

DIASPORA ENGAGEMENT



ASIA

**REGIONAL
SERIES**

The European Union Global Diaspora Facility (EUDiF) is the first European Union-funded project to take a global approach to diaspora engagement. Implemented by the International Centre for Migration Policy Development (ICMPD), the project seeks to build an informed, inclusive and impactful diaspora-development ecosystem through research, dialogue, and capacity development. EUDiF runs from June 2019 to December 2022.

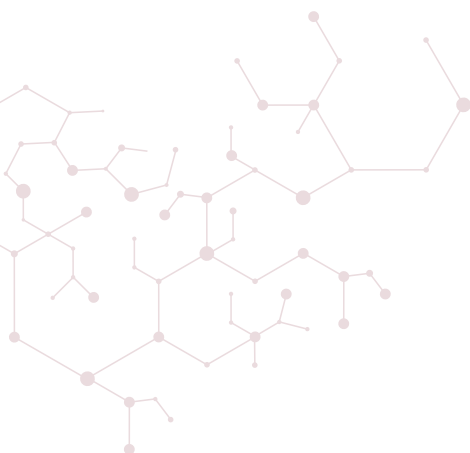
This publication was written by Dr F. Tittel-Mosser for EUDiF, with editorial support from Dr A. Sgro and C. Griffiths and design by Marc Rechdane. Views presented in the publication are those of the author and do not necessarily represent the views of EUDiF, ICMPD or the European Union. EUDiF thanks the researchers who produced the 16 Asia fact sheets which made this regional overview possible.

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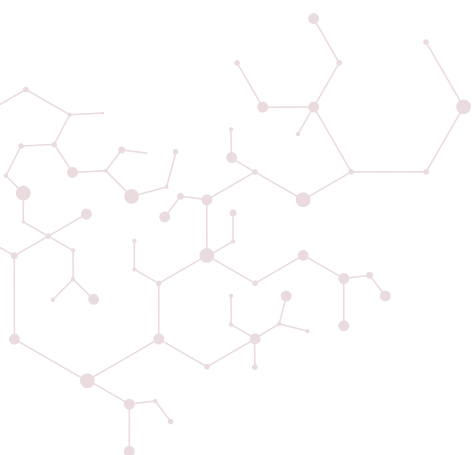


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BACKGROUND

In 2020, the EU Global Diaspora Facility (EUDiF) worked with a team of regional experts to conduct a global mapping of diaspora engagement across six regions. The aim of the global mapping is address the fragmentation of evidence on diaspora engagement policies, institutions and practices by collating the information in an open-access knowledge hub.

The global mapping has generated 107 individual country factsheets, which are available via an [interactive map](#) on the EUDiF website, where findings can also be compared between individual countries.

EUDiF regions:

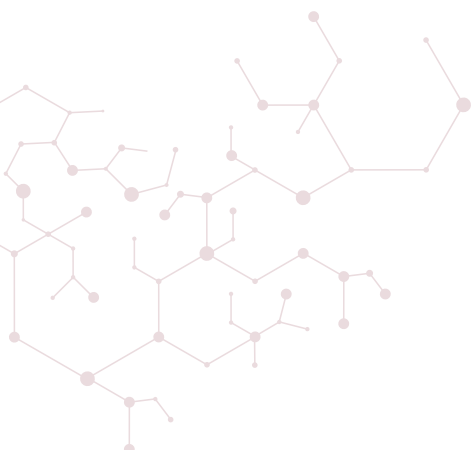
- Africa
- Asia**
- Central Asia & Eastern Europe
- Latin America & the Caribbean
- Middle East
- Pacific

ASIA

If you are interested in the specifics of the country selection methodology, email us at eu-diaspora@icmpd.org.

This document is a regional analysis of diaspora engagement in Asia. It draws on knowledge gathered during the mapping of 16 countries to study relevant policy and institutional frameworks, trends, good practices and recommendations at regional level. The resulting document offers a consolidated source of information to:

- ▶ Promote the contribution of diaspora to development;
- ▶ Guide action at regional level;
- ▶ Identify opportunities for peer exchanges.



- Mapped by EUDiF
- Not mapped
- Not covered by project

1. POLICY AND INSTITUTIONAL FRAMEWORKS

AT REGIONAL LEVEL

In Asia, there is currently no regional framework on diaspora engagement. There are, however, sub-regional regional frameworks focused on facilitating safe and orderly labour migration and on the protection of migrant workers' rights. In addition, as in Africa or in the Middle East, Asian countries have come together in regional consultative processes on migration. Such frameworks include the **Association of Southeast Asian Nations (ASEAN)** which covers ten countries, as well as the **South Asian Association for Regional Cooperation (SAARC)** that covers eight South Asian states. In addition, there are a few political dialogues in the region, including the Colombo process, the Budapest Process and the Abu Dhabi Dialogue.



ASEAN

International labour mobility has played a key role in modelling the socioeconomic landscape of East Asian economies. High-performing economies in the ASEAN have increasingly appealed to foreign workers from nearby countries at earlier stages of their development transition.

Given that many ASEAN countries are facing **skilled labour shortages**, policies to engage with labour migrants

and boost skills circulation are essential. In agreeing to liberalize trade in services, the 1995 **ASEAN Framework Agreement on Services (AFAS)** marked the first step towards allowing for the temporary movement of skilled professionals across borders. ASEAN's most ambitious effort on migration thus far has been to include the mobility of skilled individuals as a core element of the **ASEAN Economic Community (AEC)**, which envisions deeper economic integration among ASEAN member states. This vision is further evident in the 2003 **Declaration of ASEAN Concord II**, and the 2015 **ASEAN Economic Community (AEC) Blueprint** (adopted in 2007) which aimed to promote the freer movement of skilled migrants to realize a single ASEAN market by 2015. Subsequently, the 2012 **Agreement on Movement of Natural Persons**, and the **AEC Blueprint 2025** (adopted in 2015) sought to further expand and deepen the commitments taken by member states on the liberalisation of cross border movements. Nevertheless, rather than aiming for the 'free' flow of skilled labour, the AEC seeks to offer **ways to facilitate a 'freer' flow**, mostly through Mutual Recognition Arrangements (MRAs) based on national and ASEAN Qualification Frameworks, as well as the simplification of temporary visa issuance. Moreover, most intra-ASEAN migrants are unskilled workers and therefore not included in the AEC labour schemes. Additionally, the 2007 **ASEAN Declaration on the Protection and Promotion of the Rights of Migrant Workers** was hailed as a step forward in terms of migrant rights protection.

SARC

Similarly to ASEAN, in 2014, the Member States of the **South Asian Association for Regional Cooperation (SAARC)**, adopted The "**Kathmandu Declaration**" which included a commitment to collaborate and cooperate on safe, orderly and responsible management of labour migration from South Asia.

Regional consultative processes

Regarding regional consultative processes, the most relevant to this research is the **Colombo Process**, which focuses on labour migration. The Colombo Process addresses the protection and provision of services to migrant workers by optimizing the benefits of organized labour migration, increasing remittance flows, capacity building, data collection, and inter-State cooperation. The **Abu Dhabi Dialogue** has similar objectives in terms of labour migration than the Colombo Process. Gulf countries being a key destination for Asian migrant workers this remains an important framework for a collaborative approach on labour migration. Lastly, Afghanistan¹, Bangladesh², China, India and Pakistan are participating or observers of the **Budapest Process**, which is also involved in protecting migrant workers in the Silk Route region.



Colombo Process



Abu Dhabi Dialogue



Budapest Process

AT NATIONAL LEVEL

Although, like at regional level, individual countries in Asia have traditionally focused on facilitating labour migration, diaspora engagement for development is gradually emerging as a national interest across Asia. Indeed, there has been increased emphasis on the links between labour migration and development in the region.


Throughout Asia, several countries took steps towards the mainstreaming of labour migration into their national development planning, taking a multi stakeholder and whole of government approach.

Nepal is the only country that has adopted a diaspora engagement policy. The **Non-Resident Nepali Act** includes legal provisions to motivate non-resident Nepalese to take part in the all-round development of Nepal. Additionally, Nepal's **Foreign Employment Policy** promotes the use of resources acquired abroad for investments in Nepal through a favourable policy environment, promoting investment of workers' remittances in the industrial sector, community development projects and local infrastructure development programmes, with co-financing and investment from the Government of Nepal. Moreover, the **Fourteenth Development Plan** (running until 2019) addressed foreign employment, its contribution to the economy and the development of the country, internal and cross-border movement, private sector engagement in economic development, the role of the diaspora in the promotion of Nepali products, and economic diplomacy.

In 2017, **Afghanistan** developed a first National Diaspora Policy, although it has not yet been officially endorsed. Currently, the Afghan Government, with technical and

1 The Afghan MoFA official endorsed the process in April 2020.

2 According to its Ministry of Foreign Affairs, Bangladesh is not an Observer of the Budapest Process, but the Ministry of Expatriate Welfare and Overseas Employment does join the Process regularly.



expert support of ICMPD, is developing a Comprehensive Migration Policy for Afghanistan (CMP)³ focusing, among others, on efforts to maximise the development potential of migration. In parallel, Afghanistan is working on the new Afghan National Diaspora Engagement Policy for Advancement of Afghanistan.

Despite not having a dedicated diaspora engagement policy, a few other countries in Asia have linked the potential of migrant workers to their national development strategies. **Sri Lanka** is one of the first country in the region to have ensured that labour migration is integrated and mainstreamed in national development through its 2008 **National Labour Migration Policy**. Similarly, since 2011 **Cambodia** has acknowledged the impact of migration on development and aims to strengthen the regulatory framework for managing labour migration. This has been further materialised in the 2014-2018 **Policy on Labour Migration**, which includes integrating migration in the development agenda as a government priority. The **National Strategic Development Plan** covering the same period shows a gradual increase in government efforts to protect the rights, health and safety of Cambodians overseas. In the same vein, in 2013 **Myanmar** linked migration and development in its **National Plan of Action**. The plan emphasises the importance of establishing skills recognition systems, promoting effective use of migrant remittances for investment at the level of the household, community development and initiating engagement with the diaspora communities to contribute to national development objectives. Additionally, Myanmar's **Sustainable Development Plan** for the period of 2018-2030 focuses, among others, on protecting the rights of migrant workers and strengthening the positive linkages between migration and local level development. In **China**, the Ministry of Public Security has launched several immigration policies to support the development of Beijing. The bulk of these policies are related to facilitating residence and entry/exit for returned overseas Chinese entrepreneurs.

Bangladesh has gradually realised the importance of its diaspora. In 2016, it adopted the **Expatriate Welfare and Overseas Employment Policy** offering a more comprehensive policy framework for safe labour

migration. Its priority areas include dispositions on integrating labour migration with national development. The **Seventh Five Year Plan**, adopted the same year, has a separate section, Migration for Development, which focuses on areas of economic growth and equity, skills and overseas labour market development and protection, human development and migration and enabling frameworks for migration and development through South-South cooperation. In 2018, Bangladesh adopted its **National Strategy and Action Plan on Migration and Development**, focusing on eight priority areas: recruitment process and related financial costs, social costs, skills development, social protection and rights, irregular migration and human trafficking, remittances, diaspora engagement, and climate migration.

Pakistan is close to adopting its National Emigration and Welfare Policy for Overseas Pakistanis and its accompanying Action Plan. It focuses on three main priority areas covering all stages of labour migration: (a) promotion of safe, orderly and fair emigration; (b) protection and welfare of overseas Pakistanis and their families; and (c) engagement of Pakistani diaspora in the development process and reintegration of return migrants. The policy recognises the integral role played by overseas Pakistanis and incentivises investment opportunities for them, including transfer of skills and technology, while also addressing the reintegration needs of overseas Pakistanis and returning migrants.

Mongolia's Action Programme of the Government of Mongolia for 2016-2020 is distinctive in the region as it takes a different angle than that of labour migration and aims to implement targeted policies for increasing cultural tourism, promoting Mongolian national culture abroad and producing relevant products and services. Rather than focusing on labour migrants, it counts on its students abroad to contribute to the development of the country by connecting them to research institutions, universities and laboratories in Mongolia.

3 The CMP elaborates four priority areas: (a) ensuring safe returns through reintegration and resettlement, (b) regular migration, (c) irregular migration, and (d) migration and development. ICMPD is presently in the process of supporting the Government of Afghanistan develop an extensive Action Plan for the CMP.

2. REGIONAL PIONEERS

EUDiF's Regional pioneers are countries that have shown significant interest and progress in the field of diaspora engagement over time. Countries are usually identified as regional pioneers because:

- The national institutional framework and enabling environment has been developed explicitly recognising the key role of migrants and/or the diaspora in the development of the country of origin, and highlighting the importance of optimising diaspora development contributions.
- And/or, the country has implemented notable diaspora-relevant initiatives in a given development sector.

There is no ranking of pioneers. More detail on each of the regional pioneers is available in the country factsheet.

Bangladesh: The most decisive in Bangladesh's recognition of the importance of diaspora was the creation of a separate ministry, the Ministry of Expatriates' Welfare and Overseas Employment (MoEWOE) in 2001, to efficiently manage the migration sector. Efforts have so far focused on creating an enabling environment for migrants and building trust through an increased attention to labour migrants' rights. The government has shown a strong commitment to developing a migration system that complies with global human rights norms, including by regulating the role of recruitment agents. The Wage Earner Welfare board (WEWB) - under the MoEWOE - looks after the wellbeing of migrants at home and abroad and gives stipends to the children of Bangladeshi Migrants abroad when they are successful in the national exam. In addition, banks such as the Probashi Kallayan Bank have begun to provide financial incentives to the diaspora and migrants.

China: National interests and foreign policy imperatives mainly govern China's policy towards its diaspora. As such, the government currently focuses on the economic and cultural dimensions of Chinese diaspora. China has been successful in attracting overseas Chinese capital,

technology and talent for national development. It also builds up strong ties with its diaspora through cultural exchange programmes. In China, there is an integrated set of institutional mechanisms from central to local level for the diaspora; these are facilitated by consular services in embassies, and a variety of universities and research institutes providing policy advice and training.

India: The Government of India has put in place institutional support for Non-Resident Indians and Overseas Citizens of India to maximise their global success in countries of destination, whilst embracing the diversity of contributions they make to their communities of origin. India is one of the few countries in the region to have broadened its understanding of diaspora engagement beyond labour migration. The government has increasingly understood the potential of the diaspora as investors and entrepreneurs and launched specific campaigns to attract its diaspora for this purpose. Moreover, the institutionalisation of diaspora engagement started at state level as early as 1996 in the state of Kerala with the development of the Non-Resident Keralite Affairs, a department of the Government of Kerala. India now has one of the most **comprehensive state-level diaspora engagement policies**, which makes India's institutional practices particularly interesting to observe. All the major migrant sending states have established diaspora affairs departments or foundations: **Kerala, Uttar Pradesh, Tamil Nadu, Gujarat, Punjab, Andhra Pradesh, Goa, Karnataka and Bihar.**

Nepal: Nepal has mainstreamed diaspora engagement for over 10 years taking a whole of government approach. It was also the first country in the region to adopt a diaspora engagement policy. This enabling environment for the diaspora has allowed initiatives like the **Non-Resident Nepali Association (NRNA)** to grow as well as resulted in the creation of the Brain Gain Centre (see below). The NRNA is an association committed to creating a global network of Nepali migrants and streamlining their energy and resources to make the diaspora a catalyst of economic and social transformation in Nepal. Nepal also plays an active role in the regional labour migration processes in order to advocate for migrant workers and, in doing so, to build trust in the destination countries.

Philippines: As early as the 1970s, the Government of the Philippines created dedicated structures and programmes



to facilitate overseas employment for Filipinos. Since 2001, it has made it a major policy not only to facilitate, but also to encourage Filipinos to go abroad for work. The government hopes to encourage investments and contributions from Filipinos overseas to support the building of schools and other infrastructure. The Philippines demonstrates how reintegration strategies can be effective when migration is an integral part of the national development strategy of the country of origin.

3. TERMINOLOGY

The concept of 'diaspora' is not consistent in Asia, and the word itself is rare in policy documents.

Historically, the term 'diaspora' has had political connotation in a few countries in Asia. During the civil war (1983-2009) in Sri Lanka, 'diaspora' was used to label a segment of the Sri Lankan community overseas that was perceived as a threat – 'enemies of the country' – to the Government of Sri Lanka. The [Lessons Learnt and Reconciliation Commission](#), a commission of inquiry appointed by Sri Lankan President Mahinda Rajapaksa in May 2010 after the 26-year-long civil war in Sri Lanka, identified the importance of constructively engaging with the diaspora. As a result, the term 'Overseas Sri Lankans' is used to officially refer to the Sri Lankan diaspora to help change public opinion of the diaspora.

Most countries in the region have adopted similar terminology: overseas Indonesians, overseas Filipinos, overseas Pakistanis, Myanmar's overseas communities or Burmese overseas communities, and overseas Chinese. It should be noted that both China and India have a wide definition of their 'diaspora'. The Chinese diaspora includes both Chinese living overseas who are citizens of China (*huaqiao*), and people of Chinese descent who are citizens of foreign countries (*huaren*). Similarly, India uses the term diaspora as a generic term that is comprised of two categories for which specific data are collected. The first category, Non-Resident Indians (NRI), refers to Indian citizens holding an Indian passport living and/or working in another country. The second category, Overseas Citizens of India (OCI), offers a privileged life-long status and continued relationship with India for those who have adopted another nationality and had to forfeit their Indian citizenship.

Other Asian countries have more restrictive definitions of 'diaspora' and/or use other concepts.

'Malaysian diaspora' refers only to skilled overseas Malaysians with relevant qualifications and overseas work experience in specific industries and professions identified by the government.

Nepal terms its diaspora as Non-resident Nepalis (NRN). This refers to a person who was previously a citizen of Nepal or his/her parents/grandparents were citizens of

Nepal and who resides in a country outside the South Asian Association for Regional Cooperation (SAARC), and has acquired citizenship of a foreign country.

The Maldives has also adopted the terminology 'non-resident Maldivians'.

In Vietnam, '*Viet Kieu*' refers to Vietnamese people living outside of Vietnam and are either those who left Vietnam prior to the Vietnam war, those who left as refugees during the war, or the newer immigrants who grew up post-war. The term is used by people in Vietnam to refer to ethnic Vietnamese living outside the country.

In Cambodia, the terms '*Anekachun Khmer*' or '*Khmer Anekachun*' are sometimes used to refer to the diaspora.

4. KEY TRENDS AND PRACTICES

The EUDiF global mapping on diaspora engagement showed that some trends are global (e.g. increasing remittances, attracting investment, creating links with the diaspora through events and network building networks). Nevertheless, each region also has its own specific trends and distinct practices.

As outlined above, the baseline mapping of 16 Asian countries demonstrated that national and regional efforts in Asia mainly revolve around creating an enabling environment; labour migration, and attracting remittances; and skills.

CREATING AN ENABLING ENVIRONMENT

Most countries in the region initially approached diaspora engagement through safe labour migration laws and rights. In Asia, state initiatives conducive to diaspora engagement mainly relate to the legal and policy framework, including dual citizenship. To a lesser extent, initiatives in the field of reintegration have also been adopted.

It is interesting to see that only Nepal has both a diaspora engagement policy and a dedicated institution for diaspora engagement (a unit within the MFA created 11 years after the adoption of the policy). Eight countries (Thailand, China, Bangladesh, India, Indonesia, Pakistan, Sri Lanka and the Philippines) have a dedicated institution but no dedicated policy framework. In all these countries, except India and China, these institutions focus on labour migration.⁴ This illustrates that diaspora engagement is still considered almost uniquely as part of of labour migration.

In terms of legal and policy frameworks, Bangladesh, Sri Lanka, Thailand and Nepal started developing their diaspora engagement around safe migration, labour laws, and later linked labour migration to development.

However, Thailand is the only country that did not end up linking development to its labour migration policies, indicating that the country has not yet fully recognised the importance of diaspora engagement.

Dual citizenship is an important condition conducive to diaspora engagement. In Asia, practices vary on dual citizenship: only seven countries (Thailand, Sri Lanka, Bangladesh, Afghanistan, Pakistan, Cambodia and the Philippines) out of 16 countries mapped allow dual citizenship, which has proven to be a point of contention.

India, Indonesia, Nepal and China have approached diaspora engagement through quasi-citizenship rights and laws. They have introduced specific legislative dispositions allowing their diaspora to access a broader set of rights, without allowing dual citizenship.

India was a forerunner in this area, launching the Overseas Citizens of India (OCI) category in 2005, allowing individuals with Indian heritage to retain their foreign citizenship while simultaneously enjoying rights that are conferred to Indian citizens (with a few exceptions). In 2017, Indonesia launched the **Diaspora Card** (/Card for Overseas Indonesian Communities), which enables Indonesians abroad to apply for fast-tracked immigration processing during entry and exit from Indonesia. China recently (2020) followed the trend with a trial version of a policy that allows qualifying diaspora members to request a **permanent residence permit for foreigners**. The Chinese diaspora is keen to receive permanent residency status, to not have to apply for work visas and to be treated like Chinese citizens in areas such as investment, property purchase and education; the permanent residence permit is a significant step in responding to these demands. Nepal adopted similar dispositions very early. Since the 2008 adoption of its diaspora engagement policy, Nepal provides Non-Resident Nepalese Citizen cards. Cardholders do not need to obtain visas and can receive many of the same benefits as citizens in social, cultural and economic aspects. In 2016, the country went one step further and the Constitution of Nepal was amended to include a **Non-Resident Nepalese Citizenship Provision**. However, it is interesting to see that Pakistan has also introduced a similar system despite permitting dual citizenship. Pakistan's **National Identity Card for Overseas**

4 The Department of Labour, Overseas Workers Welfare Administration in the Philippines and the Department of Labour, Philippine Overseas Employment Administration, the Thailand Overseas Employment Administration, the Ministry of Expatriates' Welfare and Overseas Employment in Bangladesh, the Ministry of Overseas Pakistanis and Human Resource Development, the Bureau of Emigration and Overseas Employment of Pakistan, the Ministry of Manpower and Transmigration in Indonesia and the Ministry of origin Employment Promotion and Welfare in Sri Lanka.

Pakistanis (NICOP) is a document allowing dual citizens of Pakistan to travel to Pakistan without requiring a visa (dual citizens otherwise need a visa to enter the country).

Finally, Sri Lanka's Labour Migration Policy and its Sub Policy on Reintegration of Returning Migrant Workers is recognised as a model in the region. It is the only country in the region to put such emphasis on reintegration of returnees through its **Sub-policy and National Action Plan on Return and Reintegration of Migrant Workers**. The policies cover social reintegration, economic reintegration, physical and psychological wellbeing of returnees and their family members, mobilisation and empowerment of migrant returnees and the effective management of the return and reintegration process. Consequently, a Reintegration Coordination Unit was set up at the **Sri Lanka Bureau of Foreign Employment (SLBFE)**. Moreover, Sri Lanka's Decent Work Country Programme seeks to improve services offered by the reintegration unit of the SLBFE and public employment services to ensure better employment or self-employment options within the country for returned migrants. Given the dynamic nature of labour migration, the policy is now undergoing revisions to reflect changes in labour market supply and demand within the country, region and destination countries. The Philippines has also put emphasis on reintegration even though it was not its main approach towards diaspora engagement.

ATTRACTING REMITTANCES & FOREIGN INVESTMENT


In Asia, most governments' primary interests are in attracting foreign investment, skills transfer and remittances. Policy and regulatory categories, such as banking, tax, and foreign investment are implemented to ease diaspora engagement.

In 2019, India was the biggest recipient of **remittances** in the world (USD 83.1 billion) followed by China (USD 68.4 billion), and the Philippines in fourth (35.2 billion). At regional level, the diaspora is viewed increasingly as a valuable resource for national economic development, in particular through remittances and investment. Governments try to ease such contributions in numerous ways, from creating conducive legal frameworks and institutions to introducing programmes explicitly aiming at the diaspora as a development actor.

For countries of origin, remittances are an important source of foreign exchange and they cover expenses such as education and health for migrants' families. In Nepal for example, remittances contribute to nearly 30% of the country's GDP. However, due to the Covid-19 pandemic, it is **foreseen** that in South Asia, remittances will decrease by more than 22% in 2020, before hopefully recovering in 2021. Figures already show that, in 2020, remittances for the month of April fell by 25% in Bangladesh and 14% in Sri Lanka compared to April 2019.

The cost of remittances is still very high throughout Asia. The global average is around 7%, but 2019 **World Bank** figures show that costs are well over 10% for money sent from Thailand to India, Thailand to China and Singapore to Pakistan, for example. These costs are far from the World Bank's aim of achieving a global average of 3% by 2030.

Some governments have taken steps to attract greater remittances. In addition to reducing the cost of remittances, the Indonesian government, for example, asks the diaspora to act as economic go-betweens in trade deals between Indonesia and host countries. Another example is the **Overseas Filipinos Diaspora Remittances for Development** project that successfully worked to mainstream migration and development in the **Philippines Development Plan 2011-2016**. A **collective remittance fund** was established to lend to migrant-owned enterprises in the province of Ilocos Norte. A website was set up to document implementation of the project and its initiatives and to serve as a platform for future crowdfunding among the Ilocano diaspora. For almost two decades, Pakistan has recognised the need to open legal channels for remittances. Its first initiative was the creation of **Foreign Exchange Remittances Cards** in 2001, supported by the Ministry of Finance and the Overseas Pakistanis Foundation (as implementing authority). Cardholders would benefit from a set of privileges such as free issuance and renewal of passports on an urgent basis, or the use of duty credit accumulated (sum depending on the sum remitted) to buy specific goods such as TVs, refrigerators. Later, the **Pakistan Remittance Initiative (PRI)** was developed and has been quite popular and successful with Overseas Pakistanis. PRI was launched by the State Bank of Pakistan with the support of the Ministry of Overseas Pakistanis and Human Resource Development and the Ministry of Finance with the aim to facilitate and support the flow of remittances and to create investment



opportunities in Pakistan for overseas Pakistanis. The PRI and relevant partners have also supported the creation of the new **National Remittance Loyalty Program** launched in the second half of 2020, which aims to simplify the transfer of remittances for Overseas Pakistanis. The programme will offer several incentives to senders (yet to be announced) and will be accessible through mobile apps and cards. Additionally, since 2019, Bangladesh Bank (a state bank) has released a new **2% cash incentive** targeted at Bangladeshi people working abroad under shipping/airlines or with UN agencies.

In practice, most of the remittances in Asia are still cash-based and are not strategically steered towards savings or investments. The 2018 **Migration and Remittances for Development in Asia** report, cites the example set by countries such as the Philippines, Indonesia and India, which have launched national strategies to improve the financial literacy of their migrant populations. According to the report, the whole region would benefit from such initiatives. Rare initiatives targeted at providing financial literacy have been implemented in other countries; one example is the 2017 **Twe Let project** in Myanmar, led by the Ministry of Labour, Immigration and Population.

In many remittance-receiving countries, the regulators allow banks to offer migrant workers foreign or local currency savings accounts, often with preferential interest rates or tax incentives. In Bangladesh, for example, the stock exchange provides incentives for Non-Resident Bangladeshis (NRBs) such as a 10% quota reserved in all Initial Public Offerings (IPOs), individual income tax assessment similar to resident Bangladeshis, and a 10% tax rebate on security investment. The **NRB Bank** incentivises NRBs to invest in Bangladesh through remittances directly credited to a savings account that can be used to invest in **Wage Earners' Development Bond (WEDB)**. Since 1981, the central bank of Bangladesh has taken the initiative to attract the investments of overseas wage earners and diaspora members. Bonds can be purchased without opening a foreign currency account by submitting the copy of the wage earners' passport and through the exchange companies of Bangladeshi banks working abroad. In 2002, the Government introduced **two new bonds**, the US Dollar Investment Bond (USDIB) and the US Dollar Premium Bond (USDPB) to facilitate investment in foreign currency by non-resident Bangladeshis. Additionally, the state-run **Probashi Kalyan Bank (PKB)** provides collateral free loans to workers going abroad, returnees, facilitate remittances and encourage investment. PKB has particular deposit

products, extends loans to the migrants and returnees, buys and sells foreign currencies etc.

Other countries, including India, Nepal, the Philippines, and Sri Lanka have issued diaspora bonds with varying degrees of success. While **India** was very successful at attracting diaspora bonds, (raising a total of \$32 billion across three issues in 1991, 1998, and 2000), Nepal, for example, did not face the same success. **Nepal** issued diaspora bonds eight times between 2010 and 2016 but only raised approximately \$3 million. Considering the remittance volume that the country receives annually, about 30% of the country's GDP, (over 8 billion in 2019), the total subscription was infinitesimal.

A few initiatives have been launched aiming at attracting remittances, skills and investment together, including through the use of digital technologies. For example, the **Diaspora Connect** platform was founded in 2018 to connect Indonesians abroad with Indonesia. Its current focus is to find high-quality talent to contribute to any professional sector in Indonesia through an app. It also provides support to the returning diaspora, such as relevant job openings, networking through the diaspora community by holding events, and offering options such as investments and bonds for the Indonesian diaspora to contribute to their country. In Thailand, **Bangkok Bank**, the largest commercial bank in the country, provides counselling Services for those interested in local investment opportunities, including information on how to obtain business loans. The bank also helps to settle transactions with overseas business partners and provides travel advisory services and **AEC Connect** which helps customers identify business opportunities in AEC. Another initiative is the **BaLinkBayan** portal that connects Filipino individuals and communities to the Philippines through the Diaspora to Development programme of the Commission on Filipinos Overseas (CFO). The programme focuses on diaspora investment and entrepreneurship, philanthropy, returning talent, educational links and medical mission coordination. The BaLinkBayan portal is also a one-stop online portal for diaspora engagement; it allows the diaspora to start a business, donate and volunteer, and access online government services.

SKILLS

Brain drain is an issue across Asia. Different approaches have been taken in Asia to attract the skills of the diaspora:



while permanent return and reintegration programmes have been favoured, short-term brain gain programmes have also been implemented. Permanent return can make significant contributions to countries of origin by bringing in necessary skills and alleviating the prevailing challenge of skills mismatch faced by most countries in the region. Return and reintegration programmes for lower skilled migrants have also been designed in order to increase their employability when returning home.

Most countries do not have an active policy towards outward migration of skilled workers nor defined policies to attract talents back. Malaysia is an exception, as it introduced its first reverse brain drain policies in 2011. The **10th Malaysia Plan** emphasised the importance of nurturing, attracting and retaining top talent to develop actively the economy. It also established several Government-led initiatives, showing the emphasis that the government places on diaspora engagement, and specifically on attracting and nurturing talent from the diaspora. This is the case for example of the **brain gain programme** developed as early as 2006 to lure back talented scientists to Malaysia and the **TalentCorp Malaysia**, aiming to source talent from among the diaspora.

A few more countries in the region have developed initiatives to improve the reintegration of returning high skilled labour migrants in the labour market, such as the Indian **Skilled Workers Arrival Database for Employment Support** created to ensure returnees have opportunities for post-return employment, and to create a database of qualified citizens. In Vietnam, the **Come Home Pho Good** initiative aims to attract high-skilled Vietnamese talent from the diaspora, as companies are keen to tap overseas Vietnamese professionals for their exposure to international experiences and technology. On a smaller scale, the **Beehive Programme** was implemented to encourage Mongolians living abroad to return to their native land by sharing vacancies in Mongolia for skilled workers.

Even though Thailand has not yet fully recognised the importance of offering attractive benefits to lure back its diaspora, it has tried to address the issue by initiating programmes, such as **Reverse Brain Drain** (RBD), in order to recruit the talents that the country needs. The project was established in 1995 within the National Science and Technology Development Agency to use the knowledge and connections of Thai professionals overseas to help in Thailand's development, particularly in the science and technology sectors. Around 35 projects were initiated

before RBD began to shift its emphasis to short-term visits, involving knowledge sharing and technology transfer workshops.

China also used to encourage permanent return, through the Returned Overseas Students Industry Parks initiative for example. The Returned Overseas Students Industry Parks in mega-cities such as Shanghai and Beijing offered skilled returnees high salaries, beneficial tax rates, special business loans, housing subsidies and subsidies for children's education. However, it also seem to have moved away from such schemes towards encouraging temporary return.

Nepal, is favouring short term skills transfer skills through the creation of the **Brain Gain Centre** in 2019 has helped to institutionalise the important knowledge contributions made by Non-Resident Nepalese to development processes. The government has also opened a unit in the Ministry of Foreign Affairs aiming at fostering partnership with Nepali experts and professionals overseas.

There are a few schemes developed by civil society actors rather than the governments of countries of origin. One such scheme is **Project RETURN**, an initiative of the Association of Thai Professionals in Europe (ATPER) in Denmark, which aims to create a forum for Thai people with knowledge, skills and experience accumulated abroad to apply and share it back home. The **Danish Refugee Council's Diaspora Programme** has also been engaging the Afghan diaspora in Europe to promote local humanitarian assistance, to contribute to development through skills training, vocational training, and market development and to improve coordination.

Return and reintegration schemes for low skilled labour migrants have also been developed in countries notorious for exporting large numbers of low-skilled workers. The National Reintegration Centre for Overseas Filipino Workers (NRCO) was established in 2010 with the aim to support returning migrants' reintegration into society and their employment in the local labour market. An important NRCO initiative is the **Sa Pinas, Ikaw and Ma'am/Sir** project, which aims to re-train domestic workers on the skills required to obtain a teacher position and find employment in their hometown. Another example is the Happy Return Programme that matches migrant workers returned from the Republic of Korea with Korean factories in Myanmar to help workers reintegrate into their home country and continue using their newly-acquired skills.



5. RECURRENT CHALLENGES

The following recurrent diaspora engagement challenges were identified as being faced by the 16 Asian governments mapped. In many cases, the same challenges are faced by diaspora organisations and individuals as they impede their involvement in the development of their country of origin due to a weak enabling environment. There is no specific ranking of the challenges listed below and most can also be observed in other regions.

Limited funding and resources (of the diaspora): Diaspora associations compete for resources and funding. Most diaspora organisations are doing voluntary work and lack the capacity and time to invest in development activities in the country of origin.

Limited funding and resources (of the country of origin): Most countries of origin have capacity limitations, which include a lack of staff and resources, suboptimal coordination between relevant ministries and with neighbouring countries, and limited mechanisms for monitoring and supervising recruitment agencies. A dedicated institution to diaspora engagement does not always exist which might hinder the implementation of some policies and strategies.

Diaspora identity: In some cases, diaspora face discrimination in their countries of origin, for not being able to fluently speak and write in the local language for example. They can face identity crises when not feeling truly at home in their host countries, but also

not fully seen and trusted in their country of origin. This sometimes materialised in divergences in work culture, as faced by diaspora members taking up official duties in the country of origin for example.

Lack of accurate data: No comprehensive mappings of the diaspora are available in the majority of countries. There is limited capacity and collaboration in data collection, analysis and exchange among the various institutions that manage migration in a particular country.

Lack of promotion of opportunities: There is often little promotion about governments' existing diaspora engagement programmes or initiatives, leading to low diaspora participation.

Issues of trust: Several countries have faced internal conflicts leading to trust issues between the diaspora and the authorities in the country of origin, and sometimes even leading to a marginalisation of (a part of) the diaspora. Diaspora members can also distrust each other because of the heterogeneity of the diaspora in some cases, which limits coordination.

Informal remittances: Most remittances in Asia are still transferred informally to individuals due to corruption, red tape, instability and the high costs of money transfers. This limits the possibility of the country of origin to tap into this financial potential for more structural investments.

6. RECOMMENDATIONS

Recommendations to strengthen diaspora engagement in Asia include the following:

To countries of origin:

- **Know your diaspora:** Asian states need to know their diaspora in order to be able to propose adequate opportunities for engagement. Data collection exercises, such as diaspora mapping and profiling of the diaspora in host countries, are a key first step in this regards. Due to the importance of labour migration in the region, a specific focus should be put on data collection on labour markets to avoid skills mismatch and increasing labour migration flexibility. The capacity to collect and analyse data of national institutions needs to be further strengthened. Asian states can also use diaspora mappings conducted by international partners and research institutions as a first step to better know their diaspora. EUDiF's mapping, promotional efforts and diaspora consultations' reports may assist to provide first-hand information on the location, activities, interests and challenges of diaspora organisations.
- **Cooperate with host countries on labour migration:** ASEAN countries should push further the integration of their labour markets, gradually allowing for a free-movement of migrant workers. Other sub-regions should follow the example set by ASEAN.
- **Build trust:** Several countries in Asia need to strengthen and build trust with their diaspora. Several measures can be taken to build trust and further involve the diaspora in national affairs, such as organising cultural events, providing better consular services, allowing dual citizenship or offering preferential treatments, organising events involving diaspora organisations and government officials and overall increasing government transparency.
- **Improve institutional capacity:** Effective diaspora engagement needs robust institutional capacity across diaspora-related agencies and organisations, as well as sufficient funding. Improved institutional capacity would lead to a better implementation of diaspora related policies and laws, better coordination among the different actors, the possibility to propose more varied options for engagement to the diaspora.

- **Remove barriers to attract financial capital:** Adequate financial regulations should be developed to match the diaspora with investment needs in key sectors, as well as easing and reducing transaction costs for remittances flows.

To diaspora organisations:

- **Support integration:** Effective integration of the diaspora in the host country ensures that diaspora members adapt quickly to their environment and acquire new knowledge, skills and capital. These actions should focus on social inclusion and address marginalization. Information and awareness campaigns can also combat xenophobia and anti-migrant sentiment. This is particularly important as migrant workers are often vulnerable and exposed to abuses.
- **Know your community:** Diaspora organisations need to have a better understanding of the variety of diaspora organisations in order to pool resources; share good practices and lessons learned, as well as increase collaboration and complementarity. Knowing what other diaspora organisations exist and what activities they implement can be a first step towards building trust between different segments of the diaspora and opening/enhancing dialogue.
- **Build networks:** In Asia, diaspora organisations need to be better coordinated. Moving beyond working at association-level to create regional and/or thematic networks would help foster coordination, pool resources and give members a stronger voice.

To donors and implementing agencies:

- **Enhance professionalisation of diaspora organisations:** through capacity development in advocacy, leadership, communication, and project management.
- **Develop specific local, national and regional funds for diaspora organisations in Europe:** paired with capacity development in fundraising and project proposal drafting. In the short-term, map existing funding schemes for diaspora organisations in Europe.