

# Good Practice Note

## Consolidating and Showcasing Diaspora Entrepreneurship for Development

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This Note presents select Good Practices as regards *Diaspora/Migrant entrepreneurship*. While not exhaustive, the Note seeks to showcase: i) the good examples of diaspora businesses that are contributing positively to homeland development; ii) diaspora business investment services; iii) partnerships and networks that exist and; iv) training and skills development interventions available to diaspora entrepreneurs.

This document is produced in the context of the Civil Society **M**igration **A**nd **D**evelopment network (MADE) for which the African Diaspora Policy Centre (ADPC) is the lead for the Working Group on Migrants and Diaspora for Development. In 2014 the Working Group is focused on the theme “*Migration, Entrepreneurship and Development*”.



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An overall “Thank You” to various colleagues who took the time to review and comment on this document.

*The diaspora-whether acting as a group or as individuals-are motivated to go out of their way to form networks and to do something about development needs. The diaspora don't wait for the donors or traditional agencies but ask, "What can we do?" And then they act.*

*Associate Professor James Busumtwi-Sam, SFU*

## **I. INTRODUCTION: WHY THIS DOCUMENT?**

"If no action is taken to analyse, capitalize and share the knowledge gained in programmes and projects, institutional memory will not be transmitted, the same mistakes will be repeated, the success of our experiences will not be known and opportunities for improved practices will be lost, thereby preventing the sharing of good practices".<sup>2</sup> Documentation of good practices provides opportunities for knowledge sharing on what works and in what contexts.<sup>3</sup> This provides opportunities to replicate successes and avoid pitfalls that others have experienced.<sup>4</sup> By sharing knowledge and capitalizing on existing experiences, knowledge can be turned into action.<sup>5</sup> In line with this vein of thought, this Good Practice Note is focused specifically on consolidating and show casing good practices in migrant/diaspora entrepreneurship. By consolidating and showcasing some of the positive practices that exist, this Note contributes to strengthening the knowledge base on the importance of diaspora entrepreneurship for homeland socio-economic development.

While not exhaustive, the Note attempts, "At a Glance", to set before the reader a sense of what exists in this area in terms of: i) examples of diaspora businesses that are contributing positively to homeland development; ii) various mechanisms through which diaspora enterprises can be financed; ii) partnerships and networks that exist and; iv) training and capacity building initiatives targeted specifically at diaspora enterprises.

It is important to acknowledge that the stories of how diaspora as a group have contributed to development have been captured to some extent. These stories all contribute to the body of knowledge in the discussion on the role of diaspora as key actors in the development process. In this regard, although the focus of this Note is on migrant/diaspora entrepreneurship, Text Box 1 provides select links to work carried out capturing the contributions of diaspora to homeland socio-economic development.

Research, and in particular documentation of good practices, on how diaspora businesses contribute to the development of their countries of origin is limited. Consequently, this Note is one of the first steps towards consolidating existing documented good practices, and goes further to where possible, showcase select new cases studies. Consequently throughout the document, the various links to existing work in this area are provided, while the "Case Study" boxes present in more detail select good practices featured in the Note as per the

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<sup>2</sup> Kolshus, K. et al. 2013. Good practices at FAO: Experiences capitalization for continuous learning. FAO Concept Note. FAO

<sup>3</sup> WHO.2008.Guide for Documenting and Sharing "Best Practices" in Health Programmes. Brazzaville. WHO

<sup>4</sup> ibid

<sup>5</sup> Kolshus, K. et al. 2013. Good practices at FAO: Experiences capitalization for continuous learning. FAO Concept Note. FAO

four areas discussed above. In its publication *Mobilizing Diaspora Entrepreneurship for Development*, Migration Policy Institute (MPI) documents the work of various organisations that support diaspora entrepreneurship from various perspectives. This report is accessible at: <http://www.migrationpolicy.org/research/mobilizing-diaspora-entrepreneurship-development>.

This document is organized as follows. Section 2 presents examples of how diaspora entrepreneurial initiatives are making a difference to development in their countries of origin. Within the section two migrant/diaspora businesses are showcased. In section 3, an example of one of the investment mechanisms available to support diaspora businesses is presented. Three examples of training and skills development initiatives available to diaspora entrepreneurs is presented in section 4, while section 5 presents good practice in partnership and networking. The Note concludes in section 6. Throughout the sections where applicable, links to additional documented good practices are provided.

### **TEXT BOX I**

#### **Consolidating Examples: Engaging Diaspora for positive development outcomes**

**Simon Fraser University: Engaging Diaspora in Development:**

Accessible at: <http://www.sfu.ca/diasporas/stories.htm>

**"Diaspora Voices"**

Accessible at: <http://www.sfu.ca/diasporas/pdf/DiasporaVoicesbook-ElectronicVersion.pdf>

**"Mobilizing Diaspora Entrepreneurship for Development":**

Accessible at:

<http://www.migrationpolicy.org/article/mobilizing-diaspora-entrepreneurship-development>

**"Drivers of change"**

Accessible at:

[http://www.diaspora-centre.org/DOCS/2009/2009DriversOfChange\\_ENG\\_web.pdf](http://www.diaspora-centre.org/DOCS/2009/2009DriversOfChange_ENG_web.pdf)

**"Realizing the development potential of diasporas":**

Part 3 of the publication is focused on Diaspora entrepreneurs and development

Accessible at: <http://i.unu.edu/media/unu.edu/publication/9727/sample-11957.pdf>

## 2. DIASPORA/MIGRANT BUSINESSES

The discussion on migrants and diaspora entrepreneurship has shifted considerably over the past decade. To date there is increasing recognition that the contribution of migrants/diaspora to development goes beyond remittances and extends to migrants/diaspora as financial and social investors, policy advocates and partners for human development in countries of origin, heritage and destination. Despite limited research in this area, broad indications are that diaspora entrepreneurship has the potential to contribute positively to socio-economic development in four ways<sup>6</sup>:

- Diaspora entrepreneurship fosters business development, job creation, and innovation.
- Diaspora Direct Investment (DDI) creates economic, social, and political capital through global networks.
- Diaspora entrepreneurship taps into social capital through cultural and linguistic understanding.
- Entrepreneurship and economic development are positively linked.

Consequently, harnessing the bridging potential of migrant and diaspora entrepreneurs can be a powerful springboard for transformative inclusive development in migrant/diaspora countries of origin. However, a number of challenges<sup>7</sup> exist that could curtail this process. Of importance in facilitating diaspora entrepreneurship is access to: information, networks, business training programs and ensuring that private funds to finance private businesses or public infrastructure are accordingly channeled.<sup>8</sup>

Of particular interest in this Note is showcasing the “impact<sup>9</sup>” that various migrant/diaspora interventions have had on job creation and skills development in their homelands. “The impact of diaspora engagement is difficult to assess, as it is inherently difficult to disentangle causation from correlation and to quantify the impact of elusive goods like skills and knowledge transfers”.<sup>10</sup> Consequently, while not studied extensively, what is known is that the impact of migrant/diaspora entrepreneurship on the socio-economic development of their homeland is shaped by the context and conditions in both the host and home country.<sup>11</sup> Further, recent research suggests that opportunity<sup>12</sup> entrepreneurs as opposed to necessity<sup>13</sup> entrepreneurs contribute positively to economic development.<sup>14</sup> While there is

<sup>6</sup> Newland, Kathleen and Tanaka, Hiroyuki.2010. *Mobilizing Diaspora Entrepreneurship for Development*. Washington DC. Migration Policy Institute

<sup>7</sup> See ADPC’s Policy Paper on the theme “Diaspora and Migrant Entrepreneurs as Social and Economic Investors in Homeland Development”.

<sup>8</sup> Agunias, D.R. and Newland, K.2012.*Developing a Road Map for Engaging Diasporas in Development: A HANDBOOK FOR POLICYMAKERS AND PRACTITIONERS IN HOME AND HOST COUNTRIES*. IOM and MPI.

<sup>9</sup> Reference to impact implies that an impact evaluation has been undertaken to determine what causal change has taken place due to the programme or intervention being applied. At the time this Note was written no impact evaluations on the effect of diaspora entrepreneurship had been identified. Consequently the term impact is used very loosely in this practice and refers more to perceived effect.

<sup>10</sup> Newland, Kathleen and Plaza, Sonia.2013.*What We Know About Diasporas and Economic Development*. Washington DC. Migration Policy Institute

<sup>11</sup> IOM.2013.*Diasporas and development: Bridging between societies and states*. Background paper

<sup>12</sup> An entrepreneur choose to become entrepreneurs because they have identified financially lucrative opportunities to engage in.

<sup>13</sup> Necessity entrepreneurs as the name suggests, are entrepreneurs out of necessity.

<sup>14</sup> Newland, Kathleen and Tanaka, Hiroyuki.2010. *Mobilizing Diaspora Entrepreneurship for Development*. Washington DC. Migration Policy Institute

no correlation between economic development and necessity entrepreneurship, this form of entrepreneurship is found to have a positive effect on employment.<sup>15</sup>

To date many migrant/diaspora entrepreneurs have started businesses out of necessity especially among first generation migrants. These initiatives have therefore been small scale and employing very few outside of the family system. However, a significant shift is being seen as generations become better educated and knowledgeable. In addition, diaspora gain valuable skills, experiences and contacts in their countries of residence that they can "transfer" to their country of origin by seeding business and entrepreneurship, training and mentoring to native workers. Presented below are two good practices highlighting the contributions of diaspora entrepreneurship to development. The organisations in question are: i) AhadooTec ICT Solutions PLC and; ii) Sardis Enterprises L.T.D.

## CASE STUDY I: AhadooTec ICT Solutions PLC

**Sector and focus:** *ICT and Education*

**Founder:** Eskinder Mamo and Amanuel Abrha

**Level of operation:** Transnational

**Countries involved:** Ethiopia and Germany

**Partnerships:** Cross-sector.

AhadooTec works with a number of partner organisations. Partnerships are instrumental in enabling AhadooTec to provide innovative solutions.

**Brief write up:** AhadooTec provides state-of-the-art design and development of mobile and web solutions, IT and business consulting as well as outsourcing. This diaspora business created the Award-Winning personalized learning platform [www.fidel.et](http://www.fidel.et) for African secondary school students. Fidel is the Amharic word for *alphabet*.

The system enables students to prepare for exams with quizzes; tracks their learning progress, allows them to interact and collaborate with their peers in a playful way. All fidel devices free of charge. Inspiration for the system came through Eskinder Mamo's own experiences as a student in Germany. Often he felt, both on school and university level, that the education system did not sufficiently consider the different skills and learning habits of students.

While studying at the School of Design Thinking at Hasso-Plattner Institute in Potsdam he experienced how he felt how education and school should be. The programme at the Institute was facilitated by a multidisciplinary team and based on empathy, playful testing and adopted a user-centric approach. In 2014 Eskinder Mamo was named one of the "100 most influential Africans in Germany" by African Heritage magazine.

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**Website:** <http://www.ahadootec.com>

**Sources:** [http://www.ahadootec.com/?page\\_id=322](http://www.ahadootec.com/?page_id=322)

<https://vc4africa.biz/ventures/ahadootec-ict-solutions-plc/pdf/>

<https://www.linkedin.com/company/ahadootec>

<http://www.humanipo.com/news/43396/ethiopias-ahadootec-launches-learning-platform/>

## CASE STUDY 2: Sardis Enterprises L.T.D

*“Our aim is to build a strong brand for the Ashanti line of produce and thereby help farmers in our cooperatives access valuable export opportunities that can help increase their income and have an overall positive impact on their livelihoods”*

*Michael Griffin, Founder and CEO Sardis Enterprises*

**Start date:** founded in 1995; relocated and re-incorporated in 2006

**Sector and focus:** Agriculture exporter

**Founder:** Michael Griffin

**Level of operation:** Transnational

**Countries involved:** Ghana and United States

**Partnerships:** Cross-sector (USAID, Western Union, farming cooperatives in Ghana)

**Brief write up:** Sardis Enterprises L.T.D, is a Ghanaian-based small business that secured a grant of US \$ 100,000 from the [African Diaspora Marketplace](#) (ADM), a program of the United States Agency for International Development (USAID) in collaboration with Western Union in 2012. Sardis Enterprises is an international import and export agency of agricultural goods and other products in West Africa. The organisation has used the ADM grant to establish a strong brand for the Ashanti line of produce, particularly its organic pineapple. Sardis received initial orders for the Ashanti Pineapple, its flagship product, from select Whole Foods stores in the Southeast region of the U.S. and delivered the shipment in January, 2014. The company has been able to expand production and has exported approximately 4, 900 to 42,000 worth of produce per month in 2014.

The company is also pursuing a certification process to acquire a national account with Whole Foods and expand its distribution chain to the Mid-Atlantic, Northeast, Southeast and eventually all regions of the U.S. SEI's farmers' cooperatives use natural fertilizing methods and chemicals are not used before, during, or after harvest. SEI is currently certifying its farms and cooperatives as organic. To ensure a steady and sufficient supply of pineapples, Sardis organized farming cooperatives in Ghana. Sardis is a good example of potential of diaspora enterprise for socio-economic development in the home country.

Beyond creating jobs and skills transfers, Sardis provides Ghanaian farmers with the opportunity to access the US market with Sardis serving as a bridge between the two countries. Sardis also show cases how strategic partnerships and funding mechanisms can help bring to life diaspora businesses. In particular, according to CEO and founder Michael Griffin, one of the most important aspects of success is the fact that Sardis operates through farming cooperatives.

**Sources:**

<http://www.africaaq.org/wp-content/uploads/2012/09/AAM-August-sml.pdf>

<http://diasporamarketplace.com/african-diaspora-marketplace-awardee-successfully-exports-whole-foods>

<http://blog.usaid.gov/2014/03/a-whole-lot-of-success-for-ghanaian-pineapples/>

<http://www.ghanaweb.com/GhanaHomePage/NewsArchive/artikel.php?ID=261831>



### 3. FINANCING OF DIASPORA BUSINESSES

Diaspora investors and entrepreneurs have become an increasingly important sources of capital in many countries.<sup>16</sup> China and India are key examples of diaspora capital. Between 1979 and 1995, investments by Chinese diaspora amounted to 80 percent of total FDI to China. Over the period 1991 and 2001, the Indian diaspora is estimated to have invested US\$ 2.6 billion out of the US\$ 10 billion in FDI received by the country. With the help of diaspora, China has become the lead manufacturing country and India stands the chance of becoming the world's technology lab.<sup>17</sup> To add to the body of knowledge in this area, this Note showcases the investment platform Homestrings that facilitates diaspora investments into their own communities.<sup>18</sup>

#### CASE STUDY 3: Homestrings

**Start date:** 2011

**Sector and focus:** Investment and E-commerce

**Founder:** Eric Guichard

**Level of operation:** Transnational

**Countries involved:** United Kingdom and world wide

**Partnerships:** Cross-sector

**Brief write up:** Homestrings is an investment platform that facilitates Diaspora and impact-investing to make a difference in the world. The organisation gives foreign investors and the African diaspora access to investment opportunities in Africa and other emerging markets. Through Homestrings individual and institutional investors are able to direct their resources towards initiatives in the emerging markets. This is facilitated through an interactive web portal that aggregates demand from investors and allows them targeted access to the same investments that, until now, were only available to the world's institutional investors. These investments are via vetted opportunities with consistent track records, investing in emerging market projects including commercial real estate, telecoms and small-to-medium-sized enterprises.

Since its UK launch in July 2011, Homestrings has mobilised funds in the region of \$25 million. The organisation has wide geographical reach, covering 13 countries in Africa, and has a growing range of products, projects, funds, bonds and public-private partnership opportunities including a growing basket of branded products to be rolled out. Homestrings offers investment opportunities from a range of institutions. The initiative is a good example of how diasporans can create e-commerce opportunities and it demonstrates how the internet can bridge time and space to build bridges between diaspora investment capital and those that need it in countries of origin.

Homestrings CEO Eric Guichard counts the development of their extensive network as a key milestone for the business. The organisation's senior advisory team includes some of the industry's most knowledgeable. As a user-driven platform, interaction with investors is fundamental to the success of Homestrings.

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**Website:** <https://www.homestrings.com>

**Sources:**

Partly extracted from email communication on 10 November 2014 with Liesl Riddle, Associate Professor of International Business and International Affairs at The George Washington University (GW).

<http://www.howwemadeitinafrica.com/how-homestrings-is-allowing-the-african-diaspora-to-invest-in-projects-back-home/24491/>

<http://www.africaag.org/wp-content/uploads/2012/09/AAM-August-sml.pdf>

<sup>16</sup> Riddle, L and Nielsen, T.M.2011. *Policies to strengthen diaspora investment and entrepreneurship: Cross-national perspectives*.in Realising the development potential of diasporas, Sharma, Kashyap, Montes and Ladd, United Nations Press and Agunias, D.R. and Newland, K. (2012).

<sup>17</sup> Riddle, L and Nielsen, T.M.2011. *Policies to strengthen diaspora investment and entrepreneurship: Cross-national perspectives*.in Realising the development potential of diasporas, Sharma, Kashyap, Montes and Ladd, United Nations Press and Agunias, D.R. and Newland, K. (2012).

<sup>18</sup> [https://www.homestrings.com/about/faq/#qHow does my money get invested in a project back home?](https://www.homestrings.com/about/faq/#qHow%20does%20my%20money%20get%20invested%20in%20a%20project%20back%20home?) [Last accessed 14 December 2014]

## 4. TRAINING AND SKILLS DEVELOPMENT

Often diaspora have the desire to contribute to the socio-economic development of their country of origin, and through contact with family and other networks in the home country identify opportunities to establish businesses. The movement from having an “idea” to the uptake of the initiative requires a number of competencies that many diaspora do not have. Consequently a key aspect of moving towards successful diaspora businesses is ensuring that diaspora/migrants gain the skills necessary to strategically capitalize on the opportunities identified. In order to support the engagement of diaspora in the socio-economic development of their countries of origin, over the past decade various development partners have established programmes that equip migrants/diaspora with the requisite skills to effectively invest in their home countries.<sup>19</sup> According to Newland (2010),<sup>20</sup> training diaspora entrepreneurs is one of the five levels of commitment<sup>21</sup> to diaspora entrepreneurship.

There are a number of organisations worldwide that provide entrepreneurship development training and support in an effort to boost enterprise development in diverse contexts. A unique dimension of organisations that support diaspora entrepreneurs is that they need to support the entrepreneurs to be able to engage in often two distinctly different policy and regulatory markets. In some instances diaspora entrepreneurs return to their home countries to establish businesses, but often they engage in transnational type enterprises that have ties to the host country as well. In this regard diaspora entrepreneurs need to have good knowledge of the markets in both countries, and will need to overcome a number of challenges on both ends in order to succeed.

This section of this Good Practice Note showcases three training programmes that facilitate diaspora entrepreneurship. The programmes in question are the: i) Spark Diaspora Entrepreneurship Programme; ii) Dashboard: E-Learning for Entrepreneurship in West Africa and; iii) GIZ<sup>22</sup> Migration Tools–Options for Sustainability (MITOS) initiative.

The MPI publication *Mobilizing Diaspora Entrepreneurship for Development* provides examples of other training initiatives available in support of diaspora entrepreneurship. For ease of reference the report is accessible at: <http://www.migrationpolicy.org/research/mobilizing-diaspora-entrepreneurship-development>

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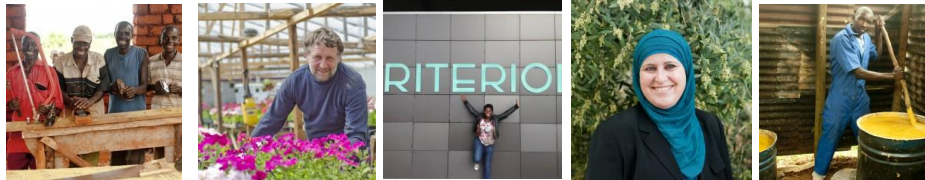
<sup>19</sup> Newland, Kathleen and Tanaka, Hiroyuki.2010. *Mobilizing Diaspora Entrepreneurship for Development*. Washington DC. Migration Policy Institute

<sup>20</sup> Newland, Kathleen and Tanaka, Hiroyuki.2010. *Mobilizing Diaspora Entrepreneurship for Development*. Washington DC. Migration Policy Institute

<sup>21</sup> The other levels of support are: networking, mentoring, investment and venture capital and partnership.

<sup>22</sup> Deutsche Gesellschaft für Internationale Zusammenarbeit

## CASE STUDY 4: Spark Diaspora Entrepreneurship Programme



Source: <http://www.spark-online.org/entrepreneurs/>

**Start date:** January 2014

**Sector and focus:** Entrepreneurship Training

**Level of operation:** Transnational

**Countries involved:** The Netherlands, Somalia, Afghanistan, Iraq/Kurdistan, Ghana, Morocco, Suriname, Burundi, Rwanda and Liberia.

**Partnerships:** Cross-sector

**Brief write up:** Like its predecessor IntEnt, the SPARK diaspora entrepreneurship programme is intended to stimulate entrepreneurship among migrants/diaspora. The programme offers training and coaching for diaspora in the Netherlands with ambitions to start a business back in their country of origin. The programme focuses on migrants from the following countries: Somalia, Afghanistan, Iraq/Kurdistan, Ghana, Morocco, Suriname, Burundi, Rwanda and Liberia. The initiative is supported and funded by The Netherlands Ministry of Foreign Affairs. The initiative started in January 2014 for a duration of three years.

The programme provides support both in the Netherlands and in the various countries of origin through Spark partner organisations who facilitate country level market information and support. The programme targets diaspora business start-ups. At present there are approximately 30 prospective entrepreneurs in the programme. From start to finish, the programme is estimated to take half a year to one year.

The training component consists of four modules that cover: i) Introduction to entrepreneurship; ii) business plan writing; iii) marketing and Sales and; iv) Finance. Excluding the advisory and mentoring the training programme varies between approximately two months and four months. The training is hands on and practical in nature.

According to Pieter van den Wall Bake, Programme Manager with Spark: expertise, flexibility and realism are key to entrepreneurship. Strong country level partnerships are part of what make the programme a success. These partnerships enable trainees to gain access to in country market information.

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**Extracted from:** <http://www.spark-online.org/projects/migrant-entrepreneurship/>

Interview held with: Pieter van den Wall Bake, Spark (9 December 2014)

## CASE STUDY 5: Dashboard: E-Learning for Entrepreneurship in West Africa

**Sector and focus:** Entrepreneurship Training

**Level of operation:** Transnational

**Countries involved:** The Netherlands and Sierra Leone

**Partnerships:** Cross-sector

**Brief write up:** A lack of jobs, income and perspective for students with secondary and tertiary education was one of the root causes of the civil war in Sierra Leone. Since few employers offer attractive chances for young graduates in the country, starting their own enterprise is an alternative for some of them. This project offers an online training programme on entrepreneurship, combined with an individual coaching trajectory for start-up entrepreneurs for a two years period. During this period individuals are supported by local trainers and by successful migrant entrepreneurs from Africa in the Netherlands.

With the outbreak of Ebola, the project has become even more urgent. Universities and schools are closed, formal education has practically come to a halt. Distance education can reach at least some students, who can continue their education in this way. In a post-ebola situation, the need for additional enterprises that create jobs will be greater than ever.

The project targeted in the first place at students and alumni of IAMTECH, one of the leading Polytechnics of the country. It will assist 50 prospective and 50 recently started entrepreneurs to identify opportunities, find a market niche, formulate realistic plans, and develop a small or medium sized business that will not only create sufficient income for themselves, but also offer employment to others and eventually contribute to the country's export.

The involvement of experienced migrant entrepreneurs alongside with local trainers will assure that sound business models are formulated and that the use of sustainable technologies and opportunities to integrate into global value chains will get sufficient attention. The project combines the international experience of migrants with the experience in e-learning of The Network University (TNU) and the local experience of IAMTECH trainers.

The long-term intention of the project partners is to expand the project after the first two years - on the basis of the experience in Sierra Leone – to other English speaking countries in Africa in cooperation with local partners in these countries, involving more migrant entrepreneurs in Europe in the coaching process.

### Contacts

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## CASE STUDY 6: Migration Tools – Options for Sustainability (MITOS)



**Start date:** 2010

**Sector and focus:** Entrepreneurship Training

**Level of operation:** Transnational

**Countries involved:** Germany and Uzbekistan

**Partnerships:** Cross-sector (migrants, government and private sector)

**Brief write up:** MITOS (Migration Tools – Options for Sustainability ) is an initiative of the Centre for International Migration and Development (CIM) of the GIZ (Deutsche Gesellschaft für Internationale Zusammenarbeit). MITOS offers a set of tools that helps leverage the potential of migration for private sector development and provides complementary options for programmes focused on sustainable economic development, in particular trade promotion, innovation, start-ups and investments. The objective of MITOS is to facilitate systematic inclusion of migrants into private sector development in countries of origin as entrepreneurs, investors, business angels/mentors, customers etc. MITOS consists of a collection of 16 tools.

The initiative is being implemented in Uzbekistan where two of the programme's tools, tool 6 and 7 are being implemented. Tool 6-Training on idea generation for investment opportunities-is a 2-3 day training session. Through the training, participants: i) come up with investment ideas; ii) use their assets for feasible business investments and; iii) gain better access to support services. Tool 7-Training on business creation based on remittances- is an 8 day training. The outcomes of the training are: i) a Business plan to be implemented and; ii) the creation of a viable business based on migrant assets.

In Uzbekistan the programme targets mainly labour migrants and their family members. However, the training also includes participants from the local authorities, Central Bank, commercial banks, representatives of the Ministry of labour and social protection.

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**Source:**

<http://www.giz.de/fachexpertise/downloads/giz2012-de-mitos-handbuch.pdf>

Presentations made by Stephanie Deubler during the webinar on Migration, Entrepreneurship and Development hosted by ADPC on 20 November 2014. The webinar was one of the key activities undertaken as input into this Policy Paper. The webinar Report is accessible at: <http://diasporaalliance.org/wp-content/uploads/Webinar-Report-Migration-Entrepreneurship-and-Development.pdf> [Last accessed 22 December 2014]

## 5. PARTNERSHIPS AND NETWORKING

The world around partnerships and networking remain the cornerstone of the development process, and is in fact Goal 8 of the Millennium Development Goals (MDGs). Diaspora entrepreneurship initiatives cannot take place in a vacuum, but rather are more effectively and efficiently realised with strategic partnerships between a wide group of partners. Partnerships are a two-way street that provide value to all involved. Trust is therefore a critical element in the process of building partnerships. Over the years a number of networking organisations have been established. These organisations offer opportunities for diaspora entrepreneurs etc., to engage with strategic potential partners in their respective sectors. In the context of diaspora entrepreneurship, these organisation facilitate opportunities to meet and discuss potential business and investment opportunities in countries of origin. There are 2 forms of networking opportunities; those carried out in person and that done virtually. This section of the Note draws from the work of MPI and highlights the support provided by the Business in Development (BiD) Network. Information regarding other existing networking organisations can be found at these links: VSO's Diaspora partnerships: <http://www.vso.org.uk/about/working-in-partnership/diaspora-volunteering/diaspora-partnerships> and NFDLP Ltd: <http://www.networkdiaspora.co.uk/>

### CASE STUDY 7: The Business in Development (BiD) Network

**Start date:** 2006

**Sector and focus:** Networking

**Level of operation:** Transnational

**Countries involved:** 19 (see list below)

**Partnerships:** Cross-sector

The BiD Network offers migrant and non-migrant entrepreneurs a number of entrepreneurship development and networking opportunities. The Network has partners in 19 developing countries. Through these partner networks BiD facilitates an online and offline ecosystem for connecting entrepreneurs with investors. Current partner countries include: Argentina, Burundi, Colombia, Ecuador, Indonesia, Jordan, Kenya, Kosovo, Liberia, Mexico, Palestinian Territories, Peru, Somalia, Suriname, Philippines, Rwanda, Tanzania, Tunisia and Uganda. Support facilitated through BiD include: investor services, business planning, online community building and coaching programs.

BiD currently has 40,000 members, 10,000 entrepreneurs, 3000 full business plans, 200 BiD Grade Plans (certified to be ready for investors), 800 coaches, 115 international investors and over 100 local investors.

**Contact:** [info@bidnetwork.org](mailto:info@bidnetwork.org)

**Website:** <http://www.bidnetwork.org/>

**Sources:**

<http://www.bidnetwork.org/en/about-bid-network>

BiD Network Fact Sheet and Annual Report 2013: <http://www.bidnetwork.org/en/corporate-publications>

Newland, K. and Tanaka, H.2010. *Mobilizing Diaspora Entrepreneurship for Development*. Washington DC. Migration Policy Institute

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## 6. CONCLUSION

This Note presented a number of good practices in diaspora entrepreneurship. Show cased are good practices as regards: diaspora/migrant businesses, investment options, training and partnerships/networking initiatives that remain critical to successful diaspora entrepreneurship. What has come out clearly during the course of preparing this Note is the need for systematic documentation of existing diaspora interventions.

Another issue is that of sustainability. To what extent are the various interventions sustainable? InEnt, the predecessor to the Spark diaspora entrepreneurship training programme, no longer exists. InEnt received several years of funding to support diaspora businesses. What worked well with the programme, and what went wrong? Overall, what pitfalls should Spark avoid and what can they capitalize on in order to go a step further than InEnt? The time frame of this particular Note does not enable us to delve into these issues. It is however important to flag the issue for further consideration.