



**The Republic of Uganda**

**Ministry of Foreign Affairs (MOFA)**

## **National Diaspora Policy**

*Broadening opportunities for Ugandans abroad and  
in Uganda for national development*

**Final Draft**



**May, 2013**

# **Foreword**

## **Acknowledgements**

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## Acronyms and Abbreviations

BOU	Bank of Uganda
DSD	Diaspora Services Department
FDI	Foreign Direct Investment
GDP:	Gross Domestic Product
GoU	Government of Uganda
ICT	Information and Communication Technologies
IOM	International Organization on Migration
KCCA	Kampala City Council Authority
MIA	Ministry of Internal Affairs
MDAs	Ministries, Departments and Agencies
MOES	Ministry of Education and Sports
MOFA	Ministry of Foreign Affairs
MOGLSD	Ministry of Gender, Labour and Social Development
MPI	Migration Policy Institute
NCUCA	National Council for Ugandan Communities Abroad
ND	National Diaspora
NDP	National Development Plan
NGO:	Non-Governmental Organization
OECD	Organisation for Economic Cooperation and Development
UDC	Uganda Diaspora Communities
UIA	Uganda Investment Authority
URA	Uganda Revenue Authority
USA	United States of America
VFM	Visiting Family Members
WBI	World Bank Institute

## **Definitions of Concepts**

**Diaspora:** Refers to Ugandan citizens and their descendants residing outside Uganda. This definition includes Ugandan refugees but excludes Ugandans employed in Ugandan diplomatic missions.

**Diaspora** also refers to places (other countries) where people of Ugandan origin reside.

**Ugandans in the Diaspora:** Refers to Ugandan citizens and their descendants residing outside Uganda for at least six months.

**Remittances** are private unrequited transfer of money and other valuables from Diaspora Uganda.

# 1.0 Chapter 1 Situational Analysis and Policy Challenge

## 1.1 Introduction

This **National Diaspora** (ND) policy lays out a framework for the Government of the Republic of Uganda (GoU) to engage with its people in the Diaspora for mutual benefits including: 1) For the Diaspora to participate more effectively in the development of Uganda, 2) for Government of Uganda to support Diaspora to live a more fulfilling and dignified life wherever they choose to reside, and 3) expand employment opportunities for Ugandans seeking jobs abroad (externalisation of labour). This policy is born out of a realisation that in a globalising world, Ugandans will increasingly live and aspire to work outside its national borders, as is the case for most countries.

The policy is a culmination of consultative processes, which among others, included:

1. Interactions between Ugandan Diaspora and President of the Republic of Uganda. Arising from these interactions, the President in 2007 issued a directive for government to take action on Diaspora issues; and offer a comprehensive range of services to facilitate the Diaspora contribute more to the country's social, economic, technological and political development;
2. Solicitation of views of Diaspora over a period of five years (2007-2012); and learning from other countries through case study visits;
3. Interface with the political leadership of the Ministry of Foreign Affairs (MOFA) who directed that in addition to extension of protection and extension of other benefits to existing Diaspora, rigorous drive for

externalisation of labour be part of the main thrust of the National Diaspora Policy.

Key observations arising from consultations and studies by Ministry of Foreign Affairs of Uganda (MOFA) and a Consultant indicated that Diaspora annual remittances amount to about a billion<sup>1</sup> USA Dollars. This sum of national income is bigger than annual earnings from any single export of Uganda. Whereas these remittances are significant contribution, there is no commensurate reciprocation to the Diaspora in terms of support rendered by GoU to them while in their host countries. Equally, limited or no support is rendered to Ugandans pursuing employment opportunities abroad. At the same time, the Diaspora believed that there were limited opportunities for them to participate in development of their country Uganda. The studies further noted that little of Diaspora remittances are channelled to investment.

This policy is part of a broad national strategy designed to extend protection to Ugandans living abroad, support mobilization and utilization of Diaspora resources in the country's development agenda. It is aimed at creating an enabling environment that fosters the Diaspora's contributions and thereby lead to growth and socio-economic transformation for prosperity, in line with the National Development Plan (NDP).

The focus of the policy is on strengthening national capacity for coordination, and building mutually beneficial partnerships with Diaspora in line with national foreign policy objective to promote and protect Uganda's national interests abroad. The policy also supports externalisation of labour as adopted in The National Employment Policy for Uganda (2011) and Ministry of Gender Labour and Social Development (MOGLSD) Statutory Instrument No. 62 of 2005.

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<sup>1</sup>BOU, WBI, IOM and Migration Policy Institute 2011

The rest of this policy document covers background to the policy, key issues of concern, policy statement and scope of application, implementation roles and responsibilities, monitoring and evaluation, funding, benefits, due diligence and risk management.

## ***1.2 Background: Diaspora and Development***

Over the years, the pace of globalization has increased due to significant advances in information and communication technologies (ICT) and so has the movement of people across national borders in search of opportunities for better livelihoods. Both voluntary and involuntary factors including natural disasters, famine, wars and conflicts, better employment, trade, studies, tourism and marriage among others have contributed to emigration. The global effect of these movements is that only 5% of world population can be considered truly indigenous where they live and in contemporary terms more than 3% (215 million) people live outside their countries of birth (OECD, 2009). In case of Africa, about 30 Million Africans are living outside their home countries and contributing about US \$ 500 billion of remittances annually through formal and informal channels making it the largest source of external capital in many developing countries.

In the case of Uganda, the Diaspora is estimated at about 1.5 million (UN Human Development Report 2009). The majority of Ugandans emigrated starting in the early 1970s, during the political turmoil that beset the country following the assumption of political power by the Idi Amin military regime. This group of Ugandan emigrants of the 1970s includes those of Asian origin that were hastily expelled in 1972. Over the years, other Ugandans have emigrated due to various reasons mainly seeking economic opportunities. A most recent phenomenon has been formalised export of labour and as of December 2009, 11 external employment recruitment agencies had been

licensed and over 11,000 Ugandans formally recruited and deployed abroad, mainly in the Middle East (MOLGSD, 2011).

Many of the Ugandan Diaspora possesses impressive knowledge, skills, talents and financial resources that have already contributed significantly to the development of their host countries and Uganda as their ancestral land (MPI 2004). For example, during the period 2007-2012, annual estimated remittances by Ugandan Diaspora ranged from US\$750 to US\$ 1billion, accounting for about 5% -17%of Gross Domestic Product (GDP) and equivalent to 35% of the deposit base of all Ugandan banks as of March 2008. These computations do not take into account other resources remitted in kind such as materials, equipment, and technological knowhow among others. The International Organisation for Migration (IOM) and Migration Policy Institute (MPI) estimate that there is a lot of unexploited potential to magnify Diaspora resources, both human and financial, domestically and internationally including leveraging Diaspora for economic diplomacy with their host countries. IOM and MPI argue that nostalgia tourism can be boosted among the Diaspora. Some countries such as India have leveraged their Diaspora for technological transfer and marketing while other countries such as Philippines have used their Diaspora to promote nostalgic marketing and sentimentally inspired tourism.

However, the bulk of Uganda's Diaspora resources have been received as individual remittances to meet basic needs of family members. The main expenditure items have been in terms of education support, home improvement, medical treatment and some investment in real estate. This is contrary to collective remittances that would have multiplier effect on physical, social and economic structural issues. For example, while remittances have contributed to education of children, individual advancement does not improve the conditions or quality of schools. When, a better house has been built, the surrounding infrastructure and utility issues may diminish the living

conditions in that house if there is poor road access or inadequate or non-existence power, water and sanitation conditions. It is in regard to contribution to macro level investment, trade and skills transfer that Ugandan Diaspora's participation is limited.

On the other hand, whereas the Ugandan Diaspora has potential to contribute more to the development of their host and country of origin, they are faced with many constraints which include:

1) **Constraints in the host countries.** Stringent restrictions on remittances including high front end costs, lack of favourable laws for migrant workers, under-employment, health hazards, host country language limitations and often abusive/exploitative work. Other constraints include high skill needs, high taxes on informal jobs, labour exploitation and lack of appropriate mechanisms to share information on available opportunities. There are issues of high remittance costs to Uganda. For example, in the 1<sup>st</sup> quarter of 2012, the average cost of remitting Great Britain Pounds 120 (US\$ 300) cost 8.87% (GBP 10.64)<sup>2</sup>. Often there are issues of long term illness and repatriation.

2) **Constraints in Uganda** include limitations for judicious and productive utilization of remitted resources, high clearance charges of remittances, lack of a reliable data bank to share and update information on available investment opportunities including specific data on Ugandan Diaspora and their skills. There has also been lack of a coherent policy to harmonise and synergise actions across various agencies of government such as Immigration Board, Uganda Revenue Authority (URA), Uganda Investment Authority (UIA), Kampala Capital City Authority (KCCA), National Housing Corporation (NHC), Urban and District authorities among others to promote Diaspora activities.

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<sup>2</sup> Remittance prices worldwide (2012): Sending money from United Kingdom. Retrieved on 3<sup>rd</sup> December 2012 from <http://remittanceprices.worldbank.org/Country-Corridors/United-Kingdom/Uganda/>

While remittances have contributed to poverty alleviation, foreign exchange earnings and balance of payments support, there has been no definitive evidence that they have propelled output growth. It is argued that, whilst remittances have in some cases been used to set up micro businesses; they have tended to encourage high consumption. Moreover, it has been suggested that lack of productive investments generated by remittances, could work to the disadvantage of long-run growth as a shortage of public overhead capital constrains productivity. Therefore, provision of public goods such as roads, rail, power generation, and irrigation systems ought to be boosted by remittances either through direct funding or putting capital to labour. In other words, the contribution of the Diaspora would be remittances of Foreign Direct Investment (FDI to labour) and Diaspora immigration or return as skilled labour to capital.

An enduring feature of all Diaspora is return migration to the homeland. Significant dividends accrue if Diaspora returns, especially when they are 1) highly skilled in areas of demand in the domestic labour market; 2) have extended knowledge, experience, and a network of international contacts which can benefit their work at home.

### ***1.3 Existing Institutional and Legal Framework***

The existing Institutional and legal arrangements that serve the Diaspora are laid out below:

#### **Ministry of Foreign Affairs (MOFA)**

The mandate to promote and protect Uganda's national interest abroad falls in the ambit of services by MoFA. The Diaspora is served by the missions and consulates in host countries or those nearest to them in neighbouring countries. These services have often had administrative challenges that inhibit proper provision of a full range of consular services demanded by the Diaspora.

The services have not been guided by a comprehensive Diaspora policy framework and adequate funding tailored for Diaspora needs.

### **Ministry of Internal Affairs (MIA)**

The Ministry of Internal Affairs (MIA) as a vanguard of Ugandan citizenship issues has serviced the Diaspora through issuance and renewal of Uganda passports for nationals living abroad, as well as provision of immigration services and facilities for former Uganda citizens and their descendants who now wish to return to Uganda permanently or for business interests. In 2009, the MIA began implementing a constitutional provision for dual citizenship through amendment to the Uganda Citizenship and Immigration Control Act, Cap 66. The provision for dual nationality is intended to among others remove legal hindrances to the effective participation of Uganda Diaspora in the development of their motherland Uganda. The Ministry is also in the final stages of developing a National Migration Policy which elaborately provides for facilitation of Uganda Diaspora under existing migration management instruments. The National Migration Policy speaks to and complements the National Diaspora Policy on several issues relating to or affecting Uganda citizens abroad. These include safety nets against cross border human trafficking of Uganda citizens, bilateral reciprocal migration related arrangements for the treatment of migrant workers in host states, facilitation of return and reintegration of Uganda nationals, dual citizenship and international collaborations.

### **Other Ministries, Departments and Agencies (MDAs)**

A number of MDAs such Ministry of Education and Sports (MOES), Ministry Gender, Labour and Social Development (MOGLSD), BOU, UIA, KCCA, Private Property Developers, Private Employment Agencies among others have to date dealt with Ugandan Diaspora on various aspects of their social, cultural, tourism, financial and technological, employment, trade and investment

according to their mandates. Other organisations dealing with Diaspora are those formed and managed by the Diaspora themselves. Most Uganda Diaspora Communities spread around the globe are organised in voluntary associations of varying strengths and cohesion. Probably, the largest and oldest among them has been the Ugandan North American Association (UNAA).

Diaspora issues are multifaceted, complex and involve many actors in order to be effective. The various MDAs and voluntary associations have so far performed their roles in a vacuum of a comprehensive and coherent public policy to coordinate government action between, among and within the various state and non-state agencies that could deal or are dealing with Diaspora issues. Aspects of the current institutional and legal framework will require amendments in order to enhance coordinated service delivery to the Diaspora.

## ***1.4 Issues for Diaspora participation in Development***

### **1.4.1 Core issue**

On a global scale, the Migration Policy Institute (2004) presents the Diaspora as key drivers for poverty reduction in their home countries. Their contribution to national development is through: Foreign Direct Investment (FDI), market development including outsourcing of production, technology transfer, philanthropy, tourism, political contributions, and more intangible flows of knowledge, new attitudes, and cultural influence. Nationally, it is estimated that the Diaspora in 2010, contributed US\$ 914 million which accounted for about 17.7 % of the Gross Domestic Product (GDP) for Uganda.

It is appreciated that the Diaspora population is diverse both in the reasons for migration and how different segments of this population (Diaspora) interact with the social, political, economic, cultural, and other conditions in the host countries as well as Uganda as their country of descent. What is evident today is that developments in the information, communication and technology have

made it possible for more frequent and intense interaction through online media, travel, new financial mechanisms than any other time in the past. This is facilitating continuous updates on situation in the country of origin (Uganda), and participation of Diaspora in social, cultural, technological and political life of their home country. In essence, whereas the Diaspora have the potential to increase their contribution to the development of their host and home countries; they are faced with numerous constraints which an appropriate public policy and strategies can address for mutual benefits among the Diaspora, host country and Uganda.

#### **1.4.2 Specific Policy Issues**

##### **Individual Remittances**

1. There are individual remittances as opposed to collective remittances (for philanthropic and business ventures). The remittances are important for families and households, for improvement of balance of payment and general poverty reduction. These remittances however do not address systematic development problems such as physical, social and economic structural issues that contribute to or distract from individual or communal welfare.

##### **High Transaction Costs in Administration of Remittances**

2. Whereas, channels for money transfer have multiplied over time, concerns on transaction costs through official money transfer persist among the Diaspora. Studies indicate that transparency and flexibility by money transfer agents and local banks can help increase the volume of remittances and encourage Diaspora to engage in investment activities if remittance transaction costs are favourable.

### **Weak mechanisms to facilitate harnessing Diaspora Skills**

3. While a big proportion of Ugandan Diaspora is highly educated, skilled and talented, the country has not exploited fully their potential contribution for national development through such mechanisms as: brain gain, brain share and brain circulation. This would bring capital to labour or transfer skills to capital.

### **Inadequate Consular and Migration Services**

4. Resources contribution by the Diaspora so far has not been sufficiently reciprocated with a range of consular and migration services by Government as is the case with such countries as Mexico, Philippines, Bangladesh, South Korea and Ethiopia among others who have extensive consular offices and services directed to their Diaspora.
5. While the creation of a Diaspora Services Department (DSD) has signalled that Government cares, there is so much more that could be done *symbolically*. This could include special Diaspora Counters for Diaspora for Arrival as a sign of welcome home and *substantially* in terms of more public resources for Diaspora capacity building including that of recipients of their remittances back in Uganda;
6. Whereas Government is desirous of Ugandan Diaspora to live a more fulfilling and dignified life in host countries including decent burial according to Ugandan culture, it was noted that at the time of promulgation of this policy that there was no adequate arrangements to support repatriation of deceased family members of impecunious persons and those incarcerated in foreign prisons;

## **Externalisation of labour**

7. In April, 2011 Government of Uganda promulgated a ***National Employment Policy for Uganda*** aimed at increasing decent employment opportunities and labour productivity for social economic transformation. The policy recognises that formalised externalisation of labour through establishment of the External Employment Unit in the Ministry responsible for Labour (Statutory Instrument No. 62 of 2005, The Employment (Recruitment of Ugandan Migrant Workers Abroad) has contributed to increased remittances. The External Employment Unit has enhanced coordination, licensing of private recruitment agencies and facilitating access to job opportunities abroad. However, since the mandate 'to conduct Uganda's foreign relations, economic and commercial diplomacy, in order to promote an international environment which supports ...development needs' falls under MOFA, it is imperative the National Diaspora addresses international issues related to the externalization of labour.

## **The rapid emergence of a new Diaspora category – temporary workers**

8. While there is a new breed of Diaspora involved in temporary and informal work such as in the Middle East, there is no clear policy concerning their social security and reintegration in Uganda after they return. Similarly, there is no clear policy on how to deal with portability of social security savings. Moreover, some Ugandans through employment Agencies and other voluntary and involuntary emigration factors have not acquired profitable employment opportunities in host countries. They have thus suffered economic exploitation including sexual slavery especially in the Middle East
9. While conditions of the Diaspora in host countries and opportunities for economic investments are dynamic over time, there is no regular

mechanism for data collection and sharing of the information through an official data base.

### **Diaspora and Tourism**

10. Even though economic opportunity seeking behaviour may be the dominant reason for emigration, findings indicate family ties are the overwhelming reasons for remittances and returning to Uganda. In this respect GOU has not leveraged this phenomenon in a systematic way to harness Diaspora for tourism, especially through contribution to tourist expenditure by those Visiting Families and Relatives (VFRs).

This National Diaspora Policy offers guidance to various governmental, Non-Governmental Organisations (NGO) and private sectors actors in dealing with Diaspora related issues.

## **Chapter 2 Policy Statement and Scope of Application**

### ***2.1 Policy Statement***

The Government of the Republic of Uganda is committed to mainstreaming Ugandan Diaspora in the national development agenda through mutually beneficial engagements between them and the organs of the state. The aim is to create a community of well-respected and justly competitive Ugandans abroad who contribute significantly to the productivity and well-being of the countries where they reside or work and maintain strong political, economic, as well as cultural ties with Uganda.

While Diaspora engagement is valuable to national development, it can at same time be disproportionately costly as to create discordance with Ugandans living within the borders of the country. The policy shall be executed in a spirit of public trust and in accordance with the Constitution of the Republic of Uganda, the National Development Plan, National Foreign Policy, the National Migration Policy, and the East African Community Protocols and in consistent with other duly adopted public policies, laws and other international bodies.

### ***2.2 Scope of Policy Application***

This policy shall apply to all aspects of the relations between GOU and Ugandan citizens and their descendants residing outside national borders. In particular, the policy scope provides for the following persons and situations:

#### **a) Persons covered;**

- All categories of Ugandan Diaspora while in their host countries;
- Returning Ugandan Diaspora;
- Spouses of Diaspora;

- Descendants of Ugandan Diaspora;
- Ugandans on study scholarships abroad for six (6) months or more;
- Participants in Official Exchange Visit Programmes with Diaspora;
- Relatives of Diaspora who regularly receive remittances;
- Abandoned children by Diaspora in Uganda.

**b) Relevant Situations Affecting Diaspora;**

- Repatriation, medical evacuation and Ugandans in distress;
- General consular and migration services to Diaspora;
- Capacity building for Diaspora in host countries;
- Support offered to Diaspora family members living in Uganda, and returning Diaspora from abroad;
- Legal assistance to Ugandan Diaspora in incarceration abroad;
- Processes related to externalization of labour including searching for job opportunities and establishing bilateral agreements with Governments of receiving countries;
- International Cooperation in support of Ugandan Diaspora in search of work and regularisation of the migration status; and;
- Inter-agency coordination in dealing with Diaspora.

## **2.3 Guiding Principles**

The success of this National Diaspora Policy framework will be guided by the following principles:-

1. ***Involvement and Participation*** of the Diaspora in National Development. The object of this is the need to synergize the efforts of all the stakeholders in the Diaspora issues. The stakeholders as far as it is practical will be involved in policy formulation, implementation,

monitoring and evaluation of the strategies including playing legislative and executive roles;

2. **Recognition** of the important role played by the Ugandan Diaspora in the socio-economic development of Uganda;
3. **Partnership** with Diaspora individuals, groups, governments, public and private national and international agencies;
4. **Innovation and creativity** in institutional set up and Diaspora programming in order to pursue cost effective models;
5. **Capacity building and learning from** others in order to afford Diaspora necessary protection, and enhance engagement in development;
6. **Promotion of common good** through maintenance of the **safety and security** of the **State** and its **people** both **residents** and **Diaspora**;
7. **Sustainability** where data is used to monitor, evaluate performance and implementation of the policies and programmes.

### **3.4 Policy Objectives**

#### **General policy objectives**

1. The **main thrust** of the National Diaspora Policy for Uganda is to unbind constraints that affect dignity and full participation of Diaspora in national development. GOU shall support judicious pursuance of economic opportunities abroad and arrangements for integration of Ugandan Diaspora in the receiving countries.
2. It is **envisioned** that Uganda Diaspora will be;  
a community of well-respected and justly competitive Ugandans abroad who contribute significantly to the productivity and well-being of the countries

where they reside or work and maintain strong political, economic, as well as cultural ties with Uganda.

### **Specific objectives**

The specific objectives of this Policy are to create an environment that will:

- i. Provide all possible opportunities for each Ugandan Diaspora to participate and contribute to National Development;
- ii. Promote and enhance measures that improve economic and legitimate rights including protection of their businesses and properties, facilitate verification and accreditation of academic qualifications earned while in Uganda and abroad;
- iii. Support dialogue and cooperation among the Diaspora and their country Uganda;
- iv. Promote a spirit of love for Uganda among Ugandan Diaspora;
- v. Promote resource mobilisation for national development;
- vi. Promote externalisation of labour for increased national income through remittances;
- vii. Enhance necessary co-ordination and administrative mechanisms for Diaspora issues in Uganda and develop Ugandan Consulates<sup>3</sup> as one stop centres for Diaspora services in their host countries.

## **2.5 Policy Strategies**

To achieve the policy objectives, GoU shall deploy the following key policy strategies:

### **A) Participation in Governance**

The GoU is committed to extending rights to the Ugandan Diaspora in the following areas:

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<sup>3</sup> Consulates shall serve the roles of promoting trade, investment, diplomatic ties, education, dignity of Ugandan Diaspora and searching employment opportunities for Ugandan.

- i. **Promotion of Dual Citizenship:** The Uganda Citizenship and Immigration Control Act Cap 66 as amended, already provides an opportunity for former Ugandan citizens who are naturalized in another country, to re-acquire Ugandan citizenship. The Act also allows foreign nationals who wish to retain their citizenship of another country the option to acquire Ugandan citizenship. This is intended to promote Diaspora access to rights, privileges and opportunities provided by Uganda citizenship. Existing legislation further provides for immigration residence facilities for former Ugandans and their descendants who may not be eligible for dual citizenship. These facilities include certificates for permanent residence and dependant passes. Persons with dual citizenship will also be eligible for benefits accruing to East African Community (EAC) Nationals under the EAC Common Market. Such facilities will enable beneficiaries enter and re-enter the country without visa impediments.
  
- ii. **Legal reform to extend voting rights and enable the Diaspora to participate in electoral processes:** Government commits to ensuring that Diaspora is engaged in the national politics of their country. In this regard, Diaspora will be entitled to voting and be voted for. The constitution will be amended and an appropriate law, regulations and guidelines to implement this provision will be enacted;
  
- iii. **Create platforms for Diaspora to participate in National Development Planning and policy formulation:** The Government will put in place deliberate strategies with Diaspora Associations to mainstream the Ugandan Diaspora in its National Development Planning. In view of this, Diaspora issues will be contextualized in every National Development Plan (NDP). There is a growing need for sharing information between MDAs and the Diasporas so as to ensure

a coordinated “whole of government” approach to Diaspora matters is successfully implemented;

- iv. **Diaspora Management and Governance Structures:** Government will establish necessary co-ordination and administrative mechanisms of Diaspora issues in Uganda and develop Ugandan Consulates as one stop centres for Diaspora services.

## **B) Extending Economic Opportunities**

- v. **Diaspora Employment:** Government will make employment opportunities available to the Diaspora on a competitive basis with emphasis on meritocracy;

The Government will encourage the Professional Associations to closely collaborate and affiliate with international and other related professional associations to enable the Ugandan Diaspora professionals engage fully in their relevant fields in Uganda;

The Government will put in place structures, programmes and incentives to attract and utilize qualified and skilled Human Resources from the Diaspora. This will include assisting institutions locally to improve their efficiency in accessing and utilizing Diaspora’s intellectual and technical resources to meet their developmental goals. China Central and Provincial governments have used this strategy effectively;

- vi. **Transaction costs of Remittances and FDI:** The Government will continuously promote measures to lower the cost of transmitting remittances with a view to attracting them for investment, trade and philanthropy;

- The Government will offer incentives to the Ugandan Diaspora such as tax holidays, special investment vehicles, business incentives on capital investments and tailor made social security arrangements for the Diaspora. This will also involve business mentoring and student internship schemes as well as sharing information on business networks and investment Agencies through a data base;
- Government will address impediments to Diaspora FDI including investment into Diaspora Bonds and other such instruments, improve climate and infrastructure for investments. GoU shall enforce a strict and just administration of property rights for all Ugandans both in Country and in the Diaspora. Efforts in particular will be aimed at increasing confidence, trust and efficacy in Ugandan financial institutions. Communication strategies with Diaspora networks aimed at reducing investor risks arising from information asymmetry will pursued.

### **C) Promotion of Love for Uganda**

- i. **Diaspora Day:** Government will declare a National Diaspora Day similar to the Indian or Lebanese Diaspora days to recognise and reward members of the Diaspora who have excelled in their host countries or made great contribution to the development of Uganda. Those recognised shall be immortalised as National Heroes. This will be done for Diaspora both in their individual and/or group capacities to promote the image and development of Uganda. The implementation of the Diaspora Policy will be monitored and evaluated among other occasions on this event-The Diaspora Day;

- ii. GoU will encourage and support the Ugandan media to reach the Diaspora in their host countries as means of keeping them abreast with events in Uganda. Other leaders such as politicians, religious and cultural leaders will also be supported to reach out to the Ugandan Diaspora as is the case with Turkey.

#### **D) Resource Mobilisation**

- i. **Externalisation of Labour:** Government will in line with *The National Employment Policy for Uganda* continue to actively promote externalisation of labour for the benefit of Ugandan citizens. GoU shall wherever possible enter into cooperation agreements with receiving countries for the protection of rights of Ugandan migrant workers;
- ii. **Diaspora and Tourism:** In recognition of the Diaspora's potential to support tourism and market the Ugandan culture and entertainment, the Government in collaboration with Uganda Diaspora Communities (UDC) commits to support the activities of these sectors by letting the Diaspora promote Uganda's tourism, artists, culture and sports persons.
- iii. **Diaspora and Foreign Direct Investment (FDI):** While it is every nation's aspirations to attract Foreign Direct Investment for economic growth and development, Diaspora Foreign Direct Investments add a higher Social Rate of Return (SRR) to a unit of investment above that in the case of non-Diaspora FDI. The skills transfers to Uganda are mostly tacit knowledge, rather than knowledge embodied in capital equipment. The cases of India and China are instructive in this respect.

Diaspora FDI will be sought along with promotion of patriotism as the motives for investment could be more than financial profiteering. Purchasing of instruments as Diaspora bonds are not entirely for purposes of profit. The keen desire to be involved in development of home country may be a key motive for the Diaspora to acquire such bonds as has been the case with Japan, China, Turkey, the State of Israel, and Ethiopia among other countries. Diaspora investments may be guided by long run considerations of establishing a base in the countries of their origin. The Diaspora is often better informed on the capabilities and requirements of domestic labour and training local labour requires.

Government will also pursue **securitization** of future Diaspora flow of remittances to add to substantial capacity for national governments to raise capital from the international market to finance important development projects. The government will also protect the property of those incarcerated or being repatriated. Ghana and Nigeria has utilized this resource mobilization instrument where by future predictable hard-currency receivables have been pledged as collateral.

## **E. Promoting Diaspora Rights**

- i. **Extending Social Rights:** Government of Uganda is committed to extending civil and social rights including welfare protection. Government believes the ultimate protection of any person depends on their possession of appropriate knowledge and skills. Government will pursue a strategy of capacity building of the Diaspora to organise themselves and keep abreast with opportunities in Uganda and their rights regularly updated on the Diaspora data base;

**ii. Portable and Transferable Social Rights**

In externalizing labour, GoU will emphasize portability of social security benefits, in particular pension and health benefits. This will be achieved through bilateral social security agreements between the GoU and the receiving countries especially with regard to temporary labour migrants. This may have limited applicability to Diaspora who have been living abroad for a long time but would be interested to return to their home country as these may have had their own special arrangements. This might require review of the National Employment Act among other legal instruments to address labour rights in line with the Diaspora policy.

**iii. Capacity Building:**

This will comprise harnessing Information and Communication Technologies (ICT) for Diaspora data base development and maintenance to create Diaspora community that is engaged amongst themselves and their country of origin, Uganda.

## **Chapter 3 Implementation, Roles and Responsibilities**

Sustainable implementation of this National Diaspora Policy will require an efficient and cost-effective co-ordination and administrative institutional arrangements that should cover inter-Agency, technical and inter personal relationships from both the public and private sectors.

### **3.1 Policy Implementation and Coordination**

In order to improve the quality and quantity of services to Ugandan Diaspora, consulates shall be extended to areas of high concentration of Ugandans abroad. The Diaspora Services Department (DSD) shall work through the Consulates and Embassies to strengthen Diaspora Organizations.

The following options were considered in arriving at the most optimal National Diaspora Policy implementation arrangements:

#### **Option 1: Maintain the *status quo*.**

The Department of Diaspora Services (DSD) continues to provide leadership and coordinating the other organs of MOFA in dispensing Diaspora services. The current inter-ministerial Diaspora *ad hoc* working committee composed of technical staff from key stakeholder MDAs is institutionalised through an appropriate administrative instrument. Politically, the MOFA continues to offer political oversight as per the Ministry mandate.

This option was discounted on basis of its weak interagency coordination. An *ad hoc* technical working committee even if institutionalised would be ineffective on account limited as authority by each member in their respective

agency. The DSD would find it difficult to execute decisions taken by such a subterranean committee.

### **Option 2: Establishment National Diaspora Services Board (NDSB)**

Change the *status quo* by enacting a National Diaspora Services Board (NDSB) as a body corporate. The Board will be established by Act of Parliament as follows:

- i. There shall be a board to be known as the National Diaspora Services Board (NDSB);
- ii. The Board shall consist of three members from among the Diaspora, and one member from each of the following Ministries or departments and associations;
  - a. The Ministry responsible for internal affairs;
  - b. The Ministry Trade and Industry;
  - c. The Ministry responsible for lands and surveys;
  - d. The Ministry responsible for finance, planning and economic development;
  - e. The Ministry responsible for local government;
  - f. The Office of the Prime Minister;
  - g. The External Security Organization,
  - h. A member from a national association of business persons;
- iii. The Ministry shall appoint the chairperson and vice chairperson of the board from among the members appointed
- iv. A member of the board shall hold office for a period of three years and shall be eligible for reappointment.

All of members of the Board shall be appointed by the Minister of Foreign Affairs in consultation with the Minister responsible for the respective sector or department.

### **Secretary to the Board**

The head of the Department of Diaspora Services (DSD) shall act as secretary to the board and shall perform such functions in relation to meetings of the board as the board may direct.

### **NDSB Secretariat**

The DSD will be a Secretariat of the National Diaspora Services Board (NDSB) and a minister of state for Diaspora will be appointed to assist the Minister of Foreign Affairs in matters of the Diaspora. These may be additional duties to existing portfolios.

The MOFA through the State Minister for the Diaspora in collaboration with different MDAs<sup>4</sup> shall coordinate Diaspora activities in Uganda and abroad. The participation of MDAs in Diaspora activities shall be in accordance with their mandates. Where necessary, mandates of some MDAs which do not conform to activities of this *National Diaspora Policy for Uganda* shall be reviewed to provide for the Diaspora policy objectives. Roles of various MDAs are detailed in the Appendix.

This option is recommended as it provides clear lines of authority.

## **3.2 Monitoring, Review and Evaluation of Policy**

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<sup>4</sup>Critical MDAs include: *Ministers of Trade, Industry and Cooperatives; Internal Affairs; Gender, Labour and Social Development; Information and Communication Technology; Finance, Planning and Economic Development; Justice and Constitutional Affairs; Education and Sports; Tourism, Wildlife and Antiquities; Office of the President and Office of the Prime Minister.*

This policy implementation will be monitored by the appropriate body approved as the lead agency to implement and periodically review it. Policy evaluation is a prerogative of the Office of the Prime Minister. The review will be undertaken annually and a report will be presented at the annual Diaspora day.

External evaluation shall be carried out every five years to coincide with the end of term of office of the Diaspora Member of Parliament.

In order to operationalize monitoring evaluation of the policy, a programme of action with specific projects will be developed within six months upon adoption of this draft policy.

### **3.3 Funding Sources**

Funding for Ugandan Diaspora activities will include:

- a. Access to consolidated fund;
- b. Appropriation from non-tax revenue sources
- c. Support from donor agencies and host governments;
- d. Periodic subscriptions per Diaspora person to a fund established under an appropriate arrangement.

## **Chapter 4 Benefits of New Service**

The proposed policy would have significant benefits from the point of view of customer service and strengthening of effectiveness and integrity of the State's Diaspora Services, specifically:

- i. A single contact point or "one stop shop" for Diaspora at the Consulate/Embassy outside Uganda and at the Diaspora Secretariat in Uganda combining all Diaspora related work;
- ii. A clearer system involving more streamlined services and processes,

- iii. Improved sharing of information in linked Management Information Systems (MIS) should simplify decision making;
- iv. Improved service times as applications do not have to be submitted to a number of organizations.

Economy, local family members, tourism industry in Uganda: The benefits of the new Service should become clear from an early date and within a year. There should be a significantly improved service with a much clearer customer focus and with revised organizational procedures and computer systems in place to deliver improved customer service and to strengthen enforcement mechanisms.

## **Chapter 5 Due Diligence and Risk Management**

A number of policy provisions shall require enacting new laws or amending existing ones. These include the following:

- i. A Constitutional amendment to provide voting outside the borders of Uganda;
- ii. The Citizens Act to grant citizenship for descendants of Ugandan citizens;
- iii. A Diaspora Services Act to provide for the National Diaspora Services Board and provisions for the reorganization of Diaspora and citizenship services
- iv. Amendment of the Electoral Law to provide for voting and contesting for political positions outside Uganda;
- v. A Citizen Card for Ugandans who cannot hold two passports due to restrictions of dual citizenships in their host countries. The Citizen card would facilitate easy entry and exist into Uganda for those persons in such circumstances.

On the other hand government will work to forge strategic diplomatic arrangements to smoothen the implementation of this policy especially to assist in establishing mechanisms for guaranteeing Diaspora Bonds, pushing reforms in the financial sector and supporting projects that enhance the performance of Ugandan private equity firms.

## **Appendix: Roles of various MDAs**

### **- Trade, Industry and Cooperatives**

- *Promote the National Diaspora Policy and facilitate Ugandans in the Diaspora to participate in trade, industry and cooperatives back at home.*

### **- Internal Affairs**

- *Develop and regularly review the national migration policies and programmes to facilitate Ugandans in the Diaspora*

### **- Gender, Labour and Social Development**

- *Establish and regularly update a database of Ugandan labour in the Diaspora*
- *Promote externalisation of labour and develop a regulatory regime to guide recruitment agencies and Ugandans seeking jobs outside Uganda;*
- *Promote legitimate social rights for Ugandans*

### **- Information and Communication Technology**

- *Develop Information and Communication Platforms under the e-government initiative to facilitate government engagement of Ugandan's in the diaspora with the government, private sector and civil society back at home.*

### **- Finance, Planning and Economic Development**

- *Maintain a database (through the Bank of Uganda) of Remittances by Ugandan's in the diaspora*
- *Promote opportunities for investment at home (through the Uganda Investment Authority) for the Ugandans in the diaspora*

### **- Justice and Constitutional Affairs**

- *Review the legal regime and make proposals for legal reforms to facilitate greater participation of Ugandans in the diaspora in the democratic and development processes back at home*

### **- Education and Sports**

- *Liaise with the Ministry of Foreign Affairs and that responsible for Labour, and; Trade, Industry and Cooperatives to develop mechanisms to facilitate skills and knowledge transfer from highly skilled Ugandan's in the diaspora to educational, productive and industrial processes back at home.*
- *Develop educational curricula to facilitate externalisation of labour programmes*
- *Build partnerships with various public and private sector institutions to nature a robust national internship programme.*

- **Tourism, Wildlife and Antiquities**
  - o *Promote the Ugandan tourism industry to the Ugandan's in the diaspora.*
  - o *Build networks of Ugandans in the diaspora to promote Uganda*

## **Other Stakeholders**

### **Civil Society Organization**

- *Promote the national diaspora policy*
- *Monitor and Evaluate the national policy*
- *Providing avenues for social investment by the diaspora*

### **Private Sector**

- *The private sector as the a primary engine of Uganda's growth and development is an important stakeholder and partner in the process of harnessing the potential of the diaspora in national development and will, through private sector organizations, undertake the following critical*
  - o *Promote the national diaspora policy*
  - o *Establish productive linkages with Ugandan groups, networks, associations or individuals in the diaspora*

### **Diaspora Associations**

- *Promote the national diaspora policy*
- *Advocate and lobby government and international agencies to support the diaspora*
- *Mobilize the diaspora to participate in development processes at home*
- *Build database of the diaspora*

### **Development Partners**

- *Facilitate the implementation of the national diaspora policy through financial and technical support*

### **Media**

- *Disseminating and popularizing the policy amongst the various stakeholders*
- *Contributing to policy debate and agenda setting on issues on Ugandan's in the diaspora*
- *Publicity and advocacy*

### **Research and Academic Institutions**

- *Undertake research on Ugandans in the diaspora to inform policy development and implementation of the national diaspora policy*
- *Participate in the implementation and evaluation of the national diaspora policy*