

Institutional Actors in the Field of Migration and Development in Ecuador

Emma Ljungkvist¹

Remittances are Ecuador's second largest source of foreign currency. It is clear that such a large amount of money makes many important contributions to the economy. This study aims to evaluate the ability of institutional actors to increase the development impact of remittances.

Key words: Remittances, Ecuador, Co-development, Popular Finance, Communal remittances.

Methodology

Both primary and secondary sources were used in this study. Primary data was obtained from field research financed by the Swedish Foreign Aid Ministry (SIDA) through a Minor Field Study (MFS) grant.

The field study was carried out in two locations in Ecuador: Quito and Cuenca. Two locations were selected rather than choosing to do an in-depth study in one because the study, although small, was designed to shed light on the general characteristics of the Ecuadorian migration. The choice of Quito and Cuenca was based on the fact that they are among the top five cities in Ecuador in terms of amounts of remittances received. The decision was also based on differences in the cities' characteristics, especially regarding the emigrants' destinations and the time period during which migration has taken place.

Two groups of people were questioned: remittance receivers and the beneficiaries of projects. The first group were asked how they used the remittances they received. The second group were also asked how they used remittances, but the emphasis was on their participation in the projects. The second group thereby served as a second source of information about the projects, apart from the organizations' own descriptions. Organizations related to migration and remittances were also interviewed.

Remittance receivers: Questionnaires were administered in three locations, two in Cuenca and one in Quito. Two rural locations with high indexes of migration were selected in Cuenca, Gualaceo and El Rodeo, since emigration from the province of Azuay, where Cuenca is the capital, is still largely rural. Gualaceo is a mid-sized town, with 38,587 inhabitants; 8.76 % of the population has emigrated. El Rodeo is a smaller village in the countryside where the majority of the people are indigenous peasants. It is also a quite remote village, which is difficult to reach without a car. In Quito, on the other hand, a neighbourhood in the Metropolitan District was selected for the study, since emigration originates in the metropolitan capital. The neighbourhood, Oyacoto, is in the Calderón area, from which many Ecuadorians have emigrated. Although Oyacoto is a neighbourhood of Quito, it is located approximately one hour away from the city centre in a rural area.

¹ School of Management and Economics, Linnaeus University, Växjö, Sweden.

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A purposive sampling, where the sample is not randomly selected but rather is hand-picked, was chosen for the field study. Purposive sampling is possible when there is access to previous knowledge about the people selected. Previous knowledge was gained from locals who assisted in making contact with potential respondents. Locals offered a further advantage in that they were known and trusted by the respondents. Thus, they were able to assure them that the information given would be kept anonymous and would not be used against the migrants.

The assistant in Gualaceo was a man who lives there with his family, and sampling was done on a single street on the outskirts of the town, which proves the high index of migration. In El Rodeo, the sample was based on a school teacher's knowledge of which households had family members living abroad. In Quito, contact with remittance recipients in the Oyacoto neighborhood was made through a local school run by nuns who, due to their close contact with the community, were able to assist in identifying possible respondents.

The *beneficiaries of projects* were identified through the projects in which they participate. The projects whose beneficiaries were questioned are: The Cucayo Fund, run by the National Secretariat for Migration (SENAMI); REDES-CAP, an international co-development project; and Business Skills in Chimborazo, run by RIMHUCH, the Alternative Fund, and the region of Murcia in Spain. Beneficiaries of the Cucayo Fund were sampled by SENAMI itself and the contact to the association in Chimborazo was provided by the organization that is running the project. The sample from REDES-CAP, however, was obtained during a workshop that the beneficiaries were attending, and not through the assistance of project leaders.

Since the questionnaires merely served as a basis for comparison, only a small selection was made if it seemed like the uses of remittances were similar to the results of previous studies. Twenty questionnaires were given to remittance recipients in Gualaceo, El Rodeo and Oyacoto; six in each of the first two locations and eight in Oyacoto. In addition, 10 project beneficiaries were questioned; six returned migrants and one association were selected from the Cucayo Fund; two returned migrants were questioned in Quito and four returned migrants and one association in Cuenca. Two project participants were selected in Quito through the REDES-CAP project and one association in Riobamba was chosen through the project in Chimborazo. A total of 30 questionnaires were administered.

Actors: The qualitative data is based on in-depth interviews with organizations, government authorities, associations, and other related actors who are knowledgeable about migrants and remittances. Once a few contacts had been made, other contacts were gained via the snowball effect, where one contact leads to another. The sample is relatively small; in this study a total of 19 in-depth interviews were carried out. It is important to emphasize that there are more actors working in this field.

Informal conversations with friends and with random people on the street and in buses also produced valuable information and stories that provided both details and a general overview of migration in Ecuador.

Due to the small scale of this field study, the results could be biased and it is important to take this into consideration when reading the paper, especially results from the field study.

Only 20 interviews with remittance recipients were carried out, although a sample for quantitative data should not include less than 30 people. Furthermore, since the only requirement for respondents was that they had a family member who had emigrated, a respondent may have lacked detailed information about the emigrant if their relationship was not very close and their communications were infrequent. The results from the quantitative data should therefore only serve as indicators that give an idea of what the reality might be. Comparing these results with results from previous studies may be helpful in forming an idea about their credibility, but it can not be assumed that they reflect the general use of remittances in Ecuador.

Information about the actors and their projects from the qualitative interviews is limited in that it is mainly based on the actors' own words and there were no external evaluations or follow-ups. The results presenting the actors and their projects should therefore be read keeping in mind that there was no control for either the degree of truth in the interviews or the degree of success in the projects.

The methods used for selecting the remittance receivers may also have generated bias, since the people who assisted in identifying the population and obtaining the sample might have made a selection based on their private interests. However, it was not possible to select a completely random sample from this unidentified population. This was a small study with a limited time frame and limited resources. A broader study that included both receivers and non-receivers, such as the study carried out for the Inter-American Development Bank (IADB) in 2003, was not possible. Another potential source of bias is that SENAMI and RIMHUCH, when asked for contacts among the participants in their projects, might have suggested the beneficiaries who are the most innovative and most successful. Although the purpose of these interviews was not really to evaluate the businesses per se, but rather to understand the process of migration and the migrants' participation in the project, it would have been preferable to have a more random sample.

Statistics from The National Census on Population and Housing are quite old and may differ from the current reality, as the last published census was carried out in 2001. A new National Census was carried out in November 2010. The results will be presented in 2011, but unfortunately not in time to be included in this paper.

The total duration of the field study was three months. The research problem was formulated and background research was initiated before the field study began. Fieldwork in Ecuador, including interviews, took place between September 17th and December 17th 2010. A major part of the analysis of the results and writing the paper was carried out in Ecuador. The entire project ended in January 2011 with a presentation of the results at the Linnaeus University, Sweden.

1. Introduction

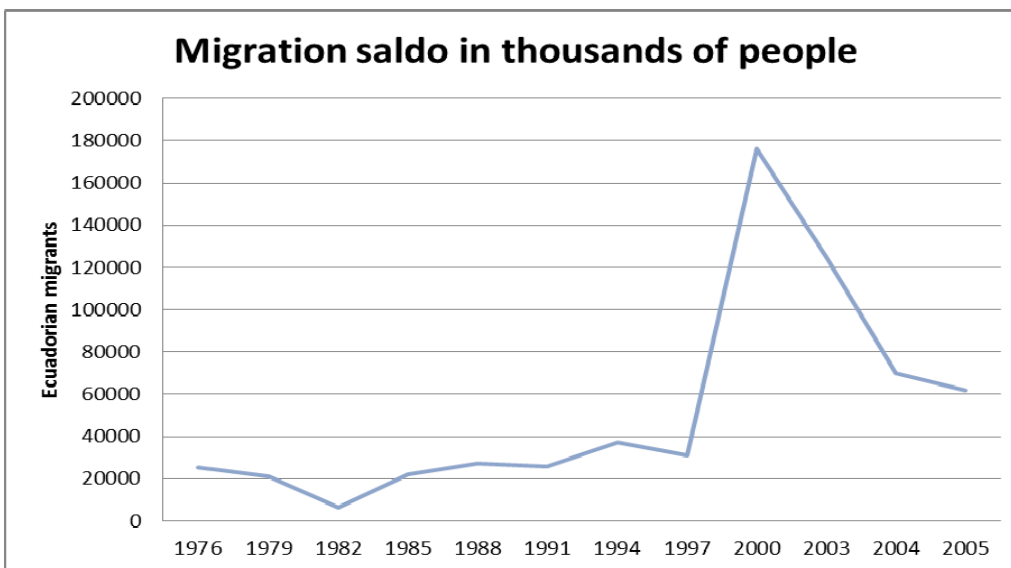
Estimates of the total Ecuadorian diaspora range from one to three million . This large divergence means that we do not have an accurate quantification of the diaspora, in part because of the irregular nature of their migration and in part due to the amount of effort devoted to them by specialized institutions in Ecuador, which this working paper assesses.

The first wave of international emigration from Ecuador originated in the Austro region, where people started to emigrate to the USA in the 1950's and 1960's, using their commercial contacts. Once the first migrants were settled in the USA, migration networks were created that facilitated continued migration. In the 1970's Ecuadorian migration expanded to Colombia and Venezuela. Up to that point a large majority of the emigrants came from the Austro region and they were mostly unskilled, mestizo and male inhabitants of rural areas. This phase did not result in the creation of a meaningful number of institutional efforts regarding migrants and their remittances.

In the 1990's another phase of the Ecuadorian migration began, triggered by the 1999 financial crisis and the attempt the following year to curb inflation by changing the national currency, the sucre, to the U.S. dollar. With negative economic growth and an increasing rate of poverty during these years, many Ecuadorians lost faith in their future in Ecuador and decided to emigrate. The new emigration phase that began in the 1990's was nationwide, large scale, and directed toward Europe to a great extent, especially Spain. Emigration of this magnitude involved a more diverse group of Ecuadoreans, especially in terms of geographic origin, social class and gender. This phase of migration originated in the larger cities, mainly Guayaquil and Quito. The urban emigrants had a higher level of education as well as wider and more specialized labour experience. (The emigrants' educational level was in fact higher than the national average.) That new wave of emigration was female to a much larger extent than in the past, notably from the new places of origin such as Quito, while men still dominated emigration flows from Austro.

Between 1999, the year of the financial crisis, and 2006, more Ecuadorians emigrated than during the previous 50 years. Not counting irregular migrants, some 900,000 people, or 15-20% of the active population migrated during this period. Emigration peaked in the early 2000s, when 175,000 Ecuadorians left the country during a single year.

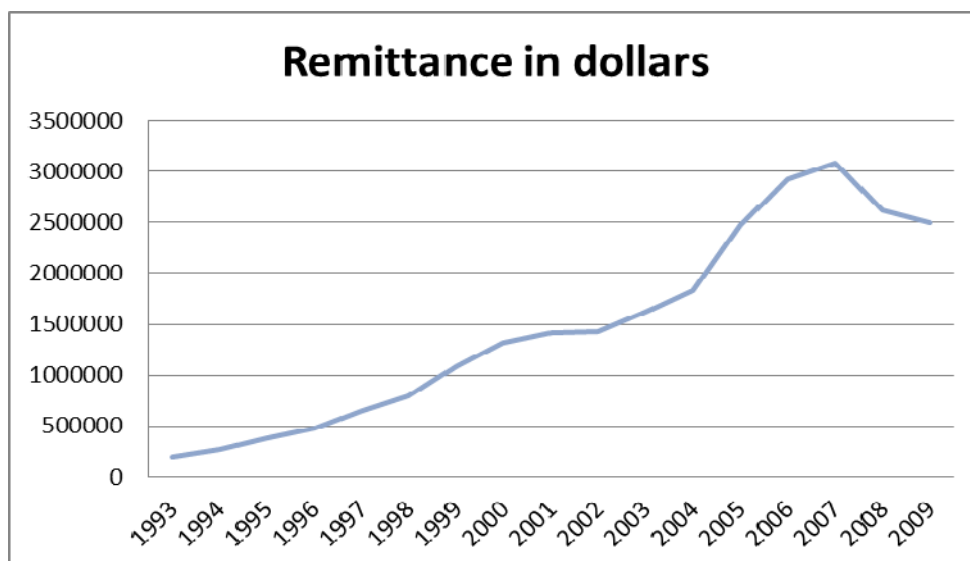
The Ecuadorian migration continues today, although not on the same scale as during the most critical years of the crisis. Factors such as the “migrant syndrome”, well-established migration networks, and the family reunifications that are possible once a migrant has regularized his situation abroad facilitate and contribute to continued emigration. During the most recent phase, many institutional efforts on migration have been initiated in Ecuador by institutions ranging from the national government to international authorities and the emigrants themselves.



Graph 1: The annual net outflow of migrants from Ecuador between 1976 and 2005. The increase in emigration after the Ecuadorian economic crisis in 1999 is clear. Source: Pinto and Ruiz, 2008.

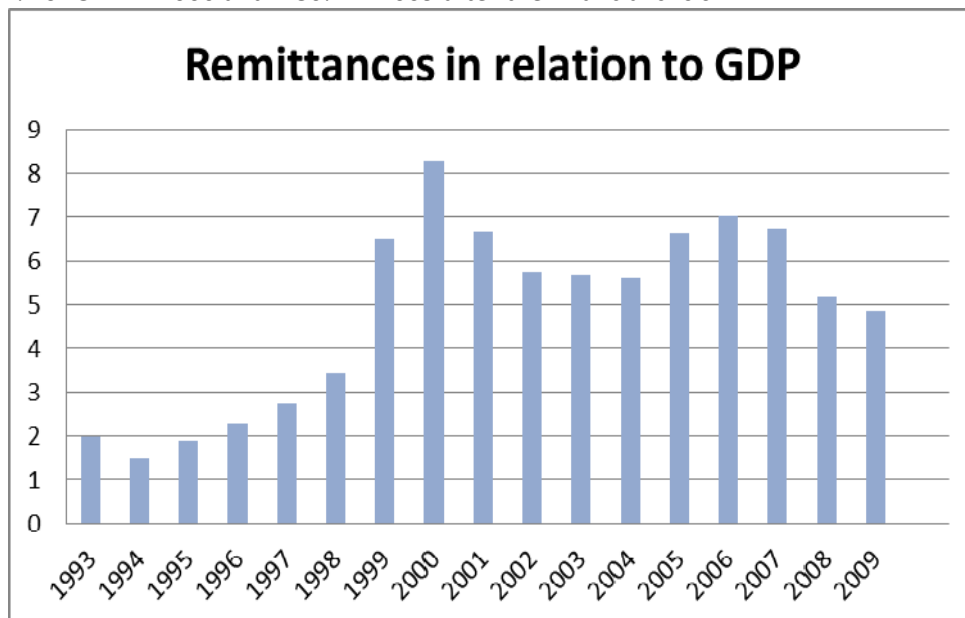
Remittances are a direct consequence of emigration. While we do not have an accurate census of migrants, the Banco Central of Ecuador (BCE) makes a major effort to account for the remittances received by the country. Over the past several years the BCE has built a database on remittances that allows for disaggregation not only by country of origin, but also by the destination of remittances within Ecuador. However, the statistics do not account for the informal flows of remittances that are significant among several categories of emigrants, for example those who return to their home country during the holidays .

Acosta et.al (2005) divide the history of remittances to Ecuador into three stages. Two additional stages can be identified after 2005. The first stage occurred between 1993 and 1997, the “initial growth” stage. The second stage, between 1998 and 2000 was the “acceleration stage,” when the annual amounts of remittances received doubled. The third stage, between 2002 and 2004, was characterized by more limited growth in receipts. In the fourth stage, between 2004 and 2007, the increase in remittances received was even higher than during the “acceleration” stage. As can be seen in the graph, remittances peaked in 2007, when the emigrants sent as much as USD3,087.8 million to Ecuador, according to the BCE’s monthly statistics. The fifth stage came with the onset of the global financial crisis in late 2007 during which remittances showed negative growth for the first time.



Graph 4: The graph shows annual inflows of remittances to Ecuador during the period 1993- 2009, according to data from the BCE. (In U.S. dollars)Source; Pydlos 2010

Ecuador is in the intermediate group of remittance receiving countries in the Latin America and Caribbean region. This categorization is based on gross receipts and does not take into account the size of the country or the economy. It is, however, also interesting to look at inflows of remittances relative to GDP. The country with the highest percentage of remittances relative to GDP in Latin America and the Caribbean is El Salvador, where remittances represented 14 % of its GDP in 2006. Remittances to Ecuador were equivalent to 7% of GDP in 2006 and 4.86% in 2009 after the financial crisis.



Graph 5: Remittances in relation to GDP in Ecuador 1993-2009.

Source: Pydlos 2010

2. Institutional Actors in Migration and Development

In this section we analyze the development strategies of some of the actors involved in migration, remittances and development in Ecuador. There is a broad spectrum of actors, from associations of migrants and their families to international institutions and governments in the countries involved. Although only projects and matters related to emigration and remittances are presented in this paper, it is worth mentioning that the work of many of these actors goes beyond these issues. The actors belong to 5 groups; Foreign Authorities, Ecuadorian Authorities, Migrants' Associations, Ecuadorian Organizations and Financial Cooperatives.

2.1 Foreign Authorities

The two most important destinations for migrants from Ecuador are Spain and the USA, but other countries, such as Italy, also have projects that are related to Ecuadorian migration.

The Spanish government implemented co-development as part of their migration policy for the first time during 2001-2004 in a project called GRECO (the Global Program for Regulation and Control of the Exterior and Immigration). The effort became more sophisticated during the following years and, more important, it was decentralized. Today, the state is not the only Spanish authority participating in co-development projects. Regional governments (the autonomous communities) and certain municipalities are financing more than 50 migration and development projects. Most of them are top-down co-development projects whose main focus is on directly or indirectly promoting the return of immigrants who are resident in Spain. Some projects are directed towards promoting productive activities and entrepreneurial skills, but since 2008 the Spanish government has also been running the Voluntary Return Plan. This plan offers unemployed immigrants who have earned Social Security while working in Spain an opportunity to return to their home countries with a lump sum representing the subsidies and benefits they earned while working in Spain. A migrant who takes part in the plan, however, is not allowed to return to work in Spain for the next three years.

The activities in Spain contrast with U.S. efforts, as the United States does not participate in co-financing or co-development projects.

"They haven't opted for the kind of programs that the EU and Spain have initiated, for example. They work more in the context of human trafficking, and with issues that have a connection to terrorism". (A contact at the Pastorate of Human Mobility in Cuenca)

2.2 Ecuadorian Authorities

The Ecuadorian authorities presented in this paper work on two levels: national and municipal.

SENAMI

The National Secretariat of Migrants (SENAMI) is a new Ecuadorian governmental institution founded in 2007. SENAMI has four offices in Ecuador, which are located in the regions where most of the emigrants originate; they also have five offices in countries where large groups of Ecuadorian immigrants reside. These offices work to assist Ecuadorian migrants and their families in various aspects of migration and to inform them of their opportunities and rights as migrants.

One objective of the migration policies developed by SENAMI is to better take advantage of the innovative ideas, new experiences and techniques that the emigrants have gained abroad. Therefore SENAMI promotes the use of remittances to finance productive projects that can generate economic development and job opportunities in Ecuador. In order to achieve their objective SENAMI initiated the Welcome Home plan, which includes various projects: the Cucayo Fund, the Migrants' Bank and the Human Talent project.

The Cucayo Fund is a competition that offers the winning participants seed money to invest in business projects. One requirement for participation in the project is that the migrant has returned or is about to return to Ecuador. This requirement is in line with the Spanish government's Voluntary Return Plan. What's more,

part of the project is financed by the Spanish government through a debt swap program between Ecuador and Spain. The project finances up to 25 % of the start-up costs of a business, limited to USD 15,000 per individual project. The rest must be financed by the migrant himself, either through savings or a loan.

The Migrants' Bank has been in operation since 2009. It has agreements with 33 Ecuadorian financial cooperatives offering the microcredit CrediMigrante to emigrants and their families. CrediMigrante has an annual interest rate of 10-12% and is mainly offered for home construction and improvement and new and existing productive ventures. CrediMigrante's function is to facilitate migrants' access to credit and offer them loans with an interest rate that is lower than the official interest rates for microcredits. This is important, since migrants who have lived abroad for many years often lack some of the documentation ordinarily required in Ecuador for obtaining credit or taking out a loan, and this makes borrowing even more complicated for them.

The Human Talent project is also connected with development, although not related to money transfers. This project aims to overcome the problem of the brain drain due to emigration by looking for ways to take advantage of the knowledge gained by Ecuadorian emigrants when they live and work abroad. The project supports Ecuadorian students living abroad in their efforts to reach a higher professional level. The idea is that they will be able to transfer their experience, knowledge, and new technology back to Ecuador later, either by returning to the labour force in Ecuador or through exchanges and temporary visits.

House of Human Mobility

Municipalities with a high index of migration such as Quito and Cuenca have been operating "Houses of Human Mobility" since 2002 and 2007, respectively. The institutions are run separately by each city and do not share a common national agenda.

The House of Human Mobility in Cuenca is involved in a wide spectrum of activities: it is providing free counselling on issues related to migration and it has several other projects. One project is directed toward increasing school teachers' understanding of how migration affects students in the classroom. Another one, a productive project, functions as a rotating fund where participants are provided with guinea pigs and cacao plants. After one year the participants must return the equivalent of what they were given in order to provide more people with the same opportunity. Thus, in this project remittances are not expected to generate development; instead development is driven by the project's productive activity using resources provided by the House of Human Mobility and the Municipality of Cuenca. The House of Human Mobility in Cuenca considers migration to be a universal human right. However they recognize that emigration today is to a large extent forced migration, in that many people consider this the only way to sustain or improve their families' welfare. The purpose of a productive project, therefore, is to create a foundation for general development that generates job opportunities and local economic development, so that there can be a real choice between working in Ecuador and emigrating.

The House of Human Mobility in Quito was founded in order to strengthen the systems of social, economic and productive support for migrants and their families. In addition to providing free information and assistance, they also run a project that awards scholarships to migrants' children who live with relatives in Ecuador. This is a cooperative program between the municipalities of Quito and Madrid.

2.3 Migrants' Associations

Since in many cases migrants and their families are in a difficult situation in terms of their rights and psychological wellbeing, they have created associations to foster mutual support.

Like the House of Human Mobility, migrants' associations in Ecuador have found that a large majority of emigrants left due to the lack of opportunities in Ecuador. One of the main concerns of the associations, therefore, is to increase the level of development in Ecuador so that their family members can return to Ecuador and so that people will not feel forced to emigrate. Three migrants' associations were interviewed for this section: Rumiñahui in Madrid, Rumiñahui in Quito and FAMIGRACH in Riobamba.

Rumiñahui was founded in Madrid in 1997 as an association of Ecuadorian immigrants living in Spain. In the year 2000, a branch of Rumiñahui was established in Ecuador for the emigrants' family members. The two associations worked together closely for awhile, but their relationship has changed somewhat due to political differences, and today it is better to consider them as two different associations.

Rumiñahui in Spain is mainly concerned with assisting immigrants who live in Spain, but they are also involved in co-development projects between Spain and Ecuador in order to increase development and the welfare of their home communities in Ecuador. One such co-development program is REDES-CAP, whose main objective is to build and strengthen the entrepreneurial capacities of migrants overseas and their families in Ecuador in order for them to be able to establish their own businesses. Another kind of co-development project that Rumiñahui participates in has to do with communal remittances. Communal remittances are sent and invested via the transnational connections between Rumiñahui in Spain and the local authorities, neighbourhood groups and civil society in Ecuador. Examples of these investments include school construction, church repair, and bridge building. Rumiñahui in Spain also plans to propose a project similar to Mexico's 3x1 program to the Ecuadorian government.

"We are aiming for a 4 x 1 project, where the Spanish government would be the fourth actor." (An officer of Rumiñahui in Madrid)

Rumiñahui in Ecuador, on the other hand, has decided to stay away from co-development projects. Instead they are concentrating on issues related to migrants' rights and on making an impact on migration policies. They regard the economic and productive aspects of migration as complements to the social aspects. Rumiñahui in Quito is also more critical than Rumiñahui in Madrid towards SENAMI and the issue of using remittances to generate development. An officer of Rumiñahui in Quito, however, is more positive about the use of remittances for communal projects than for co-development projects, because remittances that are used in communal projects increase the wellbeing and development of the entire community. This contact claims that communal projects have been good because investments have been made in things that were really necessary. Rumiñahui in Ecuador, however, does not participate in any remittance-related projects or activities. Our contact argues that it is better that such programs be left to other organizations that specialize in these matters.

FAMIGRACH is another association made up of the families of emigrants, which today includes internal migrants as well as those who have returned from overseas. The association is based in Riobamba in the province of Chimborazo. It was founded in 2004 with the goal of creating opportunities in Ecuador for their family members overseas so that they would be able to return. FAMIGRACH does not run its own co-development projects, but is a partner in the migration network RIMHUCH and since 2009 they have been beneficiaries of Business Skills in Chimborazo, a project that has transnational actors.

Ecuadorian immigrants also have active associations in the USA. Our contact at the Pastorate of Human Mobility in Cuenca mentions two, Frente Unido and Centro Mitad del Mundo. It was not possible to contact these organizations, but he explained that in the USA they are first and foremost focused on immigrants' rights. They do, however, also have a connection to Ecuador that is similar to Rumiñahui's in terms of donating money to local projects, for example to churches, schools and sports fields. They also donate money to important festivities in their home communities, such as local Christmas parties. The officer of Rumiñahui in Quito, reflecting on the general situation of communal activities added:

"Now, with the crisis, these kinds of projects have also stopped, since people over there say that they don't even have money to pay for their own expenses. The focus has changed totally."

2.4 Ecuadorian Organizations

Ecuadorian organizations presented in this section are carrying out joint projects with international organizations and institutions, such as the UN, the EU, authorities in Spain and NGOs. These international organizations and institutions are contributing to the projects with their own initiatives and most important, with financial support. Some people call them co-development projects, while others prefer to avoid that controversial concept.

Organizations that work with migration generally focus on three main themes: that remittances should be directed towards productive investments in order to generate long term development; that migrants' business skills should be strengthened through education and guidance; and third, as mentioned earlier, that overall development, particularly rural development, is needed, but not necessarily through the use of remittances for investment.

Five Ecuadorian organizations are presented here: ESQUEL and The Foundation Espejo Eugenio, who lead projects together with Spanish actors; RIMHUCH, the Inter-Institutional Network of Human Mobility in Chimborazo, which consists of 17 organizations with different specializations; The Alternative Foundation, which offers credits and technical assistance for migrants and non-migrants who want to start a business; and FEPP, Fondo Ecuatoriano Populorum Progreso, which promotes rural development, by supporting the creation of local financing mechanisms.

The Ecuadorian foundation ESQUEL and the migration network RIMHUCH recognize that there is a very broad spectrum of migration-related issues and that it is necessary to work in different fields in order to cover all aspects. Their work, therefore, is broad and includes influencing migration policy, providing psychological assistance to transnational families, education, and improving the school system's understanding of migrant children's situation, and strengthening migrants' associations, in addition to productive projects, local development and micro credits.

Other actors, such as the Foundation Espejo Eugenio with their REDES-CAP project, and the Alternative Foundation with their Business Skills in Chimborazo and the Migration Model of Voluntary Return projects are more focused on the productive and economic aspects of migration-generated development. Their productive projects aim to increase entrepreneurship among migrants and also, indirectly, to increase the use of remittances for investment in micro businesses.

"They return from Spain after many years abroad and they don't know what to do. They come here to REDES-CAP so that we can assist them and guide them in the process of starting a business." (A contact at the Fundación Espejo Eugenio)

As stated above, one important feature of productive projects besides financing with remittances is having thorough preparation and training on how to manage a business and make investment decisions. This is especially important since new businesses are started with the objective of generating future sustainable income for the migrants and their families. Participants in the above-mentioned projects are therefore receiving frequent assistance in developing and structuring their business ideas. The Central University in Quito, for example, is working with REDES-CAP to teach participants how to manage a business, the core activity in this project.

The REDES-CAP and Business Skills in Chimborazo projects offer credits or seed money to at least some of their participants. REDES-CAP awards seed money to the three best business ideas that are developed within the project, while Business Skills in Chimborazo has only three participants, who all receive money. In REDES-CAP the goal for those who do not obtain seed money is that by the end of the project they will have developed a business idea that is innovative and profitable enough for them to be able to obtain a loan from an official financial institution.

The Alternative Fund runs two projects: one is the above-mentioned Business Skills in Chimborazo, which was developed jointly with RIMHUCH and the Region of Murcia in Spain. The other project is an Inter-

American Development Bank (IADB) initiative: the Migration Model of Voluntary Return. The Business Skills project provides technical and economic assistance to three larger business development projects. The project is supposed to generate employment opportunities for people in locations with high migration indexes. The decision about which three businesses to select was based on market research carried out by the University of Chimborazo in the region. The second project, the Migration Model of Voluntary Return, has the objective of initiating 30 micro businesses per year during a four year period by offering technical assistance on how to start a business. Similar IADB projects are also running in three other Latin American countries: Bolivia, Colombia and Uruguay.

FEPP, besides supporting the creation of local financing structures in order to increase access to credit for the rural population, also manages their own savings and loans cooperative, Codesarrollo.

2.5 Financial cooperatives

There are many financial cooperatives in Ecuador, and two of them have been included in this study: Jardín Azuayo in southern Ecuador, founded in 1996, and FEPP's national financial cooperative Codesarrollo, founded in 1997. These actors are different from NGOs and migrants' associations because although they have a social agenda, they are not entirely non-profit. It is indeed due to their social agenda that SENAMI's Migrants' Bank has concluded agreements with the financial cooperatives and not with the larger banks, but they are driven by a profit motive. The general objective of the financial cooperatives is to increase access to credits at reasonable interest rates and to offer their services closer to the people, especially in rural areas.

Loans offered by financial cooperatives have lower interest rates than those offered by traditional banks. The official interest rate for micro credits in Ecuador is 27.5 % per year. Meanwhile Jardín Azuayo has interest rates of 12.77 % for those who have savings accounts in the cooperative and 15 % for those who do not. Codesarrollo's regular interest rate is 17%, but through an agreement with SENAMI and the CrediMigrante product, Codesarrollo is able to offer loans to emigrants and their families at a lower interest rate of 10-12 %.

The financial cooperatives also offer the possibility of withdrawing remittances right in the community where the recipients live, saving them both time and money. Another step in moving financial services closer to the rural population is the fact that both Jardín Azuayo and FEPP, Codesarrollo's founder, are assisting in the creation of popular finance structures. Rural development is one major concern of the financial cooperatives and they intend to channel some of the money coming into the villages into local development. Since many remittance recipients live in rural areas, these matters are important to them. Two other issues related to the financial cooperatives and the possibility of increasing remittances to Ecuador without requiring more work on the part of the emigrants are: reducing the final costs of loans obtained for emigration and reducing the transfer costs of remittances.

Apart from loans for microbusiness, another important credit offered by these two financial cooperatives is one for paying off debts incurred in emigrating. However, the credit is only issued when the migrant is already living abroad; it is not possible to get a loan for the purpose of emigrating. Nevertheless, paying off a debt to the chulqueros and having a debt with a financial cooperative instead lowers their interest rate from 7-8% a month to approximately 1% a month, which is a significant difference.

With regard to the cost of transfers, Western Union in particular but also other money transfer companies are charging high commissions. The average costs of transferring USD 200 to Ecuador from Spain and the USA during the first quarter of 2010 according to the World Bank Group's calculations were: Spain to Ecuador: 5.78% of the total amount and USA to Ecuador: 3.9%. One Codesarrollo project aims to reduce transfer costs by means of agreements with banks in Spain and Italy whereby there is no charge for sending a remittance if the sender has a bank account in one of these banks. The IADB and SENAMI are also working on establishing agreements with banks in order to "heavily decrease the costs of transfers," according to a manager of the Migrants' Bank at SENAMI.

3. Analysis

3.1 The use of the remittances

The officer of Rumiñahui, the migrants' association in Quito, points out that remittances have contributed to significant development for remittance receiving households. These households have been able to invest in what they did not have before: better education, health, and housing. The migrants earn what in Ecuador is regarded as a considerable amount of money, but only a limited portion of their remittances is invested in endeavours that could generate future income. There are several factors behind the low investment and savings rate. First and foremost is the fact that there is a great need to use remittances to sustain a family economically in Ecuador. Another factor, identified through in-depth interviews, is that remittance recipients generally have very little experience and knowledge about making investments. The level of investments also seems to be connected with the educational level of the emigrants and remittance recipients, especially regarding how to invest and what to invest in, and this favours the more highly educated. Restricted access to the financial markets and an unfavourable investment climate also curb remittance-based investments. As a result, in many cases any money that may be left over after daily expenses are covered is also consumed. The limited investment and savings rate prevents remittance-based sustainable development, and instead is creating dependence on this additional income.

3.2 Using remittances for development

The issue is should remittances be used for development, or should the money come from elsewhere. Remittances are private money that the emigrants have worked hard for, and perhaps NGOs and international and national authorities should not expect this money to be a key to development. Our contact at the House of Human Mobility in Cuenca agrees that remittances are private money and its use should be determined by the recipients. This contact argues, though, that since many recipients have little knowledge and experience concerning investments, there is a high probability that any money left over once basic needs are met will also be spent on consumption, rather than saved or invested.

“There should be more information available to them, so that they can make their own better-informed choices individually.” (A contact at the House of Human Mobility in Cuenca)

If that were the case, there would probably be fewer concerns about the legitimacy of using remittances for development, since the decisions would come from the recipients.

There is also debate about the issue of communal remittances and investments. It is argued that poor people who have been forced to emigrate should not be expected to finance these projects with their private money. Communal investments could, however, be a viable means of development for communities that lack adequate infrastructure such as schools, roads, and sewage, etc. Of course this should not be the responsibility of the poor, but when the state is incapable of offering sufficient public services and infrastructure, communal investment using remittances is an alternative. People look at their needs in their own communities and decide what is most necessary, then work together to achieve it instead of waiting for money to arrive. The migrants and their families take matters into their own hands in what could be considered one way of manifesting empowerment. Such investments might possibly be more highly valued, since they are the results of the inhabitants' own work. Emigrants' remittances and good will should not, however, be exploited; the responsibility of offering public services and infrastructure should not end up with the emigrants instead of with the government. Communal remittances should be merely a complement.

Another way in which remittances can generate development is when they are deposited in local financial institutions. The remittances are then converted into important liquidity which can be lent out, creating multiplier effects, without necessarily being consumed by the remittance recipients themselves.

3.3 Micro business

Many projects related to migration, remittances and development have the objective of increasing investments in micro business, using the money and knowledge the emigrants have gained abroad. One contact confirms that many migrants who are planning to return to Ecuador want to start a business, and the results also confirm this. Often, however, their specific business ideas are not very clear or well-developed. Therefore, there seems to be room for more projects that assist in structuring and developing business ideas and that teach the interested parties how to manage a business. These findings are somewhat contrary to the Cucayo Fund, which only offers support to already well-developed, innovative business ideas. These requirements restrict the participation of migrants who, for various reasons, do not have business ideas that are as well-developed, but who also need the support and funding offered by SENAMI.

“The Cucayo Fund has not been at all efficient; it merely gave a lot of expectations to the many Ecuadorians who live overseas. But it’s not real: they [the migrants] enrolled in the project, which is a “lottery,” and when they didn’t win, it was disappointing for them.” (A contact at Rumiñahui in Quito)

Migrants with less education and experience in running a business need government support. Furthermore, if guidance in developing business ideas were offered instead of seed money, assistance could probably be extended to a broader group and more migrants would receive support. This is related to next issue: the limited access to the projects.

3.4 Limited access to the projects

Among the projects presented above, some are directed towards a few selected beneficiaries, while others have a broader focus that includes larger groups. SENAMI selects its beneficiaries through a competition and only a small fraction of the candidates win and benefit from the project. The project’s reach is also limited in that only a small fraction of all emigrants apply to it. According to the “Statistical Report of the Cucayo Fund, from September in 2010,” between its inception in 2008 and July 2010, the Cucayo Fund received 3007 applications with business ideas. This number is very small in relation to the estimated 2.5 to 3 million Ecuadorians who have emigrated. Nine percent of these 3007 ideas, or a total of 273 projects, were selected to participate in the project and received funds. Indeed, not everyone is interested in returning to Ecuador nor is everyone who returns to Ecuador interested in starting a business. In general, however, the projects described in this paper are small in relation to the size of the Ecuadorian migration. They may have a sweeping vision as well as well-developed and innovative project plans, but only a small fraction of the many Ecuadorian emigrants and their families are able to benefit from them.

Another factor that limits access to these projects is the lack of knowledge about their existence. Only 10 % of the 20 remittance receivers questioned were familiar with SENAMI and its projects, while 30 % had heard the name SENAMI, but did not know its function. It should be kept in mind that the respondents in this study live in rural areas, and those from Quito live quite far away from the city centre, where the information might not be as easily accessible as in the cities. It is also possible that the family members who have emigrated to a large city overseas are more familiar with SENAMI. One of the beneficiaries of the Cucayo Fund confirms that she heard a lot about SENAMI when she was living in the USA. She admits, however, that many people don’t really know what services SENAMI offers. In order to be able to assist migrants and their families they need to be better known, particularly in the more rural areas, since the Ecuadorian migration is largely a rural phenomenon. It is important for SENAMI to appear in the media, so that people from different social classes and different locations become aware of their existence.

3.5 Target group for the projects

Among the projects and services presented in the previous chapter are those run by the House of Human Mobility in Cuenca and the financial cooperatives that are open to everyone, migrant and non-migrant alike.

“The project is however not only for families of migrants. Everyone is welcome to participate; if not, we would be discriminating among people in the same community. We do, however, establish these projects in areas that have a large percentage of emigrants. In some places 40% of the families have a family member who has emigrated.” (A contact at the House of Human Mobility in Cuenca)

Most projects, however, are only directed towards migrants and their families. It is an interesting difference, considering that those who live in Ecuador at the moment can turn into migrants one day if they don't regard the future in Ecuador as sufficiently promising, as was clearly proven after the financial crisis in Ecuador in 1999/2000. Therefore, projects that are initiated with the objective of generating overall development aim to create a real option between migrating and staying in Ecuador. This strategy is related to the viewpoint that Ecuadorian migration is to a large extent forced migration, due to the limited opportunities in Ecuador.

3.6 Co-development as a development strategy

Most of the projects presented above have Ecuadorian as well as Spanish and European partners. The provincial governments in Spain and the Spanish government provide financial support to projects in cooperation with local Ecuadorian foundations that also collaborate with universities on certain projects. Some of the actors who were interviewed called their projects co-development projects, while others preferred not to use that term. Although their goal is to increase local development, co-development projects have been criticized for their top-down management and for being mainly focused on controlling migration flows. This criticism is directed to the final objective of controlling immigration, which is regarded as different from the idea of creating an option to emigration and making migration a less compelling choice.

On the other hand, due to similarities between co-development and cooperation for development, others believe that co-development, as beautiful as the idea may be, does not yet exist. Our contact at the Pastorate of Human Mobility in Cuenca argues that there are no real mutual benefits in the existing co-development projects and that it is only developing countries like Ecuador that are benefited.

Salazar (2006), however, argues that cooperation through co-development can be mutual, but that it should not be reduced to including only remittances, control of migration flows and economic cooperation through projects in the country of origin. According to Salazar, co-development is also a matter of cultural transfers, communication and the transfer of knowledge and programs that mitigate the possible negative effects generated by migration; co-development is something that both countries can profit from and enjoy. He promotes cultural interchanges and festivals, as well as trade and investment agreements for co-development. Another kind of co-development is dialogue between the actors from both countries in the development process. Dialogue should facilitate migration and particularly the integration of immigrants into their country of destination, and it should overcome issues such as xenophobia.

Another form of co-development is job-matching between the countries involved in the migration. The idea is to facilitate the job search for potential emigrants before they leave home and thereby reduce the flow of irregular migration. The question, however, is who gains from such agreements. It is possible that the demand for labour in the countries of destination would be centred on highly skilled labour, which would lead to an organized brain drain and a loss of highly skilled human resources from the country of origin.

3.7 SENAMI and the Cucayo Fund

Not everyone supports the way SENAMI works and designs its projects. One contact argues that instead of initiating a new governmental institution, the government should have invested the money in

already existing organizations and projects. This contact finds SENAMI to be another slow, bureaucratic institution. This might be true, but its establishment acknowledges the fact that Ecuador has a clear impact on migration, and SENAMI is an ambitious idea that looks beyond many traditional views on migration and human mobility. But it is also a new institution, and therefore it is still developing its policies and projects.

With respect to the Cucayo Fund, two of the project's objectives are to take advantage of the innovative ideas, new experiences and techniques that the emigrants have gained abroad and to generate job opportunities in Ecuador. These objectives are compared below with results from the questionnaires completed by seven of the Fund's beneficiaries.

Of the seven Cucayo Fund beneficiaries who were questioned, six had previous experience within their sector and four of them claim that they either increased or broadened their experience within their sector while living abroad. Two brought technology from abroad back to Ecuador.

According to the "Statistical Report of the Cucayo Fund, from September in 2010", an average of 11.1 jobs were generated in each business supported by the Cucayo Fund. In this study, however, excluding the associated business which provided jobs for 18 families, the average number of employment opportunities created per business was 4.83. This is much less than the average calculated in SENAMI's report, but it excludes indirect employment.

4. Conclusions

4.1 Conclusions

The results from this study as well as the results from previous studies and research confirm that the most important uses of remittances are for food, medicine, education and housing, while a more limited percentage of remittances is saved or invested in something that could produce future income. Development that is generated by migration and remittances is therefore quite fragile and to a large extent dependent on the continued receipt of remittances. This fragility is clearer than ever in the present global recession when many migrants who lost their jobs overseas are no longer able to send remittances in the same amounts and with the same frequency as before. It is thereby also possible to confirm that the increased welfare generated by remittances does not add up to sustainable development.

Despite the conclusion that remittance-based development is not sustainable, two things must be emphasized. First, the remittance receivers and the emigrants are a diverse group of people with quite different realities concerning, among other things, education, profession, knowledge and prospects. Some of the emigrants have been able to return to Ecuador with capital and have substantially improved their standard of living, while others have not been as successful and "return as they left – with nothing" in a much more difficult situation. Still others are not planning to return to Ecuador at all, and have established themselves with a family, a permanent job and a house in their new countries. Therefore there are differences among the migrants in terms of level of development, standard of living and the sustainability of any advances. Second, although remittance-based development is fragile, remittances have led to significant improvements for the families who receive them and who are now able to live more securely with a higher standard of living than before. This too is important, especially on a personal level. Nonetheless the observation that such development is not sustainable still holds.

It is therefore essential to increase the sustainability of remittance-generated development, so that transnational families can maintain and further improve their welfare in the future and so that those who have emigrated can return to live in Ecuador again if they want to. It should also be kept in mind that remittances are private money earned by people who have emigrated in order to improve their family's standard of living—emigration that in many cases was the result of a lack of opportunities in Ecuador—and therefore is sometimes regarded as forced migration. When talking about remittances and development it is important not to forget this and the fact that only the emigrants and the remittance recipients themselves can make decisions about how their remittances are used. The decisions, however, should be well-informed and made by emigrants who

are aware of their opportunities and how they might invest their money. It is in offering of advice and assistance along these lines that the actors described above have a potentially important role to play in increasing the sustainability of remittance-based development.

The projects described in this study look to increase business investments using remittances in slightly different ways. As the results show, many returning emigrants aim to start a micro business and there is room for more offerings of education and advice to help emigrants start up profitable businesses. The projects presented in this paper contain a number of different actors who collaborate: Spanish authorities, NGOs, universities, Ecuadorian authorities, foundations, and migrants' associations. Some of the actors define their projects as co-development projects, and some do not, although all the projects presented in this paper seem to fit within the definition of co-development. The concept used to label a project, however, is not what is most important; what matters is if the projects and the services they provide have an impact by increasing the long term sustainability of remittance-generated development. Considering that the large majority of these actors and projects have either not been in existence or at least have not been involved with the issue of migration for more than ten years, it is difficult to evaluate the effects they have had on development. In so far as their full potential for development in Ecuador, it's for the future to tell. At this point it is not possible to confirm that the actors are contributing to the sustainability of remittance-generated development. However, it is reasonable to believe that they are making a difference, at least for the participants in their projects. One question is the extent of their impact on development, given that most projects presented in this paper are quite small in relation to the magnitude of the Ecuadorian migration. There also appears to be only limited knowledge about their existence among migrants and their families. Another question is whether the state is also playing an important role by offering good, responsible governance and stable institutions that favour investment and lead to development and economic growth. With a higher level of development and social services in Ecuador, it is likely that fewer people would feel obliged to emigrate. In addition, the success of the projects is connected with good governance, especially with respect to the procedures, obstacles and risks that entrepreneurs and financial institutions face when investing their money in micro businesses in Ecuador.

Appendix I

Communal Remittances vs Popular Finance

Communal remittances

The most common remittances are personal transfers that are meant to be used for a family's consumption expenditures and remittances for investments in land, housing or businesses. Communal remittances are another, less frequent form of remittances. Communal remittances are related to co-development and particularly to migrants' associations, or so-called Home Town Associations (HTAs). Migrants' associations sometimes coordinate their support to local communities in order to be able to finance larger projects that benefit more people, rather than just benefitting the emigrants' families, and this distinguishes communal remittances from personal remittances. Communal remittances are often sent for charitable aid as well as for investments, infrastructure, and human development. Examples of charitable aid include donations of clothes, donations of material to be used in restoring churches, and donations to finance local celebrations. Infrastructure projects include construction and restoration of schools, streets, water filtration and sewage treatment plants, and sports fields.

This economic support is proof of the economic bond and the sense of social responsibility that remain between the migrant and his home country. Decisions on how to invest the money remitted from hometown associations are either made jointly by the HTA and the recipient community or by the HTA alone.

Charity	Toys, clothes, church donations
Infrastructure	Parks, cemeteries, sports complexes, street construction, ambulances, fire trucks
Human development	Scholarships, sports facilities, libraries, health equipment
Investment	Income-generating programs
Other	General fundraising

Table 1: Range of activities of migrants' associations for the benefit of their home countries.

Source: Orozco 2002 p. 49.

Some migrants' associations receive financial support from NGOs and government authorities in order to enhance their development projects. The Spanish government, the EU, and several local governments in Spain support projects related to communal remittances and migrants' associations. However, communal remittances sent by migrants' associations are just a small fraction of the total amount of remittances. In 1998 it was estimated that communal remittances represented only 1% of total remittances worldwide.

This system is more developed in Mexico, however, where the government and local authorities are also promoting this type of investments through the 3x1 Program. For every dollar transferred from abroad for communal investments in Mexico, the Mexican government contributes one dollar, the state gives another dollar and the municipality contributes a third dollar.

Popular Finance

Apart from the distrust in the system mentioned earlier, González et al (2009) identify restricted access to financial markets and an unfavourable investment climate in Ecuador as further obstacles for microentrepreneurs. The banking system's cost-benefit analyses result in investments being directed to urban areas and larger projects, thus limiting access to credit for borrowers who are looking for smaller loans, especially the poor and rural population. Credit seekers who are poor are seen as risky clients and it less profitable for the banks to issue small loans since they require almost as much time, technology and human resources as the larger ones. The rural population also faces a geographical obstacle regarding accessibility to

the banking system. Since banks are not located in small villages, it is both costly and time-consuming for their inhabitants to visit a bank. Therefore, it is not common for the rural population to have bank accounts. Only 36 % of remittance recipients had regular access to the financial system in 2007. In addition to limited accessibility, loans are expensive; interest rates are high, particularly for microcredits, which have an interest rate of 27.5 % .

As an alternative to the traditional banks and in order to increase access to credit for the poor and rural population, financial cooperatives and local financial structures have emerged and gained in importance. Popular finance or local financial structures are an alternative means of access to savings accounts and credit for people who were previously excluded from the banking system. In contrast to the commercial banks, popular financial structures were started in the villages by groups of local people. The local financial structures are also run by the very same people, with outside assistance at first in order to learn the important skills of how to manage a cooperative and keep control of the finances. The idea is that the partners in local financial structures save money together in order to provide loans to some of their partners. One person's savings turn into another person's loan and when that loan has been repaid, another person can obtain a new loan.

Most of the local financial structures are located in rural areas where residents who were looking for a microcredit were previously left to the private moneylenders, the so-called *chulqueros*. The *chulqueros* charge high interest rates for their loans, between 10-15 % per month, which can make the borrower end up paying twice the cost of the original loan. This credit system can lead to problematic situations when some of the borrowers lose their homes and land when they are not able to pay off their debts. Thus the popular finance structures are important, since they offer a more secure service that is closer to the rural population and has considerably lower interest rates.

Another advantage of popular finance for local development is that when the rural population can save and obtain loans for local investments from their own financial systems, the money is "recycled" into the local villages. In other words, money that is in the villages stays in the villages to a considerable extent and this should increase local development.

Popular finance has become more important in Ecuador during recent years, particularly in rural areas, since the loss of confidence in traditional banks during the economic crisis in 1999. Savings and loans cooperatives are one type of popular finance that is experiencing growth in number of partners and users. Between 1998 and 2005, money passing through these cooperatives increased from USD 75 million to USD 400 million. By December 2007, 27,000 Ecuadorians had used local financial structures. The inflow of remittances has contributed to the heightened importance of these financial structures, as has the fact that people trust them more than the banks. Remittances have served as an important source of liquidity for these financial structures, while also providing non-migrants with a better chance of obtaining a loan.

"Popular finance structures act like a catalyst: private remittances become capital for community use".

Remittances serve as capital for investment in microbusinesses and other enterprises for their recipients as well as for others in the community who do not receive them.

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2010.11.09, Cuenca

- REDES-CAP

2010.10.20 Quito

2010.11.24 Quito

- Business skills in Chimborazo

2010.11.22, Riobamba

Appendix III - Summary of sample of actors related to the Ecuadorian migration.

Organization/ Institution	Year	Objective of the organization or project	Projects/services for migrants	Location	Partners/ Financing
International authorities					
The Spanish Government	2008	Increase protection and facilitate the return of unemployed immigrant workers in Spain.	Program of Voluntary Return: Migrants can take pensions they have earned and their unemployment benefits home with them to Ecuador. Co-financing other co-development projects with local actors in Ecuador	Spain	
Ecuadorian authorities					
SENAMI	2007	Develop Ecuador's migration policies and run migration related projects. Also gives advice and support to people who want to migrate, their families and migrants who wish to return to Ecuador.	Migrants' houses overseas, website, Welcome Home Plan; includes The Cucayo Fund, Human Talent, the Migrants' Bank	Quito, Guayaquil, Cuenca, Loja, Manta, New York, Madrid, Barcelona, Milano, London, Caracas	
<i>The Cucayo Fund (El Fondo Cucayo)</i>	2008	Facilitate the return of Ecuadorian migrants by offering seed money to innovative business ideas via a competition.		Ecuador	The Spanish government via a debt swap program
<i>Human Talent (Talento Humano)</i>	2007	Support and utilize in Ecuador the knowledge,			

		capacities and practices that the Ecuadorian emigrants have obtained abroad.			
<i>The Migrants' Bank (Banco del Migrante)</i>	2009	Establish agreements with financial cooperatives in order to provide returned migrants with favourable credits. Aim to decrease the transfer costs for remittances.			
House of Human Mobility, Cuenca (La Casa de Movilidad Humana)	2007	Provide information to the public about migration; maintain a lawyer and social workers on their staff. - Diminish prejudices against emigrants, and especially against their children. - Work with everyone in the communities to create greater equality and a viable alternative to migration in Ecuador.	Projects of breeding guinea pigs and cultivating cacao in order to create job opportunities in Ecuador. Projects with school teachers and youth in areas with high indexes of migration.	Cuenca	The municipality of Cuenca. Share space with Spanish syndicate ISCOT-UGT
House of Human Mobility Quito (La Casa de Movilidad Humana)	2002	Strengthen systems, social, economic and productive structures through projects aimed at people who live in a context of human mobility. Provides people with information and	- Teach about human rights in order to reduce racism -Run tele-centers to impart knowledge about technology and communications - Award	Quito	The municipality of Quito, The Spanish cooperation agency; AECID, the municipality of

		assistance, legal as well as psychological.	scholarships to migrants' children		Madrid, UNHCR, EU
Migrants' associations					
Association Rumiñahui , Spain	1997	Assisting the newly arrived Ecuadorian immigrants in Spain	REDES-CAP and a project with communal remittances	Madrid, Valencia and Murcia.	EU, UN, the Spanish government and the municipality of Alcorcón, the Region of Murcia, Generalitat Valenciana.
Association Rumiñahui , Quito	2000	-Assisting families of migrants with information, therapy -Working for human rights and having an impact on migration policies in Ecuador		Quito	House of Human Mobility, Quito
Association FAMIGRACH	2004	Create sources of employment so that their family members who have emigrated are able to return to Ecuador	They are participating as beneficiaries in Business Skills in Chimborazo	Riobamba	One of the partners in the network RIMHUCH
Association Frente Unido	?	Assist newly arrived immigrants in the USA	?	USA	?
Ecuadorian organizations and foundations					
Pastorate for Human Mobility , Cuenca (Pastoral de Movilidad Humana)	1992	-Assist with information and guidance to increase people's awareness. -Today more with immigrants and refugees. -Work in fields where the government does not.		Cuenca	
FEPP: Fondo Ecuatoriano	1970	-Promote general development,	- Codesarrollo, a financial	Quito, Cuenca,	

Populorum Progressio		especially in rural areas. -Increase the use of Popular Finance.	cooperative. -Formed part of the Network Plan for Migration, Communication and Development between 2001 and 2005	Coca, Esmeraldas Guaranda, Ibarra, Lago Agrio, Latacunga, Loja, Portoviejo, Riobamba	
Network RIMHUCH Includes 17 partners	2003	Implement integrated strategies in order to respond to issues that are connected to human mobility through different organizations that work together in a network. -Initiate a process of development	Business skills in Chimborazo; Starting 3 businesses in order to generate employment in areas with high emigration	Chimborazo	The project is financed by the UN and EU and is carried out together with the Alternative Fund and the Region of Murcia
ESQUEL	2005 (with migration)	Mitigate the negative impacts of migration and maximize the positive effects and economic, social and cultural opportunities it brings about; to enhance development both in communities of origin and host countries	Two projects promoting a support system for individuals linked to human mobility processes in the: -Province of Chimborazo and the city of Madrid -Province of Tungurahua and the city of Valencia.	-Province of Chimborazo and Madrid, Province of -Tungurahua City of Valencia	Foundation International Cooperation (Spain) and financed by Municipality of Madrid and Generalitat Valenciana
Foundation Espejo Eugenio	1980	REDES CAP; Promote development in communities with a high index of migration in order to train migrants in how to start and manage a micro business	REDES – CAP; prepare migrants and their families to start micro businesses	Guayaquil, Cuenca and Quito	UNDP, The European commission Rumiñahui and UCMTA in Spain and UNORCAC in Ecuador

International organizations					
IADB – The Inter American Development Bank in Ecuador	2000 (with remittances)	-Reduce the costs of remittance transfers -Increase the number of receivers who receive remittances through formal financial institutions -Direct remittances into productive projects	Migration Model of Voluntary Return , develop viable business ideas and teach emigrants how to manage a business		The Alternative Fund and the Foundation CREA in Spain
Financial cooperatives					
Jardin Azuayo	1996	-Transfer and capture remittances at the local level in order to generate local development, employment and development opportunities. Promote local financial structures	-Opportunity to withdraw remittances locally -Savings and credit opportunities in local financial systems -Assist in the creation of Popular Finances	In communities in the provinces of Azuay, Cañar, Loja, El Oro and Morona Santiago.	
Codesarrollo	1997	Reach an integrated development in urban as well as rural, marginalized areas in Ecuador by offering financial services and strengthening the local financial structures.	-CrediMigrante (that is offered to the Codesarrollo by the SENAMI). -Possibility to withdraw the remittances in the locality -Transfer of remittances free of charge.	In 29 communities in Ecuador	FEPP (the mother organization)
The Alternative Fund (Fundación Alternativa)	1991 – Migration in 2008	Improve the quality of life for the most vulnerable people in the society and in the communities, by offering them credits for micro businesses	Migration Model of Voluntary Return develop viable business ideas and teach emigrants how to manage a business	The provinces of Pichincha, Santo Domingo de los Tsáchilas, Esmeraldas,	IADB, the UN, EU, RIMHUCH the Region of Murcia

			Business Skills in Chimborazo Starting three businesses in order to generate employment in areas with high emigration	Cotopaxi, Imbabura and Chimborazo	
Newspaper					
El Migrante	2006	News concerning migration issues in Ecuador and the countries where Ecuadorian migrants live.		Ecuador, Europe and the USA	
Websites					
www.migrantesecuador.org		Influencing local, regional, national and transnational policies related to migration in order to guarantee the rights of migrants and their families in Ecuador and in the world.	Portal for migrants including: social forum, research on migration, news on issues related to migration, and contacts to organizations working with migration. Support initiatives that go beyond co-development, including education, health, public policy, creation of employment, access to credits, psychological and pedagogic support etc.		
http://www.ecuadormigrante.org		Inform and contribute to the discussion and debate about	It's an open space for organizations and initiatives related to		ESQUEL , the <i>Spanish organizations</i> ;

		migration and promote linkages between actors related to migration.	migration. Actors related to migration in Ecuador and their work and projects are listed with contacts.		International Cooperation, the Municipality of Madrid and Generalitat Valenciana, Save the Children. <i>Financed by the EU</i>
http://www.migranteecuadoriano.gov.ec			Information from the government about migration and SENAMI's projects, news, social forum for migrants, migrant radio		