

Understanding the Investment Potential of the Bangladesh Diaspora

Results of the Commonwealth
Diaspora Investor Survey
Country Report



The Commonwealth

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Results of the Commonwealth Diaspora
Investment Survey



The Commonwealth

The Commonwealth Diaspora Investor Survey – Country Report Series draws directly from the main report “Understanding the Investment Potential of the Commonwealth Diaspora: Results of the Commonwealth Diaspora Investor Survey”. That report lays out the aggregate results of the Commonwealth’s flagship Diaspora Investor Survey. The survey looked at investment practices and preferences of six Commonwealth diaspora communities living in the UK – Bangladesh, Fiji, Ghana, Jamaica, Kenya, and Nigeria. This series focuses on the results for each country.

Titles in this series:

- Understanding the Investment Potential of the Bangladesh Diaspora
- Understanding the Investment Potential of the Fijian Diaspora
- Understanding the Investment Potential of the Ghanaian Diaspora
- Understanding the Investment Potential of the Jamaican Diaspora
- Understanding the Investment Potential of the Kenyan Diaspora
- Understanding the Investment Potential of the Nigerian Diaspora

For more information about this report and the Commonwealth Secretariat’s work in this area, please email DiasporaSurvey@commonwealth.int

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Executive Summary

Little is known about diaspora interest in savings and investments, as only a small number of surveys exist. To address this knowledge gap, the Commonwealth Secretariat commissioned this survey to provide robust evidence for stakeholders aiming to leverage diaspora capital. The survey, undertaken between October 2017 and March 2018, focused on diaspora communities in the UK from six Commonwealth countries – Bangladesh, Fiji, Ghana, Jamaica, Kenya, and Nigeria. The questionnaire examined diaspora savings and investments in their countries of origin and covered current practices and motivations; obstacles to saving and investment; addressing obstacles and other incentive mechanisms; and preferences for future saving and investment. This report provides the survey results for Bangladesh.

Overall, the results of the survey suggest that financial connections between diaspora members and Bangladesh are common. These tend to be informal, with the majority reporting that they have supported Bangladesh via remittances to family and friends, and only a relatively small minority saying that they hold more formal saving or investment products such as saving or deposit accounts, insurance products, stocks and shares or government bonds. These investment practices reflect the reasons most commonly reported for sending money to Bangladesh: to benefit family and friends and for a sense of duty and personal pride.

However, despite a majority of respondents expressing an interest in investing in Bangladesh, nearly half report that they currently hold no form of saving or investment in the country. This mismatch suggests a significant gap between investment interest and practice. It is clear from both quantitative and qualitative findings that for diaspora members a range of issues present a barrier to saving and investment which must be addressed if this gap is to be closed. Respondents' perception of corruption is a particularly significant obstacle, with almost half of all those interviewed saying that this must be the priority for government to tackle – almost double those who say the same for all other obstacles. Focus group discussions suggest that concerns around governance issues are often inextricably linked to many of the obstacles perceived to stand in the way of saving or investing, including financial instability, shifting policy or a more general perception of insecurity.

Both professionals and business owners noted that with a growing middle class and wealth of investment opportunities, Bangladesh has much to offer to the potential investor. Findings from the survey information similarly suggest that there is a gap between interest and practice: whilst only 7% of Bangladesh diaspora members say that they currently own a business in Bangladesh, nearly half of those interested in investing say that they would be interested in setting up a business (47%).

However, it is worthy to note that significant proportions of diaspora members say that they are unsure when asked about preferences for future savings and investment. For example, nearly one in three (29%) say that they are unsure whether they would like to invest or save in Bangladesh, with the same proportion (29%) saying that they don't know what sectors they might be interested in investing in. These survey responses were supported by focus group discussions with business owners and professionals, implying that there is a real opportunity to raise awareness of potential investment opportunities amongst the Bangladesh diaspora.

COMMONWEALTH DIASPORA

INVESTOR SURVEY OVERVIEW

BANGLADESH

CURRENT PRACTICE:



61%

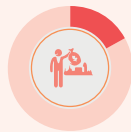
Sent money to
family / friends

55%

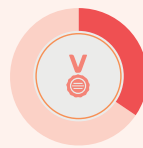
Donations
in kind

43%

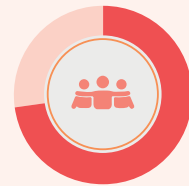
Financial donations
to religions /
charities



17%
to improve my financial
circumstances

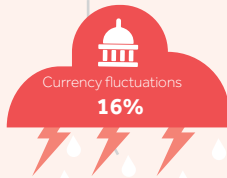
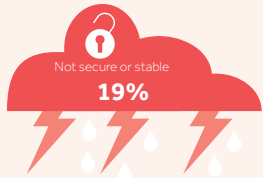
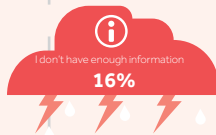
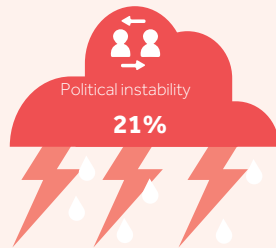
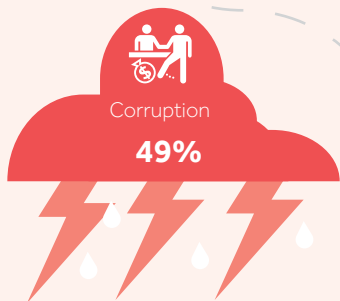


31%
for a sense of duty &
personal pride



73%
to benefit family &
friends

OBSTACLES:



Have savings /
deposit accounts



29%

Own a business or have
one with a partner



7%

Don't have any form of
saving or investment



48%

ADDRESSING OBSTACLES AND INCENTIVES:

23%

Economic incentives

29%

Improved
technological
solutions

13%

Opportunities to
support move to
this country

16%

Special
economic
rights

21%

Greater
government
recognition

28%

Project that I or
my family
benefit from

9%

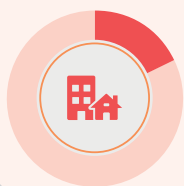
Forums to share
information to
investors &
stakeholders

8%

Advanced
social
status

SECTORS INTERESTED IN:

18%
Property /
Real estate



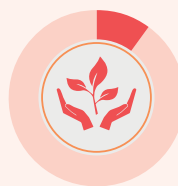
31%
Education



27%
Health



10%
Agriculture / forestry
/ fishing



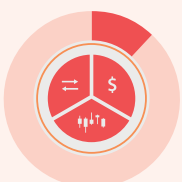
16%
Accommodation
/ food services



20%
ICT



12%
Finance &
Insurance



14%
Production



10%
Retail



16%
Wholesale



TYPES OF SAVING /INVESTMENT INTERESTED IN:

47%

Setting up own
business



35%

Savings/deposit
accounts



25%

Investing in
stock market



19%

Government
Bonds



19%

Pension
Products



12%

Insurance
Products



LOCATION INTERESTED IN:



53%

Home
town / city



18%

Region



24%

Capital city

RETURNS:

%
would reinvest
financial
returns in this
country



%
would bring
financial
returns back to
the UK



%
with no
preference /
unsure



PREFERENCES FOR FUTURE SAVING AND INVESTMENT:

34%

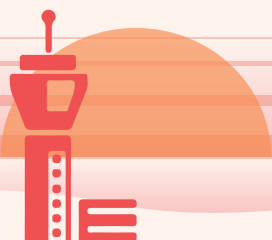
not interested in
investing in the
Commonwealth
country

48%

don't have any
form of saving
or investment

37%

interested in investing in the
Commonwealth country



Introduction

The flagship Commonwealth Diaspora Investor Survey aims to generate a robust, evidence-based understanding of the potential to increase diaspora investments and savings in Commonwealth countries. Little is known about diaspora interest in savings and investments, as only a small number of surveys exist. To address this knowledge gap, the Commonwealth Secretariat commissioned this survey to provide robust evidence for stakeholders aiming to leverage diaspora capital.

The survey, undertaken between October 2017 and March 2018, focused on diaspora communities in the UK from six Commonwealth countries – Bangladesh, Fiji, Ghana, Jamaica, Kenya, and Nigeria. These countries were selected because they have significant diaspora populations in the UK¹, their governments are actively seeking to engage their diaspora, the countries span the Commonwealth regions, and represent both large and small states.

The objectives of the Commonwealth Diaspora Investor Survey were to understand three key areas:

- *The current practices and motivations of diaspora communities in channelling finance to their countries of origin² for savings and investments.* To achieve this objective, there were questions assessing the type and volume of financial assistance provided as well as why diasporas choose to save and invest back home
- *Whether diaspora communities would like to provide greater financial assistance to their home countries, and if so, what financial products they would prefer.* For this objective, questions examined the degree to which members of country diasporas would like to provide greater assistance to their countries of origin, and their preferences, for e.g. type of financial instrument, sectoral focus, length of investment etc.

- *The obstacles restricting diaspora savings and investments and the appropriate remedial policy action to incentivise these flows.* Here, there were questions identifying the reasons that prevent or restrict saving and investing, and potential policy actions that might encourage greater saving and investment.

This report provides the results of the survey for Bangladesh and, along with *Understanding the Investment Potential of the Commonwealth Diaspora*, the summary report giving aggregate total results across all six countries, provides the evidence base for shaping the Commonwealth Secretariat's diaspora finance work programme (forthcoming). These results will be particularly useful for recommending diaspora policy for the Bangladeshi government, including the potential for small and medium enterprise/venture/impact investment. Initial thinking on implementation modalities of the Secretariat's forthcoming diaspora work programme include direct technical assistance and knowledge exchange including through South-South cooperation, as well as through the development of toolkit(s), which can guide practical implementation. The results of this survey will be a crucial guide for these implementation modalities.

The report first presents an overview of the survey methodology and sample, followed by the survey results, which are presented in order of the category of questions asked: 1) Current practice and motivations, 2) Obstacles to saving and investment, 3) Addressing Obstacles and other incentive mechanisms, and 4) Preferences for future saving and investment. A detailed technical note and the raw aggregate data are presented in the appendices.

¹ Please see technical note for further detail.

² We use "country of origin" here as a broad reference to the country to which the respondent may have ties, but recognising that they may identify as British, as a national of one of the 6 identified countries, or identify with both countries. We also recognise that through marriage or other family connections there may be further national loyalties than simply the UK and "country of origin".

Overview of Survey Methodology and Sample³

Methodology

To meet the objectives of the survey, the methodology consisted of two phases.

Phase 1: Quantitative Survey

The first phase was an online survey consisting of 32 questions, including two open questions. Opportunity sampling was used with the aim of achieving a target sample size of 100 responses per country, as the minimum robust sample size achievable. Contact details for diaspora networks were provided by the High Commissions, and the Commonwealth Secretariat's communications team also promoted the survey. For Bangladesh, online panels were used to supplement an otherwise low response rate.

Phase 2: Qualitative Discussion Groups

The second phase was a series of discussion groups. Two discussion groups were conducted per country. One set was conducted among respondents who expressed interest in taking part via the quantitative survey – 'Professionals' – and one set among individuals identified by the countries' High Commissions as being part of the business community – 'Business Owners'. While the qualitative stage had been intended to follow on from the quantitative stage, smaller than anticipated sample sizes meant that the quantitative fieldwork period was extended, and qualitative groups run concurrently.

Demographic Makeup of Quantitative Survey Sample

The demographic makeup of the quantitative survey sample can be found in the technical note in Appendix 1. As the sampling has predominantly been on an opt-in basis, it is important to note that the sample is not representative of the diaspora populations in the UK. For all individual country reports, 50 was set as the minimum sample size required for sub-group analysis. As such, this report presents result only at a total level, as the minimum sample size was not achieved across the relevant sub-groups.

Demographic Makeup of Qualitative Sample

The qualitative sample was split between those who are business owners and those who are not business owners from each country diaspora, with age, gender, education level, relationship with country of origin and date of arrival in the UK to fall out. Two focus groups were held per country, one mini-group with business owners, and one full-size group with non-business owners. The sample size for non-business owners ranged between 3–8 for each country, whereas the sample size for business owners ranged between 2–5.

³ See technical note in Appendix 1 for further details.

Survey Results

Current Practice and Motivations

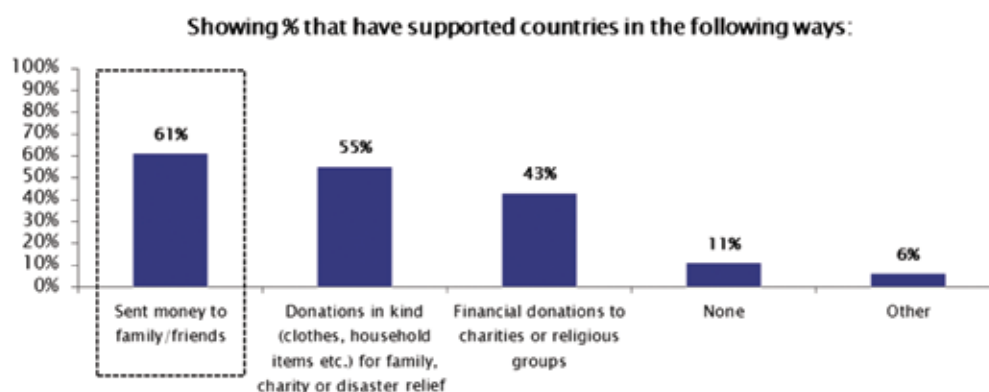
Financial connections between diaspora members and Bangladesh are common. Most often, these are informal, with remittances to family and friends being by far the most frequent type of support sent. Although three in ten Bangladeshi diaspora members report having savings or deposit accounts, close to half say that they have none of the saving or investment products listed – the most commonly selected answer. Correspondingly, the amounts of money sent back tend to be small, with an overwhelming majority reporting sending amounts of under £2,500.

Reflecting the predominance of informal forms of saving and investment, most diaspora members report that the central reason for their financial connections is to benefit family and friends, or

for a sense of duty and personal pride. This was confirmed by an emphasis in discussion groups on cultural expectations as a key driver for sending money to Bangladesh. However, both business owners and professionals also noted Bangladesh's growing economic potential, and the wealth of opportunity available for members of the diaspora to improve their financial circumstances even via informal investment through friends or family.

Current practice: Types of support

The level of engagement amongst the diaspora community interviewed is high, with the majority of those interviewed as part of the survey saying that they have sent support to Bangladesh in the last year. Only 11% of those interviewed say that they sent no type of support at all in the last year.



Q. How have you supported Bangladesh in the last year? Base: All respondents (n = 87).

Remittances are the most common form of support, with three in five (61%) of those interviewed saying that they have sent money to family or friends in the last year. Discussions with both professionals and business owners from the Bangladesh diaspora confirm that this practice is extremely common. Across both groups, diaspora members reported the sense that 'everyone sends money back' to family or friends. Whilst the purpose varied – regular support for family, holiday or celebratory gifts, informal investment – diaspora members in both groups discussed the idea that the practice was so widespread that Bangladesh to some extent is dependent on the remittances it receives.

Electronic transfer was by far the most common method used to send money, although both professionals and business owners felt that this has become more difficult as a result of restrictions put in place due to problems with money laundering. One business owner felt that the practice of sending remittances was becoming less common. Although this view was not shared by other business owners in the discussion group, it may be interesting to explore this viewpoint through further research.

"Growing up in Tower Hamlets, which is a predominantly Bangladeshi community, I would say that literally everyone would be, at some stage, sending money back, or they will have family that

are still remaining in Bangladesh.” – Participant of the Bangladesh Professionals Focus Group

“From the UK, ten years ago we were the fourth biggest remitters, previously the first, but now we’re only the eight, sending less and less remittances. Other communities – UAE, for example – send much more. Our history of sending remittances is decreasing.” – Participant of Bangladesh Business Owner Focus Group

“[With] remittances I used to have a more regular policy, now it’s more of a lump sum, and most of the income stays in the country... it has got harder, despite technological development... money laundering etc.” – Participant of the Bangladesh Business Owner Focus Group

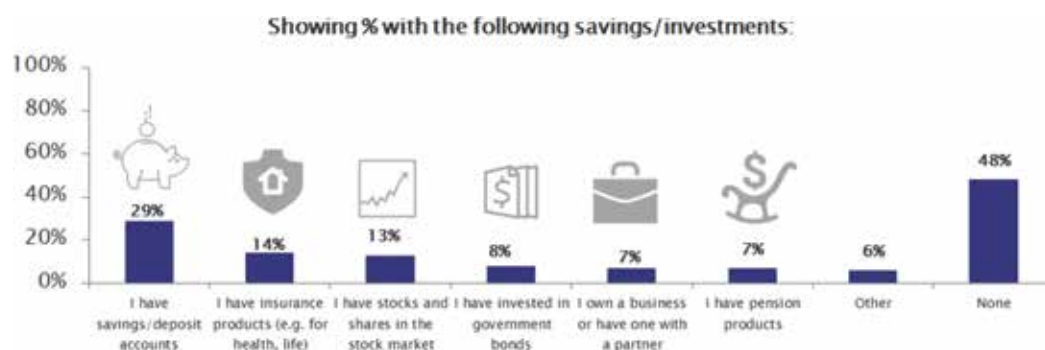
Other forms of support are also common, with over half of those interviewed as part of the quantitative survey (55%) saying that they have sent donations in kind for family, charity or disaster relief in the last year,

and over two in five saying they have sent financial donations to charities or religious groups (43%).

“[I’ve been] sending money there less so recently, as my brother supports my parents from there. More annually for Eid celebrations or gifts, mostly by electronic transfer.” – Participant of the Bangladesh Business Owner Focus Group

Current practice: Types of savings/ investments

Bangladeshi diaspora members are most likely to hold a savings or deposit account (29%), although close to half say that they currently hold no savings or investments in this country (48%). Other forms of savings and investment such as insurance products, stocks and shares or government bonds are less common, with less than 15% saying they hold these currently.



Q. What savings or investments do you currently hold in Bangladesh? Base: All respondents (n = 87).

The most common form of saving and investment are savings or deposit accounts, with three in ten (29%) of those interviewed saying that they currently hold an account of this type in Bangladesh. The incidence of other forms of savings and investments is much lower, with less than one in seven currently holding insurance products (14%), stocks and shares (13%), or government bonds (8%). It is notable that close to half of those interviewed, 48%, report holding none of the forms of saving or investment listed.

In discussion groups, neither professionals and business owners felt that saving and investment in a more formal sense was particularly common. Whilst business owners were more likely than professionals to report that they hold savings or

deposit accounts in Bangladesh, sending often smaller amounts of money directly to family or friends via electronic transfer was felt to be a much more common form of financial connection, particularly given perceptions of financial restrictions and risk.

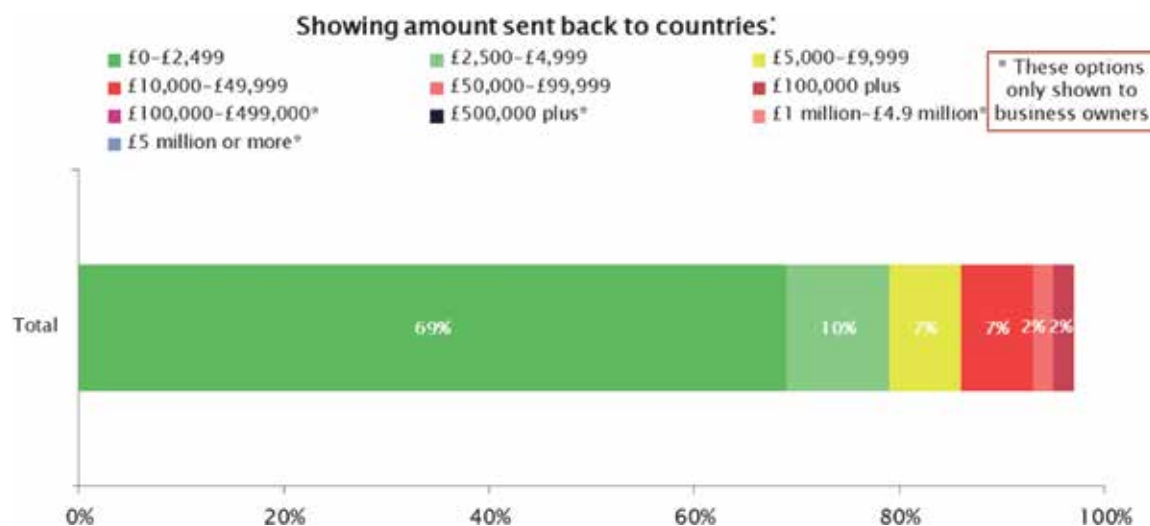
“In nearly every corner there’s a money transfer shop, the shops themselves have become extremely popular, so I think that in itself is an indicator, it’s become very, very common. The thing is, to open a Bangladeshi current account it’s not so straightforward as a British citizen.” – Participant of the Bangladesh Professional Focus Group

“Yes so you have various types of non-resident Bangladesh account, I have one in foreign

currency, one in domestic. Foreign currency is used for US dollar bond programme run by central bank. My experience has been that it has got harder." – Participant of the Bangladesh Business Owner Focus Group

Current practice: Amounts sent back to countries

It is much more common for diaspora members to send small sums of money to Bangladesh, with seven in ten sending less than £2,500 (69%).



Q. How much money in total did you send to Bangladesh in the last year (includes support for others as well as for your own savings and investment)? Base: All respondents (n = 87).

By far the greatest proportion of diaspora members – close to three quarters of those interviewed – say that in the last year they sent between £0–£2,499 to their countries of origin (69%). This proportion falls sharply for the next greatest amounts tested, with just 10% saying that they sent £2,500–£4,999, for example.

In discussion groups, both business owners and professionals noted that sending large sums of money to Bangladesh was increasingly difficult, as a result of restrictions put in place because of concerns around money laundering. Although the attempt to stamp out illegal activity was welcomed, business owners in particular found the limitations placed upon transferring money frustrating.

"It's difficult because you can't send over £5000, the government policy should be more liberal, more open. There's high borrowing cost in Bangladesh so it would improve GDP if people were able to send over more money."
– Participant of the Bangladesh Business Owners Focus Group

"Before, it was much easier to send money. Now, if it's over £750, you need to take your passport

and your driving licence and it's become a bit more stringent because of money laundering. Before, we were sending thousands and it was much easier and you could just go to one of those guys and they'd do it for you." – Participant of the Bangladesh Professionals Focus Group

Current practice: Reasons for sending money

The most common drivers for sending money reported by Bangladeshi diaspora members are emotional and social, with three in four saying that (73%) their central motivation is to benefit family and friends, and one in three saying that they send money for a sense of duty and personal pride (31%).

Benefitting family and friends is overwhelmingly the most frequently given reason for diaspora investment or savings, with three quarters of those interviewed saying that they send money to Bangladesh for this reason (73%). A sense of duty and pride also ranks highly among the reasons given by diaspora members for sending money, with three in ten citing this (31%). Diaspora members are less

Reasons for sending money to Bangladesh



Q. Why do you send money to Bangladesh? Base: All respondents who send money to Bangladesh (n = 77).

likely to cite personal profit as a driver, with only around one in six saying that they send money to the country in question to improve their financial circumstances (17%), while only 5% send money for their retirement or resettlement or to gain political influence.

In discussion groups, both business owners and professionals noted the cultural expectations around sending money 'back home'. Many reported the need to support dependent family or friends. Indeed, one business owner noted that they viewed sending support in this way almost as a form of corporate social responsibility.

"Everyone sends money back, depending on what area you come from, where I come from is where 90% of diaspora communities come from, families there are dependent on diaspora sending money back. Now remittances are seen as part of CSR, if you have a deposit it is not double-taxed now. Now the area is dependent on remittances." – Participant of the Bangladesh Business Owner Focus Group

"There is a cultural element to it as well, whereby it's seen as the right thing to do, people look after their own for many of our friends and family." – Participant of the Bangladesh Professional Focus Group

"I would say that literally everyone would be, at some stage, is sending money back, or they will have family that are still remaining in Bangladesh... There were instances where people that we know within our village, if you like, that are struggling financially, they might ask as well for medicine and all of that stuff. Yes, all different purposes, just keeping family ties,

starting up businesses, doing certain operations and all of that stuff." – Participant of the Bangladesh Professionals Focus Group

Nonetheless in discussion groups both professionals and business owners reported that sending money to family and friends also presented an informal channel for investment – for example, supporting an acquaintance's new start up, or helping to get a relative's business idea off the ground. Business owners and professionals alike emphasised that Bangladesh offered real opportunities for those interested in improving their financial circumstances, thanks to good interest rates and strong economic growth.

"Making money is easier in Bangladesh than in the UK – it has a growing middle class, large population, there's lots to invest into, it has a good growth story" – Participant of the Bangladesh Business Owners Group

"[Bangladesh] are now giving a better interest rate and it gives you more return on your money than saving here in [the UK]. I mean, if it is a small amount of money... you can just put a fixed deposit and earn a huge amount of interest. After five years you can nearly double." – Participant of the Bangladesh Professionals Group

"My opinion would be, I think, the Bangladesh government quite welcomes foreign money. If I was to go to Bangladesh with the British passport, I was to say, 'I want to invest this money,' they'd happily invite me and welcome me, because they want foreign investment." – Participant of the Bangladesh Professionals Group

Obstacles to Saving and Investment

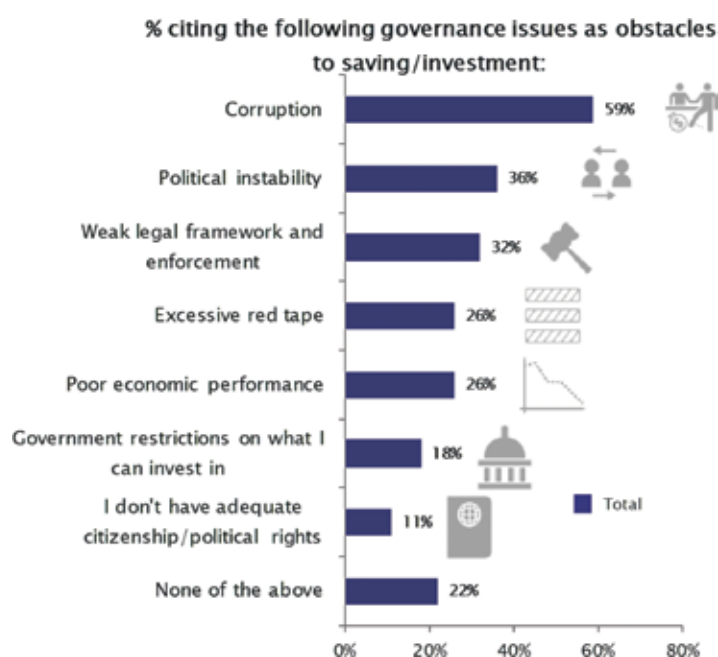
Diaspora members report a wide range of factors that present a barrier to saving and investing. A lack of governmental and financial security is perceived to be a particular issue, with corruption and political instability cited as key governance factors that stand in the way of investing and saving, for example, and currency fluctuation and unstable financial systems cited as key finance issues. Notably, however, between a quarter and a fifth of diaspora members say that none of the governmental, financial, or other issues listed prevent them from saving or investing in Bangladesh.

Qualitative findings support those of the quantitative survey. Both business owners and professionals emphasised the barrier that a perceived lack of security posed to potential

Bangladesh diaspora investors. Whilst other obstacles to saving and investment were discussed – such as red tape or the difficulty of repatriating funds – it was noted that the trust deficit resulting from a general perception of governmental instability was perceived to be the fundamental issue, often feeding into broader concerns about the corruption or insecurity within the financial system or about managing investments at a distance.

Obstacles to savings/investment: Governance issues

Overwhelmingly, the central governance issue preventing members of the Bangladesh diaspora from saving and investing is corruption, although a significant proportion also say that political instability and a weak legal framework and its enforcement present a barrier.



Q. What governance issues prevent you from saving and investing (more) in Bangladesh? Base: All respondents (n = 87).

A majority of Bangladesh diaspora members, 59%, cite corruption as the governance issue that prevents them from investing and saving, with over one-third also saying that political instability (36%) and a weak legal framework or enforcement (32%) poses a barrier. One in five (22%) say that none of the governance issues listed prevent them from saving and investing in Bangladesh.

Issues relating to governance were cited as a central barrier to saving and investment in discussion groups with professionals and business owners. While there was a sense amongst diaspora owners that Bangladesh was improving in this respect, a lack of trust in government and pervasive sense of instability was nonetheless felt to present a key obstacle to saving and investment in the country by its diaspora. While few could relay direct experience of corruption,

in discussion groups diaspora members reported concerns that a lack of political stability meant shifts in policy, making investment difficult. In addition, it was felt to engender a more general sense of insecurity which made potential investors feel unsafe.

"Another factor that influences investment in Bangladesh is political upheaval, which can be quite frequent or instable... it's up and down, policies change depending on who's in power. I have to say that recently the situation has improved though." – Participant of the Bangladesh Professionals Group

"They are allowing export and refinancing but not direct foreign investment. Here in the UK people don't feel safe investing in Bangladesh – second and third generation diaspora need some sort of security – for example in investing in land." – Participant of the Bangladesh Business Owners Group

"[The] main obstacle is government itself – it needs to smooth the path for investment." – Participant of the Bangladesh Business Owners Group

While issues such as excessive red tape or poor economic performance are less likely to be perceived as preventing saving and investment, nonetheless one in four of Bangladesh diaspora members (26% for both) say this would prevent them investing or saving. In discussion groups, these issues were often associated with poor governance and political instability.

"If government policy made it smoother to invest, investment would increase." – Participant of the Bangladesh Business Owners Group

"It is hard to sell Bangladesh and promote it to investors [because the] government has failed to promote [the right] sectors. [It needs to] take advantage of its longstanding growth – the government is too slow." – Participant of the Bangladesh Business Owners Group

In discussion groups with professionals, it was noted that whilst red tape had been an issue in the past – for example, difficulty opening bank accounts as a British rather than a Bangladeshi citizen – this had improved, to some extent due to the growing presence of international banks.

"I think the thing is, to open a Bangladeshi current account it's not as straightforward, so as a British citizen, you'd have to go there and you'd

have to jump over various different hoops to get one open." – Participant of the Bangladesh Professionals Group

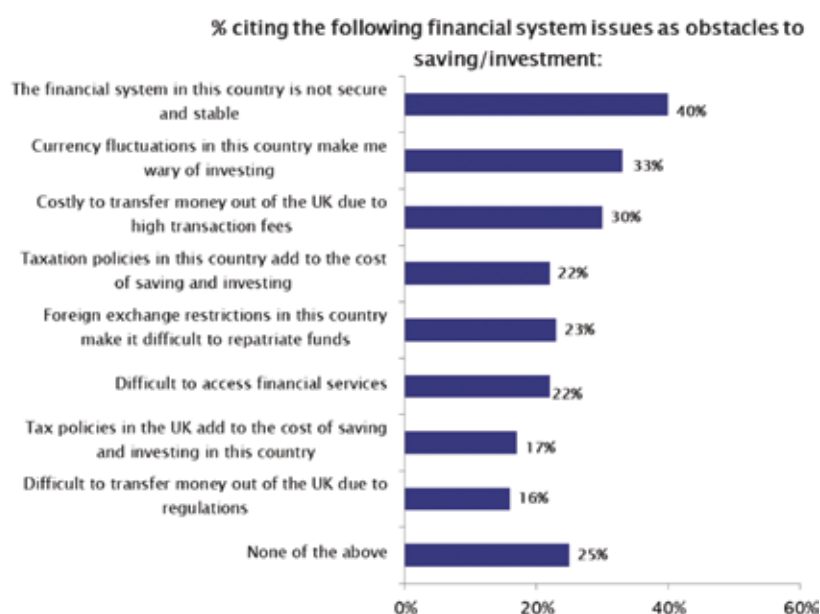
"There are so many banks and there are many international banks as well, so if you want to open an account they would be able to help you. Even if you're in this country, you can open an account... I remember last time I went to Bangladesh, where we live, right next to that there's a HSBC Bank, believe it or not, so I've got a HSBC account and you can literally go there, go to the ATM at HSBC and withdraw cash from your current account in London. It just transfers into the Bangladesh local currently in taka, so it's become much easier than it was before." – Participant of the Bangladesh Professional Group

Obstacles to savings/investment: Financial system issues

The most commonly perceived financial system issues are those relating to a lack of stability, including currency fluctuations, although a significant minority report that high costs of transferring money, saving and investing present an obstacle.

The overall security and stability of the Bangladeshi financial system is perceived to be the financial issue that makes diaspora members most wary of investing, with two in five (40%) saying this. A further third (33%) say that currency fluctuations also present an obstacle, suggesting that currency fluctuations are perhaps perceived as a wider indicator of financial instability or vice-versa. In discussion groups with both professionals and business owners, money laundering was referenced as an issue that compounded a general lack of trust in the financial system, although it was noted that recently efforts had been made to tackle the issue. One in four said that none of the financial system issues listed presented an obstacle to saving and investing in Bangladesh (25%).

"They're trying to get that fixed now, where they're trying to be a lot more stringent with the way they operate things... the fact that a lot of ventures have gone bust and a lot of people have lost a lot of money. The government itself is trying to make sure that they're trying, well they're trying to show that they're making it a bit more stringent." – Participant of the Bangladesh Professionals Group



Q. What financial system issues prevent you from saving and investing (more) in Bangladesh? Base: All respondents (n = 87).

"Because of money laundering people are shying away from sending money/keeping large amounts of money in Bangladesh but might get easier, the government signed agreement with the EU, there are channels opening." – Participant of the Bangladesh Business Owners Group

"My experience has been that it has got harder, despite technological development, the country is doing well at tech adoption, but hasn't kept up with what you need for money laundering. HSBC is now unable to remit US dollars out of the country. Now it's harder, so easier to do a lump sum of money." – Participant of the Bangladesh Business Owners Group

Quantitative findings suggest that difficulties with repatriating funds present a further obstacle, with one in four saying that foreign exchange restrictions make it difficult to repatriate funds (23%). In discussion groups, the difficulty of repatriating funds was raised as a key issue by both professionals and business owners. It was felt that awareness of the difficulty of taking money back from Bangladesh into the UK put potential investors off.

"Also, another obstacle could be in terms of saving, even if you save, how can you get the money back when you need it? Getting out money from Bangladesh is much harder... I don't know of a single family or a single person who actually gets their money from Bangladesh to their country." – Bangladesh Professionals Group

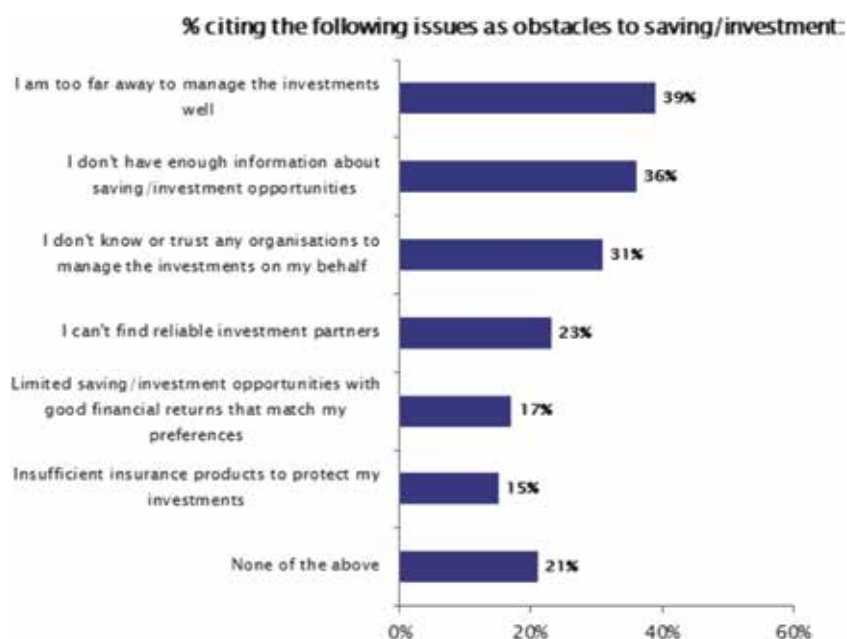
"Main problem is that you can't repatriate money – getting it back from Bangladesh is very hard. If you invest in FDR, it's very hard to get money back. You can repatriate money but it has to be through professional channels." – Participant of the Bangladesh Business Owners Group

Cost is a further financial system issue, with around three in ten diaspora members saying that high transaction fees make it costly to transfer money out of the UK (30%) and one-fifth that taxation policies in the country in question add to the cost of saving and investing (22%). However, in discussion groups most felt that in general the cost was not unreasonable, and cost didn't represent a central barrier to saving and investment.

"It is around £25–£35 for £5000, but now I'm used to it, doesn't feel as expensive." – Participant of the Bangladesh Business Owners Focus Group

Obstacles to savings/investment: Other issues

When asked for obstacles to saving and investment other than those relating specifically to governance or financial systems, diaspora members most often cited distance as a particular barrier. A lack of information, knowledge and trust were also seen to make saving and investment in Bangladesh more difficult.



Q. What (other) factors prevent you from saving and investing (more) in Bangladesh? Base: All respondents (n = 87).

Distance is seen to present a particular barrier to saving and investment in Bangladesh, with around four in ten raising concerns around the impact of distance on their ability to manage investments (39%). Around a third also cite a lack of trust as an issue, with 36% saying that they do not have enough information about saving or investment opportunities and 31% saying that they do not know or trust any organisations to manage investments on their behalf. One in five say that none of the factors listed prevent them from saving or investing in Bangladesh (21%).

In discussion groups, Bangladesh diaspora members often raised the difficulty of managing saving and investments at a distance. Anecdotal evidence of those who had run into problems was common amongst both professionals and business owners. It was for this reason that many felt it was key to manage financial connections via friends or families, particularly for those whose saving and investment practice was smaller-scale.

"You can't just rely on other people, because there is too much risk on it... It's quite frequent. Even recently, I've just heard a story where someone bought a huge piece of land... five years down the line, he went and he realised that someone else had just built stuff on it and he's had to spend a huge amount of money to get them off the land and to revoke it back from them." – Participant of Bangladesh Professionals Focus Group

"Obviously, logistically it'll be harder as a British citizen, someone that's living here, to try and establish a business however many thousands of miles away." – Participant of Bangladesh Professionals Focus Group

It was notable that a relatively high minority reported that they were unsure about future preferences for saving and investment in the quantitative questionnaire. This was reflected in qualitative discussions, where both professionals and business owners reported the sense that a lack of information when it comes to the investment opportunities available presented a considerable barrier to potential diaspora investors. Amongst diaspora members who were not a part of the business community, the central issue was perceived to be a lack of familiarity with the Bangladeshi financial system more generally, as well as the specific opportunities available. For business owners, there was a sense that higher-level networking opportunities weren't always readily available, limiting awareness of potential investment prospects.

"A lot of people would have second thoughts with regards making investments just due to the fact that they wouldn't have entire knowledge on that particular subject, so they'd probably think twice about it." – Participant of Bangladesh Professionals Focus Group

"I have dollars, I'm interested in Bangladesh but don't know who to contact. Other East Asian countries are knocking at my door... the Indian High Commission sends me emails but I don't have any contact with the Bangladesh High Commission." – Participant of Bangladesh Business Owners Focus Group

Obstacles to savings/investment: Open response

The majority of those using the open text box to specify other obstacles or challenges to saving and investing did so to elaborate on obstacles listed within the survey, particularly around corruption, political instability and red tape.

Other factors mentioned by respondents in the open-ended question on obstacles included those relating to government inefficiency and lack of security as well as those resulting from UK policy, such as restrictions on travel for diaspora members receiving benefits and due to school holidays.

Addressing Obstacles and Other Incentive Mechanisms

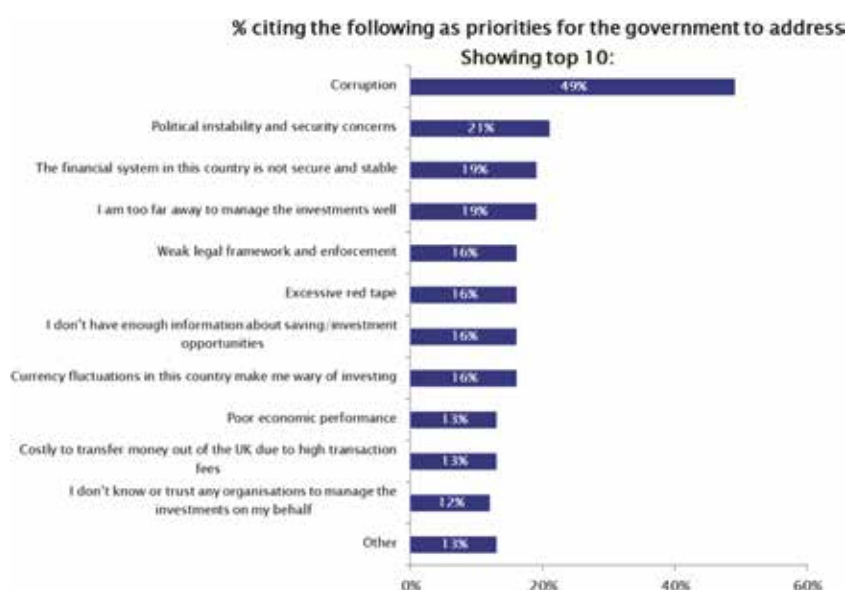
For most diaspora members corruption is the most important to address, with approximately half of those interviewed saying that this was a primary obstacle that must be tackled (49%) – almost double those who say the same for all other issues measured.

Improved technology to facilitate investment deals and the offer of projects that benefit diaspora members and their families were considered to be the most motivating incentive mechanisms, although a significant minority of diaspora members also said that economic incentives or special diaspora rights might also encourage them to save and invest. In discussion groups, both business owners and professionals emphasised the importance of incentives that reassure on security in order to mitigate perceptions of the risk involved in investment – in particular, those that are initiated or backed by government.

Addressing obstacles and other incentive mechanisms: Priority obstacles to address

Corruption is overwhelmingly felt to be the issue that diaspora members feel is most pressing for the government to address. Opinion is largely split as to which other issues should be a priority, with between one in eight and one in five saying that each of the issues listed should be tackled.

Around half of those surveyed (49%) cite corruption as a priority. Whilst in group discussions, corruption was rarely referenced directly, many felt that a lack of regulation contributed to a perceived lack of security. Whilst some recognised that a lack of regulation could this be beneficial – making it easier to make investments than in the UK, for example – generally, it was felt to have had a negative impact, scaring off potential investors.



Q. Which factors do you view as a priority for the government to address? Base: All respondents who identify obstacle(s) existing to prevent saving and investment in Bangladesh (n = 77).

"Sectors and [financial] products are secondary, there is growth in the country – the problem is a sense of lack of security. People from the diaspora – want their investment to be secure."
– Participant of the Bangladesh Professionals Group

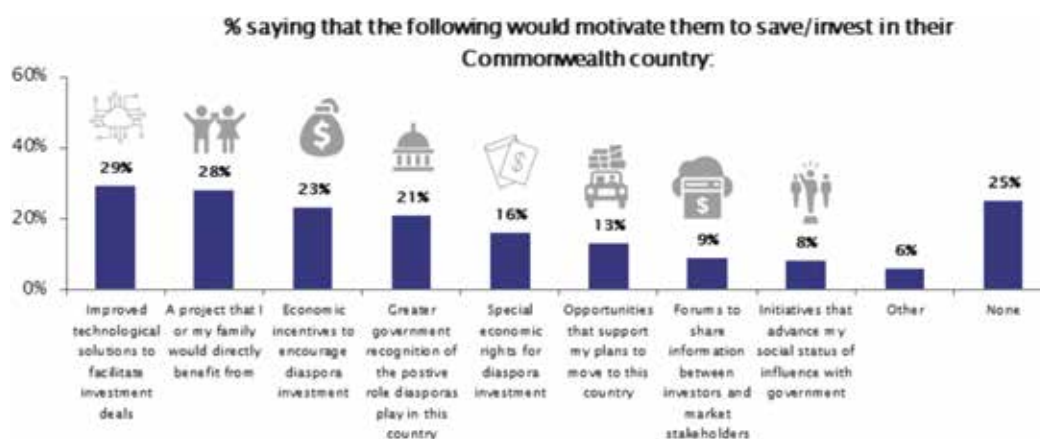
"With regards to trying to make investments and stuff, there wouldn't be as many procedures that you would need to follow in Bangladesh than in [the UK]." – Participant of the Bangladesh Professionals Group

"I think it is easy in the sense that you just sign up, but there have been a few instances where people's money's, kind of, evaporated into thin air, if you like, because there have been a few business

ventures that have gone south. I think people have just become a bit more wary about what they're doing now." – Participant of Bangladesh Professionals Focus Group

Addressing obstacles and other incentive mechanisms: Motivations to save and invest

The incentive mechanism perceived by diaspora members to be the most motivating is the use of improved technological solutions to facilitate investment deals, although a similar proportion say that they would be encouraged to invest or save in Bangladesh by the offer of projects that they or their family directly benefit from.



Q. Which of the following would motivate you to save or invest in Bangladesh? Base: All respondents (n = 87).

Three in ten of diaspora members interviewed say that the use of improved technological solutions to facilitate investment deals would most motivate them to save or invest in Bangladesh (29%). In discussion groups, few had suggestions for technological solutions that might be motivating. However, business owners did discuss the need for Bangladesh to remain on top of the technology necessary to ensure saving and investment was both easier and safer. Professionals, on the other hand, noted that the communication of investment opportunities was often outdated and suggested that more modern solutions might help to attract a younger generation in particular.

"The country is doing well at tech adoption, but hasn't kept up with what you need." – Participant of the Bangladesh Business Owners Group

"Some sort of initiative to get the younger generation more involved in what's happening back in Bangladesh... [especially] investment opportunities from the sectors. I think some of it is happening through the channels here. I know Channel S is – It is happening through that and they hold various different forums through that channel, but unfortunately none of us watch it. It's more targeted towards a different generation." – Participant of the Bangladesh Professionals Group

"I think the government needs to get out more. They need to do stuff here that they're not and they need to promote the country, because I think promotion is lacking. People are just thinking that Bangladesh is a third-world country, but it is going to emerge from that. The

government needs to show us how they're going to take it to the next century." – Participant of the Bangladesh Professionals Group

A similar proportion report that a project that they or their family would directly benefit from would be motivating (28%), and that economic incentives would also encourage diaspora investment (23%). Qualitative discussions suggested that this was particularly motivating for professionals, for whom the expense of saving and investment represented a bigger barrier – whereas business owners felt that promoting the investment opportunities available and ensuring investments were easy and safe to make was more of a priority.

"If there was a tax break or something, if you were sending money for investment purposes and the government recognised that and gave you different beneficial clauses, that would make it more attractive." – Participant of the Bangladesh Professionals Group

"If government policy made it smoother to invest, investment would increase... in the UK people don't feel safe investing in Bangladesh – [they] need some sort of security." – Participant of the Bangladesh Business Owners Group

"If it was government-backed, and a lot of people are doing it, and it was well advertised, then that's something that I would definitely look into." – Participant of the Bangladesh Professionals Group

One fifth (21%) say that greater government recognition of the positive role that diasporas play in Bangladesh would be motivating. This was supported by qualitative discussions where both professionals and business owners felt that the importance of diaspora financial contributions to the country's economy was often overlooked.

Both business owners and professionals suggested that there were lessons to be learnt from other countries in this respect. Business owners discussed how countries such as Malaysia or Singapore had successfully sought to encourage external investment by recognising and cultivating diaspora business potential – for example via networking events promoted by their High Commissions. Professionals felt that it might be motivating to reward diaspora investors, not simply with economic benefits but with other forms of recognition such as enhanced citizenship rights.

"If all of us stopped investments in Bangladesh, then where would the money come from?"

There are not many people in Bangladesh, who are local residents, who are wealthy. Most of it is foreign money, so knowing that, they need to do more." – Participant of the Bangladesh Professionals Group

"The Malaysia High Commission are helpful, they help you to network and set up partnerships. They hold an exhibition every year with lots of companies – they facilitate and promote it by giving you free tickets." – Participant of the Bangladesh Business Owners Group

"The UK government also attracts investments from wealthy individuals from any country, so there are some attractive initiatives by the government in the UK. If you want to bring some money, invest, you get something in return, for example, to be able to stay in this country, to get the citizenship at some point, stuff like this as well". – Participant of the Bangladesh Professionals Group

"If they were to hold forums or conferences here promoting that, and if there were representatives from the Bangladeshi government, I think that would make it quite appealing...also if you could let people know that there is a sea of opportunity in Bangladesh, because this is still a developing country and emerging economy." – Participant of the Bangladesh Professionals Group

Preferences for Future Saving and Investment

Diaspora members are divided in terms of their interest in saving or investment in Bangladesh, with similar proportions saying that they would and would not be interested in investing. Of those who are interested in or unsure about investing, nearly half are interested in setting up a business – representing a significant gap given that only 7% of the Bangladesh diaspora report currently having a business in Bangladesh. In qualitative discussions, both professionals and business owners reported a widespread interest in entrepreneurship, emphasising that diaspora members are more likely to want to invest than to save in Bangladesh.

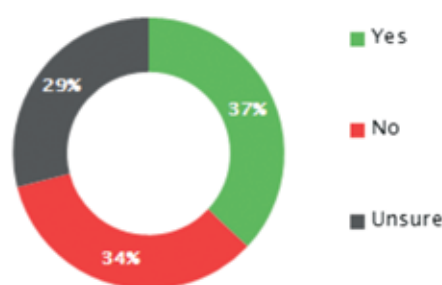
Diaspora members are most likely to express an interest in investing in education and health, although a similar proportion say that they have no interest or are unsure about which sector is of greatest interest to them. Opinion is similarly

split over preferences when it comes to length of investment and whether to reinvest or repatriate returns. Qualitative discussions suggested that the perceived difficulty of bringing funds back to the UK might be one explanation for this. However, it was also noted that reinvesting funds was an attractive option for those with stronger ties to Bangladesh.

Preferences for future savings/ investment: Interest in saving/investing

Diaspora members are divided in terms of their interest in investing in Bangladesh, with just over a third saying they would and would not be interested in saving or investing (37% and 34% respectively). Notably, three in ten are undecided (29%).

% saying they would like to invest (more) in the Commonwealth country in question:



Q. Would you like to save/invest (more) in Bangladesh? Base: All respondents (n = 87).

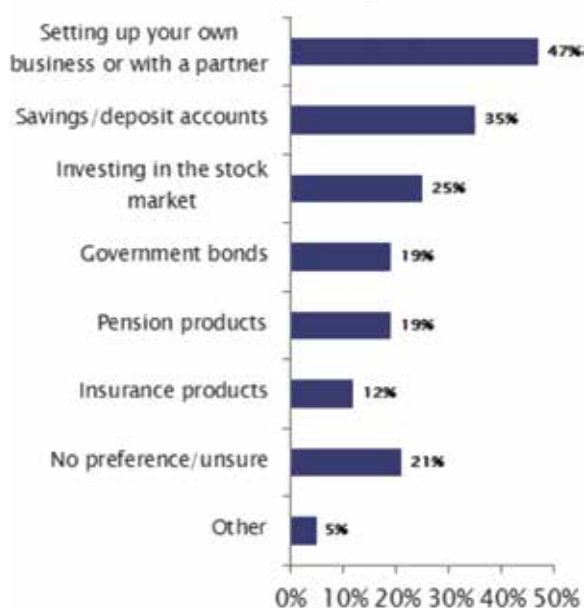
This suggests that diaspora interest in saving or investing in Bangladesh is mixed, also supported by the fact that around half (48%) do not currently hold any savings or investments in Bangladesh. It is important to note that this may be a reflection of the barriers perceived by the diaspora to stand in the way of saving and investment currently such as a lack of security. In discussion groups, both professionals and business owners emphasised that perceptions of risk could be off-putting, especially to second or third generation diaspora members.

"Why would you want to risk your money in a third-world country where you don't know much? We've got our parents' generation that live in Bangladesh, so they've got that link and we've got that link to family just through them."

I would assume one generation along, down, that link would probably be a bit more diluted as well. For example, investment here, there isn't any risk, because nobody's going to take it away from you, but in Bangladesh there is a possibility, which is not very common, but again there are possibilities." – Participant of the Bangladesh Professionals Group

Of those who are interested in or unsure about investing, around half say they would be interested in setting up a business themselves or with a partner (47%), while a further third (35%) are interested in savings or deposit accounts. Between one in five and one in four say that they are interested in investing in the stock market (25%), government bonds (19%) and pension products (19%).

% saying they would be interested in the following:



Q. Would you be interested in...? Base: All respondents who would either like to invest (more) or are unsure (n = 57).

In discussion groups, both business owners and professionals reported that establishing a business in Bangladesh was an appealing prospect. It was felt that the growing economy offers numerous investment opportunities, with the chance of considerable financial returns. Both professionals and business owners alike reported business connections in Bangladesh, whether current or future prospects.

"The businesses in Bangladesh vary...the initial one that we established was the restaurant,

and from there, the restaurant did really well and from that money we invested into a hotel. From that, we invested into land, and then now mainly bricks and stones and rubble we sell to different construction sites." – Participant of the Bangladesh Professionals Group.

"Bangladesh needs to move from manufacturing towards supporting entrepreneurs, start-ups." – Participant of the Bangladesh Business Owners Group.

"People want to invest, they don't want to save – in Bangladesh only 7% save in comparison to 37% in India." – Participant of the Bangladesh Business Owners Group.

Several diaspora members expressed interest in financial products such as government bonds, as the prospect of government backing allayed potential concerns around risk. However, for most the perceived difficulty of repatriating funds meant that this was of limited appeal. One business owner reported similar difficulties with non-resident accounts.

"You have various types of non-resident Bangladesh account, I have one in foreign currency, one in domestic. Foreign currency is used for US dollar bond programme run by the central bank... most of the income stays in

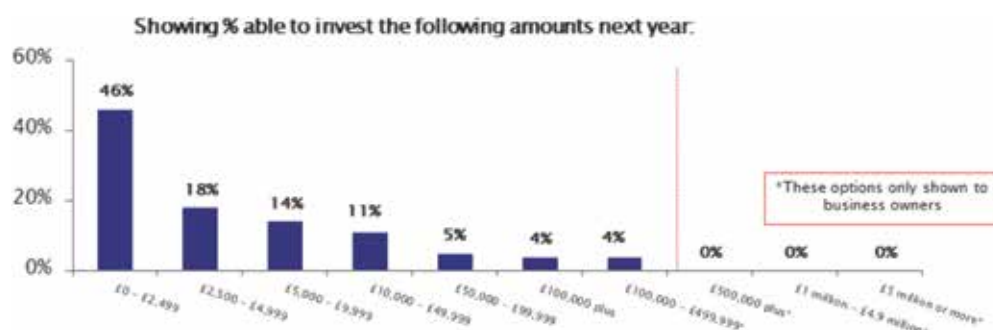
the country." – Participant of the Bangladesh Business Owners Group

"There are some investment opportunities like this specifically designed for migrants or foreign bonds... another obstacle could be in terms of saving, even if you save, how can you get the money back when you need it? Getting out money from Bangladesh is much harder" – Participant of the Bangladesh Professionals Group.

"I think if it were government-backed that would definitely be more attractive than if it was, like, a private [initiative]. If it was government-backed, and a lot of people are doing it, and it was well advertised, then that's something that I would definitely look into." – Participant of the Bangladesh Professionals Group.

Preferences for future savings/ investment: Amount interested in investing

With regards to future investment, a plurality of the Bangladeshi diaspora say that they would be able to save and invest amounts under £2,500. Considerably smaller proportions say they could invest each of the amounts listed over £2,500.



Q. How much would you be able to save and invest in Bangladesh next year? Base: All respondents who would either like to invest (more) or are unsure (n = 57).

This was supported by qualitative discussions, in which both business owners and professionals reported that investing and saving large sums of money in Bangladesh is increasingly difficult, thanks to restrictions put in place following issues with money laundering.

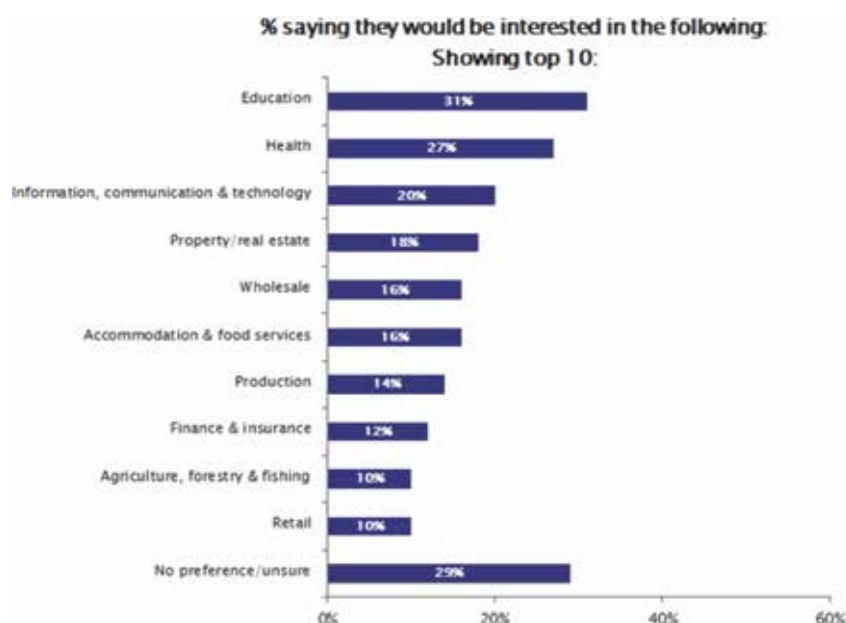
Preferences for future savings/ investment: Interest in sectors

To some extent, members of the Bangladeshi diaspora interviewed are divided over the

sectors which garner the most interest.

However, the most common sectors of interest are education and health, with a significant proportion also saying that they would be interested in information, communications and technology, as well as property and real estate.

Around three in ten of those interviewed say that they would be interested in investing in education (31%) and health (27%). Interestingly, neither sector was mentioned in qualitative discussions. However, both real estate, and ICT were discussed



Q. Which sector(s) would you be interested in investing in? Base: All respondents interested in setting up a business or investing in stock market, bonds or other investment (n = 49) * LOW BASE SIZE ALL DATA INDICATIVE ONLY.

as potential sectors of interest by business owners and professionals, supporting quantitative findings that one in five diaspora members say they are interested in information, communication and technology (20%) and property or real estate (18%). Notably, almost one in three say that they have no preference or are unsure about the sector they would be interested in investing in (29%).

"I think probably if you asked that question ten, fifteen years ago, it would have been restaurants, catering. But now if you want to make big money, I think people are investing in shopping centres and stuff. Land and then building it up to make huge shopping complexes." – Participant of the Bangladesh Professionals Group.

"Another investment opportunity that's there in Bangladesh now is buying flats and residential properties. I know a lot of these opportunities, they've brought it to London and they're selling it from London, but the property's actually in Bangladesh." – Participant of the Bangladesh Professionals Group.

"There is so much to do and develop, especially in the IT sector and the digital sector." – Participant of the Bangladesh Professionals Group.

Preferences for future savings/ investment: Where to invest

Overwhelmingly, Bangladeshi diaspora members who are interested in investing are most

interested in investing in their home town or city, with a far greater proportion saying this than those expressing interest in investing the capital city or in the wider South Asian region.

Half of diaspora members interested in investing (53%) said that they would like to do so in their home town or city, perhaps reflecting the tendency towards financial connections made via friends or family. A quarter, 24%, say they would be interested in investing in the capital city, with a slightly lower proportion saying that they would be interested in investing in the wider region (18%).

In discussion groups, various factors were discussed as influencing the location of a potential investment. Several mentioned the considerable differences between particular regions in Bangladesh that might determine where to invest, whether environmental – such as a tendency towards flooding – or cultural – such as a particularly entrepreneurial mind-set.

"Another example would be there is a risk of flooding in Bangladesh, especially where we're from in Sylhet. It tends to get flooded a lot, so if you're spending a lot of money there, then you need to be very vigilant as to what you're spending your money on." – Participant of the Bangladesh Professionals Group.

"Depends on the region – the region I come from only 30% of FDR is invested in my area. In

Showing % saying they would like to invest in each of the following:



Q. Where would you like to invest? Base: All respondents interested in setting up a business or investing in stock market, bonds or other investment (n = 49) * LOW BASE SIZE, RESULTS ARE INDICATIVE ONLY.

other places, such as Dhaka, 120% is invested, there's a more entrepreneurial mentality."
 – Participant of the Bangladesh Business Owners Group.

Preferences for future savings/ investment: Financial returns

Members of the Bangladesh diaspora are divided about what they would do with their financial returns, with a plurality saying that they have no preference or are unsure.



Q. Would you like to bring your financial returns back to the UK or reinvest in Bangladesh? Base: All respondents who would either like to invest (more) or are unsure (n = 57).

One third of diaspora members interviewed say that they would bring any financial returns back to the UK (33%), with a similar proportion saying they would re-invest in Bangladesh (32%). However, a plurality (35%) say that they are unsure or have no preference.

Again, this may reflect the perceived difficulty of repatriating funds, an issue that recurred

in qualitative discussions with Bangladesh diaspora members. Whilst both business owners and professionals expressed some interest in re-investing, this was most often those with closer connections to Bangladesh. Those who had less of an immediate link – for example via friends or family – expressed greater frustration over the difficulty of bringing returns back to the UK.

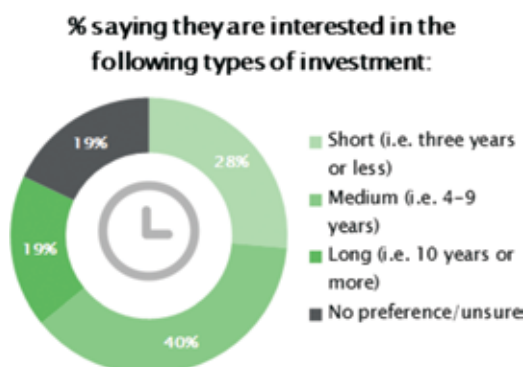
"A lot of people who do have a lot more family than maybe we have there wouldn't mind keeping it as the currency there, because then they'll be able to provide for the family a lot more and the family would have that access to it... invest there, the money will make money and then that money will stay there. People would eat off that money or it will stay in an account for you to spend the next time you go, and that's how it usually works."
 – Participant of the Bangladesh Professionals Group

"Getting out money from Bangladesh is much harder... I don't know of a single family or a single person who actually gets their money from Bangladesh to their country." – Participant of the Bangladesh Professionals Group

"The main obstacle to saving and investment in Bangladesh is that it is very difficult to repatriate the money – getting it back from Bangladesh is very hard. I think there are plans to introduce a new policy from June, but at the moment that's the big reason." – Participant of the Bangladesh Business Owners Group

Preferences for future savings/ investment: Length of investment

Of those Bangladesh diaspora members with some interest in investing, a plurality prefer medium-term investments. However, significant minorities are interested in shorter and longer-term investments.



Q. Are you interested in short, medium or long-term savings and investment? Base: All respondents who would either like to invest (more) or are unsure (n = 57).

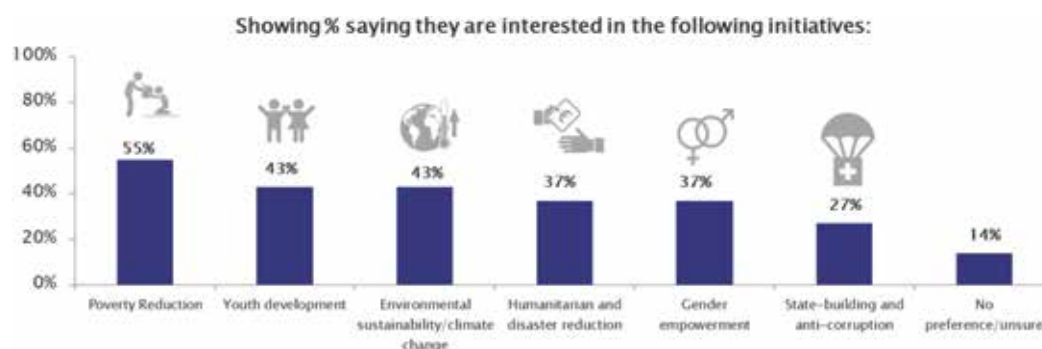
Two in five diaspora members who either have some interest in or are unsure about investing say

that they would be interested in medium-term investments, of 4–9 years (40%). Between one in four and one in five say that they would be interested in short-term investments of 3 years or less (28%) and long-term investments of 10 years or more (19%). One in five (19%) say that they have no preference or are unsure about the length of investment they are interested in.

Preferences for future savings/ investment: Interest in other initiatives

Members of the Commonwealth diaspora interviewed generally express interest in the initiatives listed below, with at least a quarter saying they would be interested in all of the initiatives listed, and a majority expressing interest in initiatives relating to poverty reduction.

Around one in five of those interviewed expressed interest in poverty reduction or youth development initiatives and environmental sustainability (55%, 43%, 43%). Around a third also said that they would be interested in humanitarian and disaster reduction (37%), or gender empowerment (37%), or state-building and anti-corruption (27%), or gender empowerment (37%).



Q. Would you also be interested in initiatives related to? Base: All respondents interested in setting up a business or investing in stock market, bonds or other investment (n = 49) *BASE SIZE IS LOW, RESULTS ARE INDICATIVE ONLY.

Appendix 1: Technical Note

This research programme has consisted of a quantitative survey and follow-up qualitative interviews and details for each stage of the research are provided below. A Research Steering Committee, co-chaired by Fiji and the Commonwealth Secretariat, with representation from the High Commissions from each of the Commonwealth countries included in the research, as well as diaspora finance experts has offered support and counsel at key stages of the research process.

Quantitative research

The quantitative survey was designed based on a comprehensive literature review conducted by Commonwealth Secretariat to ensure that barriers and drivers to invest covered in the literature were covered. The questionnaire was peer reviewed by diaspora finance experts and reviewed and approved by the Research Steering Committee before proceeding with fieldwork. Fieldwork was conducted between 4th October 2017 and 14th February 2018.

The target sample sizes (100) have been determined based on the priority to achieve a robust sample to confidently represent the experiences and views of the diaspora populations and minimise the margin of error, and the feasibility of reaching these groups. The size of the diaspora populations is defined based on the Office for National Statistics Annual Population Survey data from 2015. A net of those born in the Commonwealth countries in this research, and those who self-identify as a national from these countries provides a diaspora population size for each country. This definition of the diaspora population may underestimate the true size as it will omit those who have heritage from the Commonwealth country but identify as a UK

national. Table A.1 provides the margins of error for the sample.

The screening criteria for the survey required that the respondent was born in the participating Commonwealth country, or that their parents, grandparents or great-grandparents were born there. Those who did not qualify under this definition were screened out.

A combined approach of opportunity sampling and an online panel have been used to achieve a sufficiently statistically robust sample size for each participating diaspora community. The High Commissions for each country provided contact details, and shared invitations to participate with their diaspora networks, and the Commonwealth Secretariat's communications team additionally boosted visibility of the survey via their newsletter and social media channels. Panels were used to supplement the data for Bangladesh. As the sampling has predominantly been on an opt-in basis, it is important to note that the sample is not representative of the diaspora populations in the UK. We hypothesise that it is therefore likely that this sample reflects a more attentive group who may be both more engaged, which will mean inflated interest in making investments in the respective Commonwealth countries, and also more informed about the obstacles they may face.

Weights have been applied so that equal representation is given to each participating Commonwealth country diaspora in the data. A breakdown of the achieved sample and some key demographic profiling is provided in Table A.2.

For individual country reports, 50 was set as the minimum sample size required for sub-group analysis. Due to a small overall sample size (87), no sub-groups within the Bangladesh sample were large enough to qualify for analysis within these

Table A.1 Margin of Error calculation

Nationality	Born in United Kingdom	Born in country of nationality			
	Estimate	Estimate	Net 1 and 2	Sample size	Net 1 and 2 MOE
Bangladesh	4	58	62	87	10.5

Table A.2 Sample breakdown

		Bangladesh
TOTAL	Unweighted	87*
	Weighted	168
Origin	Born in UK	48%
	Born in Commonwealth country	41%
	Not born in UK	52%
Year arrived in UK	2001–2017	22%
	1981–2000	24%
	1961–1980	5%
	1941–1960	1%
	Before 1941	–
Occupation	Employed in professional role	45%
	Employed in semi-skilled/unskilled work	28%
	Student	9%
	Retired	1%
	Unemployed	11%
	Business Owner	6%
	NET: non-business owner	94%
Company sector	Agriculture, forestry & fishing	–
	Production	–
	Construction	–
	Motor trades	–
	Wholesale	4%
	Retail	9%
	Transport & storage	1%
	Accommodation & food	4%
	Information, communication & technology	6%
	Finance & insurance	12%
	Property/real estate	1%
	Professional, scientific & technical	7%
	Business administration & support services	9%
	Public administration & defence	6%
	Education	10%
	Health	12%
	Arts, entertainment & recreation	1%
	Other	10%
Financial decision maker	Yes	82%
	No	18%
Age	Under 18	–
	18–30	38%

(Continued)

Table A.2 Sample breakdown (*Continued*)

		Bangladesh
	31–50	55%
	51 or older	5%
Gender	Male	46%
	Female	53%
Education	Up to secondary	22%
	Tertiary	74%

Note: *small base size – results should be treated as indicative.

parameters. As a result analysis was carried out at a total level only.

Qualitative research

Qualitative conversations have also been conducted with representatives from each of the Commonwealth country diaspora, with the objective of adding depth and nuance to the insight gained from the quantitative survey. Verbatim from these discussions have also been provided in this report. Separate group discussions were conducted with those who are business owners and those who are not business owners from each country diaspora in order to have conversations which

Table A.3

	Bangladesh
TOTAL	9
Business owners	5
Non-business owners	4

are relevant to existing investment knowledge and priorities. In some cases, where availability was more restricted these conversations have been conducted over the telephone. The number of people interviewed in this qualitative phase is summarised in Table A.3.

Appendix 2: Raw Aggregate Data

QA1. How are you connected to this country?

Summary

Base: All respondents asked

	Country
	Bangladesh
Unweighted base	87
Weighted base	168
I was born there	41%
One or both of my parents were born there	67%
One or both of my grandparents were born there	46%
One or both of my great grandparents were born there	38%

QA2. In what year did you arrive in the UK to live (and not to visit for a holiday)?

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Born in the UK	48%
2015–2017	2%
2011–2014	8%
2001–2010	11%
1991–2000	9%
1981–1990	15%
1971–1980	5%
1951–1960	1%
NET: 2001–2017	22%
NET: 1981–2000	24%
NET: 1961–1980	5%
NET: 1941–1960	1%
Mean	1995.71
Median	1992.75
Standard deviation	13.36
Standard error	1.99

QA3. Which of the following best describes your current status?

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
NET: Non-business owners	94%
Employed in a professional role	45%
Employed in semiskilled or unskilled work	28%
Unemployed	11%
Student	9%
Retired	1%
Business owner	6%

QB1. How have you supported this country in the last year?

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Sent money to family/friends	61%
Donations in kind (clothes, household items etc.) for family, charity or disaster relief	55%
Financial donations to charities or religious groups	43%
Other	6%
None	11%

QB2. What savings or investments do you currently hold in this country?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
I have savings/deposit accounts	29%
I have insurance products (e.g. for health, life)	14%
I have stocks and shares in the stock market	13%
I have invested in government bonds	8%
I have pension products	7%
I own a business or have one with a partner	7%
Other	6%
None	48%

QB3. How much money in total did you send to this country in the last year (includes support for others as well as for your own savings and investment)?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
£0–£2,499 (1.25k)	69%
£2,500–£4,999 (3.75k)	10%
£5,000–£9,999 (7.5k)	7%
£10,000–(30k) £49,999	7%
£50,000–(75k) £99,999	2%
£100,000 plus (125k)	2%
£100,000–(300k) £499,000	2%
£500,000–(750k) £999,999	–
£1 million–(3000k) £4.9 million	–
£5 million or (7500k) more	–
Mean	15.33
Standard deviation	49.04
Standard error	5.26

QB4. Why do you send money to this country?	
Base: All respondents who send money to the Commonwealth country in question	
	Total
Unweighted base	77
Weighted base	149*
To benefit my family/friends	73%
For a sense of duty and personal pride	31%
To improve my financial circumstances	17%
To invest in this country's economic and social development	16%
To gain political influence in this country	5%
For my retirement/resettlement in this country	5%
Other	10%

QC1. Would you like to save/invest (more) in this country?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
Yes	37%
No	34%
Unsure	29%

QC2. Would you be interested in...?	
Base: All respondents who either like to invest (more) or are unsure	
	Total
Unweighted base	57
Weighted base	110*
Setting up your own business or with a partner	47%
Savings/deposit accounts	35%
Investing in the stock market	25%
Pension products	19%
Government bonds	19%
Insurance products (e.g. for health, life)	12%
Other	5%
No preference/unsure	21%

QC3. What size business are you interested in setting up?**Base: All respondents interested in setting up their own business/business with a partner**

	Total
Unweighted base	27
Weighted base	52*
Small-medium enterprise	74%
Large	15%
No preference/unsure	11%

QC4. How much would you be able to save and invest in this country next year?**Base: All respondents who either like to invest (more) or are unsure**

	Total
Unweighted base	57
Weighted base	110*
£0–£2,499 (1.25k)	46%
£2,500–£4,999 (3.75k)	18%
£5,000–£9,999 (7.5k)	14%
£10,000–(30k) £49,999	11%
£50,000–(75k) £99,999	5%
£100,000 plus (125k)	4%
£100,000–(300k) £499,000	4%
£500,000–(750k) £999,999	—
£1 million–(3000k) £4.9 million	—
£5 million or (7500k) more	—
Mean	24.3
Standard deviation	59.58
Standard error	7.89

QC5. Which sector(s) would you be interested in investing in?**Base: All respondents interested in setting up a business or investing in stock market, bonds or other investment**

	Total
Unweighted base	49
Weighted base	95*
Education	31%
Health	27%
Information, communication & technology	20%
Property/real estate	18%
Wholesale	16%
Accommodation & food services	16%
Production	14%
Finance & insurance	12%
Agriculture, forestry & fishing	10%
Retail	10%
Business administration & support services	8%
Arts, entertainment & recreation	8%
Construction	6%
Transport & storage (inc. postal)	6%
Professional, scientific & technical	4%
Motor trades	4%
Public administration & defence	4%
No preference/unsure	29%

QC6. Would you also be interested in initiatives related to...?**Base: All respondents interested in setting up a business or investing in stock market, bonds or other investment**

	Total
Unweighted base	49
Weighted base	95*
Poverty reduction	55%
Environmental sustainability/climate change	43%
Youth development	43%
Gender empowerment	37%
Humanitarian and disaster reduction	37%
State-building and anti-corruption	27%
No preference/unsure	14%

QC7. Where would you like to invest?	
Base: All respondents asked	
	Total
Unweighted base	49
Weighted base	95*
Capital city	24%
Home town/city	53%
Region	18%
No preference/unsure	24%

QC8. Would you like to bring your financial returns back to the UK or reinvest in this country?	
Base: All respondents who either like to invest (more) or are unsure	
	Total
Unweighted base	57
Weighted base	110*
Bring back to the UK	33%
Reinvest in this country	32%
No preference/unsure	35%

QC9. Are you interested in short, medium or long-term savings and investment?	
Base: All respondents who either like to invest (more) or are unsure	
	Total
Unweighted base	57
Weighted base	110*
Short (i.e. 3 years or less)	28%
Medium (i.e. 4–9 years)	40%
Long (i.e. 10 years or more)	19%
No preference/unsure	19%

QD1. What governance issues prevent you from saving and investing (more) in this country?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
Corruption	59%
Political instability and security concerns	36%
Weak legal framework and enforcement	32%
Poor economic performance	26%
Excessive red tape	26%
Government restrictions on what I can invest in	18%
I don't have adequate citizenship/ political rights	11%
None of the above	22%

QD2. What (other) factors prevent you from saving and investing (more) in this country?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
I am too far away to manage the investments well	39%
I don't have enough information about saving/investment opportunities	36%
I don't know or trust any organisations to manage the investments on my behalf	31%
I can't find reliable investment partners	23%
Limited saving/investment opportunities with good financial returns that match my preferences	17%
Insufficient insurance products to protect my investments	15%
None of the above	21%

QD3. What financial system issues prevent you from saving and investing (more) in this country?**Base: All respondents**

	Total
Unweighted base	87
Weighted base	168*
The financial system in this country is not secure and stable	40%
Currency fluctuations in this country make me wary of investing	33%
Costly to transfer money out of the UK due to high transaction fees	30%
Foreign exchange restrictions in this country make it difficult to repatriate funds	23%
Difficult to access financial services (bank accounts, foreign exchange, investment management)	22%
Taxation policies in this country add to the cost of saving and investing	22%
Tax policies in the UK add to the cost of saving and investing in this country	17%
Difficult to transfer money out of the UK due to regulations	16%
None of the above	25%

QD4. What business environment factors prevent you from setting up a business in this country?**Base: All respondents interested in setting up a large business**

	Total
Unweighted base	4
Weighted base	8*
Poor infrastructure (energy, telecommunications, water etc.)	25%
High transportation costs	25%
High cost of inputs (e.g. commercial machinery)	25%
Insufficient reliable suppliers	25%
Lack of skilled workers	—
None of the above	25%

QD5. Are there any other obstacles or challenges to saving and investing (more) in this country which we have not already covered?**Base: All respondents**

	Total
Unweighted base	87
Weighted base	168*
Yes	15%
No	85%

QE1. You have said that the factors below present an obstacle to you saving or investing in this country. Which factors do you view as a priority for the government to address?**Base: All respondents who identify obstacle(s) existing to prevent saving and investment in the respective country**

	Total
Unweighted base	77
Weighted base	149*
Corruption	49%
Political instability and security concerns	21%
I am too far away to manage the investments well	19%
The financial system in this country is not secure and stable	19%
Excessive red tape	16%
Currency fluctuations in this country make me wary of investing	16%
Weak legal framework and enforcement	16%
Poor economic performance	13%
Costly to transfer money out of the UK due to high transaction fees	13%
I don't know or trust any organisations to manage the investments on my behalf	12%
I don't have enough information about saving/investment opportunities	10%

QE1. You have said that the factors below present an obstacle to you saving or investing in this country. Which factors do you view as a priority for the government to address?	
Base: All respondents who identify obstacle(s) existing to prevent saving and investment in the respective country	
	Total
Weighted base	149*
Foreign exchange restrictions in this country make it difficult to repatriate funds	8%
Difficult to transfer money out of the UK due to regulations	8%
Limited saving/investment opportunities with good financial returns that match my preferences	6%
Government restrictions on what I can invest in	6%
Difficult to access financial services (bank accounts, foreign exchange, investment management)	5%
I can't find reliable investment partners	5%
Taxation policies in this country add to the cost of saving and investing	5%
Tax policies in the UK add to the cost of saving and investing in this country	5%
Insufficient insurance products to protect my investments	4%

QE1. You have said that the factors below present an obstacle to you saving or investing in this country. Which factors do you view as a priority for the government to address?	
Base: All respondents who identify obstacle(s) existing to prevent saving and investment in the respective country	
	Total
Weighted base	149*
I don't have adequate citizenship/ political rights	1%
Poor infrastructure (energy, telecommunications, water etc.)	1%
High transportation costs	–
High cost of inputs (e.g. commercial machinery)	–
Insufficient reliable suppliers	–
Lack of skilled workers	–
Other	13%

QE2. Which of the following would motivate you to save or invest in this country?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
Improved technological solutions to facilitate investment deals (e.g. platforms connecting entrepreneurs with investors)	29%
A project that I or my family would directly benefit from (e.g. an airport that I would use)	28%
Economic incentives to encourage diaspora investment (e.g. grants or subsidised loans)	23%
Greater government recognition of the positive role diasporas play in this country (e.g. diaspora awards)	21%
Special economic rights for diaspora investment (e.g. allowing diasporas to buy property which is offlimits to foreigners/tax incentives for diaspora investors)	16%
Opportunities that support my plans to move to this country	13%
Forums to share information between investors and market stakeholders (e.g. investment events)	9%

QE2. Which of the following would motivate you to save or invest in this country?

Base: All respondents

	Total
Weighted base	168*
Initiatives that advance my social status or influence with government in this country	8%
Other	6%
None	25%

QE3. You have expressed interest in "economic incentives to encourage diaspora investment". Which of the below incentives would encourage you to save or invest in this country?

Base: All respondents expressing interest in economic incentives to encourage diaspora investment

	Total
Unweighted base	20
Weighted base	39*
Government grants for diaspora investment projects	75%
Financial guarantees for diaspora investments	70%
Subsidised loans for diaspora investors	30%

Demographics

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Origin	
Born in UK	48%
Not born in UK	52%
Age	
Under 18	—
18–30	38%
31–50	55%
51 or older	5%
Gender	
Male	46%
Female	53%
Education	
Up to secondary	22%
Tertiary	74%

Q1. Gender

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Male	46%
Female	53%
Prefer not to say	1%

Q2. Age	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
Under 18 (16.5)	—
18–30 (24)	38%
31–50 (40.5)	55%
51 or older (65)	5%
Prefer not to say	2%
Mean	35.25
Standard deviation	10.34
Standard error	1.12

Q3. What is your highest educational level?	
Base: All respondents	
	Total
Unweighted base	87
Weighted base	168*
No formal education	—
Primary school	2%
Secondary school	20%
University degree or equivalent qualification	74%
Prefer not to say	5%

Q4. Which of the following best describes your company sector?	
Base: All respondents who work full and part time	
	Total
Unweighted base	68
Weighted base	131*
Agriculture, forestry & fishing	—
Production	—
Construction	—
Motor trades	—
Wholesale	4%
Retail	9%
Transport & storage (inc. postal)	1%
Accommodation & food services	4%
Information, communication & technology	6%
Finance & insurance	12%
Property/real estate	1%
Professional, scientific & technical	7%
Business administration & support services	9%
Public administration & defence	6%
Education	10%
Health	12%
Arts, entertainment & recreation	1%

Q4. Which of the following best describes your company sector?	
Base: All respondents who work full and part time	
	Total
Weighted base	131*
Other	10%
Not applicable / unsure	6%

Q5. Do you make at least half of your household's financial decisions (e.g. savings, investment, and high value purchases)?

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Yes	82%
No	18%

Q6. What is the combined annual income of your household before tax?

Base: All respondents

	Total
Unweighted base	87
Weighted base	168*
Up to £25,000 (12.5k)	30%
£25,001 to (37.5k) £50,000	32%
£50,001 to (62.5k) £75,000	10%
£75,001 to (87.5k) £100,000	8%
£100,001 or (112.5k) more	5%
Prefer not to answer/unsure	15%
Mean	40.54
Standard deviation	28.86
Standard error	3.35

Q7. What was your total business turnover in the last financial year?

Base: All respondents who are Business owners

	Total
Unweighted base	5
Weighted base	10*
Up to £50,000 (25k)	20%
£50,001 to (75k) £100,000	40%
£100,001 to (300k) £500,000	20%
£500,001 to (750k) £1 million	–
£1.1 million to (3000k) £5 million	20%
£5 million or (7500k) more	–
Mean	695
Standard deviation	1221.42
Standard error	546.24



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