



Federal Ministry
for Economic Cooperation
and Development



Migration as a Driver for Private Sector Development

Guidelines for Practice

Published by:

giz Deutsche Gesellschaft
für Internationale
Zusammenarbeit (GIZ) GmbH



Centre for International
Migration and Development
a joint operation of GIZ and the
German Federal Employment Agency



Authors:
Job Meijer (Consultant),
Stephanie Deubler (GIZ)

Index

Foreword	5
1 Introduction	6
2 The Concept of Private Sector Development in the Migration Context	10
3 Practical Approach: How to tap into the potential of migration to foster private sector development?	12
3.1 Migration and SME Development	14
3.2 Business and Investment Climate	20
3.3 Promotion of Innovation and Technology	24
3.4 Value Chain Development	29
3.5 Trade of Nostalgic Products	34
3.6 Business Responsibility / CSR	38
References	42
Further GIZ Resources	42

Acronyms

BMZ	German Federal Ministry for Economic Cooperation and Development
BoP	Bottom of the Pyramid
CIM	Centre for International Migration and Development
CRB	Centre for Responsible Business
CSR	Corporate Social Responsibility
CoD	Country of destination
CoO	Country of origin
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH
MITOS	Migration Tools. Options for Sustainability
MRA	Moroccans residing abroad
R&D	Research and development
SME	Small and medium enterprises
ToT	Training of Trainers
UN	United Nations

Foreword

Migration and development – the link seems obvious, both in positive and negative terms. Remittances, knowledge transfer, migrant entrepreneurship are just a few examples, of how migrants can contribute to the development of their countries of origin. Nonetheless, there are also risks involved, when the high-skilled youth goes abroad (brain drain) or families and whole economies become dependent on financial transfers from abroad. What is often lacking are practical approaches and instruments how to foster the potential of migration for the development of countries of origin, but also to address risks in this context.

The private sector plays a very specific role in this context as the backbone of every economy. Migration can have various effects on both a country of origin's and a host country's private sector. On the one hand, migration can mean a loss of the most adventurous and entrepreneurial spirits of an economy, as these are also the ones disposing of the energy, the drive and the networks to start a new life in a different country. Nonetheless, this does not automatically have to be a loss for the country of origin's economy. Migrants can contribute in various ways to private sector development and so eventually to the creation of jobs and the generation of income. They can start transnational businesses to link both the country of origin and the host country and take out the best of both worlds. Migrants can contribute to innovative processes through new ideas, tacit knowledge and international networks and thereby strengthen the private sector. Families receiving remittances might be interested to not only send their children to school and invest in better healthcare, but also to start a micro business to contribute with the capital arising from remittances and thereby increasing family income.

German development cooperation supports these contributions in various ways. These guidelines aim at providing information and hints for development cooperation programmes in partner countries on how to best include migrants living in the diaspora, returnees or migrants' families into private sector development activities. The idea is not to provide "one size fits all" approaches, but rather give examples on how others have approached the topic, inform about available support programmes and instruments and encourage the integration of migration in such programmes.

We hope to provide you with interesting and useful information and based on your experiences, encourage international exchange on the topic!

Isabel Mattes-Kücükalı

1 Introduction

“We are only beginning to learn how to make migration work more consistently for development,” Secretary-General Kofi Annan stated in a report prepared in anticipation of the first UN High-Level Dialogue on International Migration and Development in 2006. *“Each of us holds a piece of the migration puzzle, but none [sic!] has the whole picture. It is time to start putting it together.”*¹

Eight years later, the idea that migration offers huge potential in the development context has gained recognition in development practitioners’ circles and is not considered something new anymore. Migration is now recognized as

a cross-cutting issue that needs to be included in different sectors of development cooperation – which helps to “put the different pieces together”.

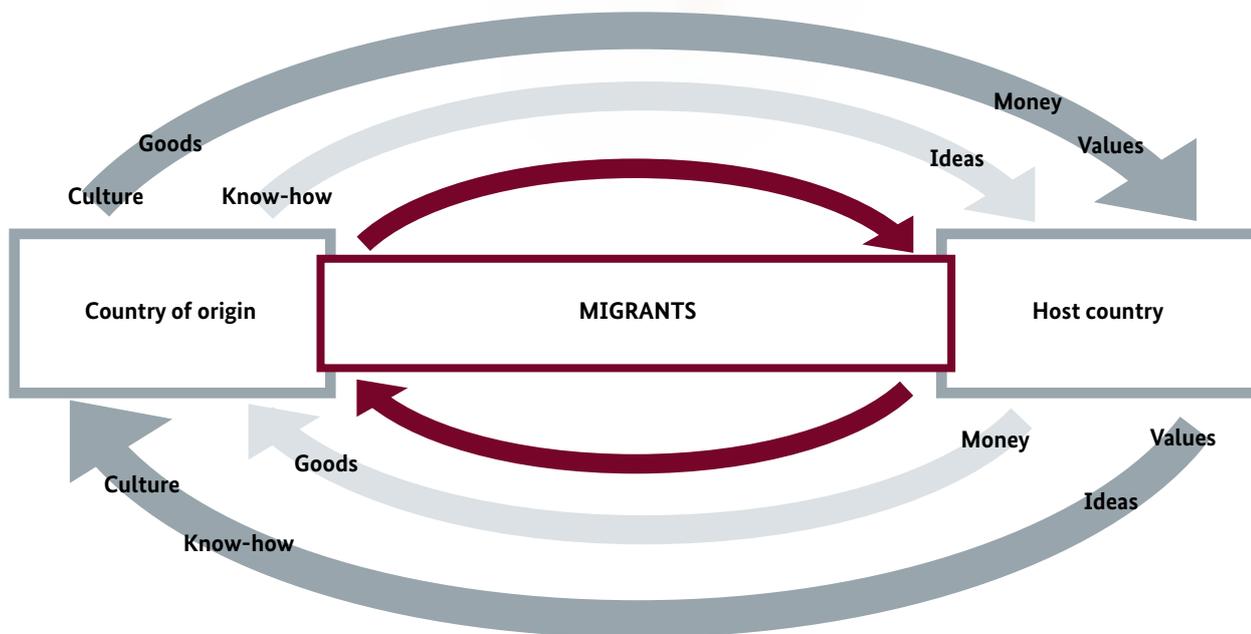


Figure 1: Circular flows of migrants and different factors (Sector Project Migration and Development, 2010)

Flows

Migration can benefit the development of the private sector in both countries of origin, as well as countries of destination. Because, as people move, ideas, capital, knowledge, contacts, culture and other important factors move with them. How can this be beneficial?

The above depicted factors, or ‘flows’, offer challenging potentials for private sector development. More specifically, they can be grouped as remittances (financial transfers of migrants to their country of origin), knowledge transfer (skills and knowledge acquired abroad and “brought back” to the country of origin), social transfers (contacts, networks, etc.) and investments (either from the diaspora or by returnees).

¹ High-Level Dialogue on International Migration and Development, United Nations General Assembly 14-15 September 2006, <http://www.un.org/migration/>

Capital for private sector development

When talking about the development potential of migration, one could refer to different types of capital (see figure 2) that are relevant for private sector development: first of all, people, as such, form human capital; they acquire skills and knowledge abroad, which they can then contribute to the country of origin through return (knowledge transfer), by either creating businesses or seeking employment. Second, creating businesses – either from abroad (diaspora investment) or through return entrepreneurship – demands financial/entrepreneurial capital. Third, businesses set up in the country of origin are often the result of new ideas, networks and contacts that migrants acquired abroad and

which are useful in the context of business creation. This is referred to as social capital. Fourth, migrants often have a special commitment to their country of origin; i.e. they are emotionally linked and thus very motivated to engage with their country. This is often referred to as affective capital. In general, this emotional link not only exists for the country of origin, but also for the region or village of origin. The emotional linkage at these levels is often even stronger, and is referred to as local capital. This local capital offers opportunities for regions and villages, which might be overlooked by traditional development partners, to attract diaspora/returnee business and investment.

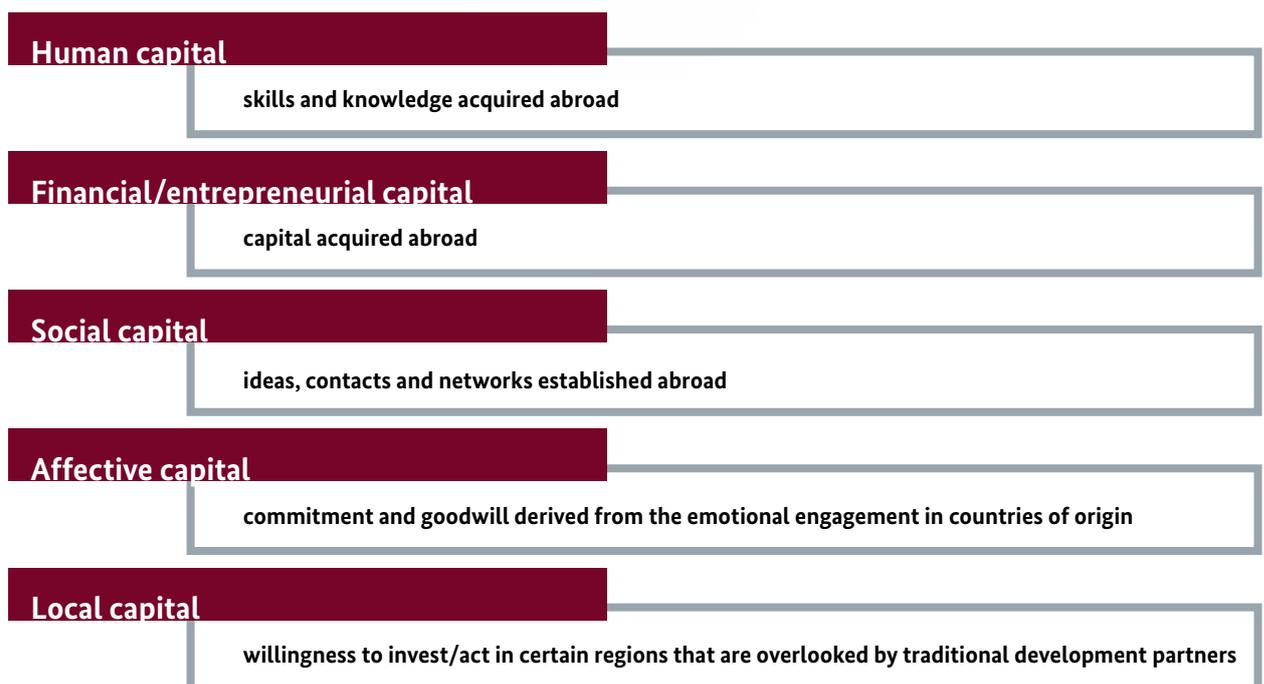


Figure 2: Overview of different types of capital involved in the migration and development context (presentation by author; content based on Joint Migration and Development Initiative, 2013, http://www.migration4development.org/sites/m4d.emakina-eu.net/files/mapping_local_authorities_practices-jmdi_2013_-_online_version_1.pdf)

Target group of the handbook

This handbook will offer support to development practitioners working on private sector development in the GIZ partner countries, as well as programme planners at headquarters who seek to integrate migrants, their families and returnees into programme activities in order to tap into their potential. The idea is not to offer guidelines for setting up 'pure' migration programmes, but rather to offer ideas, approaches, tools and best-practice examples on how migration can be integrated into regular private sector development programmes.

In order to find out whether this handbook might be useful to you, please refer to the following questions:

- ▶ Do you work in a technical cooperation programme for private sector development in a region or country that is strongly affected by migration?
- ▶ Do you have many families that receive remittances or returnees among your programme's target group or beneficiaries?

If so, these guidelines will help you to

- ...tap into the migration-related potential to boost private-sector development in the context of your programme.
- ...involve new actors and partners in your programme activities.

Finally, it is not necessary to have a great deal of previous knowledge of the theme of migration in order to use the handbook. However, it is assumed that the reader is already acquainted with concepts, mechanisms and instruments of private sector development.

Structure and set up of the handbook

The handbook covers five different topics of sustainable economic development and offers options and practical ideas on how to integrate the topic of migration and/or the target group of migrants, their families and returnees into respective programme activities. Moreover, the handbook tries to bring into perspective options both for countries of origin and of destination.

Readers do not necessarily have to go through the entire publication, but can pick those subjects most relevant for their work:

Chapter overview

▶ SME Development.....	p.14
▶ Business and Investment Climate.....	p.20
▶ Promotion of Innovation and Technology Transfer.....	p.24
▶ Value Chain Promotion.....	p.29
▶ Trade of Nostalgic Products.....	p.34
▶ Business Responsibility / CSR.....	p.38

Figure 3: Overview of these guidelines topics (Sector Project Migration and Development, 2014)

Chapters of the handbook contain the following elements:

- ▶ **Green content box for easy navigation of the handbook**
- ▶ **Introduction: thematic background information to introduce you to the topic**
- ▶ **Overview of tools and approaches: which tools are already available?**
- ▶ **What can migrants contribute? Where is the potential to “think” migration in this specific context?**
- ▶ **What can development cooperation do to support and promote these contributions? Which practical experiences, tools and approaches do exist to tap into this potential?**
- ▶ **Practical example from previous experiences**
- ▶ **The next step: What can your programme do? ‘way forward if interested’, extra information, and contact details**
- ▶ **Separate boxes, where applicable: criteria for success and information on risks, (indicated by ‘exclamation mark icon’)**

In case support and advice is needed, please feel free to contact the Sector Project Migration and Development at migration@giz.de!

2 The Concept of Private Sector Development in the Migration Context

The German Federal Ministry for Economic Cooperation and Development (BMZ) clusters its approach to private sector development along three fields:²

- ▶ Creation of suitable political, legal and administrative framework conditions
- ▶ Creation of competitive and sustainable economic structures
- ▶ Cooperation with the private sector for sustainable investment

The first topic refers to the creation of an environment conducive for private economic engagement, which is one of the key tasks of the state. Suitable political, legal and administrative framework conditions are one of the pre-conditions in order to attract investment, trade and the growth of private businesses. This, of course, also applies in the context of migration: Countries of origin can, for example, actively attract diaspora investment through regulatory measures facilitating investment from diaspora – including the 2nd and 3rd generation – abroad. Ethiopia, for instance, issued a diaspora policy³ in 2013 which focuses, among other topics, on the facilitation of diaspora investment.

German development cooperation's approach, in terms of the creation of competitive and sustainable economic structures, focuses on 1) sector specific promotion of the economy and the promotion of value-chains; 2) local and regional economic promotion; 3) promotion of ecologically sustainable growth; 4) strengthening of innovation systems and 5) strengthening of the institutional business environment for services.

Migration can also play an important role in this context. Just to give a few examples: migrants can contribute to the promotion of value-chains as investors, through knowledge transfer or their international networks, which can facilitate trade and promotion of products.⁴ Know-how in renewable energies and other relevant fields can be useful

for economic development in the country of origin – through diaspora engagement or returnees – where it can contribute to ecologically sustainable growth. Knowledge transfer is especially important when it comes to the promotion of innovation in countries of origin. The exposure to other techniques, ways of work, types of organizations and knowledge in general gives people the opportunity to contribute all this to their country of origin's economy.

Cooperation with the private sector, the third field, aims at combining the innovation power of private companies with the resources, the know-how and the expertise of development cooperation. It covers topics such as inclusive business models or corporate social responsibility.

In the migration context, business responsibility is getting increasingly important, especially in host countries. Growing public awareness about the tough working conditions of many migrant workers raises pressure on private businesses to improve the situation. Development cooperation can play an important role in this regard.

CIM, the Centre for International Migration and Development (a joint operation of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and the German Federal Employment Agency) focuses on operational programmes targeting migrants in Germany, as well as advising BMZ and GIZ programmes in partner countries, which wish to include migrants, their families and returnees in their activities. Examples of its approach and work, both on advisory and operational level, will be presented throughout these guidelines.

2 BMZ „Sektorkonzept Privatwirtschaftsförderung“, BMZ-Strategiepapier 9/2013, http://www.bmz.de/de/mediathek/publikationen/reihen/strategiepapiere/Strategiepapier333_09_2013.pdf (23.04.2014) - only available in German

3 Ethiopian Diaspora Policy 2013, <http://www.ethdiaspora.org.et/phocadownloadpap/Policy/diaspora%20policy.pdf> (17.06.2014)

4 GIZ 2013, „Creating Value through Migration“, <http://www.giz.de/expertise/downloads/gtz2010-en-leitfaden-wertschoepfungsketten.pdf> (accessed on April 24, 2014)



3 Practical Approach: How to tap into the potential of migration to foster private sector development?

As described in chapter 1, migration offers potential for private sector development in the country of origin (see figure 1 and 2). However, due to the fact that South-South migration, in terms of numbers of migrants, is larger than South-North migration (82.3 million compared to 81.9 million international migrants in 2013)⁵, many of the partner countries of German development cooperation are also countries of destination or transit countries of migrants heading further. To take this into consideration, these guidelines look at both perspectives – of countries of origin and countries of destination – wherever applicable and useful.

Even though the potential is large in terms of financial capacities, skills, know-how, networks and social skills, there are constraining factors which hinder the contributions of migration to private sector development. For example, lack of information both in the country of origin, but also among the diaspora, might hamper the interest in investment and business creation: e.g. migrants might not be familiar with the investment and business climate in detail, or do not know about programmes that could support them in their endeavour or they lack knowledge in terms of administrative procedures.

Adding to the problem is the fact that institutions in the country of origin are often not aware of the potential that their diaspora comprises. Therefore there is a lack of platforms and structures for exchange, and these institutions are unaware of how to strengthen the ties with the diaspora.

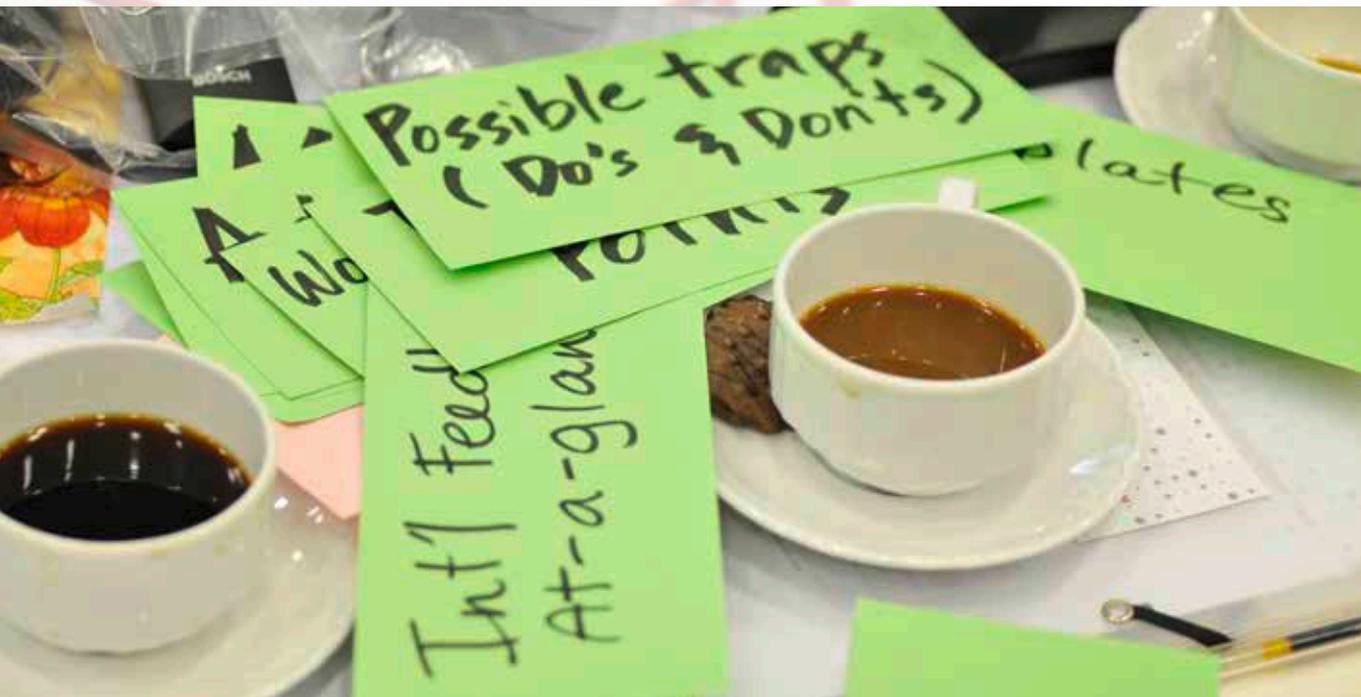
The following chapters will explain how migration can contribute to different aspects of private sector development and offer options on how the above mentioned obstacles can be overcome. Given the fact that migration is a very complex issue, usually depicted as a migration circle (before migration – during migration – return) that touches upon different levels of countries' economies, the sector project migration and development has developed a so called "Migration Measures Matrix". Figure 4 gives an example of such a matrix, which provides an overview of the chapters to follow. The different topics dealt with in the handbook are clustered along the different migration phases and the different intervention levels (micro, meso, and macro).

⁵ World Bank (2014): *Migration and Development Brief 22*, April 11, 2014



	Before Migration	During Migration	Upon Return
Target Group	Potential migrants in country of origin	Diaspora in the host country Migrants' families in the country of origin Institutions in the country of origin	Returnees Institutions in the country of origin
Micro Level	Business Responsibility/CSR	SME Development Promotion of Innovation and Technology Value-Chain Promotion Trade of Nostalgic Products Business Responsibility/CSR	SME Development Promotion of Innovation and Technology Value-Chain Promotion Trade of Nostalgic Products
	Before Migration	During Migration	Upon Return
Meso Level	Business Responsibility/CSR	Promotion of Innovation and Technology Value-Chain Promotion Business Responsibility/CSR	Promotion of Innovation and Technology Value-Chain Promotion
Macro Level		Business and Investment Climate	Business and Investment Climate

Figure 4: Migration Measures Matrix for Private Sector Development (Sector Project Migration and Development, 2014)



3.1 Migration and SME Development

1. Introduction
2. Tools to assist migrant development of SMEs
3. What can migrants contribute?
4. What can international cooperation do to support these contributions?
5. SME case
6. The next step: What can your programme do?

3.1.1 Introduction

Small and medium-sized enterprises (SMEs) usually account for more than 90 per cent of all companies in a country's economy. Studies indicate that formal SMEs contribute up to 33 percent of GDP in developing economies. Furthermore, SMEs make a crucial contribution to competition and innovation and provide the majority of jobs and training places and thus play a significant role in economic development, particularly in developing and emerging countries.

German development cooperation believes that migrants can advance their countries of origin with their know-how and business ideas and play an important role in job creation and economic growth. Migrants can enable knowledge transfer and innovation and create new economic opportunities; not only for their country of origin, but also for their host country.

When setting up businesses, returning migrants often have an advantage compared to the competition in their coun-

try of origin, due to the fact that they have been educated abroad and have work experience in foreign businesses. In addition, these returnees have the benefit of knowing the language and (business) culture of their country of origin, which gives them an advantage over outsiders and foreign investors, who want to settle in the same market. In fact, their profile greatly improves their chances of success and makes them ideal partners to foreign companies, as they harness the best of both worlds.

3.1.2 Tools to assist migrant development of SMEs

The tasks involved in starting one's own business can seem daunting, especially if this is to happen in one's country of origin after living in another country for many years. This, however, is what many migrants have done and many more are playing with the same idea. The reasons for such a life changing step are divers and range from the wish for a better life and to be one's own boss, to

the idea of creating greater environmental awareness or supporting the development of their country of origin.

At the same time, entrepreneurship of migrants is also an important topic for host countries. Often, as for example in Germany, migrants have a higher entrepreneurship rate than the local population. This does not necessarily mean that migrants naturally have a stronger sense of business; but entrepreneurship can offer an interesting option, especially when integration into the labour market is difficult (entrepreneurship out of opportunity vs. entrepreneurship out of necessity).

To start a business, it is important to have a business plan, including a sound financial plan. Furthermore, to improve the chances of success, migrant entrepreneurs also require some basic business knowledge, a network, both in the country of origin and host country, and knowledge of such issues as the bureaucratic regulations involved when registering a business and those concerning taxes and import-export.

To assist migrants in setting up SMEs in their country of origin, the GIZ Sector Project 'Migration and Development' offers a tool box called MITOS (Migration Tools – Options for Sustainability). MITOS consists of a set of tools that address these 'start-up' issues and thus help leveraging the potential of migration for private sector development.

MITOS can be equally useful in the host country context; both for trainings targeting migrants who want to start a business in the host country and for targeting diaspora groups who wish to start a business in the respective country of origin.

With the use of MITOS, the Sector Project advises GIZ programmes in the partner countries on how they can include entrepreneurship and business of migrants/their families/returnees into their regular programmes. It provides specific know-how about opportunities, approaches and good practices to facilitate complementary initiatives in the framework of existing programmes. The most 'natural' programme partners in this context are private sector promotion programmes. However, also regional and local economic development programmes, green economic development programmes or other initiatives where migrant entrepreneurship and business could play a role, might find MITOS a useful option.

As part of the CIM programme Migration for Development (commissioned by BMZ), the component 'Business Ideas for Development'⁶ entails a range of free services to migrants, both in Germany and in the country of origin in which they want to become self-employed. The programme component offers support before, during and after the start-up phase, depending on the business idea, and the expertise and experience of the entrepreneur-to-be. Furthermore, the programme will bring these new entrepreneurs together with other business founders and will assist in setting up a network with other important contacts.

3.1.3 What can migrants contribute?

Besides the basic idea of what kind of business they want to start, migrants who want to return to their country of origin as entrepreneurs will already have quite some 'capital' that will help them with this mission. In addition to the financial capital, they will have social capital, such as their family and network, as well as their knowledge of the local market and the (business) culture. Additionally, as any new entrepreneur, they will have to bring strong motivation and a fair amount of patience, as well as the skills and knowledge needed to create and deliver their products and set themselves apart from their competitors.

3.1.4 What can international cooperation do to support these contributions?

To support these contributions and to improve the chances of success for migrant entrepreneurs, the Sector Project Migration and Development can advise GIZ programmes in partner countries on offering the following MITOS tools and services:

⁶ www.geschaeftsideen-fuer-entwicklung.de

Websites:

Migrant Opportunities Website: Website with the objective to publish business opportunities for migrants and to discuss ideas, problems and solutions.

Online Lending Website (KIVA) for Migrants: offering (potential) entrepreneurs in the CoO a possibility to post their needs (financial and know-how) and linking them with members of the diaspora who are interested in supporting their CoO.

Virtual World for Migrants: Website focused on information sharing between CoD officials, development cooperation agencies and migrants; can foster support and collaboration between migrants.

Trainings:

Idea Generation for Migrant Investment Opportunities: Workshop and training with the objective to create, analyse and select appropriate ideas for further business plan development.

Cash Flow Management Training: Improve productive utilization of remittances by training recipients to better use and monitor cash, prepare for risk and accumulate funds.

Business Creation: Business plan development course taking into account specific advantages and problems arising from the (migration) background of the entrepreneur.

Online Business Plan Training: Coached online service and programme for advanced target groups, enabling interested migrants or families in CoO to develop business plans.

Import-Export Services Training: Course to improve the quality and services of small to medium trade service providers so as to support trade between the CoO and the CoD.

One Stop Shop Migrant Investment Service: Training programme for local investment agencies to strengthen and improve their services to migrants who want to invest in the CoO.

Networking tools:

Migrant Market Place: A 'business wheel' event in the CoD for potential investors to get to know entrepreneurs and receive detailed information on why investments in their CoO make sense.

Mentoring: (Retired) migrants use their specific knowledge and support business activities in their CoO as mentors, to support and build the competences of new entrepreneurs.

'Partnerpreneurship' development: Workshop to guide and facilitate joint ventures between migrants and CoO partners, covering such issues as business contracts, role division, controlling, reporting and communication.

The component 'Business Ideas for Development' of CIM's programme 'Migration for Development' entails the following range of free services to migrants, both in Germany and in the country in which they want to become self-employed:

Assistance in Germany:

- ▶ Several group seminars on major issues for start-up businesses (e.g. business plan, financing, market exploration and research, marketing plan).
- ▶ Individual business- and financial plan coaching and start-up implementation advice with the help of a professional consultancy company (Kompass).
- ▶ Several group coaching sessions on specific topics (e.g. transnational law, taxes, import / export / customs).
- ▶ Information sharing between new business owners and experienced business people in the diaspora who already operate in the country of origin (B2B).
- ▶ Fact finding and networking trips to Germany for SME owners.

'Business Ideas for Development' does not provide start-up capital and the financing of the business start-ups must come from the migrants. However, with a well researched business idea the chances of funding opportunities are quite positive. Furthermore, many developing countries are interested in investments and know-how from abroad and actively support entrepreneurial activities of migrants.

Assistance in the country of origin:

- ▶ Individual coaching by accredited business start-up consultants and business experts.
- ▶ Introduction to and mediation between important contacts, such as banks, potential business partners and the German chambers.
- ▶ Business match-making between different companies and investors.
- ▶ Assistance with bureaucratic processes, such as registration, taxes and customs issues.

CIM has access to a great number of consultants with a wide range of expertise that can be of use for any particular request a returning entrepreneur might have.

MITOS trainings in Uzbekistan

Uzbekistan is a country with high unemployment rates and low wages. The economic difficulties of the country have caused high numbers of labour migration. At the moment approximately 10 percent of Uzbekistan's labour force works abroad, with about 50 percent working in Russia.

Migrant labour remittances from Russia to Uzbekistan amounted to \$5.7 billion in 2012. This equals 16.3 percent of the country's economy. However, this figure does not include remittances from other countries and the cash that labour migrants bring home. Therefore the real figure could be as high as 30 percent. It is clear from these numbers that Uzbekistan's economy is highly dependent on migrant remittances.

To leverage labour migration for the economic and social wellbeing of the country, GIZ and the Uzbek Ministry of Labour entered into a MoU to implement a programme with the objective to channel remittances towards investment purposes which will contribute to promoting income and employment generation within the country.

The GIZ programme 'Sustainable Economic Development in Selected Regions in Uzbekistan' indirectly targeted labour migrants and their families (with a special focus on women, as it is mostly women that remain behind) to increase their literacy in entrepreneurship and business.

The programme conducted several Trainings for Trainers (ToTs) on MITOS Module 6 (Business Idea Generation for Migrant Investment Opportunities) and MITOS Module 7 (Business Planning). Participants of these ToT's were chosen from local institutions (i.e. the Central Bank, commercial banks and the Ministry of labour), and from migrants' family members. These trainers later proceeded to conduct aforementioned trainings in three regions of Uzbekistan (Andijan, Surkhandarya, Kashkadarya).

The trainings on Module 6 and 7 were received very positively. As one participant of the TOT, himself a migrants' family member and a future business man, put it, "The [training] programme gave me courage and confidence that I can do it. [...] I gave my optimism to my friends and we have opened three production enterprises where unemployed women can work".

3.1.6 The next step: What can your programme do?

MITOS

Depending on the migration phenomena in the project area it is often advisable to plan and implement a migration and economic development initiative within a private sector development programme. The MITOS tools can be offered to a huge variety of development programmes in very diverse countries – both countries of origin and host countries of migrants. The tool-kit addresses SME promotion initiatives, as regular programmes do, but completes their service offer by addressing migrants, their families or returnees.

The presentation of MITOS in this document only provides basic information, as the tools probably will need adaptation and implementation of the tools will most likely require external expertise. The Sector Project Migration and Development can assist GIZ programmes in partner countries to decide on the relevance of migration to their regular programmes and, if needed, choose the most suitable MITOS based interventions.

For specific information on the MITOS toolbox, please refer to the document under the following link: <http://www.giz.de/expertise/downloads/giz2012-en-mitos-gesamt.pdf>. All tools are also made available as single files, which can be downloaded from the GIZ Migration and Development website: www.giz.de/migrationdevelopment

For more information about various aspects of the Sector Project Migration and Development, please refer to www.giz.de/migrationdevelopment or migration@giz.de.

Business Ideas for Development

Currently CIM has four focus countries as part of its component 'Business Ideas for Development', i.e. Morocco, Cameroon, Georgia and Indonesia and is currently discussing the integration of further countries into the programme component.

For specific information on how migrants can apply for assistance to bring their business ideas to life, please see the website 'Business Ideas for Development' (Geschäftsideen für Entwicklung) at www.geschaeftsideen-fuer-entwicklung.de

For more information on the CIM programme 'Migration for Development', of which the component 'Business Ideas for Development' is a part, please contact CIM at: startup@cimonline.de



3.2. Business and Investment Climate

1. Introduction
2. Tools to promote and develop a business and investment climate
3. What can international cooperation do to support and promote a conducive business and investment climate?
4. Local and regional economic development
5. Business and Investment Climate development case
6. The next step: What can your programme do?

3.2.1 Introduction

A good business and investment climate, consisting of a predictable environment that would encourage competitiveness in doing business, is the prerequisite for private investment and growth.

In many countries, however, a series of factors have an adverse effect on the business and investment climate. Excessive state regulation (red tape), non-transparent tax systems, a lack of competition, inefficient administration, corruption and a lack of access to loans and other financial services hold back private sector development. Small and medium-sized companies that together make up the economic backbone of a country and create jobs are particularly badly affected.

As discussed in the previous chapter, German development cooperation believes that migrants can advance their countries of origin with their know-how and business ideas and play an important role in job creation and economic growth. However, migrants often hesitate to in-

vest the capital they have acquired abroad, as well as their knowledge and ideas, in their country of origin. The main reason for this is the lack of an enabling environment.

Private sector investments – whether they are made by the recipients of remittances, returnees or entrepreneurs in the diaspora – are largely dependent on the legal, economic and political conditions in the country of origin. Investment opportunities must generally be available and risks associated with establishing a company must not be too high.

Thus, the incentive to do business while abroad or return for good is partly anchored in the trust in government institutions and a business climate conducive to start-ups and other livelihood opportunities.

3.2.2 Tools to promote and develop a business and investment climate

To stimulate the growth potential of small and medium-sized enterprises (SMEs) and boost their competitiveness in regional and global markets, a country needs to design and implement a coherent country-specific promotion strategy for SMEs. This includes improving the legal, regulatory and institutional frameworks. GIZ supports public and private partner institutions and service providers, such as ministries, public administrations and business associations to introduce reform processes and thereby create a more favourable environment for the private sector. This, of course, is nothing 'migration specific', but part of GIZ' general portfolio.

The Sector Project Migration and Development advises GIZ programmes in the partner countries on how they can include migrants/their families/returnees into their regular programmes in this context. To improve the business climate for this group, the aim is to include the topic of migration into national economic strategies by ensuring improved networking and coordination between economic development institutions and those that deal with migration issues.

Furthermore, the Sector Project Migration and Development can help GIZ programmes to assist these governments and their implementing organizations to select, develop and implement suitable measures that use the potential that migration offers for private sector development. This will strengthen the positive impact that migration has on private sector development and reduce negative implications such as emigration of highly skilled personnel or 'Brain Drain'.

3.2.3 What can international cooperation do to promote and develop a conducive business and investment climate?

The interventions implemented by GIZ within the regular programmes that focus on business and investment climate can be summarized under the following points:

Conduct Business and Investment Climate Surveys.

- ▶ Advise on reform design (GIZ trains and advises decision-makers in politics and administration).
- ▶ Provide advice and training on implementing these reforms.

- ▶ Strengthen business interest groups (such as chambers and associations) on their service provision, consultancy function and lobbying work.
- ▶ Promote dialogue mechanisms between representatives of the private sector and state actors (Public Private Dialogue).
- ▶ Promote business development services: by training business consultants and promoting the establishment of market-oriented business development services.
- ▶ Advise on simplifying administrative processes.

To support these interventions and to further improve the chances of success for migrant entrepreneurs, the Sector Project Migration and Development can advise GIZ programmes in partner countries on offering the following additional tools and services:

- ▶ Conduct studies on the migration situation in general (facts and figures on emigration, diaspora, diaspora engagement and investment potential etc.); conduct mappings to identify interested groups within the diaspora and establish mechanisms to inform them about investment options, conditions and available support.
- ▶ Empower municipalities, chambers of commerce and industry, investment promotion agencies and companies and institutions providing services for business start-ups, to support private sector involvement by migrants and gear their service packages to the special requirements of small and medium-sized enterprises set up by this group.
- ▶ Develop and improve financial and non-financial business services that are tailored to the specific needs of migrants (this could also include services that take into account the short time some migrants spend in their countries of origin).
- ▶ Promote public-private dialogue between migrants (in the diaspora and returnees), the local private sector and state actors to improve the business and investment climate and push reforms that are of specific concern to migrant entrepreneurs.

3.2.4 Local and regional economic development

To generate economic development on national level, creating a strong business and investment climate is essential. However, measures to create such a climate can also be focused at the local and regional (sub national) level. GIZ in the partner countries addresses local private sector development issues by combining the tools and services mentioned in the previous paragraph with a focus on the specific competitive advantages of a region and strategically exploiting these advantages by improving the institutional framework. This will enhance the income and employment opportunities for the local population, as well as reduce geographic disparities and, thus, enable sustainable, pro-poor growth.

The Sector Project Migration and Development can advise GIZ programmes on how they can include migrants, left behind families who receive remittances and returnees into their regular local development programmes. Taking migration into consideration can help municipalities and local government institutions to expand or make better use of their competitive advantages, for example by attracting returnee entrepreneurs or by focusing on diaspora tourism and promoting export of nostalgic products from the region. The results can be especially positive for those regions that have seen strong waves of emigration, have large groups of diaspora clustered together in host countries and/or have strong and active diaspora organizations.

3.2.5 Business and Investment Climate case

Business and investment climate development in Morocco

A good example of a region strongly affected by emigration is the Oriental, a province in the North East of Morocco. Although it has a strong inflow of remittances, it is an economically weak area with hardly any diaspora investment. This lack of diaspora involvement mainly springs from their mistrust in Moroccan institutions, the bureaucracy and the lack of access to- and the high costs of loans.

With the aim of promoting the economic development of the region, GIZ, in partnership with the Agence de Développement de l'Oriental (ADO) and the Fondation Hassan II (FH II), implemented the program **MIDEO** (Migrations et Développement Economique dans la Region de l'Oriental) from June 2008 to June 2011. The objective was to improve the business and investment climate to mobilize the potential of migration for the economic development of the region. The programme targeted Moroccans in Germany willing to return and/or invest productively in Morocco. To further this effort, GIZ partnered with 'chambres régionales', Regional Investment Centers, Moroccan migrant associations in Europe and Moroccan SMEs.

The programme promoted and introduced several information and communication structures between Moroccans residing abroad (MRA) and potential partners in the Oriental region, such as trade fairs, an interactive web portal, and public private dialogue, to initiate networking and match-

making. Furthermore, GIZ introduced business development services (BDS) for migrants and local SMEs to provide consulting and advisory services.

Presenting the project on various levels (international forums, informal gatherings of MRAs, website etc.) helped to enhance the visibility and transparency of the project and enabled the MIDEO partners to gain the necessary trust of public, private and civil stakeholders.

3.2.6 The next step: What can your programme do?

Depending on the migration phenomena in the project area, a 'business and investment climate development' initiative that also addresses migration can deliver very positive results, both in the short and in the long run, within a regular private sector development programme.

The Sector Project Migration and Development can assist GIZ programmes in partner countries to decide on the relevance of migration to their regular 'business and investment climate' programmes and, if needed, choose the most suitable interventions.

For specific information on 'business and investment climate' or 'local and regional economic development', please refer to the document under the following link: <http://www.giz.de/fachexpertise/downloads/giz2012-en-migration-as-a-driver-of-private-sector-development.pdf>. These interventions with a special focus on migration are further described in the document under the following link: http://www.giz.de/en/ourservices/economic_development_and_employment.html

For more information about various aspects of the Sector Project Migration and Development please refer to www.giz.de/migrationdevelopment or migration@giz.de.



3.3 Promotion of Innovation and Technology

1. Introduction
2. Tools to promote innovation and technology
3. What can migrants contribute?
4. What can international cooperation do to support and promote these contributions?
5. Innovation and technology promotion case
6. The next step: What can your program do?

3.3.1 Introduction

The form of global competition has changed. Traditional factors of competitiveness such as low costs of labour or access to capital and raw materials are becoming less important due to increasing labour mobility, the growing together of financial markets and the dismantling of trade barriers. Economic success is increasingly dependent on an economy's ability to innovate and on the extent to which and at what pace knowledge is successfully commercially yielded, disseminated, adapted and used to improve products, processes, services, organizational forms, business models or marketing methods. This is because innovations allow economies to diversify, new markets to open up, the quality of products to improve and productivity to rise. With increasing trade liberalization, digitalization, labour mobility and larger markets, new possibilities are opening up for developing countries and emerging economies to harness the potential to create knowledge-intensive value for economic development.

Barriers to innovation and technology transfer

The capacity of local enterprises to absorb new knowledge, apply it and adapt it to their own needs is crucial for successful innovation and technology transfer. However, the innovation process does not unfold automatically. Because the outcomes of innovation are highly uncertain, firms and entrepreneurs are often reluctant to invest sufficiently in learning, research and development and technology acquisition. This holds even more for small and medium enterprises, especially in developing countries and emerging economies. Furthermore, SME managers are often not aware of technology, do not recognize the potential for improvements or lack the financial, organizational and managerial capabilities to incorporate new technology. These limitations have a negative effect on their potential for growth and, in many cases, their survival. For this reason, public policies and instruments for promoting innovation and technology are necessary.

Innovation systems

Firms, both large and small, do not innovate alone – they are embedded within a broader set of actors and institutions. Their activities are supported by constant interaction with their suppliers and customers, with research and training institutions and influenced by social and cultural norms as well as government regulations. Innovation is therefore the result of ‘a complex interaction between various actors and institutions’ – the innovation system.

The innovation system, as described by GIZ, consists of three main elements. These are, firstly, the four sub-systems of the innovation system, namely human and social capital, research capacity, technological and innovative firms as well as follower firms and users.

The second element consists of the bridges and linkages between these four sub-systems, which allow for constant interaction, exchange of personal and material resources, learning and feedback loops (such as technology transfer offices, dialogue mechanisms, exchange platforms, etc.).

The third element is the framework conditions that affect the ability of firms to innovate, such as the quality and accessibility of infrastructure, the intellectual property rights regime, information and telecommunication infrastructure or general social and cultural attitudes towards innovation.

Thus, the better these elements are developed and geared towards innovations, the better equipped the enterprises within the innovation system are to absorb new knowledge and produce innovations.

Innovation is not only about global novelties like the latest tablet computer or hybrid car. It is also about new solutions for local markets or small enterprises in remote regions. It is about putting things in a new context, a new environment, enterprise, etc. Innovation provides the opportunity to improve, even if only slightly, the lives of people in developing countries and emerging economies.

Interaction across borders

As becomes clear from the above, a key factor for learning and for developing and acquiring new knowledge and technologies is interaction. Innovations are often the result of combining existing knowledge in new ways. Interaction is highly promoted by geographical proximity. Innovative industry clusters such as Silicon Valley attest to this. However, interaction can also take place across borders. For developing countries, where there is often no critical mass of innovative companies or research institutions, external influences such as transnational cooperation arrangements (which GIZ offers) and the knowledge that traverses borders through the mobility of highly qualified skilled migrants (which CIM fosters) are especially important for stimulating and enabling innovations. Migrants can play an important role in the improvement of the innovation systems in their country of origin, thus improving the possibilities and the capacity of local enterprises to absorb new knowledge.

3.3.2 Tools to promote innovation and technology

An economy’s ability to innovate (i.e. how it performs as an innovation system) requires creative companies equipped to absorb new knowledge and prepared to take risks, a functioning institutional environment and an active state which creates incentives for innovative research and establishes the legal and regulatory conditions to foster private investment in innovation, and research and development.

The tools used to promote innovation and technology transfer in GIZ’ regular programmes are geared towards these three (macro, meso and micro) levels. GIZ’ tools and instruments focus on:

- ▶ Reinforcing the four subsystems of innovation systems (1. human and social capital, 2. research capacity, 3. technological and innovative firms and 4. follower firms and users).
- ▶ Building bridges and links between these sub-systems.
- ▶ Improving the framework conditions for innovation.

The Sector Project Migration and Development can advise GIZ programmes in the partner countries on how to include migration to promote innovation and technology transfer. This can be achieved by focusing on raising awareness at various levels (public sector, private sector, research) about potential contributions by migrants,



improving the conditions for investments and innovation in the migrant's country of origin, developing networks of (diaspora) professionals and recruiting highly skilled returnees – depending on the particular country context.

3.3.3 What can migrants contribute?

Migrants acquire new knowledge, establish links to new markets and experience different cultural values when they go abroad. They are thus equipped to make a wide range of contributions to innovation systems in their countries of origin, both from the host country as well as after their return.

Migrants often make direct contributions to innovation in their countries of origin through technology and knowledge transfer, when they re-enter the labour market or start-up a business themselves after their return. Returnees not only bring their capital, they also contribute added value through their technical and operational experience, through their knowledge about business models and through their links to international markets and their professional networks abroad. Returnees also make non-financial contributions to innovation systems, as they are able to advise policymakers in their countries of origin with respect to strategies for using innovation for growth. Furthermore, returnees make contributions in the form of soft factors, such as entrepreneurial spirit, organizational and management methods and communication techniques that are of great value ('tacit knowledge').

Contributions made remotely by diaspora communities in the host country or by temporary returnees can also be valuable to the innovation systems of their countries of origin. Financial contributions from the diaspora in the form of money transfers (i.e. remittances) can promote the introduction of new or improved technologies, services or processes by making capital available for innovative projects that would otherwise have no access to funding. Furthermore, joint ventures, between enterprises in the migrants' country of origin and host country, constitute a possible channel for new ideas, products and production methods to be introduced into the market of the country of origin, thus strengthening local innovative capacity. Equally, local innovative capacity can be strengthened through the trade in nostalgic products (i.e. goods from the country of origin) with the diaspora in a host country.

This can lead to new trade methods and contributes to improvements in the area of product and quality standards. Finally, other forms of contributions from this group come from business and research networks that will also promote innovation and technology exchange, for example through business associations within a sector or through university exchange programmes initiated by migrants.

3.3.4 What can international cooperation do to support and promote these contributions?

The interventions implemented by GIZ within the Sector Project Innovative Approaches for Private Sector Development are described in the GIZ 'Toolbox for Promoting Innovation Systems'.⁷ This toolbox offers several tools and instruments to disseminate innovation approaches for private sector development in projects of German international cooperation. The toolbox distinguishes between instruments that aim at:

- ▶ Reinforcing the sub-systems: e.g. focusing on education and the qualification sector; promoting research institutions; strengthening companies (e.g. promoting innovation management in SMEs, incubators);
- ▶ Building bridges and links between the different elements: e.g. building innovation partnerships between companies and research institutions; setting up innovative clusters; promoting university spin-offs; providing platforms for dialogue and collaboration that bring together politicians and business and academic communities;
- ▶ Improving framework conditions: e.g. advise decision-makers in implementing innovation policies and strategies which promote research and development and innovative private sector investments; strengthening the institutional environment by supporting ministries, local governments, R&D facilities, business service providers, and business associations; advising institutions on introducing suitable instruments for benchmarking, monitoring and evaluating national innovation and technology policies, promotion programmes and institutions.

⁷ <http://star-www.giz.de/fetch/1q38Q1L01X0Vu00g0/giz2014-0068en-promoting-innovation-systems.pdf>

To support and strengthen these interventions, the Sector Project Migration and Development can advise and assist GIZ programmes in partner countries on offering additional tools and services that include the diaspora and returnees. These tools and services are described below:

- ▶ As every country context in relation to migration is different, the Sector Project Migration and Development can support GIZ programmes to identify actors abroad through diaspora mappings and migration studies. These exercises will help to decide whether the integration of migration into the respective programme could be useful and to evaluate the potential of cooperation and cross-border networking.
- ▶ To promote innovation- and knowledge sharing and to foster the set-up of start-up companies, CIM has initiated several innovation hubs. The service offered in these 'knowledge centres' includes leadership training and business planning consulting, as well as modern workplace infrastructure. The hubs also promote innovation by initiating 'new ideas'-competitions and hosting various networking events.
- ▶ To encourage knowledge and technology transfer, CIM has initiated and developed several knowledge/diaspora networks. These (diaspora) networks bring together

scientist experts, entrepreneurs and investors from the diaspora and the country of origin with the goal of supporting scientific, technological and/or entrepreneurial development. The innovation hubs mentioned in the previous point often function as platforms for these diaspora networks.

- ▶ To further foster knowledge transfer CIM is implementing the returning experts programme component which is part of the CIM Programme 'Migration for Development', commissioned by BMZ. This programme supports highly skilled returnees to bring back their acquired knowledge and skills to their countries of origin and operate as bridge-builders for international economic and development cooperation. CIM's support specifically targets the professional integration of university graduates and professional experts from developing, emerging and transition countries who have completed their training in Germany and are interested in returning to their countries of origin. The focus is on placing these professionals in areas of particular relevance to development policy. In addition to job placement and advisory services, the programme offers financial support to the returning experts, as well as support to potential employers.

3.3.5 Innovation and technology promotion case

iceaddis

One of the 'promotion of innovation and technology transfer' successes under the programme 'Migration for Development' is the setup of iceaddis. iceaddis (innovation, collaboration, entrepreneurship = ice) is an innovation hub in Addis Ababa in the Ethiopian Institute of Architecture, Building Construction and City Development (EiABC) funded and assisted by GIZ and CIM. The objective of the hub is to bring together scientists, entrepreneurs, investors, development experts and professionals from the creative scene, in order to turn innovative ideas into sustainable and effective applications for everyday life in Ethiopia. In the spirit of the surrounding architecture school, iceaddis isn't just about (mobile phone) apps, but also highlights innovation in design, construction and products.

Since its initiation in May 2011, iceaddis has become a home for start-ups, promoting local technology and focusing on young Ethiopian entrepreneurs and individuals interested in ICT, green technology and the creative industries. It promotes start-up companies by offering leadership training, business planning consulting and small-scale workshops (wood workshops and metal workshops) offering (personal) fabrication facilities. Several times a year, iceaddis selects a few dozen start-ups and puts them through 12 weeks of business plan training. At the end of the programme, several are selected to receive 'incubation' at the space and given resources to grow their ideas. One such successful start-up is Mekina (www.mekina.net), which has built an online marketplace for Ethiopians to buy, sell and rent cars locally: A great improvement to importing cars and, thus, a big opportunity for success, given that the government levies five different taxes for importing vehicles.

iceaddis also provides an open space facility for hosting exhibitions, conferences and community events, with a focus on common visions like innovation, collaboration and entrepreneurship. One such conference is the Ethio-German Konnect. The EGK is an annual networking platform connecting business ventures with the German diaspora, to create linkages between start-ups and investors. At the heart of iceaddis and its successes is Ms. Freweini M., the general manager of the Hub. She coordinates the daily activities of iceaddis and is responsible for business acquisition and fundraising, as well as developing the ice brand identify and communication strategy and networking with other African and European tech-hubs, sponsors & research institutions. After receiving a master degree in Education from the Technical University of Darmstadt she returned to Ethiopia to put in place her skills at iceaddis with support of the CIM services for returning experts.

For more information on iceaddis see: www.iceaddis.com

3.3.6 The next step: What can your programme do?

Depending on the condition of the innovation system and the migration phenomena in the project area, an 'innovation and technology transfer promotion' initiative that includes diaspora communities and temporary or permanent returnees to the country of origin can deliver very positive results when included within a regular private sector development programme.

The Sector Project Migration and Development can assist GIZ programmes in partner countries to decide on the relevance and potential of migration to their regular 'innovation- and technology promotion' programmes and, if needed, choose the most suitable interventions.

For specific information on 'innovation and technology transfer promotion', please refer to the GIZ 'Toolbox for Promoting Innovation Systems' under: <http://star-www.giz.de/fetch/1q38Q1L01X0Vu000g0/giz2014-0068en-promoting-innovation-systems.pdf>. Additional interventions with a special focus on migration are described in the GIZ discussion paper 'Ways migrants contribute to innovation in developing countries' available through the Sector Project Migration and Development.

For more information about various aspects of the Sector Project Migration and Development, please refer to www.giz.de/migrationdevelopment or migration@giz.de.



3.4 Value Chain Development

1. Introduction.
2. Tools to develop value chains
3. What can migrants contribute?
4. What can international cooperation do to support and promote these contributions?
5. Value chain development case
6. The next step: What can your programme do?

3.4.1 Introduction

Globalization is exposing small and medium enterprises (SMEs) to far reaching changes. Regardless of rising demands for products in many sectors that are of interest to emerging and developing countries (e.g. agriculture, medical services and tourism), suppliers of these goods and services are facing worldwide competition and are forced to adjust to the demands of consumers for higher quality. This development brings both opportunities and risks for entrepreneurs in developing countries. For example, it provides them with an opportunity to improve their economic position through higher-quality products, quality management and better market access. Unfortunately, however, producers are often inadequately organized and developing countries lack the necessary services, market regulations and public institutions to compete at a global level. Private sector development measures are therefore required. Value chain development is such a measure, as it provides an approach to improved efficiency of production processes, raises additional value gained in the value chains and boosts competitiveness.

Value chain

The term 'value chain' refers to networks of companies that coordinate their economic supply relationships with regard to a product (or a service). Every economic activity in the course of the chain adds value to the product or service. This will come about through the use of raw materials, human labour, semi-finished products and trading tools, as well as through transport and storage processes. A value chain can thus be seen as the processes that lead a product from the field (or the drawing board) all the way to the end consumer.

Independently of private sector development programmes offered in developing countries, businesses are of course already involved with each other as part of value chains, when they process raw material, offer transport or trade their goods. Value Chain development considers existing value chains and sets out to upgrade and promote these value chains, with the overall aim of helping local (small and medium) enterprises in developing countries integrate into domestic and

international markets, and to familiarize these enterprises with business strategies which enable them to generate income and jobs in the short term and adjust to changing economic conditions in the long term.

Migration-related value chain development

The actors in a value chain are in a buyer-seller relationship. They may be focused on a geographical location or set up their businesses very close together (local value chain), or, as a result of modern economic interdependence, they may be located in different countries or on different continents (global value chains). Of particular interest to this chapter are the efforts made by actors in local value chains to become integrated in global value chains in order to open up export markets.

When countries and/or regions are strongly affected by migration, as many of the countries GIZ is working in are, migration-related value chain development is an approach that can be used to support both local and regional economic development. As will become clear from the below, migration-related value chain development does not differ much from the normal value chain approach practiced by GIZ, except that it adapts to the particular migration context.

3.4.2 Tools to develop value chains

Value chain development efforts made by GIZ have two dimensions. The first concerns what the actors in a value chain must do to become more competitive and to generate greater value within the value chain. These improvements made by private enterprises and their associations are called 'value chain upgrading'. The second dimension concerns the role of external facilitators, i.e. government and donor agencies running an economic development programme. External facilitators do not engage in upgrading directly. Rather, they facilitate upgrading and provide assistance without becoming chain actors themselves. This activity is called 'value chain promotion'.

The Sector Project Migration and Development can support GIZ programmes in incorporating the issue of migration into their value chain upgrading and promotion activities so it can contribute to enhanced, sustainable value creation. The Sector Project provides guidance on how migration can be systematically included as a factor, as migration-related value chain development adapts to the particular migration context, thereby

making the criteria for the selection of the value chain, the analysis of the value chain, and the upgrading and promotion instruments fit to the special migration-related circumstances. For example, the Sector Project can assist the GIZ programmes to tap into the migration-related potentials that are available for their value chain upgrading and promotion activities, such as the investment potential arising due to migration, financial products based on remittances, the human and entrepreneurial capital of migrants and the competitive strength of migration related infrastructure and organizational structures.

3.4.3 What can migrants contribute?

The most important contributions made by migrants, returnees and their families that can be used in the scope of value chain upgrading and promotion are listed below:

- ▶ Migrant organizations providing market information and access in the host country (e. g. professional associations).
- ▶ Start-up enterprises and direct investments making use of additional capital generated by migration.
- ▶ Migrants offering access to technological innovation through the knowledge acquired working in the host country.
- ▶ Migrant and returnee entrepreneurs engaging in business activities and coordinating functions within the value chain in the origin and host country.
- ▶ Migrants' intercultural and language skills and contacts providing establishment and maintenance of transnational business relations and greater trust within the value chain.
- ▶ Improvement of overall business and investment climate through the lobbying of migrants.
- ▶ In the host country: migrant entrepreneurs opening the market for exports from the country of origin (see the chapter on 'Nostalgic Products').
- ▶ In the host country: migrants and their families as consumers with a specific demand for products and services from the country of origin.

3.4.4 What can international cooperation do to support and promote these contributions?

The value chain upgrading and promotion services provided by GIZ are described in their methodological approach known as *ValueLinks*. *ValueLinks* is the name given to a systematic compilation of action-oriented methods for promoting economic development with a value chain perspective. It provides essential know-how on ways to enhance employment and the business income of micro and small-sized enterprises and farmers by upgrading and promoting the value chains they are operating in.

The *ValueLinks* manual structures the know-how of value chain development according to the project cycle: The first step in value chain development is the identification of a value chain to develop, followed by value chain analysis and the formulation of a chain upgrading/promotion strategy.

The many possible strategies to improve value chains can be clustered into three generic 'fields of action', on which GIZ interventions are based:

- ▶ Improving business linkages, associations and partnerships;
- ▶ Strengthening service supply and demand;
- ▶ Introducing standards and improving policies and the business environment of the chain.

The first two fields of action are based on value chain upgrading strategies, while the last is based on value chain promotion strategies.

To support and strengthen these value chain development interventions, the Sector Project Migration and Development can advise and assist the GIZ programmes in partner countries on incorporating the issue of migration into their value chain upgrading and promotion activities. These tools and services are described in the document 'Creating value through migration: Guidelines for technical cooperation for promoting value chains in the context of migration' giz2014-1613en-creating-value-migration.pdf

These guidelines are roughly based on the *ValueLinks* manual and, as such, the steps leading to the selection of migration-related value chains to be promoted are no different in the case of other value chain promotion programmes. However, additional criteria are involved

that take into account the potential benefits and the risks linked to migration and the role migrants in the host country (e.g. in the case of actual or potential exports), or returnees (with business activities in the origin country) can play. Furthermore, the document describes the use of the migration potential within the several fields of action of the *ValueLinks* manual (i.e. strengthening private business linkages, engaging in public private partnership, strengthening services in value chains, financing value chains and improving the business environment of value chains) for the implementation of value chain upgrading or promotion.

How migration can play a role in value chain upgrading and development and how migrants, returnees and their families can contribute becomes clear from the below discussed case.

Considering the mentioned roles that migrants, returnees and their families can play in private sector development, and the several fields involved in migration related value chain upgrading and promotion, it becomes clear that value chain development is a cross cutting issue that directly links to all other chapters in this guideline.

Value chain development in the Philippines

The GIZ programme ‘Promotion of Green Economic Development (Pro GED)’ addresses migration as a cross-cutting concern. The project focuses on the ‘greening’ of the tourism value chain and related supply chains and service provision in two (pilot) regions, i.e. Cebu and Bohol. These regions lack sufficient local development and show high numbers of emigration.

The project envisions a role for overseas Filipinos in providing green skills and as green investors and entrepreneurs. Overseas Filipinos and their families are also seen as a market for green tourism.

Through a strong focus on resource efficiency and ensuring access to natural resources (e.g. high relevance of water, especially in tourism), the project promotes an environmental orientation of SME development in the Philippines. The thought behind this approach is to protect natural resources by using them economically, as endangered ecosystems and biodiversity can best be protected by opening up a market for their products. In this case the product is Eco Tourism.

The project included the following activities:

- ▶ Raising awareness among SMEs on the negative environmental impacts of their activities and the relevance of environmentally sound economic development (i.e. ‘Green Business Literacy’).
- ▶ Dissemination of information on specific environmental technologies and means of access (in the form of funding and services).
- ▶ Strengthening the alignment of service companies on the environmental needs of MSMEs.
- ▶ Promotion of a customized SME advisory service on energy, waste and water management.
- ▶ Identification of options for a more environmentally friendly transport.
- ▶ Establishment of a training offer for profitable environmental management (PREMA).
- ▶ Support for the introduction of mechanisms to reward particularly exemplary operating SMEs (possibly under a voluntary green tourism standard).

To strengthen its activities and to reinforce the role of migrants and their families in the development of Cebu and Bohol, Pro GED, the Sector Project Migration and Development, together with the local organization ATIKHA⁸, conducted a Training of Trainers on Financial Literacy (based on MITOS Tool 5 – Cash Flow Management). The objective of the course was not only to focus on development through the responsible use of remittances, but also to address social issues for migrants, because financial literacy can contribute to lowering the social costs of migration – not only does it support successful reintegration through financial planning and saving ahead; but also during the migrant’s stay abroad, meaningful financial planning and basic rules about how to deal with money in the family can lower potentially negative effects.

8 www.atikha.org

3.4.6 The next step: What can your programme do?

Migration can make a significant positive contribution to private sector development if its potential is used for value chain upgrading and promotion in regions and countries that are strongly affected by migration.

The Sector Project Migration and Development can assist GIZ programmes in partner countries to decide on the relevance of migration to their regular 'value chain upgrading and promotion' programmes and, if needed, help choose the most suitable interventions.

For specific information on value chain development, please refer to the ValueLinks Manual under the link:

<http://www.valuelinks.org/index.php/material/manual>. Value chain development with a special focus on migration is further described in the document 'Creating value through migration; Guidelines for technical cooperation for promoting value chains in the context of migration', available through the Sector Project Migration and Development, <http://www.giz.de/expertise/downloads/gtz2010-en-leitfaden-wertschoepfungsketten.pdf>.

For more information about various aspects of the Sector Project Migration and Development, please refer to www.giz.de/migrationdevelopment or migration@giz.de.



3.5 Trade of Nostalgic Products

1. Introduction
2. Tools to promote trade of nostalgic products
3. What can migrants contribute?
4. What can international cooperation do to support and promote these contributions?
5. Trade of nostalgic products case
6. The next step: What can your programme do?

3.5.1 Introduction

Besides a number of challenges to countries of origin, migration offers great potential for private sector development. Compared to international investors, migrants are often more willing to set up companies in their country of origin, invest in existing companies or trade in products between their country of origin and host country. As such, international migration constitutes a major potential for expanding trade relations between countries of origin and host countries, because migrants frequently demand products from their countries or regions of origin or operate as traders or trade intermediaries themselves. Thus, trade channels frequently follow migration channels.

Trade and migration

Immigrants' ties to their home country may promote trade for at least three reasons: First, immigrants have a good knowledge of the customs, language, laws as well as business practices in both the host and home countries. Accordingly, their presence helps bridging the information gap between sellers and buyers on both sides, hence

promoting bilateral trade opportunities and establishing lasting ties based on trust and mutually understood culture. Second, immigrant networks may provide contract enforcement through sanctions and exclusions, which substitutes for weak institutional rules and reduces trade costs. And third, immigrants bring their taste for homeland products, which promotes imports from the home country towards the destination country. These homeland products are called 'nostalgic' (or 'ethnic') products, and in countries that are strongly affected by migration they constitute a significant percentage of exports.

Nostalgic products

Nostalgic products are products purchased by migrants in the host country because of their special relationship to their country of origin. They include typical food (e.g. various bakery items, dairy products, fruit wines, etc.), traditional clothing and jewellery, or special tools. Services such as 'religious' services, and the organization and performing of weddings, are also included in this category.

Wherever a larger diaspora of a country of origin or of a certain region is found, demand for nostalgic products from the country of origin increases. This not only leads to new trade methods and the opening up of new markets for the producers and traders in the migrants' countries of origin, but also contributes to improvements in the area of product and quality standards. In the food industry, for example, stricter standards for imports in the host countries require adaptations to be undertaken, especially in terms of processing and packaging. These controls of food imports help to improve food safety and quality in the countries of origin.

In the long term a larger market for these products can develop in the host country that also caters to customers outside the diaspora. The people in the host countries become acquainted with food and products from the migrants' home country and also start demanding these items. For instance, Asian foods are now purchased by the majority of the population in host countries with increasing frequency. Particularly large diaspora communities, such as the Chinese diaspora, help significantly increase the bilateral trade volume between the country of origin and various host countries.

3.5.2 Tools to promote trade of nostalgic products

The tools available to promote the export of local products from the migrants' regions of origin and the marketing of these products in the host countries make specific use of migrants' knowledge of both business cultures and markets and are hence applicable in both the country of origin and country of destination. Market analyses can be conducted to examine the export potential on products from the country of origin for which there is a high level of demand among migrants in major host countries. Furthermore, development cooperation efforts could focus on advising institutions that help producers in countries of origin to comply with quality standards in host countries. Additionally, nostalgic trade can be improved and enhanced by making the transport and marketing of these products more professional, as well as by advising import/export service providers on specific migration-related trade opportunities and strengthening them in the provision of migrant specific services.

3.5.3 What can migrants contribute?

As discussed before, migrants have contacts in the host and origin countries and are familiar with both (business) cultures, giving them an advantage when trading (nostalgic) products. Thanks to their experience and connections in the origin and host country, migrants have access to information regarding trade possibilities, market potentials and distribution channels in both countries. This information, their language skills, and their network give migrants a competitive edge when they work as traders. Furthermore, their skills and knowledge can be used to help set up trade relations. For example, they may work directly for trade agencies or, when employed by a company, they become the reason for it to import goods from, or export goods to, the country of origin.

In addition, the fact that family members who have migrated live closer to potential buyers and groups of buyers can create or facilitate access for products and services. This is especially true for nostalgic products, as well as for services in the tourism and health care sector, where individual migrants can take on the role of an agent for their local economy.

3.5.4 What can international cooperation do to support and promote these contributions?

The Sector Project Migration and Development can support GIZ programmes in incorporating the issue of migration into their trade promotion activities. It can assist in the following fields:

- ▶ As every country context in relation to migration and related nostalgic trade is different, the Sector Project can support GIZ programmes to identify relevant actors, institutions and products through surveys and diaspora mappings. These market analyses exercises will provide information on the extent of demand for certain products on the part of diaspora communities and examine their export and growth potential.
- ▶ In order to improve and enhance the marketing of nostalgic products, partners, such as ministries of trade and chambers of industry and commerce in the countries of origin, could be supported with technical assistance (see the chapter on SME promotion).
- ▶ Producers of nostalgic products can be supported to meet the demand in the diaspora with technical assistance, market research and credit to invest in their business.

- ▶ Major obstacles to trading or exporting products from the countries of origin include the lack of product standards and quality control in the country of origin, which complicate the import and marketing of the goods to industrialized countries. German development cooperation can provide advice on maintaining quality regulations and adapting products to meet international standards, so that the products can be approved and better marketed in the host countries (see the chapter on value chain promotion). In this area, migrants can also be used as advisors for quality development in the country of origin. (see MITOS Tool 9 'Import and Export Service Training')
- ▶ Import/export service providers can be advised on exploring the specific target group diaspora (see MITOS Tool 10 'Trade Promotion Agency Manual')

EXAMPLES:

When they revisit their country of origin, migrants often bring products with them, either for their families or to sell them there. In Morocco, this can be observed at places such as Torino souk in Khouribga or the car market in El Borj, two markets supplied by a network of Moroccan migrants in Italy.

For El Salvador, it is estimated that trade in 'nostalgic products' comprises over 10 percent of the total exports of the country.

3.5.5 Trade of nostalgic products case

Promoting trade of nostalgic products in Honduras

A good example of a project in which the trade of nostalgic products had a strong focus was the GIZ pilot project 'Transnational Bridge' in Honduras in the region of Intibucá, as part of a large income and employment promotion programme (called PROMYPE), which ran from May 2008 until December 2010. The aim of the project was to foster the integration of migrants into local development initiatives and to harness the development potential of remittances in Honduras for sustainable development of the local economy.

One way of harnessing the development potential of migrants was to include the promotion of trade in local products – so called 'productos nostálgicos' – which are in high demand by Hondurans and other Latin-Americans in the US, as a study conducted by GIZ in 2008 showed. At the moment there are about 600.000 Hondurans living and working in the US who acquire a large part of their daily food from Latino supermarket chains.

The region Intibucá, which served as the pilot region for this project, is characterized by prevalence of poverty, low economic growth and a high rate of emigration. Measures were implemented to promote exports and market nostalgic products (i.e. various bakery items, dairy products, fruit wines, etc.).

German development cooperation conducted a baseline study to identify and analyze the most important (often informal) trade channels. So called “viajeros” or travelers going back and forth between Honduras and the United States, conduct this (informal) trade with “nostalgic” products. The analysis showed that there is great demand for these products in the United States; however these products often do not meet quality regulations and international standards so that they could be traded through official channels. Based on this conclusion, German development cooperation supported the foundation of a “viajero association” and, as a next step, provided advice on quality management, production standards and the professionalization of their services. The overall objective was to comply with the host country’s quality standards, to make the transport and marketing of “nostalgic” products more professional and thereby to promote trade of these products between Honduras and the USA.

3.5.6 The next step: What can your programme do?

Migration can make a significant positive contribution to private sector development if its potential is used for the promotion of nostalgic products in regions and countries that are strongly affected by migration.

The Sector Project Migration and Development can assist GIZ programmes in partner countries to insert nostalgic trade into the broader agenda on trade promotion and trade capacity and, if needed, help choose the most suitable interventions.

For specific information on Trade of Nostalgic Products, please refer to the trade sections in the discussion paper ‘Migration and Sustainable Economic Development’ and MITOS-Tools 9 and 10 available under the following links:

Discussion paper “Migration and Sustainable Economic Development”: <http://www.giz.de/expertise/downloads/giz2013-en-migration-and-sustainable-economic-development.pdf>

MITOS Tool 9 “Import and Export Service Training” <http://www.giz.de/expertise/downloads/giz2012-en-mitos-tool-9-import-export-services-training.pdf>

MITOS Tool 10 “Trade Promotion Agency” <http://www.giz.de/expertise/downloads/giz2012-en-mitos-tool-10-trade-promotion-agency.pdf>

For more information about various aspects of the Sector Project Migration and Development, please refer to www.giz.de/migrationdevelopment or migration@giz.de.



3.6 Business Responsibility / CSR

1. Introduction
2. Tools to promote business responsibility and CSR
3. What can international cooperation do to support and promote migrants' role in CSR?
4. CSR case
5. The next step: What can your programme do?

3.6.1 Introduction

Corporations are entities designed to generate a profit for their share owners. These share owners naturally expect profits year after year. The efforts in many industries to generate profits and secure resources and labour at the right price and convenience over longer periods of time are in tension with the growing pressure on corporations to increase their responsibility to all stakeholders, including their workforce, and to be accountable for their impacts.

In many sectors, such as textiles, agribusiness and mining, global companies now approach this responsibility as part of all-round risk management, understanding their supply chains, drafting codes and operational procedures to mitigate negative impacts and building relationships with stakeholders and their representatives towards mutually acceptable outcomes and conciliations.

This corporate responsibility, or accountability, is often defined as 'Corporate Social Responsibility' (CSR) and more and more companies, especially those that are part

of global value chains, are committed to CSR, as it shields them against future risks and helps them to uphold their reputation.

CSR

CSR could be described as "socially and environmentally responsible corporate management based on a self-regulating mechanism, whereby a business monitors and ensures its active compliance with the spirit of the law, ethical standards, and international norms"⁹ Thus, a company acting in the spirit of CSR aims to comply with social, human rights- and environment-related principles in the design of their business activities and their relationships with employees, shareholders, consumers and investors.

Increasingly, the definition of CSR has been pushed – by management thinking, campaigners and companies' own

⁹ D. Wood, 'Corporate Social Performance Revisited' (1991) 16(4) *The Academy of Management Review*.

experimentation – beyond simply complying with the law in order to manage risk. It has become a concept of value-creation through a much fuller understanding of social-, human rights- and environmental impact and a wider definition of stakeholders. Thus, the concept is based on the idea that business success and social welfare are interdependent and that a business needs a healthy, educated workforce, sustainable resources and an adept government to compete effectively.

Besides the positive impact of successfully implemented CSR strategies, which lead to more quality and resource efficiency in production, wide adoption of responsible corporate policy also promotes development goals at the national level. Improvements in CSR promote environmental protection, improve living conditions of employees and reduce poverty levels.

However positive the results of wide adoption of CSR principles could be, in an era of globalized value chains, fierce competition and a rapidly changing environment, CSR compliance is a growing challenge - especially in emerging and developing countries.

Corporate Social Responsibility and Migration

At the international level, some of the expectations of corporations under the above described CSR principles are now being elaborated with respect to migration. The reason for this is that labour migration, both intra-national and international, is a phenomenon of great proportion, and an area where workers are vulnerable to particular forms of discrimination, exploitation and abuse.

Thus, business and industry are requested to take the lead, as governors of their supply chains, in ensuring that migration has the best possible outcome for migrants, employers and the communities where these workers originate from. Furthermore, governments of emerging and developing countries have a role to play as implementers and monitors of CSR standards, because failure to comply with CSR standards will result in a negative country image and thus dwindling exports of SMEs. This can directly affect their private sector development efforts and thus their overall development goals.

3.6.2 Tools to promote business responsibility and CSR

In its efforts to promote business responsibility, GIZ focuses primarily on the pro-development aspects of CSR. Since businesses in developing countries often have a poor CSR track record, which prevents their integration into global value-added processes, GIZ supports measures that promote the compliance with environmental and social standards in order to increase international acceptance and competitiveness of local firms. Furthermore, GIZ aims to contribute to poverty reduction by supporting the innovative strength of the economy to produce affordable products and services that adhere to environmental and social standards and benefit particularly poor populations in developing countries.

The approaches used by GIZ to promote CSR in developing countries can be split up in three instruments:

- ▶ Public private partnerships to promote knowledge transfer and CSR compliance.
- ▶ Capacity development for government institutions and companies, to promote effective policies, strategies and practices of CSR.
- ▶ Creation and promotion of business models for Sustainable Development, especially for those at the bottom of the pyramid (BoP).

Under the umbrella of these three instruments GIZ has implemented a wide range of projects, e.g. Profitable Environmental Management, AIDS Prevention & Health Promotion in the Workplace Programmes, Corporate Sustainability Training Programmes (e-learning-modules), 'Energizing the BoP', 'Secure the Poor'; micro financing and micro insurances for the poor, promotion of social and environmental standards compliance in the Bangladeshi garment industry, the 'Strategic Corporate-Community Partnership for Local Development Program (SCOPE)', etc. GIZ also initiated a number of industry stakeholder dialogues (e.g. within the cacao and coffee industries), as well as several forums and round table discussions on CSR standards, business codes of conduct and countering corruption.

3.6.3 What can international cooperation do to support and promote migrants' role in CSR?

Many companies in emerging and developing countries confronted with migration issues work hard to comply with employment laws, but compliance often presents challenges. This could be explained by wider problems of poor provision of services, poor governance, lack of monitoring and the wide prevalence of poverty. Furthermore, compliance could clash with migrant workers' own priorities and preferences, since labour laws are often made for a country with a steady, resident labour force, not a workforce which crosses borders, roams worksites and keeps strong links with the country (or the village, in case of internal labour migration) where their roots lie. In such situations it is unrealistic to expect companies to be able to voluntarily or fully act according to the principles of CSR.

It is clear that CSR compliance with respect to migrant workers is a complex issue, without quick fixes and that both the companies and the governments confronted by these migration issues could use advice and support in order to increase migrant workforce welfare.

Due to the complexity of the issue and because labour migrants have special needs, the Sector Project Migration and Development offers extensive research on specific migration contexts (international, as well as internal) to be able to advise companies (and government institutions) on the issue of CSR compliance. Based on the research results, CIM can provide CSR tools to partner countries' private sector on dealing responsibly with migrant workers. For example, these research results allow the Sector Project to provide specific advisory products to companies on such issues as accommodation, training and accreditation, healthcare, remittances (safe saving), etc.

3.6.4 CSR case

Study "Internal Labour Migration and Business Responsibility in India"

As part of the activities under the Sector Project Migration and Development, a lot of emphasis is put on information gathering and data analysis in order to make recommendations on specific labour migration phenomena. This provides up to date information on the issues under research and avoids working with misguided assumptions based on previous experience.

One such research activity is the report, commissioned by the new Centre for Responsible Business (CRB) in Delhi (back then incubated by GIZ and other partners), on two industrial sectors which draw heavily on migrant labour, i.e. the construction sector and the apparel manufacturing sector. The report, delivered in August 2012, offers an overview of circular migration in India, its framework of entitlements, and the role which business and industry play, and could play, in responding to migrants' needs.

The report, compiled from a review of secondary sources and interviews with a total of 35 respondents from the two sectors, was meant as a starting point for a conversation on corporate governance, compliance and CSR between industry, government and civil society and among sectors and companies who share issues related to migrant workforce. This conversation is important, because the private sector, with its weight and links as an employer, will be the ultimate driver of CSR initiatives.



The CRB's intent with this study was to position migrant workers as business stakeholders and their issues as a core part of the business responsibility agenda in India. The research played an important role in CRB's efforts to engage in dialogue and partnerships with industry and kick-start government and non-government initiatives. It has also helped in the development of trainings, tools and partnerships for addressing the challenges of migrant workforce management, the poor quality of jobs and entitlement failure.

For more information on the Centre for Responsible Business see: www.c4rb.org

3.6.5 The next step: What can your programme do?

The Sector Project Migration and Development can assist GIZ programmes in partner countries to decide on the relevance of migration to their regular 'Responsible Business' programmes, through support and advice on research and offer recommendations on how businesses can responsibly deal with migrant workers, depending on the labour migration phenomena.

For specific information on 'Responsible Business' or 'Corporate Social Responsibility' please refer to the document 'Corporate Social Responsibility and International Cooperation. GIZ's contribution', under the following link: <http://www2.gtz.de/dokumente/bib-2011/giz2011-0576en-csr-ic-contribution-giz.pdf>.

For more information about various aspects of the Sector Project Migration and Development, please refer to www.giz.de/migrationdevelopment or migration@giz.de.

References

Annan, Kofi (2006): High-Level Dialogue on International Migration and Development, United Nations General Assembly 14-15 September 2006, <http://www.un.org/migration/>

BMZ - Federal Ministry for Economic Cooperation and Development (2013): „Sektorkonzept Privatwirtschaftsförderung“, BMZ-Strategiepapier 9/2013, http://www.bmz.de/de/mediathek/publikationen/reihen/strategiepapiere/Strategiepapier333_09_2013.pdf (23.04.2014) -only available in German

Ethiopian Ministry of Foreign Affairs: Ethiopian Diaspora Policy 2013, <http://www.ethdiaspora.org.et/phocadownloadpap/Policy/diaspora%20policy.pdf>

Joint Migration and Development Initiative, (2013): Mapping Local Authorities' Practices in the Area of Migration and Development, http://www.migration4development.org/sites/m4d.emakina-eu.net/files/mapping_local_authorities_practices-jmdi_2013_-_online_version_1.pdf

Wood, Donna (1991): “Corporate Social Performance Revisited” 16(4) The Academy of Management Review.

World Bank (2014): Migration and Development Brief 22, April 11, 2014

Further GIZ Resources

Corporate Social Responsibility and International Cooperation: GIZ's contribution (2011): <http://www2.gtz.de/dokumente/bib-2011/giz2011-0576en-csr-ic-contribution-giz.pdf>

Migration Tools. Options for Sustainability (2012): <http://www.giz.de/expertise/downloads/giz2012-en-mitos-gesamt.pdf>

Guidelines “Creating Value through Migration” (2013): <http://star-www.giz.de/fetch/5rWk5X001Q00gerO0Q/giz2014-1613en-creating-value-migration.pdf>

Discussion Paper “Migration and Sustainable Economic Development (2013): <http://www.giz.de/expertise/downloads/giz2013-en-migration-and-sustainable-economic-development.pdf>

Integrating Migration as a Competitive Advantage into the MSME Development Plan 2010-2016 (2010): <http://www.giz.de/expertise/downloads/gtz2010-en-integrating-migration-philippine-msme-development-plan.pdf>

Toolbox for Promoting Innovation Systems (2014): <http://star-www.giz.de/fetch/1q38Q1L01X0Vu000g0/giz2014-0068en-promoting-innovation-systems.pdf>

Website Sector Project Migration and Development: <http://www.giz.d/migrationdevelopment>

Website Center for International Migration and Development (CIM): <http://www.cimonline.de>



Imprint

Published by the
Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH /
Center for International Migration and Development (CIM)

Registered offices
Bonn and Eschborn, Germany

Sector project
Migration and Development

Friedrich-Ebert-Allee 40	Dag-Hammarskjöld-Weg 1-5
53113 Bonn, Germany	65760 Eschborn, Germany
T +49 228 44 60-0	T +49 61 96 79-41 02-0
F +49 228 44 60-17 66	F +49 61 96 79-80 11 15
E migration@giz.de	
I www.giz.de/migrationdevelopment	

Edited by
Stephanie Deubler

Design and layout
Feckler Media, 53332 Bornheim

Printed by
druckriegel
Printed on FSC-certified paper.

Photo credits
Title © GIZ, Katharina Niederhut
Page 2-44 © photocase.de, judigrafie; Page 11 © GIZ, Meissner;
Page 14 © GIZ, Ostermeier; Page 20 © GIZ, Kirchgessner;
Page 24 © GIZ, Trosse; Page 29 © GIZ, Kirchgessner;
Page 34 © GIZ, Fuhr; Page 38 © GIZ, Büttner

As at
December 2014

GIZ is responsible for the content of this publication.

On behalf of
Federal Ministry for Economic Cooperation and Development (BMZ);
Division for Refugees, Migration and Employment, Reintegration

Addresses of the BMZ offices

BMZ Bonn	BMZ Berlin
Dahlmannstraße 4	Stresemannstraße 94
53113 Bonn	10963 Berlin
Germany	Germany
Tel. + 49 (0) 228 99 535 - 0	Tel. +49 (0) 30 18 535 - 0
Fax+ 49 (0) 228 99 535 - 3500	Fax +49 (0) 30 18 535 - 2501

poststelle@bmz.bund.de
www.bmz.de