

**Frequently Asked Questions**

# The World Bank

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## AFRICAN DIASPORA

### **What is understood by the phrase African Diaspora?**

The African Union (AU) Commission defines the African Diaspora as “peoples of African origin living outside the continent, irrespective of their citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union”. The African Union considers the Diaspora to be the “sixth region” of Africa. The estimated number of African Diaspora by region is: North America, 39.16 million; Latin America, 112.65 million; Caribbean, 13.56 million; and Europe, 3.51 million.

### **How much does the African Diaspora send back in remittances to Africa annually?**

Prior to the financial crisis of 2008-2009, documented remittance flows to Sub-Saharan Africa were about US\$20 billion annually. It is estimated that in 2010, remittances to Sub-Saharan Africa were US\$21.5 billion (Migration and Remittances: Fact book 2011 World Bank).

### **What is the African Diaspora Program?**

The World Bank’s Africa Region launched the African Diaspora Program (ADP) in September 2007. The program focuses on: (i) Diaspora policy formulation and implementation; (ii) financing and leveraging of remittances for development; and (iii) human capital utilization, through Diaspora professional networks and organizations and hometown associations.

In the area of Diaspora policy formulation and implementation, the program has provided Institutional Development Fund (IDF) grants to the African Union Commission (AUC), and the governments of Sierra Leone, Ethiopia, Mali, Uganda, Kenya, Liberia, Malawi, Tanzania, and Uganda. The ADP is engaged at varying degrees in several countries including Benin, Cote d’Ivoire, Congo Republic, Democratic Republic of Congo, Ghana, Lesotho, Niger, Mozambique, The Gambia, Guinea Bissau, Senegal, and Zambia. The IDF support to the AUC’s Global Diaspora Program is of direct relevance to the African Union (AU) Summit on the Diaspora which is planned for May 2012 in South Africa. The World Bank has been asked to provide expected Summit outcomes related to several “bankable” projects including: (i) the proposed African Diaspora Investment Fund; (ii) an Africa continent-wide Diaspora Professional Skills database; (iii) an expanded African Diaspora Development Marketplace; (iv) the AUC’s Volunteer Program; and (v) the African Institute for Remittances (AIR). The request for this support will be detailed at a post Summit meeting to be held in Abuja, Nigeria in July 2012.

On remittances, the ADP with a European Commission (EC) grant and in partnership with the African Development Bank (AfDB) and International Organization for Migration (IOM) are facilitating the establishment of the African Institute for Remittances (AIR) in the AUC. Three very specific activities have been undertaken to achieve this objective as follows: (i) On-Line Consultations have been undertaken with development practitioners, and the general public (remittance senders and recipients) using social media. These consultations gathered views on the creation, structure and functions of the Institute; (ii) A *Best Practice Study* has been prepared to provide suggestions on the possible role, institutional framework, and activities of the AIR once it is established; and (iii) Addis Ababa Forum: The

AUC convened a Consultative and Experience Sharing Forum on Leveraging Remittances for Development in July 7-8, 2011, with representation from 27 AU member states, Regional Economic Communities (RECs) and other stakeholders. The final report of the Forum covered the proposed institutional framework and activities of the AIR, and was submitted for further consideration at the AU Finance Ministers Meeting held in Addis Ababa in March 2012. In a resolution passed by the Ministers, the AUC has been directed to submit to the African Union Permanent Representatives through its relevant sub-committees, reports on the proposed organizational structure for the Institute and its financial implications. The AUC was also requested to follow AUC established criteria and processes to determine where the Institute would be physically located in a Member State. In this regard, Mauritius provided its official offer to host the institute, and Djibouti, Egypt and Kenya expressed their interests.

The project also provides technical assistance and other support to AU Member states on remittances. To date, the project has established pilots that can be scaled up at the continental level. The establishment of an African Remittance Price Database, four assessment missions on the market for remittances to Tanzania, Malawi Liberia, and Sierra Leone on the status of implementation of the General Principles for International Remittance Services (GPs) (legal and regulatory frameworks and market structure); and the training of postal operators in Kenya, Ethiopia, Mali, Burkina Faso, Senegal and Gabon are pilots which have been implemented already. The project has also prepared and is currently updating, a catalogue of studies and activities in the field of remittances, and a report on the best practices of established remittance institutes around the world.

The ADP is working with the International Finance Corporation (IFC) to develop an African Diaspora Investment Fund (ADIF). The ADP will also co-sponsor, with the Regional Multidisciplinary Center of Excellence, Mauritius, a High-Level Forum (HLF) on Leveraging Remittances for Development which will be held, in Mauritius in June 2012. The HLF will obtain feedback on initiatives, specifically the AIR, proposed ADIF, and virtual schemes for attracting skills, expertise and talent.

In the area of Diaspora human capital resource deployment, the ADP with an Italian Government grant is supporting the Ethiopian Diaspora Professional Health Network which is working with the Ethiopian Government's health program and the University of Addis Ababa. The ADP utilized bilateral grants from Belgium, Germany, France, and the Netherlands for the Development Marketplace for the African Diaspora in Europe (DMADE) project which closed on July 2011. The ADP is also deploying "seed funds" of the Japan Social Development Fund (JSDF) to support the development of community driven development projects in Burkina Faso, Mali, and Nigeria and which would involve the participation of Diaspora Hometown Associations in the development activities of local communities.

The ADP has held two Open House events at the World Bank headquarters in Washington. The first was held in 2007 and the second took place in February 2010. A workshop on World Bank operational policies, including fiduciary requirements, was held in May 2008 for Diaspora organizations, firms, and individual consultants to better equip them to partner with the Bank. In July 2010, the ADP launched a database of professionals in the African Diaspora. It would document the diverse talents, skills and experiences of professionals throughout the global African Diaspora. To date, about 500 individuals and organizations are registered in the database.

### **How many countries have received support from the African Diaspora Program?**

The World Bank is engaged at varying levels with over 25 African countries through analytic and advisory activities (AAA) and grants. South Sudan, Africa's newest sovereign nation, has expressed interest in working with the Bank to explore ways in which it can use the skills of its Diaspora population in its development efforts.

**Besides the World Bank, who are the other partners of the Diaspora Program?**

The Partners working with the ADP include: African countries and their governments; the African Union Commission; the African Development Bank; the International Organization for Migration; the European Commission; the Governments of Italy, Belgium, Germany, France, Netherlands; and UNDP. ADP has working relationships with a number of Diaspora-based civil society groups.

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