

The Austrian Federal Economic Chamber “Our common mission & responsibility: creating opportunities for entrepreneurs” by Michael Spindelegger, Director General

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Excellencies, ladies and gentlemen, dear colleagues and friends,

I have the opportunity to be here today and to represent the International Centre for Migration Policy Development (ICMPD), an organisation that was built on the foundation of necessity. Back in 1993, when ICMPD was set up at the wake of a new era, the end of the Cold War, countries in Western Europe felt unprepared to the changing political and economic circumstances and unpredictable patterns of mobility.

At the same time, for a large part of the world's population, including for the business community, the world seemed to open up to new opportunities – opportunities for the East to work more closely with the West, opportunities for closer engagement and solidarity. In retrospect, we see that the positive outweighed the negative. Over 20 years later we find ourselves once more at a crossroad where we, the so-called ‘North’ can work more closely with the ‘South’ and vice-versa. Europe needs Africa and Africa needs Europe. This again is no longer a choice, but a necessity, and an unprecedented opportunity.

The magnitude of organized criminals doing business at the cost of migrants' lives, and the fact that the population in the EU is growing older representing a demographic challenge demanded action and a new policy on legal migration. International migration, if managed well, can present itself as a chance for countries of destination and origin alike. This was recognised once more in the European Commission's European Agenda on Migration. The commitment at EU-level to strengthen cooperation with global partners as a sign of solidarity, partnership and shared responsibility was echoed later also at the Valletta Summit on migration. Words were followed with concrete actions.

The Valletta commitments encompasses a comprehensive set of measures to stimulate entrepreneurship, support micro-, small and medium sized enterprises, promote cheaper, safer, legally-compliant and faster transfers of remittances and to facilitate productive domestic investments, amongst other by promoting diaspora engagement in countries of origin. Through the EU Emergency Trust Fund allowing flexible, speedy and efficient delivery on the Action Plan, we believe that a positive difference can be made for entrepreneurs and policymaking alike.

By supporting the mobility of entrepreneurs, students and researchers, the EU can draw level with other regions in attracting entrepreneurial talents, whilst investing in development and poverty reduction – as

we've heard at today's conference – can provide a major boost to human development and job creation, in particular for young women and men. ICMPD has been mandated to help monitor the implementation of the Valletta Action Plan, but more importantly, our role in facilitating two important migration dialogues between the EU and Africa: the Rabat Process and the Khartoum Process, puts us in a key position in the actual implementation of these commitments.

In fact, in October the Rabat Process under helm of Mali and France will gather 60 European and African countries' representatives from North, West and Central Africa, as well as the European Commission (EC) and the Economic Community of West African States (ECOWAS) with the aim of furthering the debate on diaspora engagement for Country Investment and Entrepreneurship and jointly defining tangible actions in that area.

We are seeing an increased interest across the globe in Governments looking to engage the diaspora, which is mirrored through the creation of diaspora ministries or investment promotion agencies with specific outreach activities towards its diaspora. Governments are starting to recognise the soft power of their diaspora for nation branding aside from the economic benefits for their countries. It is estimated that more than 400 institutions in 56 countries engage diasporas through institutionalized programmes or structures, about a third of which have only started adopting policies for diaspora engagement over the past five years. A lot of that attention has also come from the astonishing volume of remittance flows, representing in 2015 over \$601 billion, four times more than official development assistance. Diaspora investment models are being devised to leverage migrants' savings that come from remittances for the set up or growth of local businesses.

As we have heard today, more and more, the guiding principles in development work calls for partnerships with the private sector. Leadership over market reforms to facilitate the effective and efficient operation of businesses, in especially small and medium sized enterprises, needs a strong, long-term commitment, and a genuine engagement with the private sector. The World Bank's 'Doing Business' index shows that there is still work to be done to make it easier for the private sector to operate effectively.

Diaspora, meaning those migrants or those of migrant origin who stay connected with their country of origin, can have an important role to play in facilitating such changes in the business ecosystem. For instance, 80% of FDI in China is from the Chinese diaspora, Indian diasporas in the USA have played an instrumental role in changing the business procedures to make it easier to invest and in building up India's IT industry thereby creating a second 'Silicon Valley' in their country -- to name some of the well-known success stories.

Success stories come with successful migration governance and that comes only when actors – policymakers, migrants and the private sector – in both countries of destination and countries of origin act together. We are convinced that we need to enhance the public-private dialogue on migration and development, because the active engagement of the private sector representing all regions, sizes and sectors is key to making a comprehensive business case for migration. Whether we speak of the need for international talent mobility, establishing new businesses or venturing into new, emerging markets: there is business case for making the link to migrants. And we are going to help demonstrate this.

ICMPD's support in the area of 'Migration and Business' for Africa extends beyond the Rabat and Khartoum Processes: we also work closely with African diaspora organizations all over Europe to build a common service delivery platform to optimize, expand and improve partnerships for the development in Africa. This initiative and the dialogues I just mentioned are part of our larger, 18 million programme financed by the EU to support the Africa-EU Migration and Mobility Dialogue in order to maximise the development potential of migration and mobility within Africa, and between Africa and EU. Through this programme we will soon be able to directly support African entrepreneurs (students, young researchers and young qualified professionals) who studied and graduated from French or German higher education institutions to set up technology enterprises or enterprises supporting innovative solutions in agriculture, industry or services in their country of origin (Algeria, Cameroon, Mali, Morocco, Senegal, Tunisia). Moreover, through our flagship Link Up! Programme, a programme supported by the Austrian Development Agency, we are exploring the migration-business linkages in various regions of the world.

At global level, the Sustainable Development Goals acknowledges for the first time the key role of migration, and that development is not just a matter of the 'South' but one that concerns us all. The world is interconnected, one event and our actions in one part of the world has direct consequences on the other part of the world.

The subject of migration has become one of the key topics of the political agenda – In Austria, in Europe and also globally. The underlying drivers of migration are manifold. People flee wars and armed conflicts, terrorism and persecution. Europe has a long-standing tradition and a clear moral obligation to do its utmost to provide support and safety to people who are forced to flee their homes. Europe can do more, and the World can and must do more. In the context of Africa, many of the drivers, many of the decisions to migrate – and to migrate to Europe – are due to poverty, lack of perspectives, bad governance, etc. By looking at the level of development of many of the African labour markets and at the demographic developments (reproduction rates of sometimes above the factor 6), it is plain to see the challenges ahead of us. We need to invest massively into creating opportunities and perspectives for the many people in Africa, in order for migration to be a choice rather than a necessity.

Africa is a continent full of opportunities for entrepreneurs, for the highly skilled and versed entrepreneurs we have in Austria. By combining entrepreneurship, development objectives and migration policy, we can create a triple-win situation: we can support entrepreneurs to create their businesses in African countries, create jobs on the ground and employ skilled and (trained locals and) returning migrants. This will help the entrepreneurs to do expand their businesses to Africa, create the perspectives on the ground for people not to be forced to leave their homes and create the incentives for cooperation on state level to also facilitate the return of migrants who don't have the right to remain in the host countries [Example of the *Reverse Migration Project*].

Ladies and Gentlemen, we are at a cross road, the world is changing at a speed that confuse and irritate large parts of our societies, it sometimes feels that the world that we know is slipping right under our feet. Societies and governments are struggling to make sense of all the changes around. However, I trust and am certain that we can turn the challenges into real opportunities, in shared opportunities. And who if not the entrepreneurs would be better placed to overcome challenges and discover and reap those opportunities, and by doing so do their part in addressing one of the most burning problems of our times, irregular and uncontrolled mass migration? We need the private sector to do what it does best – create

businesses, create opportunities and create perspectives, then we will be able to do away with those terrible images of overloaded and cramped boats crossing the Mediterranean in the search for better lives – the better lives can then be found in front of their doorsteps. It will be a long way to go for us – so we better start today!

Thank you.