

**Dialogue Day  
“Africa and Globalization”**

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**The Role of Diasporas in the Development  
of Sub-Saharan Africa**

**9 May 2004  
Tervuren, Belgium**

*The “Dialogue Day on ‘Africa and Globalization’: The Role of Diasporas in the Development of Sub-Saharan Africa” was held on May 9, 2004. This event, which was a joint initiative of the World Bank and the Belgian Government, hosted more than 200 representatives from the African communities’ organizations in Belgium, non-governmental organizations, academics, as well as Belgian and international institutions. This event was hosted by the Royal Museum for Central Africa in Tervuren, close to Brussels, Belgium.*

*The objective of this event was to put forward the potential role of organizations of the African Diaspora in development cooperation. Four themes were discussed in different workshops: migration and development; capacity building; trade and debt relief policies.*

*Specifically, the participants discussed their possible contribution to building capacity and institutions in their countries of origin. Also, they discussed their role in attracting foreign investment, and channeling remittances to their countries. They also discussed their potential role in improving trade flows from Africa to Europe. During the concluding session, the participants agreed that dialogue should be pursued with a view to developing concrete ideas to involve members of the Diasporas in the development of their country of origin.*

*The opinions expressed in the statements are those of the speakers.*

## **Introduction**

**Mr. Guido Gryseels**  
**Curator of the Royal Museum for Central Africa**

Honorable Minister, Excellencies, Ladies and Gentlemen,

Welcome to Palais des Colonies of the Royal Museum of Central Africa.

Our institution fulfils three functions: a museum, a Research Institute and a centre for the dissemination of information on Africa.

Our museum host precious collections that are famous worldwide and I hope that you will take your time to take a look at them during this conference. Today, we are also exhibiting the “A day in the life of Africa” photo exhibition, which was made possible thanks to the support of the World Bank.

Our research centre deals with social and natural sciences (cultural anthropology, history, political science, zoology, geology, agriculture and forestry). We work in partnership with other research institutes, government agencies and museums in more than 15 African countries.

Through our exhibitions, publications and website, we disseminate information on contemporary cultural, natural and human diversity of Africa. You will therefore understand our delight in hosting this dialogue on “Africa and Globalization” which gives us, today, the opportunity to explore in depth this important issue with the African Diaspora.

We are extremely honored by the presence of such important personalities and representatives of the African communities and NGOs. We are grateful to the World Bank and the Belgian Government for having chosen the Royal Museum of Central Africa to host this event. I would particularly like to thank Haleh Bridi, Véronique Jacobs and Romeo Matsas from the Brussels office of the World Bank, as well as Félicien Kazadi, Billy Kalonji, Ken Ndiaye and Christopher Oliha from the African communities and my team Isabelle Van Loo, Katia Dewulf, Sofie Bouillon, Kristien Opstaele, Kristof Somers et Min De Meersman.

At the moment, our museum is undergoing major works of renovation. At the beginning, a century ago, the museum used to be a tool for the promotion of Belgian colonial activities in Africa. Nowadays, we aspire to be a modern and dynamic museum, interested in the human and natural diversity; a museum that contributes to the sustainable development of Africa. The dialogue with the diasporas is part of this process of renovation.

Our objective is to become a centre of studies and a meeting place for all those who are interested in Africa. Today’s event constitutes another important step in this direction.

I wish you all a productive and fruitful debate.

**Mr. Félicien Kazadi**  
**Conseil des Communautés Africaines Belgique/Europe (CCAEB)**

Honorable Minister, Curator of the Museum, Representatives of the World Bank, Ladies and Gentlemen and dear guests, on behalf of the members of the African Diaspora, we welcome you to the Museum of Tervuren.

In our eyes, this museum is a unique institution in the world. For every African, it represents one of the rare books of history written by the hand of his ancestors. A book that, through its millions of pages, allows us to discover the world, to know ourselves and to make ourselves known to the world.

The word ‘dialogue’ which appears in the title of this session, is of great importance to us. In fact, in the relations that the Diaspora has with the institutions, dialogue is scant, and when it exists, it falls on deaf ears. On the other hand, a common misconception, voluntary or involuntary, of the realities of the African Diaspora often makes some people believe that this Diaspora is not visible, not organized, divided and non-representative.

We cannot help but notice that projects which directly concern our Diaspora- particularly when it goes about development cooperation- are rarely entrusted to our organizations, even though some of our associations have been active for over twenty years, employing engineers, doctors, university professors and other professionals.

Today we have an opportunity to discuss, using a simple and clear language away from the usual stereotyped language. However what is most important is not this day, May 9, but what follows May 9 and we will be very attentive to what this session will accomplish in the future.

I would like to thank those of you who invited us to this first dialogue session and to emphasize that the preparatory meetings to this session, with the representatives of the World Bank and the Belgian Government, gave us a better understanding of ourselves and, in a way, have already justified the existence of this dialogue.

I also would like to thank the organizations of the diasporas that partnered with the CCAE/B to make this day happen: the Antwerp’s Platform of Association, the “Horloge du Sud”, the Association of Nigerians in Belgium and the ‘Djolof’ as well as Mr. Marek Poznanski of the non governmental organization CSA.

We must also apologize to several of our members, who could not be here today due to the limited number of places available.

I wish you a productive dialogue that will not fall on deaf ears.

**Mrs. Haleh Bridi**  
**World Bank Special Representative to the European Union**

I would like to begin by thanking Mr. Guido Gryseels and his colleagues who have made it possible for us to use this wonderful venue for the conference. This is a new partnership and I hope that we will be able to continue our collaboration with them.

I would also like to thank the Honorable Minister for his excellent collaboration and for the support that we have received from his staff during the preparatory stages of this session.

I also wish to express my gratitude to Mr. Kazadi and the African communities of Belgium. The objective of this Dialogue Day is, in fact, to hear what you have to say regarding what you, African Diaspora in Belgium, can contribute towards the development of Africa.

I therefore insist on emphasizing our wish for you to fully participate in today's debates and to speak up about your concerns and suggestions so that we will be able to take them into account.

Today's preparations have been real teamwork between the World Bank, the Belgian Government and the African communities. The topics selected for discussion are your themes, presented and defined by the representatives of the Diaspora.

I would like to stop here and to give the floor to His Excellency Mr. Marc Verwilghen, the Belgian Minister of Development Cooperation, who will do us the honour to open the session.

## **Opening Address**

**Mr. Marc Verwilghen**  
**Minister of Development Cooperation**  
**Belgian Federal Government**

Director Gryseels, Mrs. Bridi, Mr. Kazadi, Dear Colleague Sow,

Ladies, especially those amongst you who are mothers and who we celebrate today, Gentlemen,

It is with great pleasure that I open this dialogue day dedicated to the role of the Diaspora in the development of Sub-Saharan Africa. The diversity of the topics brought out today such as "migration and development", "trade and development", the specific role of highly qualified migrants, the thorny issue of debt, transfers of funds, etc... as well as the wide diversity of the speakers who will intervene, demonstrate not only the complexity of this question but also the growing interest for the matter in the academic, civil society and political spheres.

Once again, I wish to thank the political leaders present here, the representatives of international scientific and academic organizations, the World Bank, non-governmental organizations and those associations that are specialized in these matters and which have accepted to get involved today, not only by sharing their experiences with us but also their proposals for the future.

The existence of a link between migration and development policies and the role that diasporas play in the development of their home countries are the central themes of our discussions, that we have to speak out freely without taboos. I am convinced that development policies can significantly contribute to identifying the underlying causes of migration flows but I am also strongly convinced that development assistance cannot and should not be turned down or conditioned by the requirements of migration policies which are, however, necessary. The resources dedicated to this development must serve the main and central objective of the reduction of poverty and the other principles notably included in the Millennium Development Goals.

Having made things clear, I would now like to focus on the role of diasporas and, in particular, the highly qualified diasporas, in the development of their countries of origin. The personal interest that I have in this issue is not sudden. On the contrary, this is a process that was launched a long time ago by my department and which is based on the recognition that migrants are contributors to the development of their countries of origin.

The international mobility of knowledge, the regular influx of migrants in their host countries, the ever increasing transfer of funds by these migrants to their families in their hometowns, their sensitivity towards a cooperation requiring specific actions, their solidarity towards the development of their countries of origin and, last but not least, the emergence of a scientific Diaspora, all these factors led several European Union countries, including Belgium, to formulate policies of co-development. The policy drawn up by the Directorate General of Cooperation for Development is enshrined in the rationale of participation of active Diaspora and keep watch over the development of programs aimed for the production of what some people qualify as the “Diaspora option”.

Another element worth considering in this analysis is that Europe represents a destination of choice for students, especially those coming from Africa. Bearing in mind the conditions that prevail in their countries of origin, these students tend to stay on after completing their studies. In the past few years this phenomenon, often referred to as the brain drain, increased dramatically: two thirds of the qualified or highly qualified diasporas are made up of former students who have gone to study in Europe or in the United States, thus depriving Africa of a significant number of its scientists.

There are various causes for these ‘displacements’. This mobility is justified by a quest for better economic prospects abroad, by intellectual objectives such as scientific research, language or more generally regrettable events such as wars and armed conflicts. Unfortunately, in some countries this exodus has resulted from the lack of interest by the State and the private sector towards research, thus resulting in the breakdown of the national scientific network. For instance the salaries of civil servants, researchers and teachers do not allow them to raise a family, thus leading to their departure from the country.

This presents us with an ambiguous situation. On the one hand, no one can deny the benefits resulting from the mobility of qualified individuals but, on the other hand, these benefits have not always been shared by the countries of origin and in some cases this mobility has had an adverse effect, notably when the relation with the country of origin is severed. This ambiguity should lead us to view the issue of brain drain in a global and comprehensive manner, implementing a policy of co-development whilst maintaining a constant watch on the strengthening of the possibilities for the academic and scientific sectors, this being a *sine qua non* condition if we are to retain students or attract back home those educated abroad.

We would do well to work on narrowing the North-South divide which is precisely at the source of this exodus, but we should not limit ourselves to treating the problem by reducing the migratory flows. Both the mobility of diasporas and the improvement of standards of living and work are hence complementary. These diasporas need to be mobilized for the greater good of their countries of origin.

Another element which I would like to point out here is the importance of the diasporas in creating awareness on the role of women in the countries of origin. In fact, beyond financing development projects managed by migrants and the development of civil society in the towns and villages, diasporas participate to the empowerment of women giving them an image more in line with their rights, and insisting on making education available to them. This contributes to the ‘gender’ issue, which I consider to be a yardstick to assess progress in developing countries.

The main issues that we need to tackle are mainly ensuring that developing countries benefit from the experience and education acquired by their citizens abroad and that the conditions for public upkeep are relevant to the actions of the diasporas, both in the developing countries and in the host countries.

In my opinion, it is important to pay attention to the strengthening of competence in the country of origin because that is how we would identify ways to manage this issue in the longer term. The concept of capacity-building can take on several forms notably the reinforcement of the academic

network in a way that lecturers of African origin, in Belgium, could support their African colleagues and the strengthening of communication with the countries of origin through the establishment of a partnership between civil society organizations in Belgium and their counterparts in the countries of origin.

Finally, I sincerely hope that the diasporas will not, even involuntarily, use cooperation policies for their own benefit. Our attention and objectives must stay focused on the development of the South. I am personally convinced that this is a common objective to all of us. In order to sound more reassuring, I am convinced that the choice of this “Diaspora option”, a choice we have made, is a good one and that in the future it will be followed more than it is now.

These are some of the ideas that we may explore further during the course of our debates, from which we could gain insight for the future of our co-development policies. True to its name, this session is a day of dialogue, which should not be limited to today only but should be pursued, something that I myself would like to organize with the help of my department.

I wish you all a fruitful discussion, propitious to reflection and debate. I thank you for your attention.

### **Plenary Session: ‘Migration and Development’**

**Mr. Manolo Abela**  
**International Labor Organization**

Ladies and Gentlemen, it is a great pleasure and an honor for me to chair the first session of today’s Dialogue Day. I had to leave Geneva at six o’clock this morning but I would not have missed the opportunity of a dialogue between the representatives of the African communities and the competent authorities for nothing in the world.

I manage the department of international migrations within the International Labor Organization where we analyze the role of migrations and diasporas in the fight against poverty and for development.

I would like to introduce you to this morning’s four guest speakers: Professor Ndiaye, anthropologist, Mr. Wamu Oyatambwe from the federation of non-governmental organizations ACODEV, Ms Denise Nyatera from the Observatory for Migration and Development and Mr. Allan Gelb, World Bank Chief Economist for Africa.

**Ken Ndiaye**  
**Anthropologist**

From a socio-anthropological point of view, one may be tempted to give an overview of the history of the communities of the African Diaspora living in Belgium and express desires and ambitions which I personally believe are shared by all the members of the community.

The Informer appointed by the King to prepare the formation of a government, following the elections of June 2003, namely Mr. Elio Di Rupo who is himself of Italian origin, signified an important step by declaring Sub-Saharan migrants as a “civil cultural minority community”, side by side with citizens of North African, Turkish and Jewish descents. For the first time the Sub-Saharan communities were heard through the voices of their representatives.

Effectively, in the course of European integration, the previously major communities of immigrants in Belgium (Italians, Spaniards...) have disappeared from the statistics allowing more visibility to those from Sub-Saharan Africa, which, in absolute terms, have not changed much demographically. To use an expression from North America, we are “the most visible minority” but to date statistics, institutions, political players and even scientific research have considered us negligible. I take this opportunity to stress the relevance of Mr. Bonaventure Kagne and others’ work on the history of the presence of African communities in Europe.

There are many reasons for our marginalization from public life. Some even say these are philosophical in nature. In fact a certain colonial ideology has for a long time held the natives at a certain distance from the metropolis in order to perpetuate the myth of the White man in the colonies and in order to ensure the availability of sufficient manpower. In 1920, the official statistics indicated that the number of African migrants in Belgium stood at less than 200, and just above 1850 at the beginning of the Second World War, before reaching 4000 individuals in 1961. One thus notes that migratory flows between Belgium and its African colonies were negligible until the Independence, except for the “peaks” coinciding with “the show of the colonized” such as the world exhibitions of Antwerp in 1885 and 1894 or the ones held in Brussels in 1897 and 1958.

Paradoxically, the migratory phenomenon from the former colonies was set to gather momentum and reach a peak, around 1995, when the official statistics showed circa 30,000 people, to which one has to add a fairly high number of illegal migrants. Until then, and in contrast to the process underway in other metropolis, the solutions to manpower needs in Belgium were looked for in other countries and not in the colonies. This explains the over-representation – in the statistics – of some categories of migrants from Sub-Saharan Africa: students, diplomats, international civil servants etc. These are very ambiguous categories because they are not stable and are also frequently disregarded in official migration statistics.

As for the Africans, the myth of resettling back home surely haunted the first generations, even more so since these first generations of migrants were generally better educated and could, for this very reason, look forward to a smoother socio-professional re-integration. Moreover, since the administrative perspectives for integration in the host countries were, and still are, nearly inexistent, the status of the student was in no way evolving towards a different status which would make his social and professional integration possible. Unfortunately, the persistent deterioration of the political and economic situations in the countries of origin have left most migrants with no option other than clandestinity or professional studies in order to stay in Belgium.

Hence, Mr. Di Rupo’s action is anything but a fortuitous phenomenon. The elections had just revealed an increasing number of migrant candidates. The democratic parties opened their lists to some candidates representing the minorities and these new competitors did more than just that. Their individual results did confirm to the leaders of the main political parties that their relevance is more than symbolic.

Some other dates may be considered important concerning the civil visibility of the Sub-Saharan Africans. The 28 June 1984 Laws (enforced in 1985) bestowed Belgian nationality on more migrants in one single year than during the entire previous decade. The number of foreigners who took up Belgian citizenship rose from 8,000 to 46,000 people, thanks to the enactment of the new Citizenship Act of 13 June 1991. This figure is set to decrease while remaining substantially higher than it was in the last few years. Finally, the 22 December 1999 Law relating to the regularization of foreigners has enabled a high number of persons, who were previously considered as officially nonexistent, to have access to citizenship.

Whilst access to the labor market remains problematic, African dynamism – notably in the informal sectors – is undeniable. A proof of this is *Matonge*, the Porte de Namur district of Brussels, rebaptised with the name of a popular neighborhood of Kinshasa, due to the strong footprint of the African Diaspora. This is merely a district in which Africans are the minority amongst the inhabitants. At national level, with the exception of a couple of blocks, sub-Saharan Africans are relatively spread in the cities in which they live. On the other hand, the policy advocating ‘the distribution of asylum seekers’ in order to relieve areas did not give the expected outcome. Brussels remains the privileged residential zone, although for some time now, more and more people from Sub-Saharan Africa go to live in other cities in the hinterland.

Whilst the Congolese remain the majority, political changes in other sub-Saharan countries have contributed to a new wave of people that are not historically linked to Belgium: Guineans, Ghanaians, Nigerians ... There are also other confusions due to the mix of populations. A new generation is born here, which identifies itself less with Africa and more with Belgium. The second generation migrants make more classical claims such as professional integration, whilst the previous generations concentrated more on their education and training. These new generations maintain with Africa slightly different strategies, unlike their forefathers.

Finally, we cannot but emphasize the dynamism of civil society organizations, which is often anchored on shared cultural or national origins. The actual difficulties due to the size of these associations, assembled these groups on a larger scale under the umbrella of federations such as the *Conseil des Communautés Africaines*, the *Plate-forme* of Antwerp, *Ghanaba*, the Flemish *Minderhedenforum*, etc. For lack of access to institutional resources, these associations often reach the limits of their efficiency.

To conclude, it is worth noting that each time that proactive measures are initiated by the authorities, there is a significant advancement in the harmonious integration of these populations. Such positive policies have in no way come close to the apocalyptic predictions of those that oppose immigration. Every migrant wants to make himself useful and show solidarity with people from the same origin. Substantial funds flow to their home countries, sometimes up to half their earning. The colossal efforts of the isolated migrant should indeed be recognized, supported and added on to those of other stakeholders in cooperation for development with a view to increase efficiency. To further reflection on the issue, it is important to take into account this mediator, i.e. the migrant.

**Wamu Oyatambwe**  
**ACODEV<sup>1</sup>**  
**(Summary)**

Mr. Oyatambwe focused its intervention on the relevance of migration and development issues in the global architecture of Belgium’s development cooperation policy. On this occasion, he notably made clear the difference existing in terms of inclusion of diasporas’ members in the

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<sup>1</sup> ACODEV is the Belgian Federation of French-speaking NGO’s.

definition of this policy at municipal, regional or federal policy level. He also stressed the fact that this institutional complexity must be followed by good communication policies to present the existing opportunities to the diasporas' members.

Mr. Oyatambwe also mentioned the fact that discussion of the relations between migration and development calls for a clarification of the two concepts. This lack of clarification has a notable consequence in Belgium : the mixing of migration and development cooperation policies with policies designed to help the repatriation of migrants to their country of origin, as it is for instance the case in the IOM programs sponsored by the Belgian Government.

In conclusion, M. Oyatambwe also recalled the problem of the recognition of migrants as actors for cooperation and development. This problem traditionally appears in two ways: the community of migrants is perceived as being poorly organized and unable to support real effort towards development, and another extreme is that it is considered enough to come from a developing country to be fit for cooperation for development. Considerations of this kind slow down thought and action towards further recognition.

Mr. Oyatambwe also made a plea to provide a single financing point for the Diaspora with criteria for the allocation of financial grants that would be defined in partnership with the government and the civil society.

**Denise Nyatera**  
**Observatoire Migration /Développement**

Today, May 9, 2004, I would like to thank the Belgian Government and the World Bank for allowing African migrants to sit at the same table as equal partners and never again be accused of being profiteers. This day should be engraved in the memory of Europeans and African migrants as should be many other important events such as the end of the apartheid and abolition of slavery. It is time to recognize the place of migrants from the South in the process of development of their countries of origin and to make this place known to them by their European citizenship and their responsibility as Africans.

African migrants have always organized themselves in their solidarity towards the transfer of goods and knowledge via informal and individual networks. African migration is a fight against poverty. The process of *feedback* is often an essential element of this migratory step. The migrants' awareness of the issues of under-development and development allows one to take initiatives towards migrants and alert the society from the South to the dangers and the consequences of what is at stake.

Africans proved to be capable of hard work and of transferring their knowledge. In the social and political spheres, they are sensitive to democracy and Human Rights, whilst protecting ethnic minorities and especially putting pressure - together with the host country- on the non-democratic regimes. In the social and cultural spheres, migrants initiated change and adapted cultures which – sometimes – opposed democracy and emancipation. Migrants have also played a role in creating awareness on issues of health and its protection. The improvements recorded in the field of health are often the result of knowledge acquired in universities abroad. Sick people who have a relative in the Diaspora have better chances of access to new medical and pharmaceutical technologies because their relatives would be sending them medicine and medical advice.

Numerous members of the Diaspora transfer money by giving it to their brothers, etc...they invest in the construction of buildings, in communications networks, in educating their brothers and sisters and in this way, they constitute the largest flow of money towards the country of origin. The statistics of the World Bank indicate that, in 2002, migrants had contributed nearly 80 billion dollars, whilst state aid for development reached far behind. At this point, it must be added

that migrants are a source of profits for private banks since, in 2001 alone, it has been estimated that, in order to send 72 billion dollars, migrants had paid 12 billion dollars in bank charges.

The migrant plays an essential role in the new cooperation policies. We need to promote the value-added brought by the persons originating from these countries to the development of both home and host communities. Integration of the migrants must be valued as a contribution to the host country, because often the State's refusal to accept or recognize the migrant as a citizen has led to view migrants' organizations as foreign entities.

**Mr. Allan Gelb**  
**The World Bank**

So far, the role of Diaspora and the relationships between migration and development have not been prominent on the agenda of the World Bank. Today is an occasion for us to learn, while speaking to you, because these issues now constitute an increasing part of our work.

Migration has always been linked to development. During the 18<sup>th</sup> and the 19<sup>th</sup> centuries for instance, we witnessed major movements of people, capital and assets in the context of the process of internationalization. Nowadays, international trade is free and capital markets transfer large volumes of resources between countries but migration is subjected to stronger constraints than before.

It is worth recalling that globally, the majority of migrants come from countries with middle levels of income rather than from very poor countries.

Africa is not yet a major source of migrants on a global scale. However, African migrants are in general very highly qualified. According to the statistics provided by the United Nations in 1991, on the 128,000 Africans who live in the United States, 95,000 of them were highly qualified, 15% were university professors in Africa and more than half had a degree. An analysis by country confirms this finding. Thus, for Nigeria, 21,000 Nigerian university students reading medicine have been registered in the United States. In Ghana, 70% of the doctors who graduated in 1995 emigrated by 1999 and in Zimbabwe, from over 1,200 doctors who graduated in the 90s, only 360 of them remained in the country in 2000.

Migration presents us with costs but also with potential assets from the point of view of the country of origin. Diaspora outside Africa often had an impact on the African continent. They may return with expertise in order to seek new business opportunities in their countries. Significant volumes of remittances may be returned to the country of origin, this being a very important source of income for countries such as Eritrea and Cape Verde, thus resulting in a net reduction of poverty.

The problems are most severe in the health sector, where in Africa the shortage of professionals represents a critical constraint. It has been estimated that to provide basic health services, 50 doctors and 60 nurses are needed per 100,000 residents. In countries such as South Africa and Botswana, these criteria have been reached but in other countries there are sometime barely 2 or 3 doctors for 100,000 patients, this being less than a tenth of the required number. Such shortcomings are most pressing in the public sector. In the private sector, we observe that the higher the level of education of entrepreneurs, the more productive is the firm. Skills drain can also be a serious issue for business.

Finally, here are some elements to underline the necessity of finding the most reliable data on migration inflows and outflows.

We first need to keep in mind the basic elements such as peace and security and good economic and financial governance in Africa. These are the prerequisites if Africa is to retain and attract people whose knowledge is appreciated – and marketable- at an international level. Another important element can be the nature of cooperation and technical assistance. Today Africa receives some \$3 – 4 billion in technical assistance: this could be channelled to ensure that more highly-qualified Africans could work in their own country. The World Bank has therefore participated in an initiative, providing 150 million dollars to support the retention and strengthening of African capacity in Africa.

But we must also look further ahead and review the conditions of work in the public sector. These must be improved in order to convince qualified people to stay there. It is also important that programs developed to encourage repatriation of migrants fit in with already established programs for cooperation and assistance. In this regard, it is also worth considering efforts to formulate international agreements that allow countries of origin to recover the training fees of doctors or nurses who have left Africa to settle in the United States. One way of doing that would be to transfer part of the taxes paid by migrants in the host country to the country of origin as a way of refund of education fees.

Finally, support for higher education in Africa must be prioritized. In fact, if facilities are not provided by the country, students will always want to follow their studies and end up leaving Africa. Many individual African countries do not have the option to establish sophisticated tertiary infrastructure on their own but must cooperate to create them. If I take my own profession – economics - as an example, the African Economic Research Consortium covering some twenty African universities and provides a high-quality collaborative MA degree. We know also that those who attended those courses stayed to work in their own country in Africa. Such a program would have been impossible had these countries worked individually, because critical mass would have been insufficient, but by uniting their efforts, they have been able to attain more ambitious objectives and take action to reduce brain drain. These are thus some inspiring examples of practical approaches which can be applied.

### **Questions, Interventions and Answers** **(Summary)**

The Q & A session gave the audience the opportunity to address the issue of the necessary conditions for an African country to attract or retain the highly qualified people who would like to go back to their country of origin to live and work there.

The issue of the visibility of the diasporas' associations was also addressed. On this occasion, M. Oyatambwe linked the participation of migrants to development cooperation activities with the overall improvement of the host country's development cooperation policy. Mr. Ndiaye then mentioned that the diasporas need an expertise, a true process leading to empowerment, enabling this specific asset to be transformed through competence into cooperation.

During this session, **H. E. Mr. Christian Connan**, French Ambassador for Co-development, and **H.E. M. Abdou Azziz Sow**, Senegalese Minister in charge of the NEPAD, the Policy of Good Governance and Governmental Spokesperson made an intervention.

H. E. Mr. Connan presented the two priorities of the French policy of Co-development : helping highly qualified migrants to establish partnerships between the institutions employing them here and institutions located in their country of origin; and, secondly, allowing the channeling of migrants' fund transfers into productive investment to promote domestic development through transfer mechanisms that are safe, swift and reliable, to fund activities too important for microcredit but not substantial enough to win the confidence of the larger banks because they are too inexperienced and offer no guarantees.

H.E. Mr. Abdou Azziz Sow presented his own experience of repatriation after his studies in Europe and linked the role of the diasporas in the development of the country of origin with the role the private sector can play in development. Mr. Sow also mentioned the fact that, annually, the amount of the Senegalese workers' remittances (about \$ 200 million) roughly totaled the funds lent by the World Bank to Senegal.

## **Workshop 1: The Role of Highly Qualified Migrants in The Development of Their Country of Origin**

**Mr. Peter Verlinden (Moderator)**  
VRT

**Mr. Jean Baptiste Meyer**  
Author of “Diasporas Scientifiques”<sup>2</sup>

The researchers who leave Europe for the United States are compensated by the contingents that often come from Africa, whilst the least developed countries must make up for those brain drains with their own means. A study has been carried out on all the Diaspora that emerged in the 90s to unite the highly qualified migrants (doctors, engineers, businessmen) so that their countries of origin can benefit from the competences which they otherwise lack in order to secure their development. The first important thing to note about Africa is that this will better succeed if there is sufficient know-how locally to build upon the Diaspora’s input.

Some points to ponder upon. Firstly, in Europe, the percentage of African students that leave their countries is three times higher than the entire population of foreign students, including those from China and India. The intensity index between Africa and Europe is ten times higher than that between the United States and Latin America for example. At the same time, we note that the components and characteristics of intellectual diasporas in France evolved. On the one hand, it is less politicized than it was in the 60s, 70s and 80s, and on the other hand, the connection with the countries of origin is based less on institutional considerations than on the projects of commercial and technical cooperation. Thus, there is a revolution in the way diasporas identify themselves with the countries of origin. Their skills are less ideological and are more technical, professional and specialized in nature.

On the other hand, the Diaspora has also become more skeptical and naturally less favorable to the governments of its country of origin. Proof of that is a video conference that we had with three African countries, held at the World Bank in Paris last year. On this occasion, the representatives of the Diaspora in Paris vehemently called upon those compatriots who stayed in their home countries, urging them to seek and encourage the capital contribution of the Diaspora to have a positive attitude towards the development of their country of origin, which was not only meant for Africa. We are speaking here of complex and incomprehensible issues that the participants generally resolve with goodwill and with the help of many organizational efforts. The partnership in development with the diasporas is promising but it is also a complex process.

As you know, China intends to become one of the principal scientific and technological powers, even though, five years ago, it was economically very far behind. This takeoff is due in large to its Diaspora. Even in India, in the new Silicon Valleys of the Bangalore Region, there are competent people, coming from expatriate diasporas from the West Coast of America or New York. Their success, as well as the success of other countries, must be interpreted with precaution. We thus note that in India, there is a stream of extremely active micro-entrepreneurs based on simple informal relations and Diaspora networks. In the case of China, we note that in addition to informal relations, there is also a dynamic that stems from extremely powerful government public policy.

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<sup>2</sup> Rémi Barré, Valeria Hernandez, Jean-Baptiste Meyer, Dominique Vinck (sous la dir.), *Diasporas scientifiques. Comment les pays en développement peuvent-ils tirer parti de leurs chercheurs et de leurs ingénieurs expatriés ?*, Paris, IRD Éditions, 2003.

With an international expert panel, we have made an inventory of almost one hundred global networks of Diaspora amongst which only one dozen are Africans. Nevertheless we note a very promising emergence of African networks in the world, which is certainly due to efforts by non-governmental and international bodies that have thrown themselves at this stream.

Nowadays there is a fully-fledged African scientific and technical congregation that is either no longer existent in certain countries or is on its way towards extinction due to a crisis in the 90s. The qualified individuals who work in Africa are generally consultants employed by international bodies or Northern research bodies. These are mainly individuals from local communities who are in this way “perceived” by the foreigner more than by members of Diaspora who contribute from a distance. This is a preoccupying phenomenon to which India could be applied since it accumulated existent Diaspora relations. Nowadays, the envisaged actions should take the form of combined efforts amongst the still existing shreds of local scientific communities with the people in the Diaspora, the Northern States, the States of origin and international organizations who can contribute to this network.

In the African case, more than in the Asian ones, there is a need for coordinated enterprises that gather participants of different natures. We have recommended the assembling of an “incubator of Diaspora”, a similar plan for the incubators of *start up* that we find in *technopoles*. This plan will nourish, promote relations and will eventually allow setting up risk capital financing or other technical and organizational conditions for supporting and nourishing the initiatives taken by these local participants. The incubator will be a tool for governance, conceived as facilitation and not as direct and bureaucratic obligation. Moreover, these conditions should not be regarded as a dilemma between the private and the public sectors because this scheme contributes to both of them. This approach can be transposed on a European level.

Examining these hundred networks of highly qualified expatriates, we have noted that this “Diaspora option” has showed cases of genuine success. It is necessary for the present enthusiasm over this topic to be accompanied with a definite political will and a strategic and well-thought out management.

**Mr. Josaphat Ndelo-di-Phanzu**  
**Rector of the University of Kinshasa**

First of all, I would like to greet all and thank the organizer who gave me the honor and invited me to this session. I came yesterday, and I will be leaving tomorrow, this is evidence of the importance I give to this gathering.

I also wanted to thank the Congolese Diaspora for everything they have done at the University of Kinshasa, for their unwavering support, without which the faculty of Engineering would have closed down. In fact in 2001, we were the first to hold our hand out for the Congolese present here, who experimented in helping other nations as well. This was namely possible thanks to the MIDA project.

I would also like to thank the members of the African Diaspora who used much more resources than were brought in by cooperation. Africans should devise appropriate ways of using this money in the interest of our countries.

As regards the scientific and technical Diaspora, we have been told that if we want the Diaspora’s contribution to be benefiting to our countries, local competent people must stay in the country to give it their support. China and India, as Mr. Meyer said, are the countries which contribute to the scientific Diaspora and ensure that it works because the level of competence and tertiary education are higher. The same goes with South Africa. So, the higher the level of university education, high school education and research is in the country of origin, the more effective the

Diaspora. It is thus important to review the programs which are still obsolete in certain universities; to upgrade the living standards of teachers, allow our universities to function effectively; and finally provide funds that are needed for research. Our means are scarce but we must make choices. If we do not choose research as one of the most important means for development in our countries, we are going to continue to go in circles.

We have just been told that there are two types of countries in Africa: those which are riddled with conflicts and those in which there are not. When there is a conflict, it is difficult to develop scientific expertise and the technical and scientific diasporas do not have much of an impact. When we will have put a hold to arms, we will have to form regional and sub-regional cooperation to develop poles of excellence because the means will only be available if two or three countries join their efforts. Nowadays in Congo, we are building up a network with the University of Kinshasa, the University of Lubumbashi and the University of Kisangani with the cooperation of the Marien Ngouabi University of Brazzaville in the Congo Republic, the Agostinho Neto University of Luanda in Angola and we would like to further develop this link to Gabon and other countries.

However, we have come to nothing and the scientific and technical diasporas have acted in vain since their efforts are not backed up by a good government. You all know that many of our countries have done wrong because of the lack of good governance and you know that it is always easy to blame someone else for our slow development. Remember the proverb that says that when we point a finger at someone, there are actually three fingers that are pointing at us and one finger points towards the sky. Thus it is certain that there are things which depend neither on you nor on God but there are still things that depend on you.

If the Presidents of the African countries were in front of me, I would tell them that they must understand the rules of international cooperation. They must understand the international game. International cooperation is not social assistance, what most of us confuse it with most of the time. I heard Mr. Sow say that it is up to us to develop and that no one could just come and do it for us. I think that our African States do not understand this. It is up to us to fight to get what we need. As long as we continue to hold out our hand and say "give me!" I think that this will be difficult. The African Diaspora will only become visible if it understands how to position itself and how to get what it needs.

I would like to conclude by saying that our African countries must set up organizations for education and observation on the scientific and technical diasporas because there is a lack of information on this subject.

**Dr. Emmanuel Omanukwe**  
**Nigerian Diaspora in Belgium**  
**(Summary)**

Mr. Omanukwe started his presentation by mentioning international initiatives recently taken in order to promote the role of Sub-Saharan diasporas in the development of their countries of origin and linked it with the issues of globalization, capital movements, mass media's influences, brain drain, etc...

Referring to his own experience, with both an African and a European education, he presented the challenges faced by a highly skilled migrant to help in the reconstruction of his country of origin, here Nigeria.

Mr. Omanukwe concluded his intervention by presenting some interrogations on the limits of globalization, the perception of the African reality through the European perspective, the role of the African difference etc.... He also made a plea that the need for cultural roots and the urge to go back to the primary values of the African countries should be better understood within the human sphere and not taken as an urge to go back to the past

**H.E. Mr. Abdou Azziz Sow**  
**Minister of the Republic of Senegal**  
**(Summary)**

During his speech, H.E. Mr. Sow stressed the influence of brain drain from Africa to other continents as well as the relevance of human resources management in the development of African countries.

Taking Japan as an example, Mr. Sow insisted on the need for African countries to invest in human resources management and in education to support their development. On this occasion, he presented the new approach of regional development that is represented by the NEPAD as well as the relevance of education in NEPAD's strategies.

More specifically focusing on the role of the diasporas, H.E. Mr. Sow mentioned the opportunities offered by the new technologies of communication for distant transfer of knowledge and capacities to the country of origin as it is done by the African Virtual University or the World Bank – managed Global Distance Learning Network (GDLN). He also mentioned the partnership established between Senegal and the UNDP when President Wade wanted to open up the public administration to persons from the private sector, ensuring that the salaries were sufficiently attractive. The PNUD then helped Senegal to identify African capabilities and contributed to paying the salaries of these experts.

**Addresses**  
**(Summary)**

Following the speeches delivered by the panelists, organizations active in this field were asked to briefly present their activities to the audience.

M. Laurent De Boeck from the **International Organization for Migrations** presented the *Migration pour le Développement de l'Afrique* (Migration for African Development-MIDA) Program that aims at enhancing the capacities of the countries of origin through the return of highly skilled Africans. With the financial support of Belgium, the IOM has developed a program specific to the Great Lakes that has allowed the transfer of 159 persons to date. Moreover, together with the Université Libre de Bruxelles (ULB), the IOM has implemented a virtual transfer program for those who cannot displace themselves and who can hence follow distance learning courses from Belgium.

Mr. Fabrice Lepla from the *Coordination des Initiative pour Réfugiés et Etrangers* (Coordination of Initiatives for Refugees and Foreigners - CIRE) provided the audience with a presentation of its "MigrAction" program. This program sets off from the double status of the willingness of migrants to participate in the development of their countries of origin and the difficulties they encounter. A network of partnerships in the South has been set up that helps the projects initiated by the associations of migrants to ensure their local success. Finally, some financial support can be granted by CIRE to launch a project and help it in its search for other financing.

Ms. Sophie Witax, from the **Young Women Christian Association** explained how they work with immigrant women in Belgium to assist women's organizations in Rwanda and Burundi. Ms. Aurélie Potaqué, from the **Collectif des Femmes**, presented a similar project launched by its organization. Ms. Susane Monkassa, from the *Conseil des Communautés Africaines Europe/Belgique*, stressed the need to include gender mainstreaming in the designing of diasporas' projects in development.

Mr. Anton Van Assche, from the **Overlegcentrum Integratie van Vluchtelingen** (Coordination Center for the Integration of Refugees- OCIV) presented its “Migration and Development” programme, launched in 2004 with the help of the European Commission and the DGCD. This program supports transfers that migrants make towards their country of origin and essentially aims at enhancing the capacities of the local entities receiving this money in order to use it to fund productive investments.

**H.E. Mr. Christian Connan, Ambassador for Co-development of the French Republic**, provided the audience with a presentation of its liaison activities between the communities of migrants based in France and the French central administration or embassy in the concerned countries. He also developed the two French priorities. Firstly, to channel financial transfers towards productive investment by asking private banks to implement inexpensive and reliable circuits for quick transfers between France and the country concerned notably through local banks in order to use this money for loans to a new category of clients at inferior rates than usual. The other priorities includes return of qualified migrants (nurses, social workers, etc.), in partnership with the OIM, by providing financial increase of their local wages in order to attract them to return to their home countries.

### **Questions, Interventions and Answers** **(Summary)**

During the Q & A session, the audience stressed the fact that the money sent by the Diasporas to their countries of origin must first be seen as an answer to the family’s urgent needs. H. E. Mr. Sow, answering to questions from the audience, also had the opportunity to more explicitly present the NEPAD Initiative and its relations with the Belgian government and the International Financial Institutions.

## **Workshop 2: Trade and Development**

**Ken Ndiaye (Moderator)**  
**Anthropologist**

This workshop will tackle the issue of commercial relations between Europe and Africa, not only in the context of the Cotonou Agreement and in the wider context of globalization, but also by looking at case studies of African entrepreneurs active in Europe.

**Mr. Marek Poznanski**  
**Collectif Stratégies Alimentaires**

It is interesting to note that two groups are coming together to denounce the European Union's policies with regards to subsidies and agricultural exports and the shackling of agricultural products from the South to access European Markets. On the one hand, you find those who are less concerned with resolving the problems of the South than with denouncing the North, and on the other hand, those who advocate complete liberalization of trade, even if the example of the coffee market confirms that the reduction of subsidies does not necessarily lead to development.

Arguing that the dismantling of agricultural subsidies and the opening of markets is a universal solution is a pretext for not seeking solutions to the real problem. Our organization works together with the organizations of farmers of the countries from the South. For them, the main problem arises because of the lack of local market protection in the face of low prices of imported goods. This is a real responsibility for governments but also for programs of structural adjustment programs that prevent these States from protecting their agricultural products.

Recently, the European Commission<sup>3</sup> published a document stating there has been a constant fall in the prices of basic products but nevertheless refusing to consider intervention by, for example, boosting the prices' agreements on these products and instead limiting itself to recommending ways that could improve competitiveness.

Thus, we must do away with the myths of these two elements: access to markets and agricultural subsidies.

The first element of confusion is the access to markets. We were told that access to European markets must be given to agricultural products of the South for the benefit of the producers and the poor. This argument was never used in the last decades. We used to say that the free market brought benefits to the consumers of the Northern countries. However, this reduction in the prices was especially supported by the producers and had no benefit for the consumers because these margins were safeguarded by the agricultural industry. Moreover, some serious problems were encountered, leading to even lower prices: the mad cow disease, dioxin, etc., thus failing to liberalize goods for the sake of consumers in the North, we used the argument of the poor farmers from the South. However, the fact is, that in Africa, Asia and in Latin America, the farmers demand, above all, access to their own markets.

In fact, if a farmer is not allowed to sell his goods on his own market, it is very difficult for him to export them. For instance, let us take the case of meat. European meat is more competitive due to the subsidies granted for export and the competition of local products since meat export requires important and, sometimes stringent, facilities from many of the Southern producers. Moreover,

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<sup>3</sup> Chaînes de produits de base agricole, dépendance et pauvreté. Proposition de plan d'action de l'UE, Com (2004) 89 final

this type of export carries with it the risk of accident, such as a sick animal that could force the buying countries to block their imports for a year or two.

Finally, the priority for a local producer is to control and protect the national market, even at the expense of exports, provided he receives a good offer. Due to an ever stronger competition, the world market often offers lower prices.

Another element of confusion is the criticism leveled by the agro-food multinationals, large exporting countries and even international NGOs, agricultural subsidies being the cause of all problems. Whilst we are indeed dealing with an important issue, that is not the main problem, unless one takes into account the low cost of raw materials on the world markets. Numerous studies, such as IFPRI's, an agricultural research group mainly financed by the World Bank, show that the end of these subsidies would only lead to a feeble increase in prices.

The main question is the regulation of the world markets through the management of the supply. On the contrary, current logic aims at dismantling the remaining systems controlling the supply, like, for instance, on sugar and milk. The forthcoming UNCTAD conference will no longer be concerned with agreements on production but on the issue of subsidies, being well aware that at the same time prices on the world markets are still on a downward trend.

In conclusion our priority is to protect regional and local markets. Exporters should not focus on large quantities; instead, they should seek prices that can attract producers. This does not necessarily mean that European producers have to cater only for the European market and African producers only for the African market. Nevertheless, the African agricultural sector should be able to meet its consumers' needs at sub regional level.

In this regard, it is quite frightening to note that less than 10% of the money pledged in the Cotonou Agreement is earmarked for agriculture whilst the greater part of the ACP countries population relies heavily on agriculture. We must promote the positive role played by the State in agriculture and especially in the case of the least developed countries.

**Mr. Saliou Sarr**  
**Conseil National de Coopération Rurale**  
**(Summary)**

Mr. Sarr represented the National Council for Rural Cooperation (CNCR) of Senegal during the Dialogue Day. This federation of farmers, breeders, fishermen and women organizations is, since 2000, a founding member of the ROPPA (*Réseau des Paysans et Producteurs Agricoles d'Afrique de l'Ouest*), that in 2003 organized the launch of the Dakar declaration in which, for the first time, agricultural organizations from all over the world came up with common proposals.

His intervention mainly compared the notion of opening up of markets, food safety, trade and development, on the one hand, and, on the other hand, the fact that even more people living in Africa are undernourished or suffered from malnutrition while 75% of the population is made up of farmers.

Along with him, the difficulties encountered by the African farmers to sell their products results from excluding strategies that have been implemented for decades notably through the lowering of the prices of agricultural products. Taking the rice sector of Senegal as an example, Mr. Sarr explained how, in the nineties, the Senegalese rice producers were confronted with the liberalization of the sector, how they consequently managed to increase their productivity but how, also, they are still subject to strong competition from Thai rice. This, for Mr. Sarr, shows that the issue of subsidies is merely a North-South issue since Thailand is not a country of the Northern hemisphere.

**Philippe Van Damme**  
**European Commission**

Commercial relations between Europe and the ACP are defined by the loss of market shares by the ACP countries despite their preferential access to the European market. African exports towards European markets remain structurally very little diversified and are strongly concentrated around agricultural products, which by definition is a scarcely growing sector. On the other hand, these products have very little added value and are essentially raw materials.

If we try to summarize the lessons learned from 25 years since the Lomé and Cotonou Conventions and of preferential access to products from the ACP countries, one can say that preferential and non-reciprocal access to markets may be necessary but surely not sufficient to ensure integration in the world market, growth and sustainable development of the Southern countries. In fact, this preferential access has transposed itself onto an international economic structure that has a post-colonial nature and has hindered the diversification of exports. In 25 years, cooperation programs towards development have focused on programs for the promotion of trade. This obsession to help Southern enterprises gain access to the European markets lacks long-term sustainability since, to export in the long-term, one first of all needs to be able to produce in the long-term and have a supply capable of matching the opportunities presented by the market.

Today, the international multilateral commercial context is regulated by the WTO. One of the basic principles of the WTO is non-discrimination and the requirement that preferential access to markets granted to one country be granted to all. All economic operators can, in this way, compete on a level playing field. This principle of non-discrimination has some exceptions. A primary exception to this principle is the setting up of free-trade areas, of which the EU is an example, where the advantages granted to member states do not have to be granted to outsiders. One condition for the granting of such derogation is that the free-trade area should cover most commerce activities and that the transition period be reasonable. This exception was already present in GATT. In the 70's, there was another exception: the "rehabilitation clause" that allows granting developing countries unreciprocated and specific preferential access to the industrialized countries' markets. Within this group of developing countries a more preferential treatment exists for the least developed countries (LDC). This has been called the "generalized preference system" implemented by the European Union towards all the developing countries and more specifically the LDC's via the "Everything but Arms" initiative. The trade regime currently implemented between the EU and the ACP countries nevertheless constitutes a breach of the exceptions foreseen by the WTO since it creates a discrimination among the group of the developing countries based on a shared history and is only benefiting of an exemption until the end of 2007.

Having noted the contradiction between the Lomé Convention and the WTO principles, and the failure of this Convention in commercial terms, the EU and the ACP countries have launched the Economic Partnership Agreements (EPA). EPAs are based on various principles. Firstly, the commitment to safeguard the level of preferential access conditionally granted to the ACP countries. Secondly, a more holistic response including the reinforcement of the ACP countries' capacity to enable them to benefit from the offered preferential access. Above all, this resolution is based on aid aiming at more regional integration which is seen as a first step towards access to the world markets and as a way to lead national markets, often too small and segmented, with the view to establishing economies of scale and becoming more transparent. This approach includes the implementation of a legal environment more favorable to trade and investment, which is more reliable due to its integration in a contractual agreement between these countries. It will also help the countries to reach the technical, sanitary and phytosanitary standards internationally enforced for the protection of the consumers. Finally, by including the trade dimension in the development and poverty reduction strategies, this support is extended to the capacity to build supply for

investment and do away with the constraints encountered, notably in terms of infrastructure. Hence, this is a more holistic approach than that of Lomé that was mostly about tariffs.

One must realize that an important element of this logic is, to a certain extent, reciprocal. In fact liberalization led to the breaking down of monopolies and to an increase in producers productivity and competitiveness. Moreover, it encouraged them to adapt to the international market and to more focus on sectors with greater growth margins and added value, since growth cannot be achieved if they remain focused on the local markets and the traditional primary agricultural sector. Diversification is necessary both in order to increase added value in agricultural production and for investing in new sectors. Furthermore, this reciprocal liberalization must be in line with the WTO's rules.

In conclusion, I would like to highlight three important aspects of these EPAs: the link between trade and development, integration and partnership.

The EPAs are based on the benefiting links existing between opening up to international trade and economic growth and between economic growth and development. No economy in the world can achieve sustained social development without opening up its commerce. Even South-East Asia, which is often described as interventionist, had a trade policy favorable to exports. Of course, other factors influence economic development: government, economic or political instability, etc, since they also influence the investment climate. If trade is a tool that promotes growth, without being the only factor, growth, everything else being equal, leads to development. Growth can reinforce inequalities but a general analysis of the last 50 years shows that it has also made possible a policy of redistribution leading to social development and economic sustainability. The gradual and regulated liberalization proposed in the EPAs is liberalization conceived as an instrument for economic development. The EU has very little commercial interests to protect in Sub-Saharan Africa and advocates a gradual flexible and controlled opening up that aims at benefiting to Africa and not at boosting its own exports. We do not have an offensive agenda in Sub-Saharan Africa but we promote the EPAs as an instrument that fosters economic development in the countries of the South.

Integration is the second vital element of EPAs. South-South integration fosters economies of scale, opening up and transparency, while North-South integration favors the implementation of credible reforms supported by the economic operators. During the last decades, structural adjustment programs led to the implementation of reforms that were often questioned or even cancelled. Therefore, we entered a contractual framework between the European Union and the ACP countries that also includes litigation procedures to regulate disagreements and renders the regulatory environment more credible and allow the strengthening of investor confidence in these reforms.

The third important point is that the EPAs are not imposed but are a complementary instrument proposed to the developing countries in parallel to cooperation for the financing of development. These Agreements result from transparent negotiations that set up partnerships between governments, civil society and the private sector. To date, all the ACP countries have recognized the development dimension of the EPAs and participate to the negotiations.

Prior to concluding, I wish to inform you that we have set up a helpdesk to assist producers of the South, access European markets and explain to them relevant EU regulations. At year-end we will be launching a program entitled "*trade.com*" that will help the ACP countries to define their own commercial strategy and to defend it in international *fora* without having to resort to outside experts as they had to do in the past.

**Roger Kabore**  
**Université Libre Internationale**

My speech will be very to the point. I will explain the eligibility criteria in order for non-governmental actors to have access to FED financing as set out in the Cotonou accord.

FED is the main financing instrument of the partnership between the EU and the ACP countries. The Cotonou Agreement was signed in 2000 between the 15 countries of the EU and the 77 ACP countries for a term of 20 years. It pursues three objectives: the reduction of poverty, sustainable development and gradual integration of ACP countries into the world economy. It rests mainly on economic development for commercial cooperation, human and social development, regional integration, gender issues and environmental protection.

FED grants non-refundable aid for programs of cooperation within the ACP countries. Both national and regional programs are also grants, to ACP countries, that do not have to be returned. The budget for the period 2000-2007 is 25 billion Euros out of which, 13 billion are managed by the FED, 9.9 billion for previous agreements and 1.7 billion for investment promotion.

FED finances any project or program participating to the development of ACP countries, in particular the promotion of trade and PIP (Pesticide Initiative Program). Actually, fruits and vegetables' exporters from the ACP countries to the European Union face difficulties resulting both from the European regulation on pesticides' leaves and from the increasing food safety and quality concerns of the European food retailers.

Consequently, if the ACP countries' producers and exporters do not comply with these requirements, they may loose their European market shares and jeopardize an important source of income as well as the professional activities of thousands of people working in this sector.

Around 480000 tons of fruit and vegetables are exported every year from the ACP countries to Europe<sup>4</sup> for a total amount of roughly 900 millions euros. According to some estimates, this sector provides professional occupation to more than 7 million people around the world.

The PIP was set up by the European Union under request of the Group of the ACP Countries in order to help them adapt themselves to the changes in regulations.

FED resources can be accessed by public authorities (local, national or regional) and by non-State operators in the private sector. To qualify, non-State operators must demonstrate a clear and defined interest, demonstrate that they are representative, that they function in a transparent manner and commit themselves to accountability. The next step is the launching of a tender by the European Investment Bank (EIB).

Importantly for the Diaspora, Article 5 of the Cotonou Agreement deals with the provision of information on partnership. It may serve as a basis for its information action on existing regulations aimed at local operators. This is also one of the activities undertaken by the TRIVISION association and the *International Free University*, during their Summer and Winter University. These seminars provide diasporas' members with learning kits to share information with their fellow countrymen whilst they get back to their country of origin.

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<sup>4</sup> This figures do not include bananas and the Republic of South Africa.

**Manuel Fall**  
**La Perle Noire**  
**(Summary)**

Mr. Fall took part in this “Trade and Development” panel to provide the audience with the perspective of a Diasporas’ entrepreneur working in the host country to create his own job and then other employment activities benefiting to relatives located in the country of origin.

The coffee industry, which serves as an example for his intervention, holds a major stake in commercial relations between Europe and Africa. It represents 25 million jobs worldwide, a great part of which is in Africa, and often constitutes the main resource for the exporting countries.

In conclusion, Mr. Fall pointed out the relevance of the African agricultural products on the European markets by notably mentioning the figures related to the coffee industry.

**Questions, Interventions and Answers**  
**(Summary)**

The audience mainly questioned the panel members on the trade liberalization policies implemented in the relations between Europe and Africa. Mr. Van Damme stressed the need for the African countries to diversify their commercial structures, including the necessary governance reform, in order not to scare off investors due to a lack of reliability, security, and transparency. This applies to all investors, be they from the Diaspora or multinational companies. Mr. Van Damme also mentioned that regional economic integration is one of the factors of peace. M. Poznanski mentioned that, while in the ‘60s, Europe achieved peace through regional integration notably around agriculture because, at that time, production rates among European countries were more or less the same while, today, the proposed reciprocity with the ACP countries involves partners of different sizes.

## **Workshop 3: From Debt Crisis To Debt Relief – Sustainable Debt Reduction for Poverty Alleviation**

**Mr. Brian Ngo (Moderator)**  
**The World Bank**

**Mr. Franciscus Godts**  
**Belgian Federal Public Service Finance**

I would like to focus my presentation on the Paris Club, the most important club of creditor countries, and a key player of the international financial system. Although it remains largely *ad hoc*, it includes about 20 “permanent” members and some observers. Belgium has been a member of the Paris club since 1959 when it started to negotiate a first deal with Argentina.

The Paris Club has contacts with two types of countries. First, the non-HIPC countries, mainly the middle and upper income developing countries, which borrowed very heavily from public and private sources insured against non-reimbursement by export agencies such as the Office National du Dueroire in Belgium. These countries did not engage in debt reduction but just on debt restructuring. Second, the HIPC countries, where the Paris Club has started to grant progressively more generous debt reduction. The stock of the debt was initially reduced by 67% and would end up to 90% or more. Most of the Paris Club members actually consider debt cancellation as being an aid exercise and not a debt restructuring exercise.

The Rules of the Paris Club were established in the 70’s when the developing countries accused the Paris Club of being and opaque, non-transparent, inequitable, and insensitive to development. Developing countries then proposed the creation of a permanent mechanism for restructuring debt which came to be known as the International Debt Commission but this was never implemented. A UN resolution later codified the Paris Club’s principles and procedures although until 2001 it remained a quite mysterious and non-transparent piece of the international financial system. Then, with the international financial institutions starting to become more transparent by the end of the 90’s, the Paris Club started to set up a website, to organize regular meetings with other stake holders (private banks, NGOs,...).

Five core principles rule the Paris Club’s activities. First, decisions are made on a case-by-case basis and not under the form of a generalized debt relief or debt cancellation mechanism. Even within HIPC, often considered as a generalized scheme of debt relief, it is based on a case-by-case basis. The second principle is consensus, which actually is a special consensus since everyone has to agree to the hardest proposal and not to a compromise. Of course, in this situation, some countries have more power than others in pushing through some decisions. Third principle is conditionality which, in practice, means the need of an existing IMF program before starting negotiating a debt rescheduling or relief. In each Paris Club meeting, there is a *tour d’horizon* which gives indications on whether a country has accepted or will accept an IMF program and may consequently come to the negotiating table. The fourth principle is solidarity. This means that once you have reached a multilateral agreement on debt rescheduling or debt cancellation between all the members of the Paris Club and the debtor, this agreement has to be implemented through bilateral agreements between the debtor and all the Paris Club members. This procedure can take about 6 or 7 months. The last and youngest principle is comparability of treatments. In each agreement, we indicate now that the debtor country has to seek similar treatment to other creditors’ (private creditors or non-Paris Club creditors). To date, we have succeeded for a few countries - mainly from Eastern Europe - to have a sensible comparability of treatment and we try to do the same for Argentina.

In each negotiations, there are some parameters which influence the rate of cancellation, or restructuring, the period, etc. The first of all is maturity. Short-term loans – less than one year credit – are in principle not taken into account by the Paris Club. Then, the Paris Club does not deal with private debtors. Another basic parameter is the cut-off date, normally the cut-off date is the date at which the country came for the first time to the Paris Club and loans signed after the cut-off date are excluded from negotiations – but there are some exceptions now due to HIPC. There is also the consolidation period which is normally 3 years and forms what we call the “*assiette*” of payments which are due during a certain period. A last parameter is the treatment of interest, usually the Paris Club does not include any interest in the agreement since it may involve that the debt stock of the debtor country will actually grow.

There are various kinds of treatment that a developing country can receive from the Paris Club. The normal terms are the “classic” terms for higher income countries and usually scheduled on 5 to 10 up to 15 years. For lower and middle income countries, we make a distinction between ODA (official development aid) and non-ODA (non-official development aid) which are just commercial claims guaranteed by export credit agencies. For ODA, we reschedule over 20 years with 10 years of grace. For non-ODA, we normally reschedule on 15 years depending on the financing gap, and now we have adopted a new approach, the “Evian” approach, which will streamline all these treatments. The Dominican Republic has, for instance, been given an Evian approach. This basically means that the debtor country asks the IMF to carry out a debt sustainability analysis that will be the base on which the Paris Club will calculate the financing gap. Then you have HIPC with, historically, first the Naples treatment with 67% debt relief then the Lyon treatment with 80% debt relief and, now, the Cologne treatment which involves 90% cancellation.

The second point of my intervention will focus on the Belgian policy on debt relief. In the 90s, the Belgian Parliament passed a law allowing both the Minister of Finance and the Minister of Foreign Trade to cancel the State-to-State ODA loans, which are loans with a tenure of 30 years of which 10 years grace and, most of the time, 0% interest. The benefiting country has to have a program with the IMF, an income of less than \$500 per capita a year and a debt service/export ratio of minimum 30%. This procedure was first implemented by the end of the 90’s for loans to 10 developing countries, the second time in September 1999 and this law was applied in November 2000 also. In 2001 the HIPC enhanced initiative came into being and the Council of Ministers accepted new proposals and procedures to provide cancellation for commercial and ODA claims as well.

Different procedures are implemented for ODA loans and for commercial claims since they follow different accounting rules. For the ODA loans, we only cancel them at HIPC completion point and this is a 100% cancellation. This is not the case for commercial claims, we only cancel what is needed according to the agreed minute of the Paris Club. To date, we have cancelled the ODA claims for Bolivia and Tanzania. For Bolivia, we had to cancel more than 100% which means that you cancel loans signed after the cut-off date. For Tanzania, we cancelled 89% of their commercial loans.

In conclusion, I would like to ask this question : does debt relief improve the economic and social conditions of the benefiting countries ? The Dutch Ministry of Foreign Affairs has carried out an analysis from 1990 to 1999 on 8 countries. This was before the enhanced HIPC initiative. Its findings are not very positive notably mentioning the fact that debt rescheduling postpones payments but does not reduce debt stocks and, mostly, the fact that debt relief had barely no effect on debt payment flows due to the remaining obligations and the fact that the countries started to borrow again.

The figures now show that the HIPC debt reduction of debt stocks are most important since it fell from \$77 billion to \$26 billion with debt service ratios also declining. Mr. Ngo will now present you the HIPC initiative in more depth.

**Mr. Brian Ngo**  
**The World Bank**

I first would like to provide some background on the HIPC Initiative. The Heavily Indebted Poor Countries (HIPC) Initiative was created in 1996 to reduce the debt overhang of poor and highly indebted countries. In 1999, it was deepened and expanded. Very briefly, the initiative aims at lowering the Net Present Value (NPV) of debt to 150% of exports in order to foster poverty reduction expenditures using resources from debt relief

Countries must meet three criteria to be eligible to the HIPC initiative. The country has first to be an “IDA-only” country<sup>5</sup> meaning that its income per capita has to be under \$845 a year. It must have maintained a good record on macroeconomic management, typically by having a Poverty Reduction and Growth Facility (PRGF) program with the IMF. Third, the country must be heavily indebted in that the ratio mentioned above still exceeds 150% after we have applied all the traditional debt relief including Paris Club restructuring. There are 42 IDA countries from which 4 countries Angola, Kenya, Vietnam, and Yemen Republic are not eligible for HIPC. From the 38 countries remaining, 27 have already gone through the decision point and have already began to receive debt relief.

In addition to the 3 eligibility criteria, the countries reach “decision point stage” when they adopt an interim Poverty Reduction Strategy Paper (PRSP).

After it has reached the decision point, the country begins to receive interim relief which is equivalent to about 65-80% of the total debt relief that will be provided at completion point. This is considered interim debt relief because should the country’s performance slackens significantly such as for instance, the case of Cote d'Ivoire, interim debt relief could be suspended meaning that the country would have to ‘re-qualify’ for a second time for reaching decision point.

To reach the decision point, countries must have satisfactorily implemented its PRSP for roughly a year and taken a number of policy reforms and actions, commonly known as floating completion point triggers. They are called floating because there is no fixed time set for the completion of these measures. The country qualifies as soon as all the measures are met.

Of the 27 countries having already gone through decision point, 13 have reached completion point. All together, the 27 countries will receive some \$53 billion worth of debt relief over 20 years. For these countries, the ratio of the net present value of debt are projected to decline by 2/3 and the ratio of debt service to export by 40%.

The HIPC process is currently facing some challenges. First, there is the “sunset clause”. The donor community has actually decided that the last limit for an HIPC country to reach decision point would be before the end of 2004. As we know, 11 of the 38 countries have not yet gone through the decision point mainly because – Togo excepted - they are conflict affected. The World Bank is working on next steps’ options and some results will be presented during its annual meeting in October 2004.

The second challenge is how to get the countries that have gone to decision point to complete the process so they can have permanent debt relief. When we started out the whole exercise in 2000, we were hoping that in about 3 years time all countries would have gone through the process of completion. We have nevertheless realized that it takes longer, partly because the countries must have to have a year of PRSP implementation. On occasion, delays in implementing the structural

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<sup>5</sup> The International Development Association (IDA), established in 1960, is the part of the World Bank Group that provides long-term interest-free loans (credits) and grants to the poorest of the developing countries. It does this to support economic growth, reduce poverty and improve living conditions. There are 81 borrower countries.

reforms or difficulties in staying on track with the PRGF programs had therefore forced countries to take longer to reach completion point than originally expected.

The third challenge is that the donor side of HIPC is made up of official donors both bilateral as multilateral, but also of commercial creditors. Sometimes, even though the official creditors are engaged in a debt relief process, not all commercial creditors have participated in the provision of debt relief; some have even initiated litigation and sued the debtor countries in court.

Another challenge is related to debt sustainability and to how much a country needs in terms of debt relief to bring its debt stock down to a level which is considered to be sustainable. Some parameters may change between decision and completion points and there are cases where we need to increase the amount of debt relief as we did for Ethiopia and Niger. There are some discussions among bilateral donors whether or not the topping up would not come at the expense of bilateral relief.

The fifth challenge is how to help the HIPC countries maintain debt sustainability beyond HIPC. Some countries that have gone through the whole process and have achieved the completion point still have high ratios of debt over exports or over GDP since, to be able to achieve the Millennium Goals (MDGs), these countries need additional resources that they got in the form of debt that add up to their stock and once again become unsustainable. It is thus important to look at the whole issue of debt sustainability not only in terms of debt reduction but also as a tool of development and in the perspective of the MDGs.

Mr. Godts mentioned that the Paris Club has been looking at debtor countries on a case-by-case basis. The HIPC Initiative consists of one rule applied to everybody. It would be worth to develop also a more country specific approach for HIPC since the ability of a country to achieve debt sustainability primarily depends on its policies and institutions. We have to look at how liable a country is in terms of facing external shocks. Some countries face more shocks than others. Ethiopia, for instance, has faced a draught every 3 years but this is a kind of shock that have not been captured in the HIPC initiative. The World Bank and the IMF are currently developing a new approach analyzing countries threshold of debt burden, to help countries to design a good borrowing strategy.

Debt sustainability will require continued efforts in the future both on the creditor and the borrower's side. We also need to improve the trade environment because, as you all know, better export will clearly enhance the debt servicing capability of the borrowing countries.

**Mrs. Salma Maulid Salum**  
**Tanzanian Ministry of Finance**

I am a Project Coordinator - Economist in the Department of External Finance of the Tanzanian Ministry of Finance but, today, I will not be representing the view of Tanzania's government even if I will focus my presentation on the example of Tanzania. The purpose of this presentation is to present experiences of debt relief under the HIPC initiative and challenges ahead of the country in its attempts to address widespread poverty.

I will address the issues of HIPC, utilization of debt, debt repayments and the role of Diasporas.

Some indicators on Tanzania first. Tanzania has a population of 35.6 million people as of 2001 and its average GDP growth rate from 1995-2000 was 4.1%. Tanzania is a poor country with a low life expectancy of 44 years. The Human Poverty Index ranks about 59, ODA (official development assistance) received as of 2001 reached \$1,2 billions. ODA per capita is \$34.7 and ODA received by GDP total 13.2%.

Tanzania is among those countries that fall under the HIPC initiative. The total relief was \$2 billion more than half of the net present value of the debt outstanding after the use of the debt relief mechanisms.

Tanzania's debt outstanding consists of 75% of multilateral debt; 12.1% of bilateral debt and 12.3% of others official sources. Its commercial debt totals 0.6% of its. Major part of this debt has been allocated to the energy sector 30.1%, followed by the agricultural sector, social welfare and education, and then we have 7.7% transport and telecommunication, industries totals 4.09% and finance and insurance come last.

Throughout the 1990s, the official debt that was made amount to 90% of Tanzania current total outstanding debt. As of January 2004, the debt maturing between 5-10 years amounted to \$6.1 million accounting for 10.5% of the total debt. The debt maturity between 10-20 years amounted to \$9.2 million or 15.7% of the total debt. The debt maturity above 20 years amounted to \$43.7 million accounting for 38% of the total external debt. Tanzania has developed a debt management strategy and, if it follows this standard, it will be doing very well. At the moment, we are trying to analyze how to accumulate this debt and paying it back, which mean debt sustainability.

Let me briefly mention the role of the Diasporas. Dynamics and relations are very important between Diasporas and development aid and it is time to join ideas, forces, and linkages to build up bridges that would bring mutual benefits to all. The African Diasporas should notably create an organization that will link them to their continent as a development organization.

As a conclusion, I would say that the prospects for debt relief under HIPC are real and meaningful for Tanzania and the country is now focusing on settling domestic debt as one of its most important next steps. Challenges such as export earning, growth rate and domestic debt are some of this policy's key aspects. By doing so, Tanzania will progressively be integrated into the world economy.

**Mr. Rudy De Meyer**  
**11.11.11 / Eurodad<sup>6</sup>**  
**(Summary)**

Mr. De Meyer started his intervention by stressing that, since the early 80's, his organization has sought to underline the extent to which external debt had burdened development and had advocated debt relief as a necessary albeit not sufficient condition for economic development. He noted how slowly international organizations had been in adopting these arguments which were part of the HIPC Initiative 15 years later. This delay increased the "snowball effect" as interest rates added up to debt in the meantime.

Mr. De Meyer also linked the debt issue to the development cooperation policies of the donor countries. Taking the DR Congo as an example, he questioned the legitimacy of the external debt of this country by mentioning that the regime change had no influence on the global amount of external aid having to be repaid.

Mr. De Meyer also stressed other linkages between debt and ODA by notably arguing that a large amount of the ODA has actually been used to repay external debts. On the other hand, he also mentioned the risk that the ODA figures in the next few years will be artificially increased because of the nominal value of the debt relief. In Belgium, the ODA suddenly reached 0.61% of GNI in 2003 but the whole increase of 47% in one year is due to Congo's partial debt cancellation. In his view, this operation is a one-shot that will not help Belgium to follow a growth path of ODA/ GNI ratio of 0.7%. This could also disconnect the objective of 0.7% of ODA performance from the efforts to reach the Millennium Development Goals.

**Questions, Interventions and Answers:**  
**(Summary)**

The main issue addressed during the Q&A session was related to the macroeconomic reform to be undertaken by countries benefiting from debt relief policies. On this occasion, **Mr. Brian Ngo** taking Zambia as an example, showed how the implementation of liberalization had been reconsidered. He also stressed the positive impact of the HIPC initiative, which has led to more sizeable external debt reductions.

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<sup>6</sup> 11.11.11 is a Belgian NGO coordinating almost all the NGOs in the Flemish part of Belgium. Eurodad is the European network for Debt and Development involved in debate on debt cancellation with the Bank and IMF over the years.

## **Closing Session**

**Mr. Guido Gryseels (Moderator)**  
**Musée Royal d'Afrique Centrale**

**Mr. Christopher Oliha**  
**Associations of Nigerians in Belgium**

I have been asked to present the main conclusions of this Dialogue Day. First, I would like to remind you that today's objective was to look into the contribution of the African Diaspora to the development of their countries of origin.

The African Diaspora has always participated in the development of its home countries. In this regard, we would do well to outline the current need for recognition, by the countries of origin, of the contribution made by this Diaspora. Many figures have been quoted today in order to evaluate the extent of this contribution but to me it seems important to remember the extent of this contribution in relation to the budget of the countries we are discussing. Take Nigeria for instance. In 2000, from the UK alone, Nigerians sent around 1.2 billion US dollars back home. We have to compare this with Nigeria's budget that was estimated at 11 billion US dollars this year.

The problem is that the money that is sent back to the country of origin is mainly used to provide for the day-to-day livelihood of the families and is not used for the development of an enterprise or a project. On the other hand Africans abroad are not recognized for their actions. Now when someone contributes towards something, they would like to have a say in the decisions taken. In other countries, such as the Philippines, there are examples of good management of the Diaspora. Money is directed in a structured way to benefit the development of the country, whilst money arrives to Africa in an informal way to meet the needs of the family.

In a Dialogue like this one, we speak of participation in terms of economy and investment but one would do well to go beyond this. Diaspora also has a role to play in education, socio-economic policy and regional development. In this regard, the role of the Diaspora also needs to be recognized by the host country. Migration is a fact and there will always be migratory flows. The Belgian authorities have to put in place the mechanisms to promote integration of migrants in their host country, for the migrant cannot participate in the development of his country of origin unless he is sufficiently at ease in his host country. Here I am speaking of access to structures for development such as education and training, anything that fosters personal development. In Belgium – today – only the Ministers of Justice and Home Affairs recognize the existence of the Diaspora. We would like to see others taking an interest in us, such as the Ministers in charge of trade, cooperation for development, etc.

We have also touched upon peace and development. One cannot develop a community unless peace prevails in its fold. Our role as a Diaspora is influenced by the level of peace and security in the country of origin. Here I am not only referring to large-scale wars, such as the ones in Liberia or the Democratic Republic of Congo, but also to internal conflicts as is the case in Nigeria. In this regard, the question of relations that the host country maintains with the country of origin is equally important especially in the case of non-democratic States. To provide answers to these questions, we need to consider the African Diaspora seriously for they are extremely competent people. In my village, there have always been tensions but when you come from abroad and you are not seen regularly or everyday, you are able to speak to everyone and sometimes can resolve some of those conflicts.

Reaching the goal of the contribution of the Diaspora in the country of origin is a point that is too often tainted by colonialism and tends to create tensions. This has not been the case today and we have been able to remain within the overall objective of the discussion. For this we should thank the organizations that have made it possible for us to be here today: the Belgian authorities and the World Bank. It is important to overcome these obstacles, frustrations and disputes linked to the past. We have to be pragmatic and move on.

Nothing new was said today. Every time that this type of meeting is over, we are under the impression that we have started from scratch. This should not be the case this time and contact between the various partners must be kept up so that today's speeches can be put to good use. We hope that this day of dialogue will be a key moment in the role of Diaspora for development. This is why people from the Sub-Saharan Region must learn to collaborate with each other. In all sincerity, our collaboration began when the platform for the realization of this dialogue saw the light of day. It is important that we follow up on this day and that we draw inspiration from everyone's experience.

We must build on what has been achieved today to cultivate the spirit of understanding between communities so that we collectively contribute to the development of Africa as a whole.

**Mr. Jean François Rischard**  
**World Bank Vice President for Europe**

This day was particularly interesting for not only was its theme fascinating, but also for its methods and the dynamism demonstrated by the Diaspora.

I would like to tackle two questions: the importance of the issue of Diaspora and the consequences of today's dialogue.

We live at a time where Diaspora will be at the height of their power. I say this both in a positive way but also in a negative sense.

The positive aspect is linked to the fact that we are going into a new world economy that is subject to different rules. Countries, individuals and companies have to be rapid, integrated in many networks, discover new routes and be reliable. Without each of these four characteristics, opportunity will knock on someone else's door. We operate in an economy in which the prevailing factor for production has more to do with knowledge than manpower or capital. In this context the diasporas are a vital channel for the exchange of information and networking. Today they seem more important than they were five or ten years ago. Whilst on this, let us take the example of the giant Chinese "bamboo network" that is made up of 15 million members and is very influential in the world economy.

Diasporas can also be essential links for the transfer of brainpower in this new world economy. They have in fact a competitive advantage in this context. On the other hand we have seen that diasporas are very important investors in their countries of origin for they can best take the pulse of the situation in order to establish whether the time for investing is ripe or not. Nearly 70% of Chinese enterprises have seen the light of day thanks to these investments. Diasporas also promote trade between the country of origin and the host country. A Canadian study reported that for every 10%-increase in migration between two countries, there is 1 to 3% increase in trade between these countries. Finally diasporas are great sources of fund transfers. Little mention of this was made this morning but the 75 billion dollars figure has doubled in the last decade. The Middle East depends for 6% of these transfers. Some African countries, such as Cape Verde, depend enormously on migrants' fund transfers.

The other contribution made by Diaspora is the fact that they are a reservoir of future leaders. This observation may not be applied so much to Africa than, for example, to Eastern Europe where the Prime Minister of Bulgaria, for example, comes from the Diaspora. Another contribution of the Diaspora is the return of migrants. We observe this phenomenon in China, Korea and Taiwan where a third of the main centers of technology are manned by Taiwanese returning from the American Silicon Valley.

We have only seen the beginnings of these contributions due to the continued state of the world economy.

However, Diaspora can also have negative repercussions. Firstly, the harm stemming from the brain drain that particularly affects Africa. In fact, 75% of Africans living abroad hold a university degree whilst the figure for Latin Americans and Asians hardly reaches 15%. This has national repercussions not only in terms of human resources but also due to the fact that these persons would have been the main taxpayers of the country had they stayed on. Another negative aspect of Diaspora that should be mentioned today is their frequent role in refueling conflicts that have been settled.

This phenomenon of Diaspora is increasingly important and this is why we have chosen to discuss it here today. The event in itself has been interesting since the World Bank is not an expert on the matter even though we should have tackled the subject a long time ago.

It was only two or three years ago that we took an interest in Diaspora due to the funds transferred to the countries of origin. At the same time, we saw a renewal of diasporas themselves. Before that, it centered around cities such as Chicago, Antwerp, Paris, Rome, etc... Today, for the first time in its history, diasporas can create electronic networks that overcome physical distances. Mr. Oliha, for example, is a member of an International Association of Nigerians.

Time is ripe to discuss the role of diasporas. The world is becoming one big network. The partnership that can result from today's dialogue can take the form of a triangle between the Diaspora, the countries of origin and the international agencies such as the World Bank and bilateral agencies. Many ideas and proposals were put forward today or on other occasions that could lead to concrete initiatives such as assisting the setting up of small enterprises in the country of origin, or aiding projects for the preservation of cultural heritage. The MIDA program was mentioned, UNDP does the same in Afghanistan where it sends in experts from the Diaspora and pays their salaries. We could also think of programs to mobilize the Diaspora and together try to reduce the huge sums, estimated at 12 billion, charged by commercial banks for fund transfers to the countries of origin.

I am convinced that Africa must set itself more ambitious objectives than the mere reduction of poverty and I am one of those who support the concept of a knowledge-based economy founded on the sort of criteria that I have mentioned earlier on. This model is based on five pillars: a world-class environment for investment, a world class education system, a world class system of innovation, a world class telecommunications system and finally a world class vision put forward by the government for the country's future. Some think that this model is too ambitious for Africa, even though it has been implemented elsewhere, for example in some of the Eastern European countries. I do not share this opinion. And, if anyone can help the donor countries and the multilateral agencies to follow this path, it is the diasporas since they are the interface that can bring about change towards this more ambitious mindset.

We often tend to believe that conferences are not useful. We are determined to help you look for concrete steps. At the World Bank, we have set up a network of parliamentarians, academics and youth. Perhaps we should consider setting up an international network of diasporas to discuss these matters more regularly.

**H.E. Mr. Louis Michel**  
**Deputy Prime Minister and Minister for Foreign Affairs**  
**Federal Government of Belgium**

Director Gryseels, Honorable Minister of Senegal, Excellencies, Mr. Vice-President of the World Bank, Mr. Spokesperson of the Association of Nigerians in Belgium,

I would like to greet the representatives of the associations of the Diaspora, as well as the experts and professors who have taken an interest in the African issue and who bring their vigilance and talent to help the politicians take the necessary actions.

Today being Mothers' Day, I would like to begin by wishing a happy feast day to all the women present here and stress the important role of women in the economy and in the development of the poorest countries, which I have witnessed at Bukavu and Goma where it is women who have preserved that which is essential.

I am happy to participate in the winding up of this day of dialogue organized by the World Bank in collaboration with the Belgian Government. I am particularly happy that this event was held in this magnificent venue, the Museum of Tervuren, a common heritage of Africa and Belgium, whose curator, Mr. Guido Gryseels, whose competence and dynamism I admire, has undertaken an ambitious modernization plan.

On numerous occasions, I had the opportunity to explain my conviction that globalization is an extremely complex phenomenon specifically because it does not result from political decisions. Globalization is an evolving and spontaneous process that could be criticized, welcomed or feared but should not be seen as a result of an abominable ultra-liberalism. On the contrary, the worst aspects of globalization are often the results of protectionism.

Nevertheless, like all other human activities, it is up to politicians to seek solutions and tame the destructive effects of globalization. Reconciling economic, social and international realities requires a political will aired on the international scene as well as the setting up of regulatory bodies capable of enforcing ethical considerations. To do so, one has to ensure the primacy of politics and its ability to regulate, for example, the flow of funds or unbridled international trade. From this point of view the attacks levied against the WTO, IMF and against the EU itself are hard to comprehend for doing away with these regulatory organizations would open the way for a fierce domination of markets and often unscrupulous and illegitimate operators. For this reason I proposed, at Cancun, the setting up of a World Social and Economic Council, within the UN system that would function like the Security Council. Such an institution should be based on a fairer and a more equitable representation of the world, allowing for the establishment of greater balance at decision-making levels.

Globalization has brought unprecedented economic development to the countries that have accepted its rules. The multiplication in trade exchanges, the integration of financial markets, the progress in transportation and the international expansion of large corporations have given our societies an impetus comparable to that of the industrial revolution.

Just like Bairoch, I estimate that these phenomena are at the base of the current division of the world between the rich and the poor. Prosperity in the Euro-Atlantic region is undeniable, but positive effects have also been felt in the emerging South-East Asian and Latin American regions. The countries that have formerly had centralized economies now possess the abilities that will elevate them to a level comparable to ours. The dynamism that results from globalization is often wrongly condemned. Those who resist globalization so vigorously must first of all analyze and seek to understand it and see exactly what is at stake.

Globalization has made us aware of the state of the world as a whole as well as bringing about the spreading of ideas and values. The associations of citizens from all over the world can, today, raise the public opinion awareness of a reality and get the international community to face up to its responsibilities. However I admit that globalization has two sides. Global society carries the seeds of new discriminations and in this regard, the division between the North and the South should make us reflect. Some have become underprivileged due to information society and this situation deserves our undivided attention and all our energy. Left in unreliable hands, globalization is neither satisfactory nor acceptable.

The impact of globalization can already be felt on the international diplomatic scene. Traditional diplomacy, based on State strategy, is slowly giving way to a diplomacy that aims at tackling the themes that society is confronted with worldwide. This tends to prove the importance of multilateralism. Long-term development international conferences, the information society or the fight against racism are other examples that testify to the possibility of looking beyond national viewpoints in the search for adequate solutions. We have seen the quest for global solutions instead of fragmented ones, which are prerequisites for international solidarity with the underprivileged populations. The failure of Cancun frightened me since the reaction of certain major States was to consider the setting up of bilateral agreements. However it is only through multilateral negotiation that the weakest amongst us can have a chance, not of winning, but of better defending themselves.

I am convinced that the African Diaspora not only contributes to the development of the countries where it has settled but has also a vital role to play in the reconstruction of Africa. The African people have given us much in human, cultural and economic terms. They are within their rights to have the same expectations from us but it is primarily up to them to forge their destiny. In this regard, a misconception might exist. Belgium can go a long way, providing the means and entering into projects as a true partner but cannot make peace on behalf of the countries concerned that need to take their own responsibilities. One day we must hold a proper discussion with the Diaspora on this matter. With the help of certain programs, we already finance the salary disparities between here and there, when members of the Diaspora are sent in to assist; we should look into this matter further so that the people trained here can return to their country of origin for several years. In Kisangani, I saw a handful of doctors dedicated to curing those hurt during war or to women during labor. They felt so deprived. There is a lot of work to be done in this regard.

When the Heads of State of several African countries launched NEPAD, Prime Minister Guy Verhofstadt and I were immediately enthused, for this project was undertaken, defined and decided upon by Africans, who themselves monitored and ensured it was properly managed. NEPAD thus rests on a philosophy of cooperation between the African countries and, moreover, brings the private sector into the financing of some projects. We are still enthusiasts. Nevertheless we should immediately increase the credibility of this step by putting forward its concrete achievements so that it becomes a common objective for all these countries.

As you know, since the beginning of the last legislature, Africa has been the priority in Belgian foreign policy. This is a sincere quest for peace, stability and the happiness of the populations. This commitment is not only made by the government since the parliament has largely associated itself with it and moreover we can count on the support of civil society, the NGOs, economic operators and, of course, on the members of the African Diaspora in our country. The Belgian population also strongly supports our African policy.

At the time of the round table that we organized last year [2003] on the role and the contribution of the Diaspora of the Great Lakes Region and the rehabilitation and development of their countries of origin, we have observed the richness and diversity of existing initiatives and felt the infatuation of our fellow citizens with migrant roots in order to improve the situation in their country of origin. We are considering new venues of cooperating and we have witnessed the attempt to set up an association of representatives of the Diaspora of the Great Lakes Region.

Days like today should allow greater synergies for a more efficient and greater impact on African development. I mean, a Diaspora that comes together around the themes of peace and progress. A Diaspora that, despite a sorrowful past in its own country, adopts a positive and constructive attitude in order to enable its host countries to assist an Africa which is about to take its destiny in its own hands.

Before concluding I would have liked to speak about debt cancellation. The international community demands that African countries free up their economy. Now any economist knows that the primary principle of a liberalized economy is access to financial markets. The issue of debt is important and hard to resolve. On the other hand I would like to point out that it is important for us that the African Union be well placed to assume its role as the driving force and participate in the international system, which will then be more balanced. It is in our interest to support the emergence of regional organizations since the future of the UN and the large international organizations envisages a representative system based on the large regions of the world, where each region will appoint representatives in the executive when decisions are to be taken.

I have other topics at heart but I cannot tackle them today due to time constraints. They concern the regulatory function of the State and the necessity to strengthen institutional capacities at all levels and the transfer of know-how and technology that can largely contribute to the transfer of this knowledge.

Please allow me to conclude by telling you that just as it has done since 1999, Belgium will sincerely and relentlessly continue to do everything possible to mobilize the international community to deal with this magnificent, but largely forgotten, African continent that is, as admitted by all historians, the cradle of Humanity.