



Concept Note

Diaspora Engagement Project for the Directorate of Diaspora Affairs and International Cooperation of the Ministry of Foreign Affairs, Federal Republic of Somalia

Duration: October 2022- September 2025 (36 months)

I. Action Summary

This multi-year project aims to strengthen the institutional and operational capacity of the Directorate of Diaspora Affairs responsible for engaging the Diaspora in the development of Somalia. The innovative element of the project is that it aims to expand and redouble the efforts of engaging with the Diaspora through a comprehensive approach and integrated strategy that has not been attempted in the past. It also aims to take the engagement with the Diaspora to a higher level since the Diaspora remains a defining constituency for the development of Somalia, and they will become even more decisive in the future. Enhanced institutional engagement with the Diaspora through myriads of targeted and integrated interventions will enable the government to leverage more **Diaspora-led development** in the country that is impactful and on a substantial scale for years to come. This is because the Somali Diaspora has already positioned itself as an indispensable agent of change in the social, economic and political life of Somalia. This is both in the efforts geared towards achieving inclusive development and social change. More importantly, the project will also support the government and the Diaspora to partner closely in the development efforts geared at achieving some of the key targets of the sustainable development goals in the country in 2030. This is the justification that makes this proposed project both timely and policy-relevant for the new government of Somalia at this moment.

The work of this proposed project will comprise several complementing activities, namely, Diaspora mapping and profiling exercises, Diaspora outreach missions, organizing Diaspora summit in Somalia, offering technical assistance for institutional capacity development to the Directorate of Diaspora Affairs in the form of training, coaching, mentoring and consultancy services, and developing Diaspora-oriented projects in a number of key sectors. Undertaking all these complementing activities together is aimed to ensure a cumulative effect for the boosting of the institutional and operational capacity of the government with the engagement of the Diaspora. It also aims to substantially increase the institutional capacity of the government to mainstream the Diaspora-driven development into national development plans.

II. Rationale

The project is initiated to foster a renewed cooperation between the Directorate of Diaspora Affairs and the Diaspora for the development of the country. This renewed partnership is expected to considerably increase the contribution of the Diaspora to the overall development of Somalia in a sustainable and large-scale manner. Somali Diaspora has been sustaining the economy of Somalia through their considerable remittances transfers and has been the largest aid contributor to Somalia since 1991. Without this financial aid, the economy of Somalia would have collapsed long ago. Yet, the potential of the Somali Diaspora remains enormous as they constitute the greatest offshore asset of Somalia. If this potential is creatively and purposefully tapped, it could have a profound impact on the development of Somalia. Nonetheless, over the years, the past governments of Somalia have not managed to sufficiently harness the considerable potential (**capital, knowledge and networks**) of its two million Somalis overseas to the development of the nation more effectively. In this regard, the project is initiated to increase the institutional capability of the government to benefit more from the engagement with Diaspora.

The newly formed government of Somalia recognises the Diaspora to be a very important development constituency and a valuable partner in the development of the country. This is the reason that the government is very much committed to scaling up the engagement with the Diaspora to a higher level in its development policy now than ever before. The goal of the government is to upgrade and formalised the engagement with Diaspora. For instance, the development intervention undertaken by the Diaspora is still informal, sporadic, fragmented and largely limited to the local development of Somalia. Mobilising the Diaspora for national development purposes is something that has not been actively promoted at the national level. The reason is that generally, engagement with the Diaspora requires both time and a dedicated political commitment to a long-term goal. It also requires serious preparation across the board beforehand. To address this the government wants to embark on policy and practical changes geared toward reaching out to the Diaspora in new ways that are constructive and ensure mutual partnership in the national development of the country. Furthermore, the government aspires to reach out and engage the Diaspora as a collective force so that they can pool their resources for a joint action that the nation can reap more benefits from in the long run. The Government is well aware that the engagement of the Diaspora in the development of Somalia takes different forms and is diverse and varies from one group to another. The Government is also aware that Somalia Diaspora largely organizes themselves as **development practitioners, humanitarian philanthropists, business entrepreneurs** and **skilled professionals** through which they transfer their considerable strategic resources to the country. The Government will therefore engage with the Diaspora along those lines through which they organize themselves, not so much as individuals as has been the case in the past which has not been that effective. Leveraging more Diaspora-led development in Somalia country in a sustainable and a systematic manner is the rationale to initiate this action at the moment.

III. Background

Since the central government of Somalia collapsed in 1991, the Somali Diaspora overseas has been largely sustaining the economy of the country. They have been transferring considerable remittances to Somalia. Without this financial support, the economy of the country would have collapsed long ago. According to the World Bank, remittances in 2018 were estimated to reach a total of US\$1.4 billion in Somalia equivalent to 25% of Somalia's GDP, exceeding the international aid flow and foreign direct investment (FDI)¹. The fragile economy of the country and the lack of a stable and secure income is what make remittances as an important livelihood strategy and lifeline for households in Somalia. In this regard, the Somali Diaspora has been and remains the largest aid contributor to Somalia since 1991. In addition to that, Somali Diaspora organizations and groupings have helped to set up community development projects in different localities in-country to support schools, health care, widows and orphaned children among others. Today, a sizeable number of Somali Diaspora organizations are now leading hundreds of development-related projects largely in villages and rural areas all over Somalia. They have been responding to vital needs not met by the programmes of more established development agencies. In short, the development initiatives are undertaken by the Somali Diaspora organizations often complement those implemented by mainstream donor agencies active in the homelands. Likewise, the Somali Diaspora have been promoting overseas business enterprises in Somalia over the past two decades. They undertook this activity by setting up their enterprises in the country or by collaborating with local businessmen. While some of them have been playing a mediatory or intermediating role by linking companies in the host countries with companies in Somalia. In doing so, they help facilitate the transfer of finance and technical know-how from host countries to local enterprises. Furthermore, the business intervention of the Diaspora in the country is spread over a wide range of sub-sectors, such as small-scale industries, telecommunication, construction, remittances and trade. The scope, level of investment and geographical distribution of the products or services delivered from these business sub-sectors are different. However, these investments have all created employment opportunities, which improve the livelihoods of many families, and also provide affordable services, give revenue to the government and introduced new ways of doing business as a culture of good practices for the local businesses (UNDP, 2009). Others have been largely contributing their skills and technical know-how through teaching in the local universities and providing needed technical support to government departments. For example, the UNDP Qualified Expatriate Somali Technical Support (QUESTS) project has largely helped to facilitate the return of, and place Somali Diaspora experts at various Somali institutions to do institutional capacity development.

All in all, the Somali Diaspora have been active in different sectors and at different levels in the country. They also remain involved in a broad range of development-related activities at the local, sub-national and national levels. As a result, members of the Somali Diaspora have now positioned themselves as critical actors in the development of Somalia. They have indeed become the key drivers for a Diaspora-led development sector, which is quite different from the traditional development cooperation sector that, typically, is the domain of more developed donor governments. Consequently, Somali Diaspora communities are contributing huge resources in various means to the social welfare and economic growth of their respective homelands, remarkably exceeding the level of the official development assistance (ODA). This proposed project is therefore initiated to scale up, expand and deepen the overall contribution of the Somali Diaspora in the development of Somalia in the short, medium and long terms. This can be done by strengthening the outreach, capacity and coordination of the Directorate of Diaspora Affairs responsible for engaging the Diaspora in the development of the country more effectively.

¹ Somalia National Development Plan 2020-2024: <https://bit.ly/2GL6DW6>

III. Overall objective of the action

The overall objective of the project is to strengthen the institutional and operational capacity of the Directorate of Diaspora Affairs responsible for engaging the Diaspora in the development of Somalia.

Within this main goal, the action has the following three objectives:

- To support the Directorate of Diaspora Affairs in developing an effective outreach mobilising strategy geared at reaching out to the Diaspora and to connect them collectively and in an organized manner with the development of the country;
- To enhance the institutional and operational capacity of the Directorate of Diaspora Affairs substantially; and,
- To improve the development partnerships between the government and the Diaspora in the national development efforts of the country.

IV. Key activities of the action

1. Undertaking Diaspora mapping and profiling exercise
2. Facilitating a number of Diaspora outreach missions abroad
3. Organizing a Diaspora submit in the country in 2023
4. Offering technical assistance for institutional capacity development to the Directorate of Diaspora Affairs in the form of training, coaching, mentoring and consultancy services
5. Supporting the government to develop a Diaspora-oriented projects in key sectors in line with the development agenda of the country and with the Global Compact on Migration (GCM) as related to the Agenda for Sustainable Development Goals, expected to be realised by 2030.

V. Expected results from the action

- Outreach and communication strategy with Diaspora is substantially improved.
- Institutional and operational capacity of the Directorate of Diaspora Affairs to be enhanced.
- Development partnerships between the government and the Diaspora in the development efforts of the country greatly expanded.

VI. Strategic partners

The strategic partners for this action are the Directorate of Diaspora Affairs of the Ministry of Foreign Affairs and International Cooperation of the Federal Republic of Somalia and the African Diaspora Policy Centre (ADPC) based in The Hague. We are joining forces to bring together our political power, legitimacy, experience and expertise on this timely project for the development of Somalia at the moment. We are also joining forces to double our efforts and thereby boost the quality needed to undertake the work of this action successfully and on time.

About ADPC

The African Diaspora Policy Centre (ADPC) is a leading Diaspora think tank in Europe in the field of Migration and Development. The foundation compiles, analyses and disseminates information and insights on a number of critical areas, including development, Diaspora entrepreneurship and skills transfers in the form of brain gain. ADPC is at the forefront of generating knowledge and information primarily targeted at three groups: African Diaspora organizations in Europe, policymakers (Diaspora focal points) in the countries of origin, and development practitioners involved in Diaspora and development related issues, both in Africa and in Europe. Furthermore, the work of ADPC is particularly dedicated to mobilising African Diaspora communities in Europe for the development of Africa; facilitating the mainstreaming of Diaspora development practitioners in the development cooperation circles both in the host and home countries; promoting research collaboration between Diaspora and homeland researchers; and strengthening the policymaking capacity of the newly-formed Diaspora-oriented institutions in Africa by offering technical support for institutional capacity development in the form of training, coaching, mentoring and consultancy services. ADPC achieves its goals by conducting evidence-based policy-relevant research; providing capacity building and training workshops; organizing expert meetings and conferences; facilitating contacts and networking relations; disseminating relevant and timely information and analysis through publications; and offering consultancy and information services on the African Diaspora and development related issues regarding Africa.