The issue

There is a wealth of evidence illustrating how the financial resources and knowledge of diaspora communities can promote development in their countries of origin. To date, however, diaspora engagement in agriculture and rural development has been limited due to the challenges of investing in rural areas. These include a lack of expertise in agriculture, a lack of information on investment opportunities, an inability to enforce decisions and understand market dynamics from a distance, the remoteness of rural areas, the difficulties of channelling contributions to their destination and the limited networking and partnership interaction between rural institutions and diaspora associations. With the right support and platforms, diaspora organizations can play a key role in helping rural areas, in the form of capital investment, skills and technology transfer, know-how and improved social networking.

The action

This initiative aims to create income-generating opportunities in agribusiness by tapping into the entrepreneurial potential of the global diaspora, facilitating direct investment and boosting knowledge transfer through mentorship and exchange programmes. It aims to raise the awareness and strengthen the capacity of relevant stakeholders to avail of the contribution of migrants and diaspora to agriculture and rural development.

Together with its partners, FAO will provide policy advice to support countries in achieving the objectives of the Global Compact for Migration (GCM). It will foster inter-ministerial and multi-stakeholder policy dialogue and the development of concrete roadmaps and action plans for diaspora investment in agribusiness, as well as the mainstreaming of trans-national communities’ contributions to large-scale agricultural investment programmes. South–South cooperation and Diaspora–Agribusiness Share Fairs will enable knowledge and experience sharing among countries.

FAO will also help to design and strengthen mechanisms to facilitate the transfer of diaspora skills, expertise and resources. It will map diaspora associations and analyse their competences and the main bottlenecks to investment. Through diaspora days and open calls for proposals, FAO will mobilize migrants and youth associations to spur investment. Matching grants and service bundles (e.g. access to finance, business and technical training, business development centres and incubation hubs, mentorship and peer-to-peer support services) will be offered to support young entrepreneurs, youth associations and diaspora investors and mentors.

The issue in numbers

- USD 689 billion in global remittances in 2018
- 10.8% year-on-year rise in remittances to low- and middle-income countries in 2018
- 6.4% of Viet Nam’s, 4.3% of Uganda’s and 3.4% of Burkina Faso’s GDP comes from remittances
- 5 countries have action plans to foster diaspora engagement in agribusiness
- More than 2,000 agro start-ups and SMEs reached through service bundles
- 8 Diaspora–Agribusiness Share Fairs organized at national, regional and global levels
- USD 10 million
- 5 years
- 5 countries (3 in phase one)
Expected results

- Increased knowledge and awareness of the contribution of the diaspora to agriculture and rural development;
- Stronger policy dialogue among relevant stakeholders and increased capacity to facilitate migrant and diaspora contributions to home-country agriculture and rural development;
- Opportunities facilitated for diaspora investment in agri-business;
- Increase in the non-financial contribution of diaspora to agriculture and rural development (mentoring, transfer of knowledge and skills, etc.);
- Facilitated South–South cooperation mechanisms and sharing of good practices on diaspora engagement in agriculture and rural areas.

Geographic focus

The programme has global and country-level components. Activities at global level are aimed at facilitating the development of approaches and methodologies to support diaspora engagement in agribusiness. South–South and triangular cooperation are fostered in order to replicate good practices and strengthen bilateral and international cooperation.

At country level, the programme is divided into an inception phase supporting three countries, Burkina Faso, Uganda and Vietnam, and a scaling-up phase targeting other countries in Africa, Asia, Eastern Europe and Latin America (potentially, the Gambia, Honduras, Kyrgyzstan, Mexico, Nepal, Nigeria, the Philippines and Tajikistan). Criteria for selecting the countries include remittance levels and migration flows, size of diaspora community, share of rural population and share of agricultural value added to GDP.

In partnership with

The International Organization for Migration (IOM), the International Fund for Agricultural Development, government ministries and diaspora departments, local, national and regional authorities, diaspora associations (such as the Africa–Europe Diaspora Development Platform and the International diaspora Engagement Alliance), youth groups, producers’ organizations, the private sector (for example, the DAIN Network) and financial institutions.

Diaspora engagement in Tunisia

Through support received from FAO’s Rural Youth Migration project in Tunisia from 2015 to 2018, 49 Tunisian agro-enterprises received tailored coaching and in-kind contributions, resulting in the creation of 89 full-time jobs and 83 occasional jobs, with indirect benefits for more than 400 rural workers and producers. More than 50 percent of the agricultural enterprises supported (e.g. animal production, aromatic and medicinal plants, tree nurseries) saw a financial and technical contribution from the diaspora, exceeding the initial target of 30 percent. This was thanks to an innovative diaspora engagement process, which included a widespread call to action, the formalization of diaspora engagement, the training of agricultural coaches on diaspora mobilization, tailored support to youth and the organization of diaspora days.

Why invest?

FAO is in a unique position to mobilize the global diaspora for food-systems development, thanks to its expertise on migration and agri-business. In synergy with the work carried out by other partners and building on its renewed partnership with IOM, FAO can act as a bridge builder, connecting governments, diaspora offices and departments, diaspora organizations, financial institutions and rural stakeholders. By investing in this field, development partners will support FAO in providing information on opportunities for investing in agriculture, facilitating links between diaspora and small/medium agro-enterprises to create new market and trade opportunities, facilitating diaspora investment in agribusinesses, supporting capital-matching programmes, facilitating the transfer of knowledge and skills, encouraging mentorship and sponsorship of rural youth, providing start-up capital to set-up agro-enterprises and advocating for the investments of collective remittances to support local and infrastructure development in rural areas.

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