

Concept Note

Remittances and their role in building resilience to improve food security in Africa

Saturday, November 12th, 2022, | 9:00 am – 10:30 am

Promoted by the International Organization for Migration (IOM) in Egypt in partnership with International Fund for Agriculture Development (IFAD)

Introduction:

Remittances are the main form of migrants' contribution to improving the livelihoods of those left behind. Besides it constitutes one of the main sources of income for rural families. Social and financial transfers can play an important role in agricultural innovation that involves the transfer of skills, ideas, and knowledge both at the origin and destination of a place. Also, remittances can successfully enhance the resilience of rural and urban communities to climatic hazards and be used as tool for agricultural risk management*. In this context, IOM and IFAD are shedding the light on the importance of remittances in climate-resilient agriculture production.

The aim of this panel is to integrate the linkages between migration, remittances and food crises. Food crises which are exacerbated by erratic climatic changes, violence and other uncertainties are important drivers of international migration. 75% of the world's poor and food insecure depend on agriculture and natural resources for their livelihood, in addition, a 10-25% yield reduction could be widespread by 2050 due to climate change. Those predictable risks are urging all decision makers and local communities to innovate a financial mechanism to find a durable solution to end hunger and make communities more resilient to climate risks. The impact of migration and remittances on food security has increased recently. The role of remittances in improving household food security experience during food crises is a fundamental stream being neglected and the impact of remittances on food security over a long-term is yet to be studied comprehensively. To fill this gap, this intervention will demonstrate how

* [IFAD, Managing Agricultural Risk through remittances: The case of Senegal, December 2020.](#)



IOM and civil society organizations (CSOs) cooperate on a broad range of migration issues at global, regional, national and local levels for the benefit of all. CSOs often have strong ties to the communities in which they work, an aspect which complements and enhances the impact of IOM efforts in the field of migration.



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remittance is valuable in meeting both short and long-term food security and it is a veritable instrument for meeting household food security during food crises.

Objective of the panel session:

Over the past two decades, remittances have occurred as an important contribution to the well-being of migrant families and the development of communities of origin. In 2021, despite consequences of the COVID-19 pandemic, over 200 million migrants workers sent to their 800 million family members in developing countries US\$605 billion, this is representing more than three times the annual flow of official development assistance (ODA) and exceeding foreign direct investment (FDI).[†]

Remittances are a private source of capital that should not be equated with other international financial flows. However, they help lifting millions of immigrant families out of poverty and impact the lives of up to a billion people, either as senders or recipients. It allows migrants and their family members to improve their access to health, education and housing, thereby helping to achieve their Sustainable Development Goals (SDGs).

In alignment with SDG 1 “No poverty”, SDG 8 “Decent Work and Economic Growth” and SDG 13 “Climate Change”, IFAD and IOM are keen to highlight the role of the remittances on substantiable development and how this role could be leverage further by promoting innovative investments and transfer modalities, supporting financially inclusive mechanisms, enhancing competition, empowering migrants and their families through financial education and inclusion and encouraging migrant investment and entrepreneurship.

The panel will focus on two main topics:

A) The Role of Remittances in Accelerating the Sustainable Development in Africa - IOM

Remittances contribute importantly to the economic health and social development of developing countries. For example, in Moldova, almost one third of all households receive remittances, this represents approximately 60 percent of household income[‡]. Migrants make important economic, developmental and cultural contributions to sending and receiving countries and their remittances

[†] [Financing Facility for Remittances \(ifad.org\)](https://www.ifad.org/financing-facility-remittances)

[‡] [Maximizing the Development Impact of Remittances | International Organization for Migration \(iom.int\)](https://www.iom.int/publications/maximizing-the-development-impact-of-remittances)



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have positive impacts on poverty reduction and development in originating countries, mostly developing ones, substantially contributing to the achievement of the Millennium Development Goals.

This topic will shed light on the opportunities and challenges posed by trends in migration and remittances; the ways, means, and preconditions needed in order to enhance the development impact of remittance flows; surmounting the practical difficulties of sending remittances home and addressing barriers to remittance flows, including through trade and cooperation agreements facilitating temporary and circular migration.

B) The Impact of Remittances in Improving Food Security and Peace - IFAD

The continuous and rapid growth of remittances has become one of the sources of income for millions of poor families in developing countries. As such, an increase of remittance flow can have a significant impact on the ability of the household not only to get enough food but also to get nutritious foods. The remittances play an important role in improving the food security and alleviate poverty through creating strategic. Thus, IFAD and IOM are ready to highlight the role of social remittances, which involve the transfer of skills, ideas and knowledge. Also, Social transfers can play an important role in agricultural innovation, both in origin and destination. As well as promote resilience through raising awareness and creating decent jobs for youth and women.

IFAD intervention will focus more on how remittances are critical to mitigating the impact of the food crisis in the long term and how donor-led interventions involving both the private sector and diasporas abroad can leverage further this role through improving the linkages between remittances and financial inclusion. As well as fostering diaspora investment in agricultural value chain.

Programme:

Thematic Day: Adaptation and Agriculture Day

Date: Saturday, November 12th, 2022

Duration: 9: 00 am – 10:30 am

Speakers:

- **H.E Ahmed Mathobe Nunow**, *Minister of Agriculture and Irrigation, Federal Government of Somalia*
- **Dr. Melle Leenstra**, *Agricultural Counsellor to Egypt and Jordan, Embassy of Netherland*

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- **Mr. Pedro de Vasconcelos**, *Manager of the Financing Facility for Remittances and Lead Technical Specialist, International Fund for Agricultural Development*
- **Ms. Tanja Dedovic**, *Senior Regional Labour Mobility & Human Development specialist, International Organization of Migration*
- **Mr. Abah Ofon**, *Senior Manager, Export Development Advisory, African Export-Import Bank*
- **Dr. Noha Bakr**, *Political Science Associate Professor, American University in Cairo*

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