Strategy", Council of Europe, Strasbourg, July 2003.

Local authorities and decentralised co-operation

The local authorities in the North generally have the institutional capacity to develop co-operation initiatives with their counterparts in the South. The projects are either developed by associations or NGOs in the North,[49] or by local authorities in the South.[50] All these initiatives are part of what is known as decentralised co-operation. In a country such as France, this form of co-operation is subject to relatively strict rules, but despite this there are many failures on the part of "amateurs" and "volunteers".[51]

In the local government jurisdictions in the EU that have large numbers of migrants (the Commission also grants subsidies to NGOs and local governments with projects), these migrants have understood how advantageous it would be to organise projects for their village, city or district of origin, which might be financed by one of the levels of local governments in the North where they live. For countries of sub-Saharan Africa, these projects mainly involve local governments of France, Italy and Spain. The difficulty with this type of initiative (to which local governments of the North agree to fairly readily) is that these projects are generally not very well adapted to local conditions.

How can this development tool be improved?

The effectiveness of decentralised co-operation is determined by the structures established both in the North and the South, but above all by the people involved in making these structures work.

With regards to how this tool can be used as a means of improving the life of local populations tempted by emigration, it would be advisable to combine the resources available in local governments with the funds provided by migrants living within the jurisdiction of these same local governments in order to target cities and villages in which these legal migrants have family members, and thus establish a channel along which information can pass and convey the "right messages". This joint mobilisation of migrants' savings and the resources of the host local governments will be all the more effective to the extent that it targets projects and programmes initiated in the field and that have been identified concretely by local governments of the South in the course of their own planning activities. This would enable the various actors to organise in order to set up joint financing and partnerships. For example, the Ministry for Decentralised Co-operation and Regional Planning of the government of the Republic of Senegal is seeking to set up an agency that will be specifically devoted to this process of organising partnerships and joint financing between migrants and local governments of the North (and also local development funds, of course). The French government might promote and even sponsor these kinds of initiatives.

49. Most NGOs in the North operate like genuine service provision companies that employ a broad range of specialists such as training instructors, project organisers, lobbyists and other fund-raising professionals. An NGO such as "BATIK International" in France has joined together with other NGOs to support the "co-development platform" organised by the Regional Council of the Rhône-Alpes Region in partnership with other government bodies such as the ANPE (the National Employment Agency) to provide support for migrants who have projects for their home country (whether or not they intend to return home).

50. These initiatives are often the result of twinning arrangements between the same level of local or regional authorities.

51. These failures are mainly due to the fact that the projects are ill-adapted to local conditions, or to the lack of professionalism of the actors carrying out these projects.

Approaches that should be promoted

- Not all migrants targeted to receive assistance by the programmes set up in host countries have the requisite entrepreneurial skills.[52] This means that, alongside aid to entrepreneurs, complementary assistance must also be provided to enable the others to find jobs as employees in their home countries, where they can play an equally useful role.
- The migrants who have available funds to invest in local social or development projects generally would like their name to appear so that their contribution will be known to their family and friends. For this reasons, for social investments such as schools, dispensaries or places of worship, migrants give strong priority to investing in their home village or district, where they are known and where their contribution will bring them social prestige.[53]
- Migrants who have limited financial resources, often from rural areas, need to have trust in those who are going to use their contribution. This means that any project must be able to be monitored and that the use of funds must be traceable.
- The social and local development projects that are most likely to succeed from a technical standpoint are those prepared by local technical structures, such as those in charge of preparing local development plans, which are also approved by elected local authorities. These projects must be proposed for financing to all possible funding providers, including migrants.
- Migrants, who are generally wary of modern savings and credit mechanisms[54] (with all their attendant constraints), need to be able to identify clearly how their money is going to be used before they make transfers.
- The size of a project should be adapted to the capacity of its initiators and their financial partners. In other words, it is recommended not to rely on credit, especially in sub-Saharan Africa. On the other hand, for a given project, it is advisable to have many financial partners (especially migrant investors),[55] some of whom will remain in the immigration country and guarantee the loans granted to those initiating projects in their home country.

52. This is no doubt due to the fact that the implicit aim is to help all of these migrants return to their country.

53. With regard to managerial-level migrants who can become involved in contributing to the development of their home country, Eveline Bauman (IRD, Bondy, France, August 2002) considers that: "*they are interested in well-paid professional opportunities, personal development and status and prestige, and want to distance themselves from a social, economic and political environment that they often see as being restrictive and wish to develop as individuals and realise a personal project*".

54. The concept of savings is not widely practiced in sending regions since, culturally, people in these areas can rely on family or clan solidarity in case of need and, conversely, they can be asked at any time to help other people (and have little latitude to refuse). Only people who are sufficiently distant from their families can go beyond these practices and adopt modern practices of savings.

55. The "one migrant, one project" approach lacks flexibility and makes it impossible for certain sound individual projects to succeed because their financing remains vulnerable.

Mechanisms to be implemented

In the South

The most logical approach would be to set up a "permanent structure" in a specific country that would simultaneously be able to ensure the following:

- The promotion of projects that emerge in regional and local planning processes (approved by the local authorities) aimed at involving migrants (or their associations) and other potential funding providers (local authorities in the North and the South, bilateral and multilateral co-operation, etc.).
- The organisation of financial[56] and technical partnerships around each project.
- The role of the main contractor (the delegated main contractor might be chosen through the relevant local authorities and the project owner might be chosen in the field).
- The monitoring of the progress of projects that have obtained financing, firstly by ensuring that funds are collected and transferred and that regular information is provided to all partners, including on disbursements, and, secondly, by monitoring implementation.
- The critical assessment of projects that have – or have not – been completed successfully.

This structure should be placed under the supervision of the Ministry responsible for the development of local authorities and be administered and managed jointly with the elected local authorities of the country and the representatives of migrants.[57]

In order to attract migrants, it would advisable to provide an attractive catalogue and documentation on projects both by region and thematic field (agriculture, livestock production, education, health care, infrastructure, etc.) and to engage canvassers in countries that have migrants who can potentially become involved in projects.

Again with regard to migrants, the mechanisms to be implemented should be responsive to the mentalities and traditional practices of migrants in the field of savings and credit. In this regard, it would be best to emphasise joint financing (calling on a number of migrants and several other institutional funding providers if necessary) and to avoid bridging loans or other similar arrangements.

In order fully to involve local authorities, local partners and even the population directly concerned, this permanent structure should establish local agencies, at least in those regions from which most of the migrants come.

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56. As financial partnerships can involve many actors in various places in the North and the South, there is every reason to rely on banking professionals and in particular on close co-operation between Northern and Southern banks, which make it possible to grant loans to initiators of projects in migrants' home country that have been validly secured by one or more migrants living in the North. In this regard, consult the recommendations that will be made by the study of the *Centre International du Crédit Mutuel*.

57. In Morocco, the CRI (Regional Investment Centres) – which have been inspired by the *wali* – provide opportunities for associating local and foreign entrepreneurs (including Moroccan emigrants). They act as an interface with administrative bodies and can provide appropriate training.

If the migrants themselves are initiators of projects, the permanent structure would be responsible for ensuring that the project is well integrated into the regional and local planning process or can replace a project already designated, in which case the relevant local authorities would be consulted and would give their approval.

The introduction of structures of this kind should logically receive the support of the state that would benefit from them. Bilateral funding providers such as France, Italy and Spain would also play a role in such mechanisms, for example through ODA (and co-development in the case of France).

In the North

As indicated above, it is crucial to attract migrants so that they will invest their available funds (or, in the case of migrant investors, their savings) in projects that interest the local authorities of the areas from which they come. To do this, it would not only be advisable to provide an attractively presented catalogue and documentation on projects classified by region or thematic field, but also to engage canvassers in the countries that have migrants that can potentially be involved in projects. These canvassers should go into migrant communities and work directly under the supervision of the permanent structure or the national agencies in the largest host countries if the volume of projects so warrants.

These same decentralised structures might also canvass (using the same catalogues) local authorities in the North and other bilateral, multilateral and international funding providers when delegated to do so by the permanent structure.

These decentralised structures in contact with migrants might take a step recommended by certain NGOs such as PS-Eau in France or the EntInt Foundation[58] in the Netherlands, *i.e.* carry out feasibility study missions in migrants' countries of origin in order make a better assessment of the actual local situation before making decisions on investments.

Conclusions

The labour supplying countries are unable to absorb a mass return of their emigrant labour and it is not in their interest for them to do so (since remittances are crucial to sending countries). The remittances that migrants send to their home countries are essentially aimed at meeting the consumption needs of their families there (school fees, including health care), and then at building collective socio-cultural facilities (schools, dispensaries, maternity clinics, mosques), with very little being used to fund economic activities that creates wealth and employment.

Savings are low because of social practices, and banking institutions find it very difficult to recover the loans that they grant, even when they are used to create businesses that prove to be profitable. Only migrants who are sufficiently detached from their family, clan and social constraints are able to save in order to create their own business or provide funding to people that they trust completely (in particular, close family members).

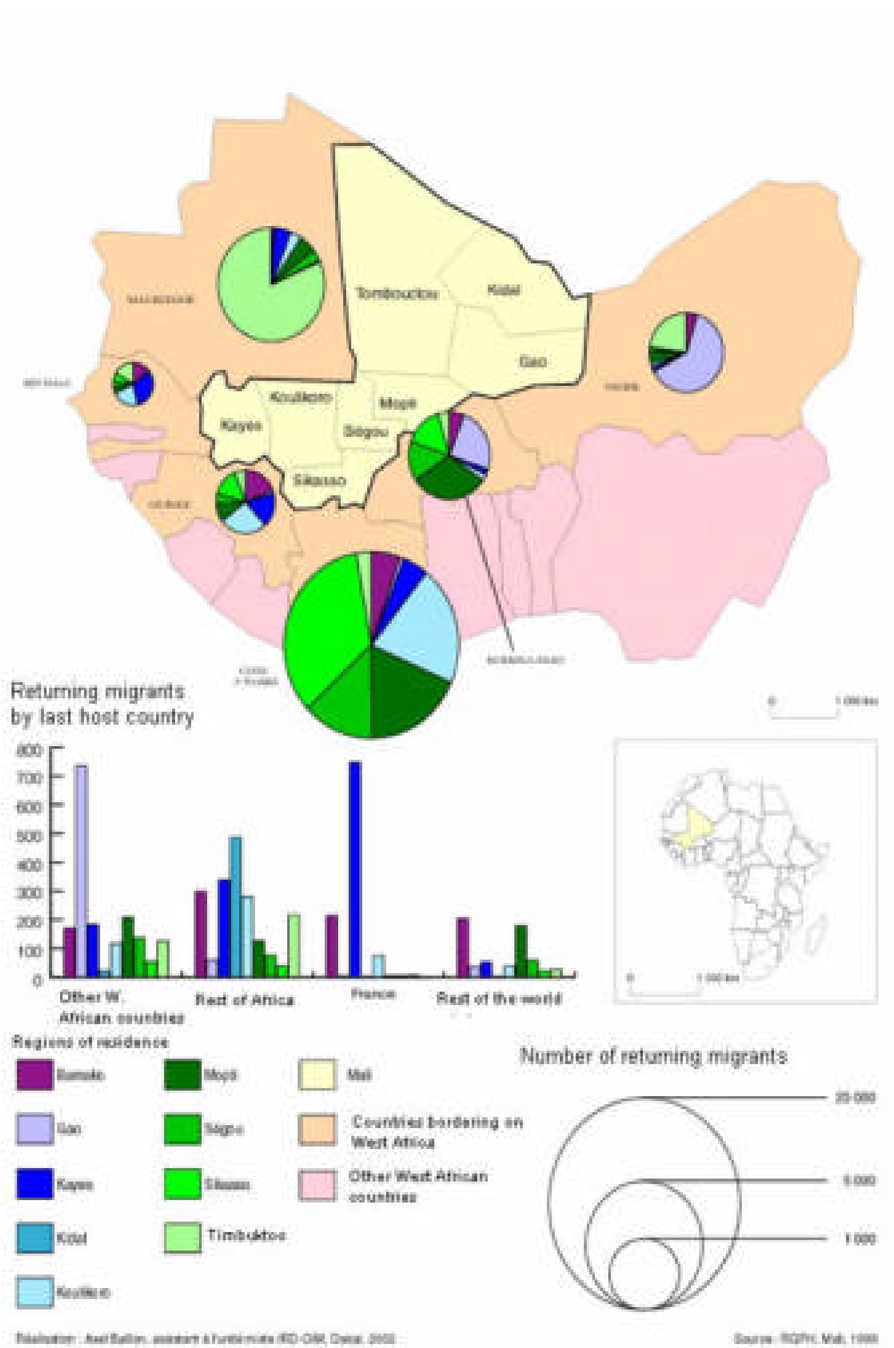
58. EntInt: "Enterprise International", a system of support to joint enterprises in which migrants can make investments at a distance with one or more initiators of projects in the field.

The best projects are those that are developed locally, initiated by local authorities, including for the new economic sectors that have to be developed.

There is a need for dialogue between migrants and their country of origin and it would therefore be advisable to establish a lasting mechanism that goes far beyond the traditional "one-stop shop" and would make it possible to perform a number of functions, including that of presenting migrants with projects that they can carry out in their home region and of organising adequate financing and partnerships for projects. Partnerships will primarily be sought with other "migrant investors" in the case of investments to create businesses, and with other associations and local authorities for socio-cultural and collective investments.

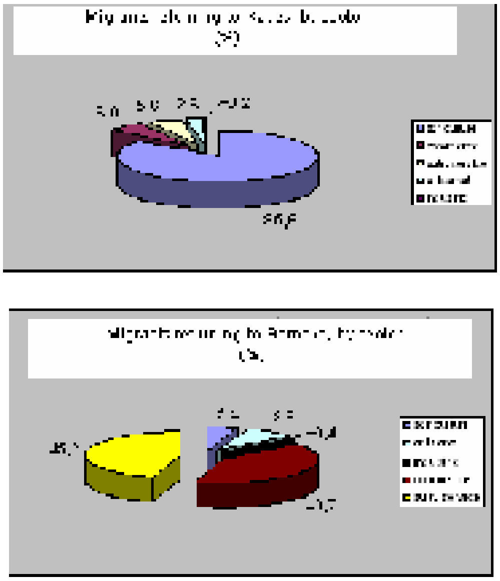
As greater engagement of migrants in the development of their countries of origin is in the interest of both sending and receiving countries, it is also vital to establish international dialogue involving all stakeholders, including the migrants themselves.

Figure 19.1. Returning international migrants by place of residence and last host country, Mali 1998



Source: IOM/IRD report.

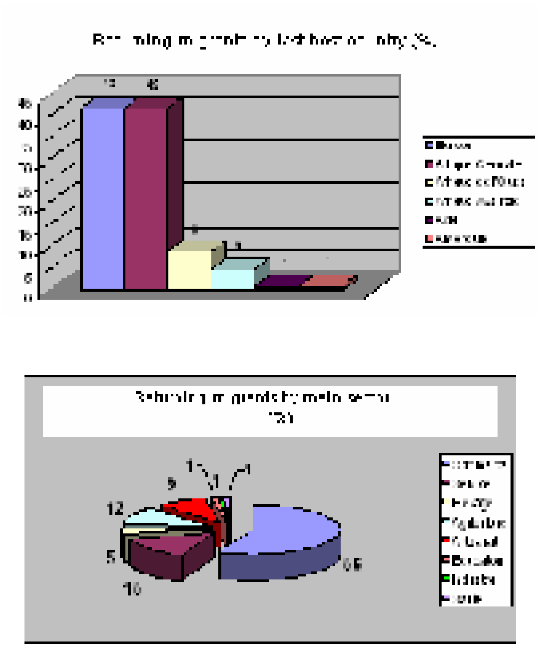
Figure 19.2. Difference between Bamako and Kayes in the distribution of returning migrants by sector



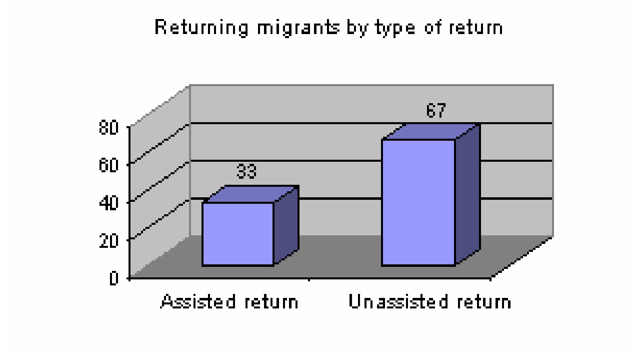
The survey conducted for the Dakar IOM/IRD is based on a sample of some 100 returning migrants who have initiated economic and social reintegration projects in Bamako and Kayes.

Source: RGPH (1998), from the IOM/IRD report.

Figure 19.3. Profile of the sample of returning Malians with plans to launch projects



Sectors: Commerce, Services, Livestock, Agriculture, Trades, Education, Industry, Healthcare



This survey shows that the projects set up by returning migrants vary substantially in terms of lifespan. Of all such projects, 68.1% have encountered major problems: 18.1% in the past (problems resolved) and 50% at the time of the survey (problems ongoing).

Of the projects in difficulty at the time of the survey, 33% had encountered problems right from Year 1. Some projects had survived for only a year (34%). Others had encountered problems in Year 3 (19%) or between Years 4 and 5 (14%). Faced with the failure of their reintegration project on their return home, migrants try to develop replacement activities in other sectors with their remaining capital (if any!). Emigrating again is one possibility, even if it does differ substantially from their initial departure. Farming projects are found mainly in rural Kayes and their lifespan depends on the wet season (around 3 to 4 months) and rainfall intensity. If yields are poor right from Year 1, the project will fail (which demonstrates the fragility of the farm economy and relevant projects in that area).

Projects involving the purchase of vehicles for public transport also have fairly short lifespans. For instance, the Kayes area has very few asphalt roads. The roads are basically tracks that are virtually impassable during the wet season. Usually after one year's use, the second-hand vehicles purchased to cover routes linking the town of Kayes and its hinterland break down regularly, and most returning migrants in such businesses are unable to recoup their investment. Vehicle condition is one of the main factors for sustainable, successful projects in this sector, which migrants continue to view as a growth market.

Source: IOM/IRD study.

Figure 19.4. Specific difficulties encountered for each purpose: consumption, housing, social infrastructure and economic activities

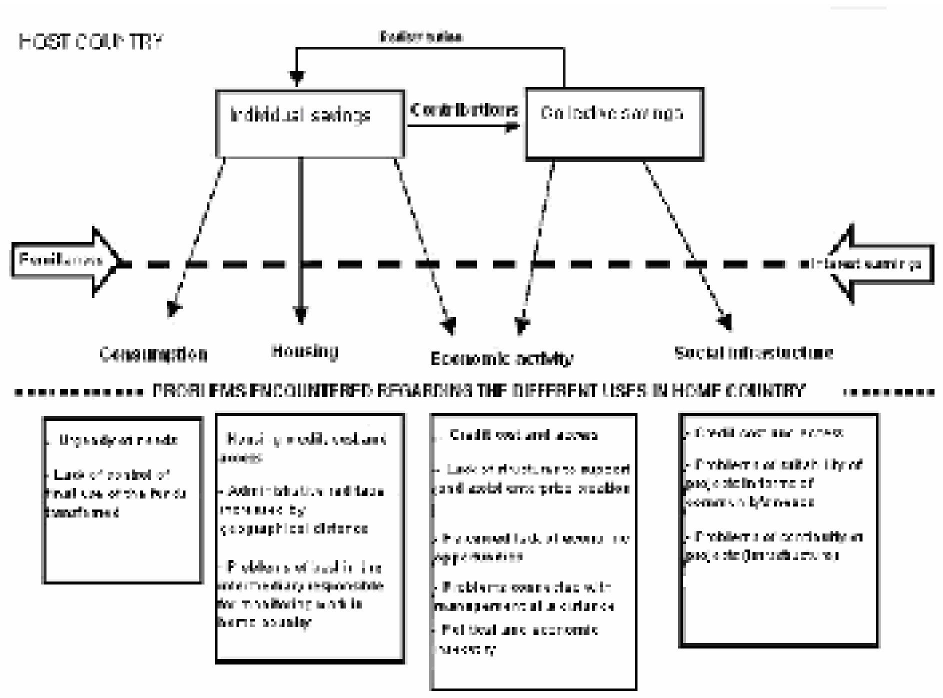


Table 19.1. Problems encountered by migrants with their home-country projects (Mali, Senegal, Comoros, Vietnam and Morocco)

	Mali	Senegal	Comoros	Vietnam	Morocco
Transfers					
Cost and time required for bank transfers	X	X	X		
Distance from banking network	X	X	X		
Lack of confidence in home-country banking sector		X		X	
Insecure informal transfers	X	X	X		
Community projects					
Cash required up front for building work	X	X	X		X
Little support for skill transfers				X	X
Problems with project sustainability	X	X	X		X
Family support					
Problems coping with urgent needs	X	X	X		X
Economic investment					
Expensive and difficult access to credit in home country (for migrant or third parties)	X	X	X	X	X
Lack of advice and supervision	X	X	X		X
Problems with investment sustainability because investors do not assume responsibility	X	X	X		X
Administrative red tape		X			X
Problems entrusting management at a distance	X	X	X		X
Housing investment					
Cash required up front for each tranche of building work, and final cost higher than planned	X	X	X		
Cost of and access to medium-to-long term credit in home country	X	X	X	X	X
Administrative red tape	X	X		X	X
Problem of trust in intermediary (enterprise or family) in charge of building work	X	X	X		X
Problems accessing property deeds	X	X		X	

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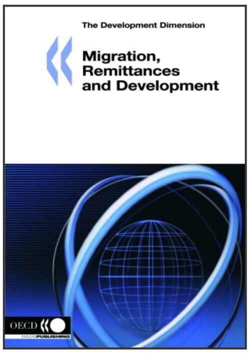
Part V.
REMITTANCES AND PROMOTION OF DEVELOPMENT: SOME PROPOSALS



From:

Migration, Remittances and Development

Access the complete publication at:

https://doi.org/10.1787/9789264013896-en

Please cite this chapter as:

Raunet, Mireille (2006), "Motivating Migrants for Social and Economic Development in Mali and Senegal", in OECD, *Migration, Remittances and Development*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/9789264013896-23-en

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