



United Nations  
Economic Commission for Africa  
Sub-Regional Office for North Africa



## Fact-Finding mission (Advisory Services) and Inception Workshop for the Program on:

**Strengthening the Migration-Development Nexus in Africa**

**24-27 June 2024**

**Best Western Premier Hotel, Accra, Ghana**



# Concept Note

## I. INTRODUCTION

Diasporas contribute significantly to the sustainable development of both destination and origin countries, making diverse economic, social, and cultural contributions. They bring home significant remittances and acquired skills from destination countries, providing significant benefits to home countries and as useful source of technological transfer, and innovative ideas for national development. They send money to home helping to **(i)** fund basic goods and services, **(ii)** fight poverty, and **(iii)** mitigate shocks and support recovery from crises. Migrants also acquire financial resources for sole and joint investment to improve lives, make financial returns, or both. Diasporas are the embodiment of their heritage country's image abroad, forging ties and creating transnational spaces.

Despite their increasing importance, diaspora policies still receive less consideration than immigration policies. While policymakers and researchers have dedicated more attention to States of origin, they have primarily focused on their role for the immigration policies of States of destination. The transnational engagement of States of origin with their citizens abroad for domestic purposes has received less attention.

Migrants' contributions to development have recently received growing recognition. At the global level, the 2030 Agenda for Sustainable Development Goals (SDGs) introduced the first explicit recognition of migrants' contributions to inclusive growth and sustainable development and called for reducing remittance transaction costs through SDG 10.c which states, "by 2030, reduce to less than 3 percent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 percent.". The 2018 Global Compact for Safe, Orderly and Regular Migration (GCM), under objective 19, called for improving conditions for migrants to contribute to sustainable development in countries of origin, transit, and destination. It advocated for adopting migration policies; integrating migration into development planning and sectoral policies at different levels; facilitating migrants' contributions, including investments and entrepreneurship; investing in research on migrants' non-financial contributions; and enabling their political participation. In addition, it recalled the need for participatory approaches, including State and non-State actors. The value of remittances has also been identified and recognized in Objective 20 of the GCM, as follows: "Promote faster, safer, and cheaper transfer of remittances and foster financial inclusion of migrants.

More detailed provisions have been adopted at the African level. The African Union has recognized the importance of diasporas in different ways. Agenda 2063 called on African Union Member States to enable diaspora participation and facilitate free movement of people, as later concretized in the 2018 African Union Free Movement of Persons Protocol. In 2012, the first Global African Diaspora Summit led to the adoption of five programs, including the development of a Skills Database of African Professionals in the Diaspora to facilitate their involvement in Africa's development agenda, the African Diaspora Investment Fund, and the African Institute for Remittances (AIR). The Revised Migration Policy Framework for Africa identified diaspora engagement as one of its eight key pillars for engagement. It highlighted existing challenges regarding trust-building among diaspora institutions, scarcity of quality data on diasporas and remittances, and the need to develop national diaspora engagement strategies, in line with international frameworks. It also called for engaging with second- and third generation diasporans. The Migration Policy Framework for Africa recommended multiple strategies to address these challenges. To begin with, it recommended establishing diaspora

focal points and agencies; adopting whole-of-government approaches; and developing diaspora engagement strategies, together with international donors and organizations. It further recommended facilitating diaspora investment and circulation of knowledge and skills, as well as broader political, social, and economic reforms that could help attracting diaspora engagement. Finally, it recommended improving research and data collection, including through diaspora mapping.

Remittances are a vital tool for development and have significant implications for economic growth through the increase of consumption, investment, and social spending (education, health, social security...). For example, remittances have proved to be a powerful instrument for reducing poverty in origin countries and it accounted for 40 percent of the decline in poverty rates in some countries<sup>1</sup>. Remittances contribute also to:

- (i) increased consumption and food security like in Ethiopia where farm households receiving remittances are less worried about procuring sufficient food and are at lower risk of malnutrition<sup>2</sup>,
- (ii) increased spending on human capital investments (education and health care), and
- (iii) reduced gender gaps. For example, in Malawi, migration to South Africa has increased the educational attainment of children in rural communities<sup>3</sup> and in Morocco, parents with low levels of education in households that receive remittances postpone their daughters' entry into the labor market<sup>4</sup>.

Most African migration occurs within the continent as migrants seek employment opportunities in neighboring regional economic hubs. About, 80 percent of African migrants do not have an interest in leaving the continent. Africa accounts for only 14 percent of the global migrant population, compared to 41 percent from Asia and 24 percent from Europe. African countries have over 30 million international migrants.

Remittances inflows have increased significantly in recent years and have become the main financial external inflow in African countries, surpassing other inflows that traditionally play an important role in these countries, such as official development assistance (ODA) and foreign direct investment (FDI). Remittances are also a stable source of foreign exchange which supports macroeconomic stability unlike ODA and FDI. This was the case during the global financial crisis of 2008–2010 and during the COVID-19 pandemic when they remained relatively stable while other capital inflows suddenly stopped<sup>5</sup>.

Migrant remittances to Africa exceeded US\$100 billion in 2023, providing a lifeline to the poor in many African countries. This substantial sum supports the livelihoods of over 200 million relatives, predominantly in rural locales, with a quarter of these funds being allocated for investment or savings<sup>6</sup>. The potential contribution of the diaspora to the continent's development goes much beyond personal remittances. Those contributions range from

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<sup>1</sup> Shrestha, Maheshwor. 2017. "Push and Pull: A Study of International Migration from Nepal." Policy Research Working Paper 7965, World Bank, Washington, DC.

<sup>2</sup> Abadi, Nigussie, Ataklti Techane, Girmay Tesfay, Daniel Maxwell, and Babu Vaitla. 2018. "The Impact of Remittances on Household Food Security: A Micro Perspective from Tigray, Ethiopia." WIDER Working Paper 40/2018, United Nations University–World Institute for Development Economics Research, Helsinki, Finland.

<sup>3</sup> Dinkelman, Taryn, and Martine Mariotti. 2016. "The Long- Run Effects of Labor Migration on Human Capital Formation in Communities of Origin." *American Economic Journal: Applied Economics* 8 (4): 1–35.

<sup>4</sup> Bouoiyour, Jamal, and Amal Miftah. 2015. "The Impact of Remittances on Children's Human Capital Accumulation: Evidence from Morocco." *Journal of International Development* 28 (2): 266–80.

<sup>5</sup> Kpodar, Kangni Roland, Montfort Mlachila, Saad Noor Quayyum, and Vigninou Gammadigbe. 2021. "Defying the Odds: Remittances during the COVID-19 Pandemic." IMF Working Paper WP/21/186 (July), International Monetary Fund, Washington, DC.

<sup>6</sup> <https://www.ifad.org/en/prime-africa>

collective remittances that assist in philanthropic activities to knowledge exchange, increased trade links, and better access to foreign capital markets. It is estimated that the African Diasporas save US\$153 billion annually, most of which is currently invested outside Africa, and which could potentially be mobilized for Africa via instruments such as diaspora bonds.

However, the positive contribution of international migrants, remittances in particular, is overlooked. And while countries have made some progress on capitalizing on migrants' contribution to development, in African countries these efforts continue to be a missed opportunity. Understanding migrants' positive contribution to their receiving countries and designing policies that protect and empower them is key for maximizing the benefits of migration. More broadly, in providing support to migrants, public policies are expected to create a "win-win" relationship benefitting the migrant, the country of origin, and the host country. Knowing the importance of remittances to economic development and to facilitate evidence-based policies and their implementation, the governments, the private sector, and the NGOs need clear tools, framework and policies that help to better optimize the contribution of Diasporas in the development of their countries of origin.

The Global Compact for Safe, Orderly and Regular Migration (GCM) adopted in Morocco in December 2018, has given regional commissions the responsibility to support member states in reviewing, monitoring, and implementing the Compact. The Economic Commission for Africa (ECA) is supporting countries to better achieve the GCM goals, Agenda 2030, and Agenda 2063.

In this context, ECA will implement a program on "*Strengthening the migration-development nexus in Africa* » from 2024 to 2028. The program supports six African Member States characterized by diverse migration patterns, strategic geographical locations, significant migration flows, diverse diasporas, significant remittance inflows (in percentage of GDP), and proactive government efforts to leverage migration for development. The interregional approach of this program is premised on the principle that South-South cooperation can foster the exchange of experiences on common areas and facilitate the dissemination of relevant good practices.

The **program's objective** is to strengthen the capacities of selected countries to integrate strategies in sectoral plans (socio-economic) to optimize the contribution of remittances that migrants as workers in the formal sector send back to their country of origin for sustainable development.

**By the end of this program**, it is expected that targeted member states have integrated strategies in sectoral plans that optimizes the benefits of remittances for development. It will contribute to enhance technical capacity of selected member States:

- a) to identify the needs and best practices to better understand and mainstream migration positive contributions (Outcome 1) and
- b) to integrate actions in sectoral plans (socio-economic) to optimize the contribution of remittances into the development (Outcome 2).

To better take advantage of migration's positive contributions to sustainable development and by focusing on remittances flows as important tool to finance development, in a context where domestic resources and Official Development Aids are declining, it is important to know:

- Profile and repartition of Ghana's migrants.
- Initiatives implemented by the country to promote investment by the diaspora.
- Challenges and constraints faced by the diaspora to invest in Ghana.
- Existing financial products and channels of transmission for remittances

- What is the potential of remittance linked products and services in Ghana at present?
- What do we expect from remittance linked products and services in the market?

The ECA program in Ghana aims to provide technical support government's efforts and strengthen capacities to integrate strategies in sectoral plans (socio-economic) to optimize the contribution of remittances that migrants as workers in the formal sector send back to their country of origin to sustainable development.

The National Development Planning Commission (NDPC) is the national focal point for collaboration under this program. As part of the support to Ghana under this program, The ECA Sub-regional office of North Africa will organize a fact findings mission and an inception workshop on the contribution of Migration to Development in Ghana.

## II. FOCUS COUNTRY: GHANA

In Ghana, remittances constitute a critical source of income for many households, bolstering economic stability and fostering entrepreneurial ventures. Ghana's context in terms of remittances and development is characterized by diverse migration patterns, significant remittances (remittances constituted 7% of GDP in 2022)<sup>7</sup>, and proactive efforts to leverage migration for development.

The country experiences emigration driven by economic factors, resulting in a substantial diaspora. Remittances from this diaspora play a vital role in Ghana's economy, aiding poverty reduction and local development. The government recognizes the diaspora's potential and is making significant effort to put into place policies to encourage engagement and investments of the diaspora. Initiatives to attract remittances highlight Ghana's proactive approach. This is reflected in the National Development Plan of Ghana (2018-2057) and the National Migration Policy, adopted in April 2016. A Diaspora engagement policy was also elaborated in 2023 to enhance the capacity of Ghanaians residing abroad to effectively participate in national development in a structured way through the channeling of their remittances to investment, support innovation, and develop priority sectors of the economy.

### I. Statistics: Migration and diaspora in Ghana

- The available statistics do not provide an exact picture of the volume and magnitude of Ghanaian emigration. Estimates from Ghana Missions abroad indicate that Ghanaian migrants reside in more than 53 countries around the world, the majority of which are English-speaking countries. Estimates from the World Bank point to 1.7 million Ghanaians residing abroad, representing 7.6% of the total population.

- The main destination countries are Nigeria (24%), the United States (20%), the United Kingdom (13%) and Côte d'Ivoire (11%)<sup>8</sup>.

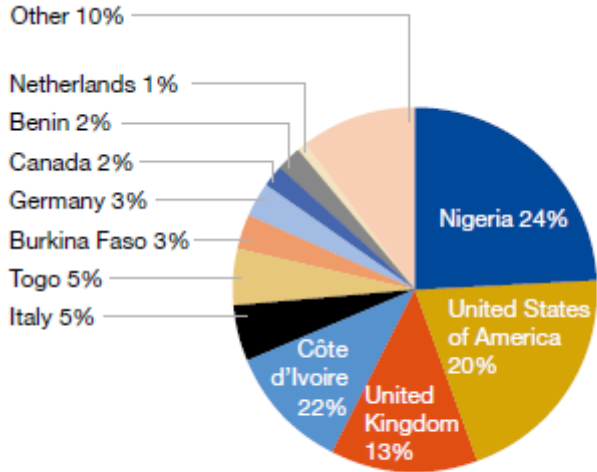
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<sup>7</sup> World Bank Indicators (2022).

<sup>8</sup> Country profiles – Remitscope [Country profiles - Remitscope](#)

- The majority of Ghanaian migrants (48 per cent) are hosted in sub-Saharan Africa. Nineteen per cent of migrants reside in bordering countries – Côte d'Ivoire (111,708), Togo (47,232) and Burkina Faso (33,487).
- In 2022, 47% of international migrants in Ghana are female and 53% are male.
- Fifteen per cent (15%) of Ghanaians overseas reside in the European Union. Relatively large communities are hosted in Italy (54,690) and Germany (33,440). There are growing populations in the Netherlands (14,923) and Spain (13,778).

**Figure 1: Ghanaians living outside Ghana, 2022**



- The decision to migrate is primarily driven by economic factors, the main reason being employment opportunities (76%). The second most important reason is the pursuit of formal education (13%).

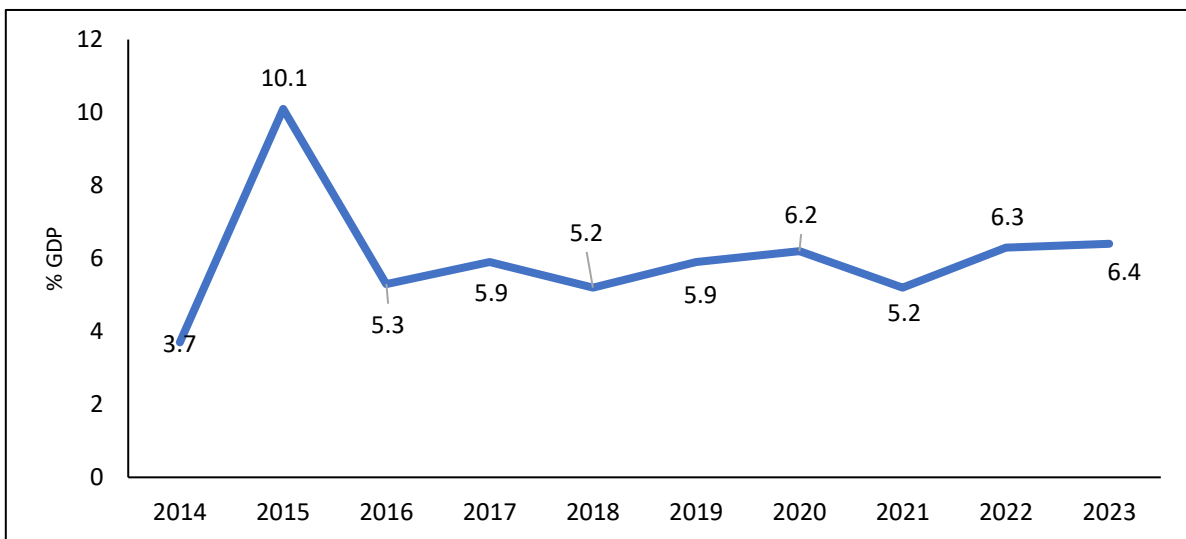
**Table 1: Reasons for migrant travel**

Reason	Frequency	Percentage
Education	89	13%
Employment	520	76%
Marriage	39	6%
Visit/Vacation	11	2%
To Join the Family	30	4%
<b>Total</b>	<b>689</b>	<b>100%</b>

## II. Remittance flows and contribution to socio-economic development in Ghana

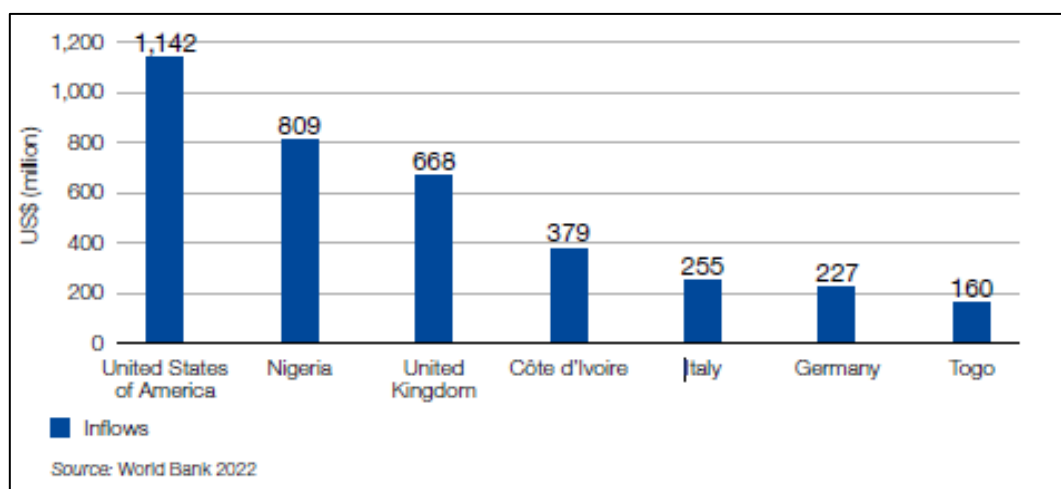
- International remittance inflows to Ghana are an important source of funds in foreign exchange to the country and an estimated 600,000 families rely on them.
- Ghana is the second-highest receiver of remittances in Africa excluding North Africa (after Nigeria). An estimated US\$4.6 billion was sent to Ghana in 2023, equivalent to 6.4% of GDP (World Bank). It was equivalent to 6.4% of GDP in 2023. The true value of remittances sent home is likely to be significantly higher due to money sent through informal (unregistered) channels.
- Ghana is a net receiver of remittances. As a result of outbound remittance restrictions, a significant amount of money flows informally from Ghana to neighboring countries in the Economic Community of West African States (ECOWAS) region.
- Remittances inflows to Ghana remained strong through the COVID-19 pandemic in 2020 increasing by 22% from 2019. This trend of growth of remittance inflows has continued through 2021 and 2022, at a slower rate of 5% and 3% respectively.

**Figure 2: Ghana remittance inflows (% GDP)**



- The geographical origin of Ghana's remittance inflows is in line with emigration trends. The main originators of remittances into Ghana are the United States (25%), Nigeria (18%) and the United Kingdom (15%). Remittance flows from EU countries account for 18% of total inflows in Ghana. Italy, Germany, and the Netherlands are the main EU corridors.
- Of all remittance inflows, 36% are intra-African. After Nigeria, Côte d'Ivoire (8%), Togo (4 %) and Burkina Faso (3%) are the largest intra-African remittance corridors to Ghana.

**Figure 3: Main inbound remittance corridors to Ghana 2022, in US\$ (million)**



- Based on The Ghana Living Standards Survey (GLSS), regions with relatively high proportions of households who received remittances from migrants living abroad are Greater Accra (80.3%) and Central (75.1%) regions while the Upper East region had the least proportion (18.3%)<sup>9</sup>.
- From the Ghana Living Standards Survey (GLSS), about 88.3% of remittances to households are used for consumption or living expenses, and about 3.56% of remittances channeled to investment while 5.98 % is for human capital development (health and education expenses)<sup>10</sup>.
- Remittance inflow and outflow data are collected by the Bank of Ghana, although this is for a limited amount of data indicators.

### III. Governance Framework and Regulatory environment for Remittances in Ghana

#### ➤ *National development plan for 2018–2057*

- Ghana's sustainable social and economic development agenda is enshrined in its national development plan for 2018–2057 and the coordinated program of economic and social development policies (2017–2024).
- The national development plan recognizes the importance of remittances, and their role to contribute to the development of the country. Strengthening the engagement with the Diaspora for national development in Ghana is one of the national plan's priorities and this was reflected in the strategic Objective 2: Strengthening relations with the Ghanaian diaspora and the Pan-African world in general Indicative Strategies.

#### ➤ *Diaspora Engagement Policy*

- Ghana has formally acknowledged the importance of the diaspora and the valuable contribution that Ghanaians abroad can make towards the country's development. This

<sup>9</sup> The Ghana Living Standards Survey (GLSS), 2017.

<sup>10</sup> The Ghana Living Standards Survey (GLSS), 2017.



recognition has led to the development of a single diaspora policy that spans all governmental institutions and levels. The policy provides a unifying approach to diaspora engagement process across the various Ministries and governmental levels.

- The main purpose of the Diaspora engagement is to enhance the capacity of Ghanaians residing abroad to effectively participate in national development in a structured way through the channeling of their remittances to invest, support innovation, and develop priority sectors of the economy.

➤ ***National Migration Policy***

- The National Migration Policy (2016) represents the first comprehensive national migration policy framework. It establishes several objectives and strategies related to brain drain/gain and the return and reintegration of emigrants, as well as the role of Diasporas in supporting development through remittances and knowledge transfers. The policy also recommends strategies to increase remittance flows to contribute to the development of Ghana.

➤ ***Ghana's regulatory environment for remittances is clear and well defined.***

- The Foreign Exchange Act 2006 (Act 723) recognizes banks as the main providers of international remittance services in Ghana. This Act sets out Ghana's foreign exchange regime, specifying that all inward or outward payments of foreign currency must be made by a bank or authorized dealer.

- To operate within the market, all remittance providers must partner with a bank, and are mandated to use the daily interbank exchange rates published by the Bank of Ghana. Some Ghanaian banks offer transactional accounts, banking services and onboarding processes catering to the diaspora, but the offering remains limited.

- As a result of economic challenges, the Ghanaian remittance market has higher costs than many African markets. The current average cost of sending money to Ghana is 9.1% of the amount sent (Q4 2022). This is an increase of almost 3% from Q1 2021. The cost to send remittances to Ghana is now more than the African average of 8.46% (Q3 2022), the most expensive region to send to, and far above the 3% SDG 10.c target.

- The Ghanaian remittance market is rapidly shifting from predominantly cash-based, to increasingly digital services. The market is served by many international money transfer operators (MTOs) and a growing number of corridor specialists. Digital channels are cheaper than cash channels, but this varies across sending countries.

➤ ***Initiatives to maximize the positive impact of remittance flows on Ghana's development.***

### **III. FACT FINDING MISSION AND INCEPTION WORKSHOP OBJECTIVES**

The fact-finding mission aims to meet with the main national stakeholders and initiate discussions and exchanges on the progress made, initiatives launched by the government, challenges and needs to better optimize the contribution of remittances to sustainable development in Ghana.

The overall objectives of the inception workshop are:

- To present and discuss Ghana's experience to ensure a better use of Diasporas' remittances to support the development of the country.
- To present the existing financial products, any initiatives launched by the government and challenges faced by migrants to promote investments in their country of origin, and
- To identify the needs (2-3 main actions) and propose an action plan to optimize the contribution of migrants to Ghana's development.

### **IV. EXPECTED RESULTS**

It is expected that the fact-findings mission and the inception workshop will achieve the below results:

- i. Enhanced knowledge and understanding of the role and importance of diasporas' contribution to sustainable development in Ghana.
- ii. Identify the existing initiatives/tools/actions/policies to optimize the use of remittances.
- iii. Improved understanding of remittance transmission channels, challenges faced by migrants and what is needed to ensure a better use of their remittances in Ghana; and
- iv. Develop an action plan with 2-3 priorities to leverage the benefits of migration and remittances for sustainable development in Ghana.
- v. To create a stakeholder working group to contribute to the program.

### **V. PARTICIPANTS**

The meeting with main stakeholders during the fact-finding mission will be for 3 days.

The inception workshop (1 day) will bring together around 45-50 participants from sectoral ministries and other government institutions responsible for migration and Diaspora in Ghana. The format of the inception workshop will be structured around plenary sessions.

Discussion and exchange will enrich the inception workshop and help identify how Ghana can better leverage the diaspora's contribution to sustainable development. Resource people will make their contributions at different stages to achieve the objectives.

Representatives from the below entities will be consulted and participate in the inception workshop:

- ✓ National Development Planning Commission (NDPC) (7)
- ✓ Ministry of Foreign Affairs and Regional Integration (MoFARI) (1)
- ✓ Ministry of Finance (MoF) (1)
- ✓ The Diaspora Affairs Bureau, Office of the President (DAOOP) (1)
- ✓ Ministry of Local Government and Rural Development (1)
- ✓ Ministry of the Interior (MINTER) (1)
- ✓ Ministry of Employment and Labour Relations (MELR) (1)
- ✓ Office of the Attorney-General & Ministry of Justice (OAG & MoJ) (1)
- ✓ Bank of Ghana (BoG) (1)
- ✓ Ghana Investment Promotion Council (GIPC) (1)
- ✓ Ghana Statistical Services (GSS) (1)
- ✓ UNCT Migration Network (IOM (1), RCO of Ghana (1)
- ✓ Financial Institutions: Commercial Banks (3-5), Investment Banks (3), Insurance Companies (2)
- ✓ Chamber of Commerce (1)
- ✓ Association of Ghana Industries (1)
- ✓ Ghana Immigration Service (GIS) (1)
- ✓ Centre for Migration Studies (CMS) (1)
- ✓ Ghana Police Service (1)
- ✓ Economic Organized Crime Office (EOCO) (1)
- ✓ National Remittances Stakeholder Network: Ghana (1)
- ✓ Parliament (1)
- ✓ National Coordination Mechanism
- ✓ Ghana Refugee Board (GRB) (1)
- ✓ Migrants (Diaspora, Diaspora Organizations) (1)

## VI. DATE AND PLACE

The fact findings mission (advisory services) for 3 days will be in Accra, Ghana, on **24-26 June 2024**.

The inception workshop (1 day) will take place on **27<sup>th</sup> June 2024**, in Accra, Ghana at Best Western Premier Hotel

## VII. WORKING LANGUAGES

The language of the meeting will be English.

## VIII. CONTACTS

For more information on the event, kindly contact:

- **Economic Affairs Officer & Program manager**  
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**Mr. Ilias Ennassiri**  
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- **Country Focal Point:**  
**Dr. Lily Owusu**  
NATIONAL DEVELOPMENT PLANNING COMMISSION  
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# AGENDA

## Day 1: 27 June 2024

09h00 – 09h30 : Arrival/Registration

09h30 – 09h45 : Opening Session

- **Dr. KODJO ESSEIM MENSAH-ABRAMPA**, Director General, National Development Planning Commission (NDPC) of Ghana
- **Mrs. Samia HAMOUDA**, Economic Affairs Officer & Program Manager, Subregional Office for North Africa of the United Nations Economic Commission for Africa (ECA/SRO-NA)

09h45 – 10h00 : Group Photo

10h00 – 10h15 Coffee break

10h15 – 10h30 : Session 1: Presentation of the objectives of the workshop and adoption of the program of work

- **Prof. Ferdinand AHIKPOR**, Professor and Vice Dean, School of Economics, University of Cape Coast, Ghana

10h30 – 12h00 : Session 2: Presentation of the program and how remittances can finance development in Africa.

**Mrs. Samia HAMOUDA**, Economic Affairs Officer & Program Manager, Subregional Office for North Africa of the United Nations Economic Commission for Africa (ECA/SRO-NA)

**Moderator:** **Dr. Lily Owusu**, National Development Planning Commission

**Discussions**

12h00 – 13h00 Lunch

13h00 – 15h00 : Session 3: Presentation of representatives and experts on the Diaspora's contribution to development (current initiatives/policies and suggestions)

- National Development Planning Commission (NDPC)
- Ministry of Foreign Affairs and Regional Integration (MoFARI)
- The Diaspora Affairs Bureau, Office of the President (DAOOP)
- Central Bank of Ghana (CBG)
- Ghana Investment Promotion Centre (GIPC)
- Representative from the banking sector: **Managing Director of Consolidated Bank Ghana Limited: Mr. Daniel Addo**
- Representative from IOM

**Moderator:** **Dr. Lily Owusu**, National Development Planning Commission

**Discussions**

**15h00 – 16h00**      **Session 4: Presentation of ToRs of the National Working Group and Identification of priorities to better leverage the benefits of migration and remittances for sustainable development in Ghana.**

**Speaker:** **Mrs. Samia HAMOUDA**, Economic Affairs Officer & Program Manager, Subregional Office for North Africa of the United Nations Economic Commission for Africa (ECA/SRO-NA)

**Moderator:** **Dr. Lily Owusu**, National Development Planning Commission

**Discussions**

**16h00 – 16h30**      **Closing Session**

- **Dr. KODJO ESSEIM MENSAH-ABRAMPA**, Director General, National Development Planning Commission (NDPC) of Ghana
- **Mrs. Samia HAMOUDA**, Economic Affairs Officer & Program Manager, Subregional Office for North Africa of the United Nations Economic Commission for Africa (ECA/SRO-NA)

**16h30 – 16h45**      **Coffee break**

