

Background Note

Informal Development Ministerial Meeting of the Italian Presidency, July 2014

Migration and Mobility - Integral part of sustainable development

Migration and Mobility is a defining issue for development, interlinked with among others such as education, health, human rights, financing for development, disaster risk reduction, rural and urban development, conflict and peacebuilding. As one of the 'most powerful and immediate strategies for poverty reduction'¹ migration has contributed in various ways to the achievement of the Millennium Development Goals (MDGs)². It is also an integral part to sustainable development as currently discussed in the post-2015 development agenda.

The scale of migration and the remittances it generates make it a noteworthy topic for development discussions. There are some **232 million international migrants**, estimated to grow by another 30 million by 2030³. **Remittances to developing countries have been estimated at about €300 billion**⁴ in 2013, three times larger than global aid budgets. The pool of developing-country diaspora savings of migrants living in high-income countries are estimated to be in excess of €367 billion⁵.

If well governed, migration can contribute to the human development of individual migrants and their families while promoting development opportunities both in countries of destination and origin.⁶ Mobility and migration can spur, for example, economic growth, job creation and act as adaptation and recovery strategy from economic and environmental shocks. However, the migration-development nexus is complex, requiring policies to address the **development challenges** of human mobility. Although mainstreaming migration in development cooperation holds great potential for sustainable development, international development cooperation has so far treated migration as a marginal concern.

Maximizing the benefits of migration goes beyond development cooperation and is fundamentally an issue of **Policy Coherence for Development (PCD)**. Many of the actions needed to build enabling environments for migrants and diaspora require coherent and coordinated approaches across a variety of policy fields – both within the EU, its Member States, and in developing partner countries.

Integrating Migration into the post-2015 agenda

The EU Council acknowledged that migration should be considered an **enabler of inclusive and sustainable growth in post-2015 discussions** and that remittances and diaspora investments are innovative sources of financing for the post-2015 goals. There is growing consensus that migration should be integrated in the post-2015 development agenda at the global level as formulated in the Outcome Document of the 2013 UN High Level Dialogue on International Migration and Development. Accordingly the EC post-2015 Communication 'A decent life for all: from vision to action' proposes a number of targets that aim to address the opportunities and challenges of migration – many of these are reflected in the Open Working Group (OWG) discussions but are subject to negotiation.

There exist various opportunities to **integrate migration** and mobility as well as the rights of migrants **in the post-2015 framework**. For effective integration, a three-pronged approach could be followed. First, integrating migration aspects can be best **mainstreamed across a variety of goals and targets** related for example to the focus areas poverty reduction, economic growth, decent work, inclusive societies, inequality, education, health etc. Second, targets and **indicators** should be **disaggregated** by vulnerable groups including migrants and refugees. Moreover, the post-2015 discussions provide an opportunity to

¹ SRSG P2015 Informal Working Group [Submission to the Open Working Group on SDGs](#)

² See IOM (2014): '[A new global partnership for development: factoring in the contribution of migration](#)'

³ According to UNDESA estimates, see UNDESA Population Facts No 2013/2.

⁴ \$404 billion according to World Bank estimates.

⁵ \$500 billion according to World Bank estimates.

⁶ SRSG P2015 Informal Working Group [Submission to the Open Working Group on SDGs](#); ERD 2013

agree on a migration cluster under a new **Means of Implementation /Global Partnership Goal** and agree on objectives, such as: improving the conditions of migration, reducing remittances costs and creating partnerships with diaspora as part of enablers of development. The current negotiations in the OWG follow the first and second approach, yet migration has so far not been a separate cluster under Means of Implementation/ Global Partnership.

With a limited number of targets and indicators to be adopted in a final goal framework, a **prioritisation** of the most important targets and indicators for migration is necessary to collectively work on ensuring their integration. In addition to the remittance costs (reducing it to 5%), the agenda should pay attention to the reduction of migration costs, such as costs of recruitment, improving migrants rights (including those of refugees), their access to services.

Questions

- 1) Given the large number of potential targets and indicators for migration and development, and the fact that goals and targets in a post-2015 framework should be limited in number, what are the priority areas to be covered by potential targets and indicators? How should these then feature in the post-2015 agenda?
- 2) What type of additional data needs to be build to inform migration targets and indicators? How can EU development cooperation support efforts for better data in this field so results and progress can be more clearly shown?

Integrating migration, diaspora engagement and remittances into development strategies and cooperation

Against this background **EU development cooperation from the EU institutions and that of its Member States** play an important role in maximising the positive impact of migration on development. The EU Council has called on all development actors to 'integrate migration and mobility issues into their development policies and instruments where this is relevant to achieving development outcomes' and to facilitate the involvement of migrant organisations in the planning of migration and development policies at all levels.⁷

This includes, among others, building on **approaches to better link diaspora, remittances and investments to supporting the three dimensions of sustainable development (social, environmental, economic)** as well as creating partnerships with diaspora groups through development cooperation. Diaspora groups not only facilitate remittances, but transfer knowledge, technology, investment, trade and entrepreneurial activities, contributing to economic and private sector development.⁸ Diaspora and migrants should thus be given a **stronger voice** with the EU and its Member States actively engaging with their expertise.

In recent years, the EU institutions and MS have made progress in acknowledging the role diaspora for development in their countries of origin while respecting the private nature of investments. A number of European donor agencies have funded and implemented **projects to support diaspora engagement** facilitating productive use of remittances and supporting local private sector development. Innovative projects also aim to link such actions to other sustainability objectives, such as climate adaptation. For example, Italy is currently funding a project on 'Promoting Sustainable Land Management through Innovative Financing Mechanisms in Rural Areas of West Africa', which integrates migration, diaspora engagement with development policies and sustainable land management in Burkina Faso, Niger and Senegal.¹ IFAD's 'Diaspora Investment in Agriculture initiative (DIA)' is another example, fostering job growth in local communities and reducing the need to migrate by providing incentives for global diaspora to invest in sustainable agriculture projects.

Possible Actions:

- 1) Supporting diaspora engagement for development would need to be **integrated in wider development cooperation** independent from the EU's Global Approach to Mobility and Migration

⁷ Council of the European Union 12415/13; 19 July 2013.

⁸ The EU Council acknowledges that diasporas can play an important role with regards to **strengthening private sector engagement** for development; see EC Communication on 'Strengthening the Private Sector'

(GAMM). European development actors should acknowledge existing diaspora-led initiatives relevant for Southern partners and link up with them in relevant areas, such as:

- in policy-making related to supporting the private sector for inclusive and sustainable development. Activities for **private sector development** would benefit from systematically looking at the role migrant entrepreneurs and diaspora organizations can play.
- in designing **disaster risk management planning, climate change adaptation strategies, food security or peace building activities**, which could emphasize the role of migrants and diaspora participation more strongly.
- in development policies and initiatives focusing on market development, which for example, **could integrate provisions for migrant entrepreneurs**.

2) European development **cooperation could** support migrant entrepreneurs and diaspora more directly. An **action framework** should build on lessons learned of existing development projects for diaspora engagement, which are mainly small-scale and fragmented. Continuing to **build an evidence base** on diaspora engagement and understanding what practices work best under which circumstances is important. Cross-project evaluations have not been conducted so far. This could be envisaged in order to get a sense of which initiatives work best and what could be scaled up.

- **Developing financial tools and capacity to enhance the use of remittances for investment**
Progress has been slow in this area, especially through **linking remittances of migrants to financial products** (such as deposits, loans or insurance) for households or small local enterprises. Providing incentives for diaspora to invest can be achieved through innovative tools, for example collective investment mechanisms, e.g. reinvesting pooled remittances into projects supporting local business and private sector development. Providing financial tools needs to go hand-in-hand with **improving financial literacy, building capacity** and engaging with migrants and the diaspora to change attitudes and behaviours to better manage finances.

- **Promoting migrant entrepreneurs and migrant-run enterprises**

Although not all migrants can be described as entrepreneurs, migrants and diaspora with entrepreneurial ideas can benefit the development of their communities. Migrant entrepreneurship already takes place, but **providing support to migrant entrepreneurs** can help to overcome some of the barriers that may hinder a successful business. Beyond activities linking entrepreneurs to financial tools, support can include **facilitating exchange** between diaspora professionals, home country governments and local business professionals to link potential diaspora resources to priority development areas. **Mentoring, capacity building or providing access to information are other key areas**.

3) Creating **stronger partnerships** with migrants and diaspora groups and engaging them in development planning could be an element for future action. Understanding motivations, capacities, existing development engagement, and diaspora relations with their home government as well as the modalities that could leverage their engagement is key. A strategy could be to **support existing and spontaneously created organisations** and networks while engaging with governments in countries of origin to build policy strategies and frameworks enabling diaspora engagement. Involving diaspora organisations on par with other non-governmental development organisations and consulting them in the programming cycle would be an important step forward.

Questions

- 1) Is there scope for further development of policies and programmes based on issues raised in this note?
- 2) Building on the Commission's Communication and EU Council conclusions on engaging and promoting the private sector in development cooperation, can specific guidelines be developed to better integrate the private sector and diaspora communities in development projects related to remittances, migration and development more broadly?
- 3) What are ways forward to better build networks and partnerships between private sector, governments, diaspora groups to foster entrepreneurship and knowledge transfer? What role can the post-2015 process play at the global level in ensuring this?