

Diaspora and migrants as new actors and sources of Sustainable Development Assistance

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ABSTRACT

This paper analyses diaspora (any population living out of their country of origin and that self identifies as people with “other country roots”) and migrants’ current participation in sustainable development assistance. Particularly, diaspora development nexus is viewed via diaspora and migrants’ philanthropy activities, as well as diaspora and migrants’ remittances to their countries of origin. New channels and modern trends of diaspora philanthropy are revealed through characteristics of main diaspora philanthropical actors and new mechanisms provided by global social networks. The impact of diaspora and migrants’ remittances on poverty reduction and national growth of their countries of origin is opened by considering remittances as a tool for sustainable development. This thesis can be seen through the facts of Ukrainian labour migrants’ remittances and their determining influence on the current Ukrainian economy. The conclusion is that diaspora and migrants should be considered as full-fledged actors and sources of sustainable development assistance.

Key words: official development assistance, philanthropy, migration, diaspora, migrants’ remittances.

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INTRODUCTION

Sustainable Development Goals 2030 highlights the positive contribution of migrants and diaspora for achieving sustainable development in the country of their settlements, as well as in the country of their origin. Many times, diaspora and migrants' aid to their developing country of origin is significantly higher than traditional official development assistances (ODA) and direct financial investment (DFI) provided to the same country. Ukraine – is one of the countries currently demonstrating this case. Migrants and diaspora participation are very integrated and comprehensive, directly and indirectly they contribute to solve many social and economic issues not only in the country of destination, but in the country of diaspora and migrant's settlement as well. That is why the perception that official development assistance should be considered as a means of catalysing other resource flows (formulated in Busan second review conference of Global Partnership for Effective Development Cooperation), as well as multi-stakeholder's partnership approach, (created in Addis Ababa Agenda), lead to understanding diaspora and migrants as new full-fledged actors and sources of the sustainable development assistance.

I. Diaspora's Philanthropy as a Sources of Financing Official Development

Assistance

A. Phenomenon of Global Diaspora Philanthropy: new formats and trends

Phenomenon of philanthropy has a long history, as it evolved from simple form of private altruistic help to the beneficiaries, through bilateral humanitarian assistance to comprehensive development projects. Philanthropy tried to achieve many different goals, it has utilized wide range of sources and assisted with wide range of social issues in wide range of formats.

The scope and magnitude of philanthropical activities grows so fast that lately there is every reason to consider this practice globally. Comprehensively it has been described as global

phenomenon which “includes a mix of civil society, community, religious, voluntary and non-governmental organizations (NGOs), distinguished by their capacity to tap private initiative and contributions for public purpose. From cross-border giving to recipients and programs in other countries, to very specific geographic issue-related giving by individuals and locally based indigenous organization.”² Shortly, from basic definition of philanthropy as “private initiatives for the public goods”³ global philanthropy can be defined as “private initiative for the public goods as diversely practiced around the globe,”⁴ taking into account that this diversely practice arises from many factors: economic, political, social, legal, cultural, ethnics, religious are among them. Philanthropy is one of the main aspects of diaspora’s engagement with the homeland, especially for the diaspora from development countries and in many times during wars, natural disasters and catastrophes happened in the country of diaspora origin.

Here is very important to highlight the difference between *philanthropy* and *charity*. Despite that at first glance it’s the same, philanthropy has systematic, frequent and long-term approach. To compare with charity, which most of time is mainly ‘extinguish fires’ by relieving immediate harm, philanthropy works more strategically with root-causes of such a kind of harm for preventing it occurs in the future. However, philanthropy relies on charity initiatives and actions and many times philanthropy is a logical continuation of charity.

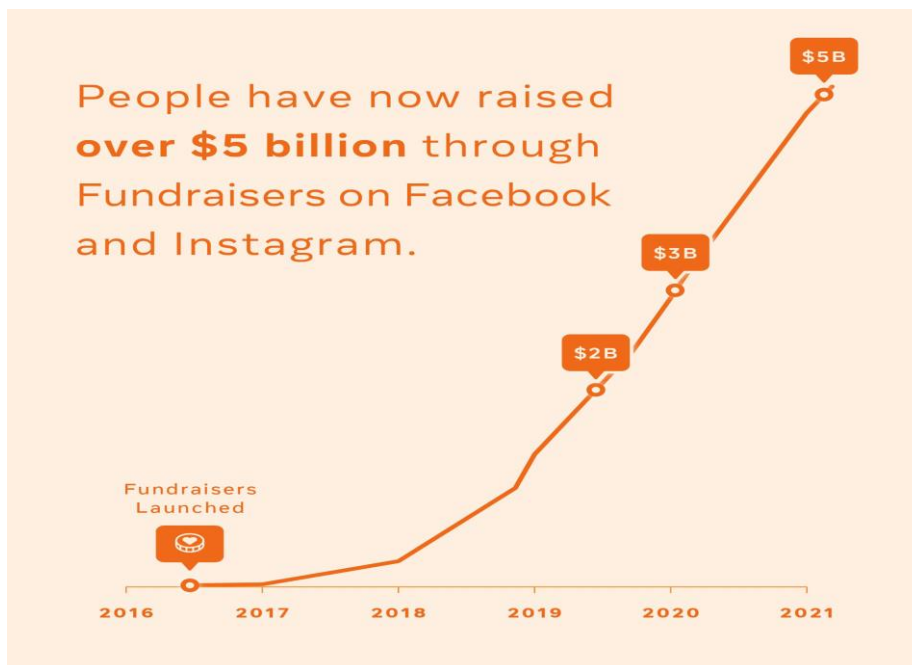
Diasporas philanthropy, more than any other type of philanthropy, consistent with the fact that global philanthropical giving may be provided *not only* by official and well-organized foundations. Mainly it can be seen now with evaluation of social network platforms and many options for informal community network and straight crowdfunding without previously binding

² Ambrose Natalie. *Overview of Global Philanthropy*. Global Philanthropy Council’s Paper. 2005. Retrieved from: https://www.cof.org/files/Documents/Family_Foundations/Family-and-Global-Philanthropy/Overview-of-Global-Philanthropy-COF.pdf

³ John W. Gardener. *Statesman, Social Reformer, Public Advocate*. Spotlight at Stanford, Stanford libraries, 2021. Retrieved from: https://exhibits.stanford.edu/john_w_gardner

⁴ Harvey John: *Defining “global philanthropy”*. *DAS Strategic and operational Philanthropy*. Geneve, 2011. Retrieved from: <https://www.alliancemagazine.org/blog/defining-global-philanthropy/>

bureaucracy and authorisation procedures. One of the great examples of this is the internet platform GlobalGiving, created with very simple and functional mechanism, helps private donors to choose one of local non-profit initiative in one of 170 countries around the world and help directly to one of the 30 000 local projects by making “safe and easy US tax-deductible donations to vetted, locally-driven organization around the world. Alternatively, UK taxpayer can give in GBT and claim an extra 25% if Gift Aid eligible”⁵. Since this platform has been created it helps raise more that 568 million US dollars. Another great example, is the Facebook charitable giving tools. Upon Facebook policy, to compare with private fundraisers, there is no fee for donation made for non-profits and for February 2021 Facebook users raised over 5 billion US dollars for personal fundraising and non-profit causes from more than 85 million people, just during first five years running the FB charitable giving tools .⁶ Upon Mark Zuckerberg statement, published in his FB account, “there are mostly smaller donations – most less than 25\$ - but they add up and can really help people.”⁷



Source: Mark Mark Zuckerberg FB account
<https://www.facebook.com/photo/?fbid=10112859794755021&set=a.612287952871>

⁵ GlobalGiving platform: <https://www.globalgiving.org/aboutus/>

⁶ FaceBook platform: <https://about.fb.com/news/2019/09/2-billion-for-causes/>

⁷ Mark Zuckerberg FB account. Retrieved from: <https://www.facebook.com/photo/?fbid=10112859794755021&set=a.612287952871>

Social networks using new communication technologies reinvent the formats of community building and other social interaction, facilitating philanthropic donations across borders. Before they occurred, they were many obstacles for low-income communities in the country of origin to contact with their community members abroad and to make their requirements well-known for them. From other side, old generations of diasporas had lost their contacts with homeland and social network platforms helped to recover lost connections in easier ways.

One more factor, increasing non-formal actors' participation in diaspora philanthropy activities increased due to people mobility. It comes from the liberalizing policies to welcome qualified and high-skilled specialists in developing countries. At the result wellbeing countries diasporas growth with new members, who are keeping close connection with their homeland. Most of these new migration waves representatives are young, very active and innovative and they bring many new initiatives into diaspora development assistance.

As well, as other types of philanthropy, diaspora has two main models to provide philanthropy: vertical and horizontal. Vertical philanthropy model is about external mobilization of recourses by one community (by diaspora community, for example) and deliver them to another community (to homeland community in diaspora cases). Horizontal philanthropy model is about internal mobilization, based on collection community resources with the purpose to deliver them for community own needs. There are evidence that diasporas mobilized their resources to support new arriving migrants, or to provide successful integration for their members in the country of new destination. Both types of philanthropy will be described below tailored to diaspora and migrants' participation.

B. Diaspora and Migrants' Philanthropy Actors

Diaspora and migrants' philanthropy may be provided individually and through intermediaries. Many times, individual diaspora's donors make one-time donations for specific extra ordinary needs in the country of origin and, very often, their donations are addressed to individuals from the homeland. The size of individual donors' donations varies from the micro-assistance to really big and comprehensive help. Celebrities, successful sportsmen, artists, or business owners, who belongs to diaspora communities, have used their fame and leverage to promote diaspora crowdfunding campaigns and actual needs of their compatriots in the homeland. Participating in philanthropy, individual donors expressed different goals and interests, such as strengthening civic society and democracy (Hungarian George Soros Open Society Institute for post-soviet countries); strengthening good governance and public management (Sudanese-born Mo Ibrahim Foundation for Africa), humanitarian assistance and cultural promotion (Armenian Mark Kerkorian Lincy Foundation), community developed initiatives, like a child education (Colombian Shakira Barefoot Foundation; Brazilian Ronaldinho Institute).

Compared with diaspora individual's philanthropy, diaspora philanthropy through intermediaries creates different channels for providing their donations. The most common practice is to make it via local diaspora associations, religious communities, internet-based philanthropic platforms, professional associations, and national level diaspora associations (foundations). Below is s general overview of each of the mentioned intermediaries.

Local diaspora associations created by hometown diaspora communities are the most common and most 'grass-rooted' among all diaspora intermediaries. Most of times they are focused on their own community projects, such as building churches, community schools and cultural centers, preserving cultural traditions and helping to meet social and economic needs for their community members. It is common to provide education and professional development

support for youth diaspora members and for the youth from the country of origin. Predominantly, local diaspora associations provide their fundraising campaign within diaspora community events. Additionally, national and local funds from the countries of diaspora settlements participate and support local diaspora associations initiatives, direct on better integration, national and ethnic minorities protection, cultural diversity. Gradually this participation grows in accordance with local diaspora association sustainable development.

In the event of social and natural disasters and other critical social demands from the country of origin, local level diaspora associations usually mobilize rapidly their resources and provide aid, mainly, to the same (local) level communities of the country of origins.

Diaspora religious community intermediation is very strong and active in the case that diaspora members belong to other denomination than majority of population from the country of their destination. In that case religious identity supersedes the regional, national or local identity for diaspora members. Being a religious minority in the country of diaspora settlement motivate their members for community building activities around their churches and religious leaders, which subsequently mobilized to philanthropical activities. A distinctive feature of the diaspora religion-based philanthropy is their final beneficiaries' group, which most of time belongs to the same religious group and is not-necessarily located in the country of origin of the diaspora members. Many times, these philanthropical projects have a multilateral approach, due to the support that same religious groups from different countries of settlement provides.

Crowdfunding internet platforms are relatively new philanthropical intermediary channels, which are gaining momentum quickly. The GlobalGiving platform together with FaceBook charity donation service have been described above. The Kiva is one more platform worthy of attention mainly because it used a different donation approach. It cautioned that more than 1,7 billion people around the World are unbanked and can't access the financial service they need. Leveraging the internet and worldwide network of microfinance institutions, Kiva

lets individuals lend as little as 25 US dollars to help start business, afford school, build a house, switch to clean energy and much more. “Kiva aggregates all of these small amounts of money to crowdfund loans to borrowers and backfill the loans already disbursed by the Field Partners. And lender assume the risk for the loans they choose to support.”⁸ For example, Kiva supported an International Christian faith-based NGO “Hope Ukraine” for 12 years and collected more than 6,5 MM of loans. Kiva, as well as GlobalGiving have not been created particularly for diaspora philanthropy, however, due to the global network and relatively simple donation mechanisms they are strongly attractive for diaspora representatives.

Lastly, it is noteworthy to mention that the impact of both platforms – GlobalGiving and Kiva – is still largely unproven.⁹ Notwithstanding, their function as philanthropy intermediation channels cannot be overemphasized.

Professional associations are established for protecting the interests of their members. It is common practice for them to be incorporated on non-profit basis. Specific sphere of diaspora philanthropic interest in this format is professional networking and advancement for their colleagues from homeland. Gradually, based on sustainable network within professional groups, professional associations may provide their own philanthropic programs. For example, the American Association of Physicians of Indian Origin (AAPIO) funds hospitals, medical supplies and equipment in India – their country of origin. Besides of financial assistance, professional associations help by transferring professional technologies and knowledge to their members at homeland. Their human service and intellectual contribution are well targeted and makes a bigger impact than other intermediaries make within diaspora philanthropy agenda. Other important contribution of professional association is “their power to help maintain a

⁸ Kiva web-site. Retrieved from: <https://pages.kiva.org/about/how/even-more>

⁹ Roodman David. *Kiva Is Not Quite What It Seems*. Center for Global Development, 2009. Retrieved from: <https://www.cgdev.org/blog/kiva-not-quite-what-it-seems#:~:text=It%20works%20this%20way%3A%20Kiva,to%20a%20person%20you%20choose>

diaspora identity that is necessary foundation for philanthropic giving to the country of origin.”¹⁰ And last but not least, a characteristic is that professional associations’ philanthropic efforts direct rather to national, than local level and “can be strategically aimed at systematic change.”¹¹

Diaspora foundations established particularly with the purpose to create and implement philanthropic giving to the diaspora country of origin or specific region of their homeland. Most of time diaspora foundation created at national level and accumulate variety of resources including professional human recourses of their managers and members. Most of the time they are functioning as a bridge between the big donors in the country of their settlement and beneficiaries in the country of their origin. However, currently there is a tendency among them to preform full cycle of philanthropical process without involving other actors and intermediaries in the country of their settlement: diaspora foundations create and promote their philanthropical projects, independently collect donations, ensure logistic and all processes, related to humanitarian assistance transfer, and deliver humanitarian aid to the final beneficiaries through diaspora foundation local offices in the country of their origin. In the US “as US-registered non-profit groups, these foundations are able to raise funds from the diaspora which are tax-deductible from US income.”¹²

Many of the groups are also engaged in several other activities to strengthen or complement the principal grantmaking program, including activities to: foster bonds between diaspora communities and the country of their ancestry; provide education and networking opportunities to their donors; encourage the transfer of knowledge between the diaspora community and their homeland; and build the capacity of the nonprofit sector within the country of origin.¹³

¹⁰ Johnson Paula Doherty. *Diaspora Philanthropy: Influences, Initiatives, and Issues*. Harvard, 2007. Retrieved from: <https://www.cbd.int/financial/charity/usa-diasporaphilanthropy.pdf> - p. 24.

¹¹ Johnson Paula Doherty. *Diaspora Philanthropy: Influences, Initiatives, and Issues*. Harvard, 2007. Retrieved from: <https://www.cbd.int/financial/charity/usa-diasporaphilanthropy.pdf> - p. 25.

¹² Newland Kathleen, Terrazas Aaron, Munster Puberto. *Diaspora Philanthropy: Private Giving and Public Policy*. Migration Policy Institute. Washington, 2010. Retrieved from: <https://www.migrationpolicy.org/pubs/diasporas-philanthropy.pdf> - p. 14

¹³ Johnson Paula Doherty. *Diaspora Philanthropy: Influences, Initiatives, and Issues*. Harvard, 2007. Retrieved from: <https://www.cbd.int/financial/charity/usa-diasporaphilanthropy.pdf> - p. 27

Most of time diaspora foundations have their own key donors from the members of diaspora. Strong connection and active participation in governance in the country of their settlement and, sometimes, in the country of their origin, ensure recognition and credibility, successful fundraising facilitation, quick negotiation of the legal and regulatory requirements, and in many ways even political lobby in the country of diaspora settlement in favor to the country of their origin. Moreover, it is worthy to highlight the importance of volunteer participation and pro bono service, which is very important at diaspora foundation framework. Diaspora community members actively provide IT, event management, logistic service, legal and financial consultancy in pro bono approach for their foundations.

Besides of that, in many cases diaspora foundations go beyond their national status and may even function as a full-fledged member of international relations. The Ukrainian World Congress is one of the most prominent examples of this type of diaspora foundations. Although registered in Canada, being recognized as an international NGO, the UWC represents the Ukrainian diaspora communities in over 60 countries. According to the article 71 of the United Nations Charter and Economical and Social Council Resolution 1996/31, the Ukrainian World Congress officially received the special consultative status in the United Nations Economic and Social Council.

The Council of Europe grants the participatory status to the UWC in recognition of the fact that it is an independent non-governmental organizations which represents the Ukrainian diaspora, an important segment of civic society, and works to promote participatory democracy at the Council of Europe.

At the same time, Current Ukrainian diaspora mobilization caused by Revolution of Dignity *EuroMaydan* and war in the East of Ukraine gives many evidences that “humanitarian aid is not the monopoly of skilled members of the intellectual diaspora only; instead, all diaspora groups make contribution to the home country. Many low-skilled or even

undocumented migrants in both countries actively contributed to the activities like the provision of humanitarian aid.”¹⁴

In view of foregoing, it may be concluded that diaspora philanthropy is developing forwards its institutionalization. It creates not only new entities, but also new formats and mechanisms for diaspora humanitarian assistances. Global migration and mobility processes, as well as new technologies, facilitates qualitative and quantitative importance of diaspora and migrants, as active actors and sources of global philanthropy.

II. Migrants Remittances’ Impact on Poverty Reduction and National Growth

A. Remittances as a tool for sustainable development

Based on International Monetary Fund definition, remittances is a “household income from foreign economies arising mainly from the temporary or permanent movement of people of those economies.”¹⁵ This definition covers not only household incomes transferred officially through the banks or money transfer services, but also incomes delivered across the border unofficially, in cash for example. Also, it is worth to mention that there are not only migrant workers who are the senders of remittances and besides of employment income, remittances may occur from other sources like migrants’ pensions, for example. However, remittances are always private voluntary cross-border transfers.

Many scholars and empirical researches proved that migrants’ remittance is a more sustainable resource of foreign currency for many developing countries than other international financial transfers, such as finance arrived from official development assistance, or foreign

¹⁴ Lapshyna I. (2019). Do Diasporas Matter? The Growing Role of the Ukrainian Diaspora in the UK and Poland in the Development of the Homeland in Times of War. *Central and Eastern European Migration Review* 8(1): 51-73. doi: 10.17467/ceemr.2019.04. Retrieved from: <http://www.ceemr.uw.edu.pl/vol-8-no-1-2019/special-section/do-diasporas-matter-growing-role-ukrainian-diaspora-uk-and-poland>

¹⁵ International Monetary Fund (IMF 2009), *Balance of payments and international investment position manual*, Sixth Edition (BPM6). Washington, D.C.

direct investment. Also, due to the economic crises the remittances recovered much faster than ODA or FDI.

The existence of direct dependents between amount of remittances and poverty reduction in the country of their destination is proved as well. For example, an analysis of 71 developing countries showed that “10 per cent increase in international remittances from each remitter will lead to decrease of 3,5 per cent in the share of people under poverty.”¹⁶

It is thus with good reason that Addis Ababa Action Agenda on financing new SDG includes target to reduce transaction costs of remittance to 3% by 2030.

In the level of individuals (micro-level) financial remittances works for their recipients in developing countries as a social insurance and investment. However, as it has been mentioned above, besides from financial remittances, diaspora is a big and sufficient source of so-called social or in-kind remittances (technologies, knowledges, skills and behaviors). Social remittances are “not just a development tool, but also contribute to transnational collectively formation through democratic values and attitudes, technological skills and innovative ideas, organizational practices, and network of civic engagement.”¹⁷ Social remittances made great impact by supporting small and middle business, community development, and political integration in the country of origin.

At the same time, at regional and national (macro-level) remittances make big impact on macro-economic growth, due to their positive impact on national banking sector. For example, the International Monetary Fund (IMF) and the World Bank (2009) stated that

the benefits of remittances as a stable and countercyclical source of external financing when assessing how much debt low-income countries could safely handle. Being able to borrow more when receiving a high amount of remittances, States could use the extra borrowing power to fund investments, which may promote national economic growth. In fact, the World Bank–IMF Debt

¹⁶ Adams, R and Page, J. *The impact of international migration and remittances on poverty. In: Remittances: Development Impact and Future Prospects.* The World Bank Group, Washington, pp. 277 – 306.

¹⁷ Daivi Rodima-Taylor. *African Diaspora and Remittances.* CFLP Policy Report. Boston University, 2015. Retrieved from: <https://www.bu.edu/africa/files/2016/11/Boston-University-Report-African-Diaspora-and-Remittances.pdf>

Sustainability Framework launched in 2009 is allowing recipient countries to carry higher levels of debt when the ratio of remittances is higher than 10 per cent of their domestic income and 20 per cent of exported goods and services.¹⁸

In the last decades became a more common practice among developing states to establish direct or indirect taxes for remittances. Indirectly, state receive income through foreign transfers' exchanging rate, which is uncompetitively less than in the market.

Generally, positive impacts of remittances to the country of their destination reflected in increasing nation GDP, effective national creditworthiness strategy, stabilizing national balance of payment accounts. The opposite effect of remittances to the country they received may occur in growing inflation and decreasing the cost of local currency.

To mitigate the risks of negative impact of remittances countries of their destination should provide effective policies and legal environment for facilitating the efficiency and transparency of diaspora remittance transfers as well as their productive use which is key for successful national development. Governments of countries receiving remittances should be focused on improving remittances infrastructure, such as new technologies in money transfer services, and securing remittance flow. In simple way, they should ensure cheaper, faster, and safer remittance transfers. In strategical level, governments should integrate remittances into broader national development agenda.

B. Remittances of Ukrainian labor migrants' and their impact on Ukrainian economy

Currently Ukraine is facing one of the largest-scale migration processes in the modern history which has been named as the “fifth wave”.¹⁹ This definition is related to the number of relevant migration movements that happened between the 19th and 21st centuries.

¹⁸ Directorate-General for External Policies of the Union. Study the Impact of Remittances on Developing Countries”, Brussel, 2014. Retrieved from: https://www.europarl.europa.eu/meetdocs/2009_2014/documents/deve/dv/remittances_study/_remittances_study_en.pdf - p.19.

¹⁹ *Українська міграція в умовах глобальних і національних викликів в XXI ст.*: наукове видання / Наук. ред. У. Я. Садовая, Львів, 2019. Retrieved from: <http://ird.gov.ua/irdp/p20190801.pdf>

The first wave took place from the second part of 19th century to the beginning of the First World War and the main reason for this wave resulted from the support of labour migration policies from numerous countries, like Canada, United States, Argentina, Paraguay, Brazil, and Australia. The second wave occurred between the First and Second World Wars mainly for economy and political reasons. At the time, Ukrainians did not want to join the armies of the states, those controlled under the Ukrainian territory. From the end of the Second World War to 1980s, many Ukrainians migrated because of their anti-Soviet standpoints and/or at the result of Soviet regime repressions. This process has been named as the third migration wave. The fourth wave presented itself at the beginning of 1990s as the result of social-economy transformation caused by the collapse of the former Soviet Union. The fourth wave has been named - *zarobitchanska. Zarobitchanin* which in Ukrainian language means the Ukrainian migrant, temporary working abroad. Generally, fourth wave migrants moved to neighbouring countries like the Russian Federation or Poland along with Czech Republic, Spain, Portuguese, Italy, Turkey, Greece, and the U.S.

The current, fifth wave of migration from Ukraine started in 2013 and closely related to the previous waves and developed due to a multi-year active participation of Ukrainians in labour migration abroad, which has been influenced by:

- annexation of Crimea and the conflict in the East of Ukraine along with the economic recession they caused;
- launch of important reforms, which, have not been matched with an improvement of living standards in Ukraine;
- progress in the European and Euro-Atlantic integration, including introduction of the visa-free regime with the EU in 2017.²⁰

²⁰ *Migration in Ukraine: facts and figures* (2019). Kyiv: IOM-Ukraine. Retrieved from https://www.iom.org.ua/sites/default/files/iom-ukraine_facts-eng_2019.pdf

According to the results of the annual sociological monitoring, conducted by the Institute of Sociology of the Ukrainian National Academy of Sciences, in response to the question “Do you or your family members have an experience of temporary working abroad?”: 13.7% answered “yes” in 2012, and 25.2% gave the same answer in 2018. However, 7.4% reported that they intended to go soon to work abroad in 2014 as compared to 14.3% in 2018.²¹ In 2018, according to the National Bank of Ukraine, the volume of private transfers from abroad increased to 11.6 billion dollars, which significantly exceeds the volume of foreign direct investment, and by the end of 2019 the transfers are expected to reach 12.2 billion.²² Unfortunately, the exact number of Ukrainian citizens, working abroad, is unknown. Based on the International Monetary Fund, in its report on Ukraine in January 2019, estimated the number of Ukrainian labour migrants ranged from 2 to 3 million²³. “Ukraine is the tenth-largest recipient of remittances in absolute terms among low- and middle-income countries, and second, after Egypt, among the EU neighborhood countries.”²⁴

Altogether, according to National Bank of Ukraine statistics, “51% of remittances in 2018 came by formal channels (i.e. through bank accounts and money transfer systems) and 49% by informal channels (in cash or in kind). Remittances from informal channels are estimated through surveys conducted by central banks and compared between the countries sending and receiving remittances.”²⁵ Last decade Ukrainian labour migrants’ remittances “have been almost twice as high as the inflow of FDI, more than three times the inflow of

²¹ *Українське суспільство: моніторинг соціальних змін*. - Вип. 5 (19). - К., 2018 [Ukrainian society: Monitoring of social changes, issue 5 (19), Kyiv, 2018]. Retrieved from: <https://news.finance.ua/ua/news/-/443543/nbu-prognozuye-zrostannya-perekaziv-trudovyh-migrantiv-v-ukrayinu>

²² Finance-UA. *НБУ прогнозує зростання переказів трудових мігрантів в Україну* (2019) Retrieved from: <https://news.finance.ua/ua/news/-/443543/nbu-prognozuye-zrostannya-perekaziv-trudovyh-migrantiv-v-ukrayin>

²³ Лібанова Е.М. *Зовнішні трудові міграції українців: масштаби, причини, наслідки* // Демографія та соціальна економіка. – 2018. – № 2(33) [Libanova, E. M. External labour migration of Ukrainians: scope, causes, consequences // Demography and Social Economy, 2018, No. 2(33)]

²⁴ Pienkowski, J. *The impact of Labour Migration on the Ukrainian Economy* (2020) Luxemburg: Publication Office of the EU. Retrieved from: https://ec.europa.eu/info/sites/default/files/economy-finance/dp123_en.pdf – p.14.

²⁵ National Bank of Ukraine Data. Retrieved from: <https://bank.gov.ua/ua/statistic/nbustatistic>

portfolio capital and over five times higher than the inflow of official development assistance (ODA).”²⁶

Labor migrants’ transfers have positively influenced their Ukrainian households by contributing on average 50-60% budgets, which for the most cases represent the main source of income, in turn, migrants’ remittances bring incomes to public budgets. Also, remittances are the main source for foreign exchange market in Ukraine.

In respond, Ukrainian government initiates policy and law-making processes aimed first of all to encouraging labor migrants to invest and to return back to Ukraine. For example, in 2019 has been promoted the program “Return and Stay,” aimed first of all to support small-business start-ups for those Ukrainian migrants, who will back home. Apart from having back in the national labor market skilled professionals these policies will be benefited from bringing back migrants’ savings, which are estimated to be two times bigger than labor migrants’ remittances.

III. Conclusions

On the basis of the foregoing, it may be concluded that the traditional angle of view of official development assistance need to be reconsidered with regard to multi-stakeholder institutional approach, proposed in Addis Ababa global framework for financing sustainable development. Last decades diaspora and migrants made significant impact on development assistance in sustainable manner via their own well-organised and functional institutions. Global migration processes prompt the conclusions that this trend will be further accelerated. That is why diaspora philanthropy and migrants’ remittances should be properly assessed and considered for current and further sustainable development strategies and programs at international, regional, bilateral, and national levels.

²⁶ Pienkowski, J. *The impact of Labour Migration on the Ukrainian Economy* (2020) Luxemburg: Publication Office of the EU. Retrieved from: https://ec.europa.eu/info/sites/default/files/economy-finance/dp123_en.pdf

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