

DIASPORAS IN DEVELOPMENT

October 12, 2016

Session Title: Building Entrepreneurial Ecosystems

Presenter:

- Shahid Khan, Founder and Chairman of the Board, Mediamorph and Board Member, OPEN NY
- Abbas Villiani, President and CEO, Infinitellogic, Inc.
- Mushtaq Khan, Founder, OPEN Washington DC
- Kalsoom Lakhani, Founder & CEO, Invest2Innovate
- **Moderator:** Kanwal Bokharey, Deputy Director, Innovation and Partnerships Unit, USAID/Pakistan

Session Summary:

Discussion centered around opportunities, challenges, and best practices used in promoting entrepreneurship by coaching, mentoring, and improving access to venture capital, markets, and technology.

Key Themes:

- **Theme 1:** Mentorship is a key but often overlooked asset that aspiring entrepreneurs need to have.
- **Theme 2:** Connecting mentors to potential mentees can be challenging, so it helps for organizations with different membership bases to partner to connect their members.
- **Theme 3:** There is an opportunity for diaspora to refocus at least some of their remittances from direct or micro-level support towards investment.

Best Practices/Recommendations/Suggestions:

- When starting a business, things like management compensation and tax optimization are important. These things you can't figure out without mentors and board members who can help you out.

- Mentoring is expensive because leaders have limited time. One-on-one then becomes hard. Group mentoring can be a solution to this.
- There is an art to mentorship and mentor engagement.

Discussion Topics/Audience Questions:

- **Sometimes it seems diaspora have almost too many organizations. How do we open avenues of engagement on the business front without stepping on each other? Who do you partner with and how?**
 - The panelists didn't seem to think there was a challenge with too many organizations. It seems there is never enough support. But it is important for some organizations to serve as connectors to bring organizations together.
- **First generation diaspora are full of ideas but often have limited access to cash. How can organizations help the next generation?**
 - Mentorship is extremely highly valuable—it connects entrepreneurs to others who have gotten their businesses off the ground without money.
 - Even then, money is available. Impact investors often go to events looking for something to invest in.
- **Are you seeing a lot of international investors in Pakistan? And what is inspiring that or how are your organizations helping that?**
 - One organization partnered with MIT to make a business enterprise competition in Pakistan. USAID has helped fund this. This attracted diaspora investors to the winners, because they were good deals.
 - There are three private investment shops in Pakistan. But there is still an early stage capital gap. Right now, most external investors don't see Pakistan as a market they understand. There are also a lot barriers to investing in Pakistan in terms of how money comes in and how it is embargoed that adds risk and expense.
 - A lot of markets lack data. Real due diligence and numbers on the ground matter to investors.