

DIASPORAS IN DEVELOPMENT

October 12, 2016

Session Title: Case Studies in Successful Business Building

Presenter:

- Alma Jani, Head of Office, IOM Albania
- Anwar Aridi, Member, LebNet (Network of Lebanese-American Professionals) & Innovation Specialist at World Bank
- Rahama Wright, Founder and CEO, Shea Yeleen International, Inc. & Appointee of President Obama's Advisory Council on Doing Business in Africa
- Vanessa Zuabi, Interim Executive Director, TechWadi – Building Bridges for Entrepreneurship & Founder and President of JSR Impact
- Ady Beitler, Program Manager, ConnectAmericas, IDB
- Eiman Kheir, Regional Policy Officer, African Union, Addis Ababa
- **Moderator:** Shilpa Nadhan, Senior Program Specialist, IOM Washington DC

Session Summary:

The roundtable “Case Studies in Successful Business Building” explored different ways in which diaspora entrepreneurs can be engaged, including small or large scale support, philanthropy or investment, financial knowledge or transfer of skills. The discussion analyzed diaspora groups and entrepreneurs’ diverse conditions and how different stakeholders, including regional institutions, development banks, networks and international organizations cooperate with diaspora entrepreneurs to meet their different needs, building successful businesses and promoting job creation both in countries of origin and residence. The speakers presented their personal experiences drawing recommendations for diaspora entrepreneurs’ successful business start-up and development. They also highlighted some of the main challenges diaspora entrepreneurs can encounter in this process, while proposing possible solutions based on positive case studies. In particular, they identified access to funding, mentoring, access to information and networks, and conditions in home countries as key factors that can support or hinder successful business building. They also highlighted how moving from start-ups to scalable businesses can be particularly challenging for diaspora entrepreneurs; they mentioned: networks, online information platforms, pro-bono services, financial institutions and partnerships as possible factors to facilitate the business building process, among others. Overall, the discussion was very informative, and the audience’s participation very relevant and dynamic.

Key Themes:

- **Theme 1:** Challenges to successful diaspora entrepreneurs' business building, including lack of information, networks and financing, and ways to address and mitigate these challenges.
- **Theme 2:** Relevance of an enabling environment in countries of origin, with a focus on the role that functional and collaborative home country institutions and national policies can play to create such an environment.
- **Theme 3:** Key role that networks, partnerships, platforms, mentorships, and access to finance can play in supporting young diaspora entrepreneurs to develop and scale their businesses successfully.

Best Practices/Recommendations/Suggestions:

- The experience of networks like TechWadi and LebNet shows that networks and mentorship are some of the key elements that contribute to successful business building for diaspora entrepreneurs.
- Networks and platforms support the process of information sharing/dissemination, connections within diaspora and the matching process between diaspora entrepreneurs, investors, and markets. Existing platforms like ConnectAmericas have the potential for replication with a broader geographical scope.
- Functional and collaborative institutions in home countries contributes to create an enabling environment that supports business establishment/growth. Identifying such institutions requires a thorough assessment of the market and the operating actors.
- Involving national governments in countries of origin and promoting national policies of diaspora engagement in development plans can contribute to the enabling environment needed by diaspora groups/entrepreneurs. International Organizations, like IOM, can provide an added value in this process.
- Regional Institutions, like the African Union, can play a role in facilitating diaspora investments in countries of origin, by promoting an inter-continental business discourse, creating spaces of dialogue between national authorities and the private sectors and opportunities for networking.
- Mapping local entrepreneurs, including Diaspora returnees ("champions") who have set up businesses in countries of origin may be useful to the diaspora entrepreneurs' process of market infiltration. Cases of returned diaspora entrepreneurs in the MENA region is an example in this regard.
- Nurturing and mentoring young entrepreneurs to build their businesses' skills and scale their startups can make a difference in business development.
- Knowledge network is just as important as financial network.
- Virtual platforms can contribute to further link and strengthen the connection between different businesses, startups, and entrepreneurs.
- Successful business experiences, like Shea Yeleen International, shows that scaling up small scale businesses, accessing the right financial partners, and creating quality products can lead to concrete and sustainable job creations, even for rural isolated populations in the countries of origin.

Commitments & Follow-up Action Items:

- Promote the replication of existing diaspora's platforms in geographical areas or for sectors that are under-represented.
- Work toward the creation of an enabling environment in countries of origin, at the national and regional levels, through policy development, networks, and the promotion of a business discourse that takes into account diaspora investments.
- Promote programs that offer diaspora entrepreneurs mentorships, training, access to information and finance.

Discussion Topics/Audience Questions:

- What are the best ways of creating more marketing and flagship successes in countries of origin?
 - Create the right enabling environment, including all relevant actors
 - Address institutions, investment agencies, support the development of startups
 - Replicate platforms of interconnectivity
 - Find business leaders in communities
- What is missing for startups and businesses to succeed?
 - Mentorships and access to capacity building through partnerships
 - Improve the matching between investors and business ideas
 - How to manage the existing imbalance of power between the entrepreneur and the investor?
 - More proactive communication is needed between the two parties
 - Investors need to recognize the difference between well established businesses and startups.