



Exploring the Potential of African Diaspora Investors in Energy Crowdfunding (Ghana, Kenya, Nigeria and Uganda)

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Acronyms and Abbreviations

AfDB	African Development Bank
AFFORD	African Foundation for Development
ARC	Access to Risk Capital
AU	African Union
BMZ	German Federal Ministry for Economic Cooperation and Development
DFI	Development Finance Institution
ECOWAS	Economic Community of West African States
EDF	Électricité de France
EUDiF	European Union Global Diaspora Facility
FCA	Financial Conduct Authority
FDI	Foreign Direct Investment
FX	Foreign Exchange
GDP	Gross Domestic Product
GIPC	Ghana Investment Promotion Centre
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GSMA	GSM Association
IEA	International Energy Agency
KII	Key Informant Interview
NGO	Non-Governmental Organization
ODA	Overseas Development Assistance
PAYGO	Pay-As-You-Go (solar home systems)
PPP	Public–Private Partnership
SDGs	Sustainable Development Goals
SMEs	Small and Medium-sized Enterprises
UNECA	United Nations Economic Commission for Africa
UNOPS	United Nations Office for Project Services
WIDU.africa	Digital diaspora investment platform (BMZ/GIZ initiative)

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Executive Summary

Africa's clean energy financing gap is widening, with over 600 million people still lacking electricity (Africa Energy Portal 2023).

Traditional aid and Foreign Direct Investment (FDI) are insufficient to meet this challenge. The African diaspora, with an estimated USD \$53 billions in annual savings (UNECA 2025) and a proven track record of remittance flows, represents one of the most immediate and scalable opportunities to mobilise capital for sustainable energy projects. Crowdfunding platforms can transform modest, regular contributions into structured investment flows capable of driving systemic change.

This report explores the potential of African diaspora investors to mobilise capital for sustainable energy projects through crowdfunding, with a particular focus on Ghana, Kenya, Nigeria, and Uganda. Drawing on literature, survey data, and key informant interviews, it examines the motivations, behaviours, and barriers shaping diaspora investment and identifies strategic pathways for scaling engagement.

Key Findings Include:

- **Trust and transparency are the decisive enablers:** Without credible governance and clear reporting, diaspora capital will remain untapped. Platforms that demonstrate accountability are positioned to redirect a portion of the billions currently flowing as remittances into structured energy investment.
- **Remittances provide a foundation:** With members of the diaspora already sending regular remittances, shifting from short-term transfers to structured, impact-driven investments requires channels that mirror remittance behaviour while delivering long-term development outcomes.
- **Diaspora investors are intentional:** Respondents demonstrated strong awareness of Africa's energy access challenges and expressed willingness to invest for both socio-economic impact and financial returns. This dual motivation positions diaspora capital as a strategic resource for the clean energy transition, particularly where investments produce visible community benefits.
- **Crowdfunding is familiar but underused:** Many members of the diaspora have engaged with it, yet the data show that preferences lean toward equity over donation, debt, and reward-based models.
- **Community benefits drive engagement:** Energy projects must clearly articulate local impact, particularly in areas diaspora investors prioritise, such as health, education, and local enterprise development.
- **Generational preferences differ:** First-generation diaspora investors prioritise family and community impact and favour low-risk, remittance-like contributions, while later generations are more open to innovative and

equity-based models driven by climate impact and legacy, provided transparency is strong. Across all generations, trust is central, shaped by personal networks for older cohorts and digital, data-driven platforms for younger ones.

- **Country context shapes engagement:** Country differences show that Ghana and Uganda favour community-embedded, trust-based investment models, Kenya benefits from strong digital infrastructure that supports formal and debt-based crowdfunding, and Nigeria has the largest and most financially sophisticated diaspora but faces higher trust, governance, and regulatory expectations that shape participation.
- **Effective communication requires targeting:** Email and diaspora community organisations remain preferred channels. Leveraging these trusted networks is essential for strengthening engagement.

Recommendations

1. **Short-term:** Build trust through transparent reporting, low-minimum recurring contributions, and diaspora-aligned platforms.
2. **Medium-term:** Strengthen diaspora data systems, pilot blended finance (combining public/philanthropic funds with private investment to reduce risk) and guarantee schemes, and enhance investor education.
3. **Long-term:** Pilot innovative and blended investment models; promote inclusive strategies that address gendered and generational differences within the diaspora; integrate continuous feedback loops; and showcase success stories to build social proof.

In conclusion, mobilising African diaspora capital for clean energy through crowdfunding is both feasible and timely, but only under clearly defined conditions. Diaspora capital is not idle, and energy crowdfunding must compete with global assets based on risk, liquidity and credibility. When investment products are designed to reflect these realities, while aligning with diaspora values, generational preferences, and country-specific contexts, crowdfunding can channel a portion of diaspora savings into scalable, impact-driven energy investments. With the right governance, transparent communication, and supportive regulatory frameworks, diaspora-led energy crowdfunding can move from a marginal financing mechanism into a complementary pillar of Africa's clean energy transition.

Introduction

Access to clean and reliable energy remains one of Africa's most persistent development challenges. According to the Africa Energy Portal (2023), over 600 million people in Sub-Saharan Africa still lack access to electricity, largely due to insufficient investment in clean energy infrastructure. At the same time, the African diaspora has emerged as a significant force in development, contributing through remittances, entrepreneurship, and philanthropy. Yet traditional sources of development finance, such as Overseas Development Assistance (ODA) and Foreign Direct Investment (FDI), have remained insufficient to meet the continent's vast energy needs. In recent years, attention has increasingly focused on how diaspora engagement can move beyond family-level support to more strategic, long-term investment, particularly through innovative financing mechanisms such as crowdfunding.

Crowdfunding has emerged as a promising tool for mobilising collective investment in development projects, especially where formal financial systems are weak or inaccessible. For the African diaspora, crowdfunding platforms offer a transparent, accessible, and scalable means to invest in clean energy initiatives in their countries of origin. By pooling resources and leveraging digital networks, diaspora investors can help bridge the energy financing gap, support local entrepreneurship, and accelerate the continent's transition to renewable energy. This study examines how diaspora-aligned crowdfunding models can mobilise new and more structured forms of capital for Africa's energy future.

At the same time, this study does not assume that diaspora capital is idle or readily deployable. African diaspora savings are already embedded in competing financial commitments, including housing, pensions, business reinvestment, and diversified global assets. Engagement in energy crowdfunding should therefore be understood not as a substitution for remittances or a wholesale mobilisation of diaspora wealth, but as a potential *marginal reallocation* within existing investment portfolios. This distinction matters because remittance behaviour, which is often shaped by obligation, immediacy, and familial control, does not automatically translate into investment behaviour, which involves risk, illiquidity, and delayed returns.

The study focuses on the capacity of African diaspora investors from Ghana, Kenya, Nigeria, and Uganda to drive energy access through crowdfunding platforms. It also aims to understand the motivations, behaviours, and barriers faced by diaspora investors, and assess how crowdfunding can be leveraged as an innovative financing mechanism for clean energy projects across Africa. The primary data stem from a comprehensive survey of African diaspora investors from the target countries and beyond, complemented by key informant interviews (KIIs) with founders of crowdfunding platforms and diaspora investment specialists, providing a comprehensive and data-driven analysis of this emerging field. By capturing the perspectives, motivations, and investment behaviours of diaspora communities, this study offers insights into how diaspora capital can be mobilised to address Africa's energy financing gap.

The report begins by outlining the theoretical frameworks underpinning diaspora investment within a comprehensive literature review of secondary sources, including reports, journal articles and websites. It also examines energy access constraints, diaspora financial flows, and emerging crowdfunding models. The methodology section outlines the qualitative and survey-based approach used to gather insights from diaspora communities and key informant interviews. The findings are presented in three thematic chapters: the diaspora investment landscape, the energy crowdfunding ecosystem, and stakeholder insights drawn from interviews and survey responses. These chapters explore motivations, barriers, platform preferences, and the relationship between diaspora demographics and investment potential. The final sections focus on the strategic implications and recommendations, followed by limitations and opportunities for future research, ensuring that contextual constraints are transparent for policy and practice considerations.

By examining emerging platforms, existing campaigns, and the evolving nature of diaspora engagement, this study contributes to a growing body of knowledge on alternative financing pathways for Africa's energy transition. The findings offer actionable recommendations for policymakers, development practitioners, and crowdfunding platforms seeking to unlock the full potential of diaspora investors in driving sustainable energy access across the continent.

1. Literature Review

This literature review chapter surveys relevant academic and grey literature to examine the intersection between migration and development theory, diaspora investment behaviour and emerging crowdfunding models. It outlines the conceptual framework guiding the study, reviews country-specific diaspora investment patterns in Ghana, Kenya, Nigeria, and Uganda, and explores the emerging convergence of diaspora finance and energy crowdfunding.

1.1 Conceptual Framework

1.1.1. Defining Diaspora Investment

Within the vast literature on this topic, diaspora investment refers to both financial and non-financial contributions made by communities abroad to support socio-economic development in their countries of origin. It includes remittances, entrepreneurial ventures, philanthropic donations, knowledge transfers and, increasingly, crowdfunding. Unlike conventional investors, diaspora motivations blend emotional, social, and financial drivers, creating hybrid forms of capital that do not fit neatly into traditional financial categories.

The term “African diaspora” was coined by George Shepperson and Joseph E. Harris in 1968 (Segal, 2001, Manning, 2003, Zeleza, 2005, Koser, 2008 and Ifekwunigwe, 2013). The African Union (AU) defines the African diaspora as “*peoples of African origin living outside the continent, irrespective of their citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union*” (AU 2005, p. 7). This definition excludes intra-African migrants, which the AU views not as diasporic but as part of a broader integration movement towards a “United States of Africa” In this framing, internal mobility within the continent is seen as consolidating African unity rather than dispersing it. By contrast, AFFORD extends this definition to include individuals living on the continent but outside their countries of origin, for example, the Benin diaspora in Nigeria. This divergence is analytically significant, as it reflects competing visions of African identity and development: the AU advancing a pan-African narrative of external diaspora engagement, while AFFORD adopts a more inclusive and pragmatic approach that recognises the developmental potential of regional migrants. As Taal (2016) stated, the African Union definition positions the diaspora in a development role, a key theme of this research.

1.1.2. Crowdfunding as a Platform for Diaspora Investment

Crowdfunding is broadly defined as a method of raising funds through online platforms by engaging a large number of individuals, each contributing small amounts of money (Ahler et al., 2015, Belleflamme et al., 2013a and Mollick, 2014). It typically involves an open online call for support (Belleflamme et al., 2013a), an entrepreneur-led campaign (Mollick, 2014), and time-bound fundraising efforts involving collective contributions from backers (Hossain & Oparaocha, 2017). Jaki, Csepy, and Kovács (2022) argue that crowdfunding enables initiators to mobilise collective financial support through digital platforms.

In the diaspora context, crowdfunding is more than a resource mobilisation tool; it serves as a mechanism for transactional civic and economic engagement. It allows diaspora communities to direct capital toward social enterprises, charitable causes, and small businesses in their countries of origin, particularly in settings where formal financial institutions are weak or inaccessible. This shift signals a broader transformation in development finance, where digital platforms facilitate collective investments in public goods and infrastructure, often bypassing conventional intermediaries.

Recent trends in diaspora investment into renewable energy exemplify this transformation. Initiatives such as Ciwara Capital in Mali, a diaspora-led fund targeting SMEs in agrifood and renewable energy, and Kenya's diaspora bonds, which channel capital into green infrastructure, reflect a growing appetite among diaspora communities for strategic, impact-oriented investment. These examples illustrate how diaspora finances are evolving beyond remittances toward structured, value-driven contributions, particularly when platforms and instruments align with trust, transparency and community relevance. Similarly, platforms like Umilo Energy and Diaspora Energy by EDF enable diaspora members to directly fund solar installations for households in Southern Africa, converting remittance flows into long-term energy access solutions. These cases illustrate how transparent, community-focused platforms can shift diaspora contributions from short-term transfers toward structured investment, reinforcing the importance of trust and visible impact in product design. Together, they demonstrate how crowdfunding and diaspora finance are converging to support sustainable development, particularly in the energy sector.

Importantly, diaspora crowdfunding blurs the lines between philanthropy and investment by combining emotional, social, and financial motivations, resulting in hybrid financial flows that are both value-driven and strategic. Crucially, crowdfunding also supports the ambition to enable social remittances, in which diasporas contribute not only financial capital but also ideas, skills and values that shape outcomes in their countries of origin.

1.1.3. Diaspora and Development: From Optimism to Critical Engagement

The literature on migration and development has evolved from early post-war optimism to more nuanced, critical perspectives. Early studies framed migration as a “win-win” solution, whereby destination countries benefited from labour inflow while countries of origin gained from remittances, return migration and knowledge transfers (de Haas, 2012). In the African context, this narrative was subsequently challenged by concerns about ‘brain drain’, particularly in critical sectors such as health and education.

More recent scholarship and practice-based perspectives have sought to reframe this debate through the concept of ‘brain-gain’, emphasising the potential for diaspora engagement to generate mutually beneficial outcomes. Organisations such as AFFORD have long advanced this framing, highlighting how diaspora contributions extend beyond remittances to include investment, skills transfer, entrepreneurship, and social capital. When assessed holistically, these combined contributions are widely understood to exceed the value captured by remittance flows alone, pointing to a far more substantial and dynamic role for diaspora in development processes.

This broader framing aligns with the notion of a “win–win–win” scenario: for migrants, who gain economic and social mobility; for countries of origin, which benefit from sustained diaspora engagement; and for destination countries, which gain from migrant labour and transnational networks. Some analyses extend this further to a “win–win–win–win” perspective, recognising the role of transit countries in facilitating regional mobility and economic exchange. However, this remains a more emergent line of inquiry.

1.1.4. Diaspora Typology and Implications for Investment

Understanding the diversity within diaspora communities is essential for analysing their investment behaviours and contributions to development. Scholars have developed various typologies of diaspora based on factors such as generation, motivation, duration of stay abroad, legal status, and emotional attachment to the homeland (Nielsen & Riddle, 2007 and Brinkerhoff, 2009). One common distinction is between first-generation and second or third-generation diasporas. According to scholars Mavroudi (2015) and Moniruzzaman (2016), first-generation migrants often maintain stronger emotional, familial, and cultural ties to their country of origin. They are more likely to remit money and engage in development-related activities. In contrast, subsequent generations may identify less with their country of heritage and be more inclined toward commercial or philanthropic investment models driven by impact, identity, or legacy considerations (Tölölyan, 2007 and Brinkerhoff, 2011).

Diasporas are often categorised as economic, political, or cultural depending on their primary reason for migration and the nature of their engagement with their home countries. However, these categories can be limiting when applied to complex historical and contemporary realities. For example, humanitarian engagement, particularly in response to conflict, displacement, or natural disasters, may require a distinct or cross-cutting typology. In times of crisis, diaspora groups play pivotal roles not only in influencing political outcomes through their alignment and advocacy (as noted by Smith and Stares (2007), Hoehne et al. (2011), and Taal (2016)), but also in contributing essential resources on the ground. Alongside local communities, diasporas often serve as first responders, offering financial support, logistical aid and mobilising networks that can accelerate relief efforts and recovery.

Faal's (2019) typology of diaspora investment offers a useful framework for understanding the diverse ways in which diaspora capital contributes to development (see Asquith and Opoku-Owusu, 2019).

- **Diaspora remittances:** Regular transfers to family members, mostly for consumption.
- **Diaspora philanthropy:** Charitable giving to community or national causes (e.g., health, education).
- **Diaspora direct investment (DDI):** Business investments in enterprises or startups in the home country.
- **Diaspora portfolio investment:** Purchase of financial instruments (e.g., diaspora bonds, real estate, stocks).

While these typologies are widely referenced in the migration and development literature, they have limitations. First, they risk oversimplifying the fluid and overlapping nature of diaspora engagement. Diasporas are heterogeneous, and thus many investors operate across multiple categories simultaneously, remitting funds to family while also investing in businesses or contributing to philanthropic causes. Second, typologies often assume a direct progression from emotional to economic engagement across generations, which may not hold in all contexts. For example, many second-generation diaspora members may exhibit strong identity-based investment motivation, rooted in cultural affinity or a sense of belonging rather than economic reasoning. In addition, several forms of diaspora engagements, in particular diaspora portfolio investment, remain underdeveloped or non-existent. Beyond remittances, reliable data on other financial flows or development contributions is often missing or fragmented, making it difficult to assess the full scope and impact of diaspora activities.

Moreover, these frameworks tend to minimise the role of structural constraints, such as access to financial instruments, regulatory barriers, and political instability, that shape how and whether diaspora can engage. Typologies that focus primarily on risk mask the institutional and infrastructural conditions that enable or inhibit investment. There is also limited attention to how gender, class and migration status intersect with these categories, potentially reinforcing exclusionary assumptions about who constitutes a diaspora investor.

However, understanding these typologies provides a useful foundation for analysing how different segments of the diaspora engage with investment opportunities. Building on this, the next section explores broader trends and emerging insights into diaspora investment behaviour, highlighting how these patterns are evolving in response to shifting economic, technological, and policy landscapes.

1.2 Diaspora Investment: Trends and Insights

Recent economic research suggests a positive long-run correlation between remittances and financial development in the top recipient countries in Sub-Saharan Africa (Donou-Adonsou, Pradham, and Basnet, 2020, p. 5818). This shift comes at a critical time, as rising financial demands, coupled with declines in development assistance, could compel diaspora finance to take on a larger role in driving development. African Development Bank researchers Seliatou Kayode-Anglade and Nana Spio-Garbrah noted that financing development through aid and loans from the Global North has already begun to change "by default and design" (Kayode-Anglade and Spio-Garbrah, 2012, p. 10) in the wake of economic shocks such as the 2008 global financial crisis. More recent crises, such as the COVID-19 pandemic, have led donor countries to continue shifting their resources internally, underscoring the need for recipient countries to develop and encourage new avenues for development funding, including diaspora finance. A 2019 study published by GK Partners as part of the African Diaspora Finance Corporation Initiative found that, based on conservative estimates, annual African migrant savings amount to \$33.7 billion: an average savings rate of \$1,980 per migrant for 17 million African migrants outside the continent (Faal, 2019, p. 6). Notably, this figure excludes multigenerational members of the diaspora, suggesting that the total pool of investable savings is significantly larger. These insights reinforce the rationale for creating structured and regulated African diaspora investment vehicles.

However, across all four countries, Ghana, Kenya, Uganda and Nigeria, the literature shows consistent growth in remittances but divergent patterns in the scale, structure and regulatory environment of diaspora engagement. Strengthening cross-country analysis requires highlighting these contrasts more explicitly.

1.2.1. Trends and Insights: Ghana

Between two and four million Ghanaians are currently living outside of Ghana, with 70 per cent residing in Nigeria, Côte d'Ivoire, Burkina Faso, and Togo (Green Investment Opportunities, 2021, 3). However, this number is, at best, a rough and conservative estimate. Official figures tracking the African diaspora are limited to

regular and documented migrants, typically focusing on first-generation migrants. For instance, Germany’s Central Register of Foreigners does not include irregular or highly mobile migrants who are not registered. Regardless of their registration status, Ghanaians tend to cluster in major cities, where networks of their fellow diaspora communities provide access to housing, jobs, and social amenities (Green Investment Opportunities, 2021, 6), connections that are especially helpful for new arrivals. These informal information systems operate in parallel to the mainstream service provision systems in the countries where they settle.

Ghana received over \$4 billion in remittances in 2023, accounting for approximately 6 per cent of the nation’s GDP, according to the Bank of Ghana, and making it the second-largest recipient of personal remittances in sub-Saharan Africa that year (Stanbic Bank, 2024). In contrast, Ghana’s inflows declined by 10.4 per cent year-on-year in 2023, totalling \$1.35 billion (Lloyds Bank Trade, 2025).

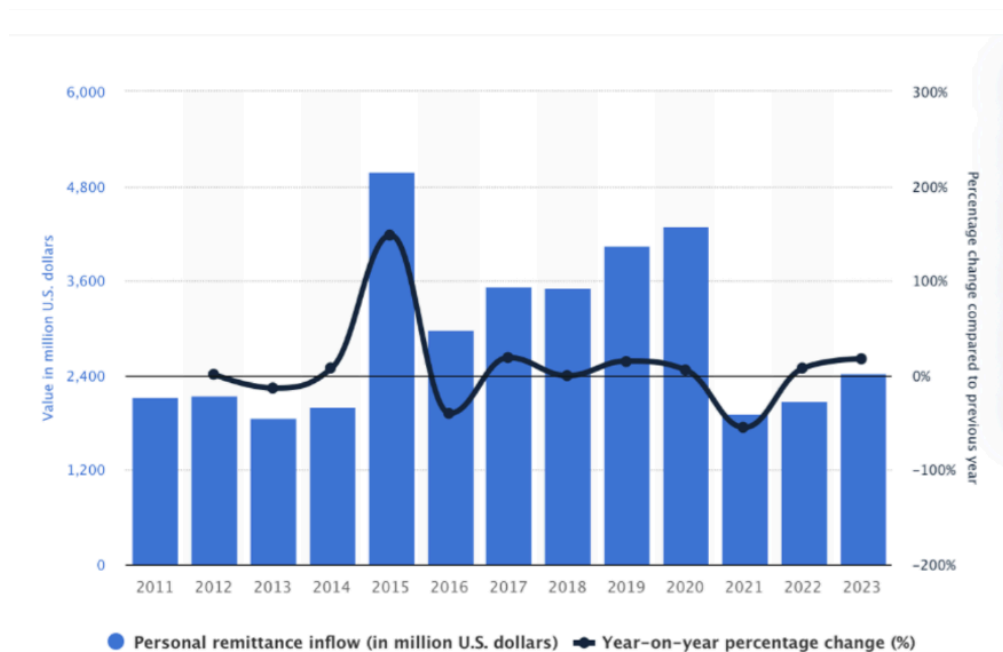


Figure 1: Remittance Inflow to Ghana from 2011 to 2022 (Stanbic Bank, 2024)

Many Ghanaians in the diaspora call countries such as Nigeria, the United States, the Netherlands, Germany, and the United Kingdom home. Nearly 200,000 Ghanaians reside in the United States (EUDiF, 2023, 1). As of 2023, record numbers of Ghanaian students are choosing to study in the United States for their undergraduate and postgraduate degrees. In the 2022-2023 academic year, over 6,000 Ghanaian students pursued degrees in the United States (U.S.), a 31 per cent increase from the prior academic year, making Ghana one of the top 25 countries sending students to the United States (U.S. Mission Ghana, 2023).

In the Netherlands, there are over 20,000 Ghanaians in the diaspora, comprising more than 60 per cent first-generation and over 30 per cent second-generation immigrants, who hold both Ghanaian and Dutch nationality (Green Investment Opportunities, 2021, 6). The Ghanaian community in the Netherlands is primarily based in major cities, including Amsterdam, The Hague, Almere, and Rotterdam. It is supported by networks of hundreds of Ghanaian organisations, including religious, professional, and media groups. In Germany, 40.2 per cent of the Ghanaian population is between 25 and 45 years old, one-third (33 per cent) is between 45 and 65, and one-fifth (20.4 per cent) is under 20 (GIZ, 2015, 12). While the proportion of male and female members of the diaspora is roughly even (49.5 per cent women, 50.5 per cent men), there is a higher proportion of male Ghanaians between 20 and 25 (61.3 per cent) and at pensioner age (above 65 to 96—78.9 per cent) (GIZ, 2015, 12). In the United Kingdom, there are approximately 113,000 Ghanaians (Office for National Statistics, 2022) and hundreds of Ghanaian associations consisting of charities, volunteer organisations, hometown associations, churches, and NGOs, all of which are further organised by ethnic, professional, regional, cultural, religious, and even gender-based categories (Green Investment Opportunities, 2021, 10). These numbers are conservative estimates based on registered diaspora members, often overlooking the thousands of second-generation (and beyond) individuals with Ghanaian heritage.

Regarding income, GIZ's analysis of Ghanaians in Germany found that the majority of Ghanaians comprise "low-skilled or unskilled migrants" (GIZ, 2015, p. 13). However, this analysis does not capture self-employed professionals or freelancers and overlooks the nuances of the original skills these migrants may have acquired in Ghana. As with data on total diaspora members, income figures do not capture the second generation (and beyond). Essentially, the statistics reflect only the occupations that primarily first-generation migrants last used. For instance, a Ghanaian medical practitioner who moves to Germany and begins work as a warehouse associate or cleaner would not be registered as a medical practitioner unless they start work in that field in Germany. While studies from the early 2000s indicated that around 30 per cent of Ghanaian migrants in Germany have annual incomes of less than €10,000 (GIZ, 2015, p. 13), more recent income data points are scarce.

With those potentially lower income levels as a reference point, Ghanaians in the diaspora based in Germany do not have a significant surplus of capital available for investment. Despite this, many Ghanaian migrants send nearly €2,000 in remittances to Ghana each year, in addition to school fees (Green Investment Opportunities, 2021, 8). These payments make valuable contributions to development projects in the country, including critical infrastructure improvements, school and clinic construction, real estate purchases, and start-up capital for new businesses.

1.2.2. Trends and Insights: Ghana Case Study (WIDU.africa)

WIDU.africa is a project commissioned by the German Ministry for Economic Cooperation and Development (BMZ) and implemented by Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, which launched in Ghana in 2019. The project pairs small cash gifts from the diaspora with matching grants and coaching to transform household-level remittances into capital for small and medium-sized enterprises. With digital workflows, milestone-based disbursement, and local coaches, there is accountability at every step, minimising misconduct while maximising trust and impact.

Since its launch in 2019, WIDU.africa has supported over 1,000 businesses, disbursed €2.56 million in grants, and mobilised €2.70 million in joint investments, all while maintaining and creating over 3,000 jobs (WIDU.africa) and facilitating over 11,500 coaching sessions (GIZ, 2024, p.7). A recent impact study of the project found that WIDU-supported businesses experienced increased employee numbers and improvements in self-assessed financial capability and business knowledge (WIDU, 2024, p. 2).

To illustrate these broader impacts more concretely, consider the following example. The WIDU.africa project connected a Ghanaian shoe workshop owner in Accra, Stephen Duah, with an economist based in Switzerland, Silas Amo-Agey. With the support of his WIDU funding, Stephen purchased new machinery for his workshop, enabling him to provide “80 per cent of the production process in his workshop” (GIZ, 2024, p. 18). This investment decreased his outsourcing costs, increased his production timeline, and supported his efforts to meet his customers’ tight deadlines. The WIDU funding and coaching also encouraged Stephen to prioritise accounting and to set up an investment account to support his business further.

WIDU.africa is a helpful example of a low-barrier-to-entry crowdfunding model that builds upon existing remittance patterns without requiring sophisticated financial instruments. The platform’s success in creating thousands of jobs showcases the transformative impact of diaspora contributions. A rigorous impact evaluation of WIDU’s work found that a higher share of WIDU-supported businesses experienced an increase in employees compared to the comparison group (55 per cent versus 42 per cent) and fewer observed a decrease (18 per cent versus 25 per cent) (WIDU, 2024, p. 27). Beyond increased access to quality jobs, the skills support provided through coaching was key to business survival. Furthermore, transitioning from grants to loans enabled businesses to sustain their long-term growth and development. After its successful pilot in Ghana and Cameroon, the project has since expanded to Ethiopia, Kenya, Togo, and Tunisia (WIDU, 2024, p. 5).

Building on the success of initiatives such as WIDU.africa, the UK is supporting diaspora-driven growth in Ghana through its new “London to Accra Economic Growth Campaign,” which focuses on strengthening ties between the UK and Ghana

(British High Commission Accra, 2025). The Mayor of London launched the campaign in July 2025 during a reception attended by senior officials, including the Mayor of Accra and Ghana's Director of Diaspora Affairs, as well as influential stakeholders, including Ghanaian entrepreneurs and investors. The campaign will culminate in an inaugural Diaspora Economic Growth Summit in January 2026 in Accra, marking a new tradition that highlights collaborative efforts supported by both countries.

1.2.3. Trends and Insights: Kenya

The Kenyan government has described its diaspora as a "key source of foreign exchange funds" (Beyene, 2015, p. 156). Although the total size of the diaspora is disputed, recent methodological changes have substantially increased the estimate. Recent surveys indicate that the diaspora community comprises over 4 million people (State Department for Diaspora Affairs, 2024, p. 11). Of those four million, hundreds of thousands of Kenyans in the diaspora are affiliated with a Kenyan diaspora organisation (Beyene, 2015, p. 156). As aforementioned, these numbers are often conservative estimates that do not include members of the diaspora in the second generation and beyond.

Four waves of migration shaped this community. First, from the 1950s to the 1960s, a small group of Kenyans emigrated to the United Kingdom (UK) and the United States (US), supported through scholarship programmes from international organisations, primarily to acquire skills in support of Kenya's independence (Sihma, 2025). Second, from the 1970s to the 1980s, immigration policies in the UK and the US underwent significant shifts, leading Kenyans to travel to India to pursue higher education abroad (Sihma, 2025). Third, from the 1990s to the early 2000s, Kenyans moved to other African countries and the Middle East (Sihma, 2025). Lastly, the fourth (contemporary) wave of migration is primarily characterised by the brain drain of trained doctors and nurses relocating to the US, UK, Canada, and Australia, or pursuing studies abroad without the intention of returning (Sihma, 2025). For example, in 2000, approximately 51 per cent of Kenyan physicians and 9 per cent of nurses were residents of OECD countries, primarily the UK, the US, and Canada (Jena, 2015, p. 10).

Kenyan remittances reached \$5 billion in 2024, a 20 per cent increase from 2023, exceeding combined inflows of foreign direct investment and official development assistance to the country (International Organization for Migration United Kingdom & FCDO, 2024). This increase is thanks to Kenya's innovative digital financial services such as mobile money.

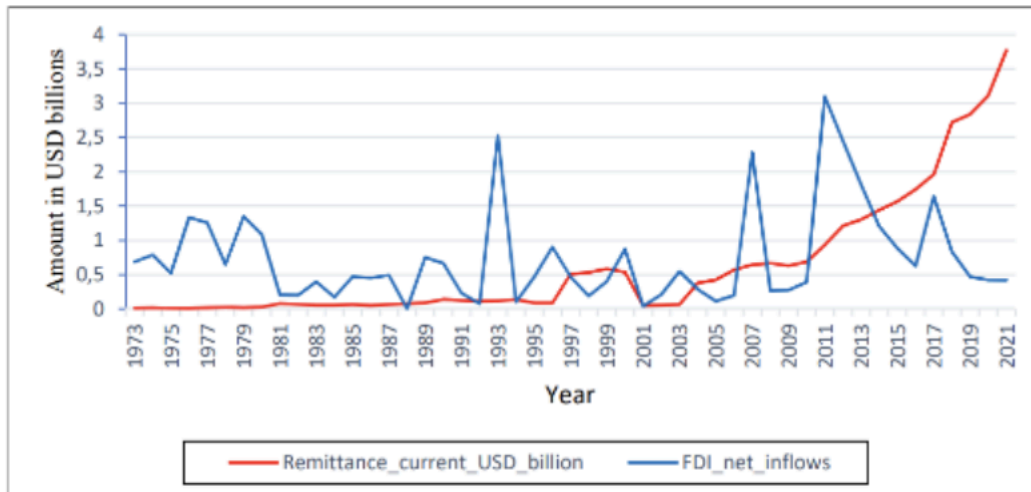


Figure 2: Diaspora Remittances and FDI for Kenya for the Period 1973 to 2021
(Mutai, Ibeh, Nguyen, Kiarie, & Ikamari, 2024)

As of 2025, only a fifth of the millions of Kenyans entering the workforce each year secure formal jobs (Ross and Martinez, 2025). Given these limited opportunities, it is unsurprising that many are seeking work abroad, a trend actively supported by government programmes. Over the past two years, Kenya’s government has facilitated the emigration of “over 200,000 workers in the past two years and aims to export 1 million per year for the next three years” (Ross and Martinez, 2025). This outward migration of skilled labour is reflected in the OECD’s 2013 data, which indicates that 42 per cent of Kenyan migrants are highly educated (Jena, 2015, p. 11).

The Kenyan diaspora is spread globally and has grown significantly since the government developed its Diaspora Policy in 2014 and adopted a new Foreign Service Act in 2021 (Kenya Diaspora Policy, 2024, p. 7). These policies aim to empower Kenyans abroad, revise and broaden the scope of tracking and registering the diaspora population and develop institutional frameworks to support foreign labour demand while decreasing youth unemployment. Through these efforts, Kenyan remittances have increased from approximately USD1.17 billion in 2012 to USD 4.19 billion in 2023 (Kenya Diaspora Policy, 2024, p. 7), representing a significant source of foreign exchange for the Kenyan economy.

1.2.4. Trends and Insights: Kenya Case Study (M-Akiba)

In 2017, Kenya launched M-Akiba, the world’s first mobile-only bond. Issued by the Kenyan government to fund development projects (Kenyan National Treasury, 2021), the bond aimed to democratise access to government securities by leveraging commonly used mobile money platforms such as M-Pesa. However, due to

lower-than-expected retail investor uptake, the bond was relaunched in 2019 (Cook and Osano, 2018). The initiative was also promoted to the Kenyan diaspora, although it primarily targeted domestic investors, highlighting a potential for future public-private crowdfunding initiatives to support national development. The bond offered an annual interest rate of 10 per cent, with tax-free interest income (M-Akiba FAQ, 2017).

The World Bank provided technical support to the Kenyan government in designing the system and processes for selling mobile treasury investments (FSD Africa, 2018). During the initial pilot launch in March 2017, 102,632 people registered interest, but only 5,692 investors purchased M-Akiba, indicating higher average purchases than the minimum (FSD Africa, 2018). Similarly, during the official launch in June 2017, over 300,000 people registered on the M-Akiba platform, but only 188,000 people purchased M-Akiba bonds, totalling roughly a quarter of the 1 billion in bonds available (FSD Africa, 2018). This lower-than-expected uptake is reported to be partially due to financial regulatory changes between the launch and national elections (including increased interest rates on savings), which distracted from advertising efforts (Cook and Osano, 2018).

Although the investment opportunity did not meet expectations, a post-issuance survey found that the product successfully attracted a new retail investment group to the market. For instance, 85 per cent of customers who purchase M-Akiba had never purchased a government bond (FSD Africa, 2018). However, this new investor base also struggled to understand the product and lacked adequate customer care or communication to explain details, such as how to complete their purchase after registering. Without adequate reminders after registration, 70 per cent of individuals who registered but did not purchase M-Akiba were unaware that the investment round was closing (FSD Africa, 2018).

Despite these problems, the lessons learned offer an opportunity to enhance future products in Kenya and beyond, and to replicate the innovative process in other African countries.

1.2.5. Trends and Insights: Uganda

Over the past decade, Uganda's remittance inflows have steadily increased, reaching USD1.42 billion in January 2024, a 13.4 per cent increase from 2023 (Sebuliba, 2025). Roughly 40 per cent of those remittances are from the United States or the United Kingdom, and 30 per cent are from the Middle East, particularly Saudi Arabia, the UAE, and Qatar, underscoring the spread of Uganda's diaspora population abroad (Sebuliba, 2025). These contributions are increasingly important in an aid environment where, as of April 2025, the US has proposed suspending its official development assistance (ODA) contributions to Uganda via USAID; the US accounts for 25 per cent of Uganda's ODA contributions and primarily supports Uganda's health sector (African Development Bank, 2025).

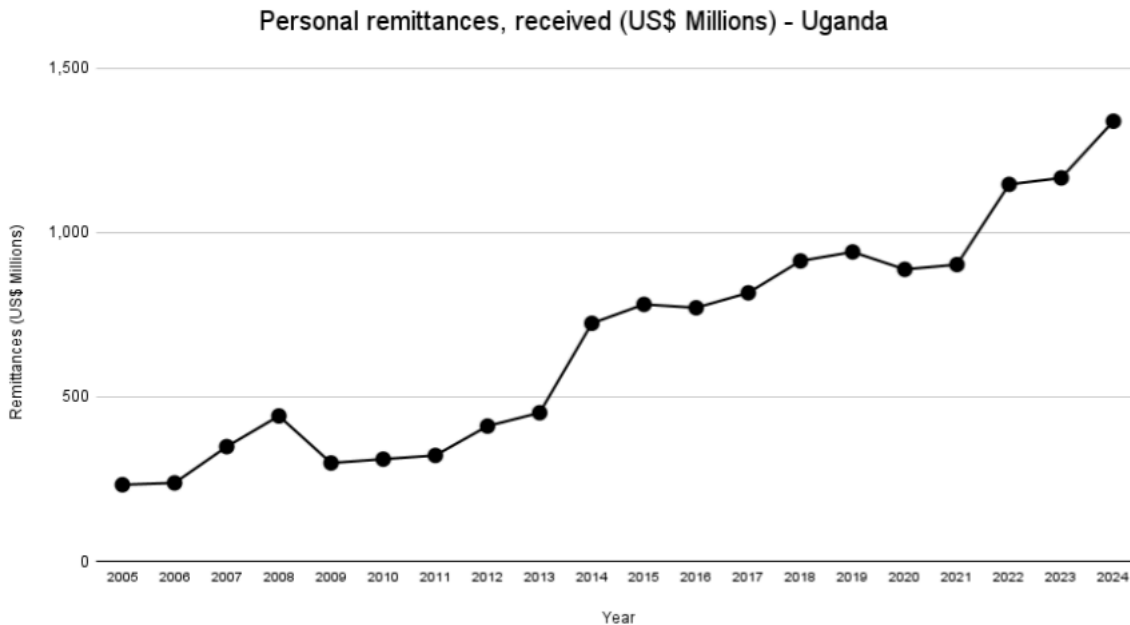


Figure 3: Personal Remittances, Received (US\$ Millions) (World Bank Open Data, 2025)

While highly skilled Ugandans in the diaspora remit large sums periodically, lower-wage workers send smaller amounts frequently. According to recent European Union Global Diaspora Facility statistics, emigrants account for 734,951 of Uganda’s population, with a gender split of 48.9 per cent male and 51.1 per cent female (Diaspora for Development, 2020, p. 1). Of this group, 13.5 per cent are based in the EU, with other significant destination countries including the United States, the United Kingdom, Rwanda, South Sudan, and Kenya.

To provide a qualitative glimpse into a subsection of the Ugandan diaspora, researchers Gyaviira Kisitu and Robert Stalone Buwule conducted a mixed-methods study of elite Ugandans living abroad in 2024. Among the 57 respondents, 58.9 per cent were aged 41-50 years old; the majority reported working in medicine or healthcare, followed by the Information and Communication Technology (ICT) industry and consultancy (Kisitu and Buwule, 2024, 119). While the study provided valuable insights, the limited sample size is not representative of the wider Ugandan diaspora. As such, the findings are best interpreted as illustrative of the highly educated and highly skilled Ugandan diaspora, who may be most receptive to diaspora-targeted investment opportunities.

In 2007, Uganda demonstrated its political will to support its diaspora by establishing the Department of Diaspora Affairs. This effort was further supported by the government’s 2013 work to draft a National Diaspora Policy. The policy was developed with support from the UNDP and other stakeholders to support its

diaspora population as part of its broader development agenda. The policy's primary objective was to encourage the diaspora's full participation in Uganda's national development. More recently, the country published its National Development III Plan (2020-2025), acknowledging the need to harness the diaspora's power and proposing strategies such as diaspora bonds and online treasury bills to encourage diaspora investment. This development plan is progressing within the context of Uganda Vision 2040, the country's vision statement for "A Transformed Ugandan Society from a Peasant to a Modern and Prosperous Country within 30 years" (Diaspora for Development, 2020, p. 2).

These government-level efforts are supported by diaspora-led initiatives, such as the Ugandan Diaspora Agribusiness Network (UDAN), which hosts group discussions, supports youth agribusiness through investments and skills development, and mobilises connections between diaspora agripreneurs and investors. The annual diaspora trade and investment expos hosted by the Uganda North America Association Convention and the Uganda Convention UK are also helpful avenues for the Ugandan diaspora to connect and invest in their community.

1.2.6. Trends and Insights: Uganda Case Study (UDAN)

In 2022, the Food and Agriculture Organisation of the United Nations (FAO) and the Ugandan government collaborated to launch UDAN and host a diaspora-youth agribusiness matchmaking conference in Kampala in July (FAO, 2022). The Network was a part of the FAO's broader strategy to mobilise diaspora networks and organisations to support development in their countries of heritage by investing their money, knowledge, and skills. The programmes linked to this strategy also supported alternatives to migration for rural youth while enhancing the positive impact of migration for agriculture and rural development.

UDAN is a member-based agribusiness network that connects members of the Ugandan diaspora with key stakeholders in migration and agriculture in Uganda. As of 2023, the Network consisted of 90 Ugandan Agripreneurs based in Africa, Europe, Japan, and the United States (FAO, 2023). UDAN is a valuable resource for addressing common bottlenecks in diaspora investments in agribusiness, including inadequate infrastructure, limited knowledge of investment opportunities, and poor coordination between Ugandans abroad and agricultural stakeholders. As the Head of the Diaspora Department at the Ministry of Foreign Affairs, Ambassador Johnny Muhindo, shared during the launch of UDAN, "*Linking Uganda's youth agripreneurs to current and potential diaspora investors will enhance knowledge sharing, business linkages, and investments in Uganda's agribusiness sector*" (FAO, 2022).

A recent FAO report highlighting the network noted that around 300 diaspora, public, and private stakeholders benefited from increased awareness and access to

information through the Uganda Diaspora Agrifood Conferences, held with support from UDAN and FAO (FAO, 2023). Furthermore, 80 participants attended their diaspora-youth matchmaking conference, while an additional 20 youth agripreneurs had their business profiles promoted through diaspora networks. Additionally, 95 returnees received training in financial management, taxation, business registration, or agribusiness, all of which were supported by the network (FAO, 2023). Among the participants, three were invited to present their experience in global and regional diaspora fora. FAO and UDAN provided avenues for Ugandan agribusiness owners to export their products to an international market, including to customers in the Ugandan diaspora. For example, through the diaspora-youth matching programme, a young Ugandan entrepreneur, Moreen Nyakato, secured an agreement to supply her dried vegetable products to a UK-based company led by a member of the Ugandan diaspora.

Complementing these efforts, the UK-Uganda Business Convention, recently renamed the UK-Africa Business Summit, provides a platform for hundreds of senior leaders, investors, policymakers, and entrepreneurs to explore opportunities across various sectors, including renewable energy and climate solutions, in Uganda and the wider East African region (UK-Africa Business Summit, 2025). The September 2025 summit marked the fifteenth year of the event. The summit included keynote speeches from government leaders and investors, project showcases, and investment forums that connected capital to promising African-led businesses. These successful partnerships, initiatives, and events provide functional proof of concept for facilitating collaborations between Ugandan business owners at home and abroad.

1.2.7. Trends and Insights: Nigeria

By population, Nigeria is Africa's largest country with around 230 million people and is on track to become the world's third most populous nation by 2050 (European Commission, 2025). There are an estimated 1,438,331 Nigerian-born emigrants globally, of whom 30.1 per cent (432,846) are based in the EU (Diaspora for Development, 2023, 1). This figure specifically refers to first-generation emigrants, individuals born in Nigeria who have since moved abroad, and does not include second- or third-generation Nigerians born outside the country. The gender split of the global emigrant population is roughly equal: 52.7 per cent women and 47.3 per cent men (Diaspora for Development, 2023, 1). The top destinations for Nigerian emigrants are the United States, the United Kingdom, Cameroon, Niger, and Benin.

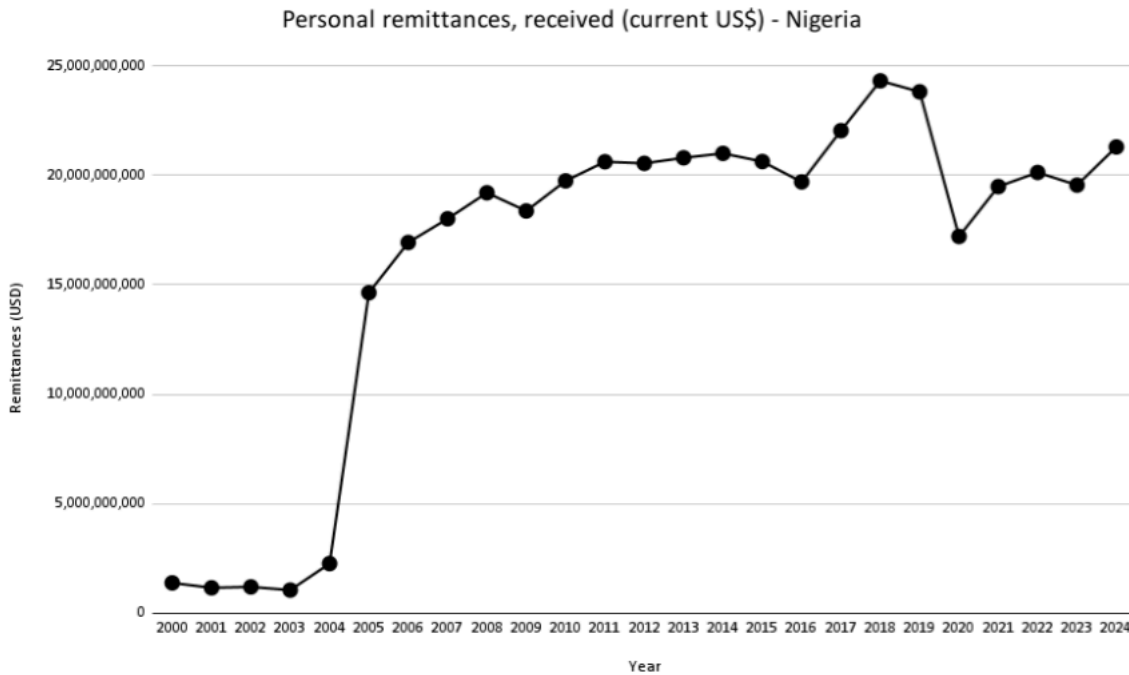


Figure 4: Personal Remittances, Received (Current US\$) - Nigeria (World Bank Open Data, 2025)

The Nigerian diaspora is also among the most financially sophisticated of the four countries studied, particularly in the United Kingdom, where Nigerian-heritage residents have high levels of educational attainment and professional employment. This translates into strong investment capacity and familiarity with structured financial products. However, this sophistication is paired with heightened expectations around governance, regulatory oversight, and institutional credibility. Klls and survey responses indicate that Nigerian diaspora investors are especially sensitive to political risk, currency volatility, and concerns about fund misuse. These factors significantly shape their willingness to engage with crowdfunding platforms, particularly those operating under robust regulatory oversight. These dynamics make trust-building, FCA-regulated platforms, and transparent reporting particularly important for mobilising Nigerian diaspora capital for energy access.

In 2017, the country’s Federal Ministry of Foreign Affairs established the Nigerian in Diaspora Commission (NiDCOM) to coordinate national diaspora engagement work, including a diaspora mapping project. This mapping project would build on existing work by the voluntary Global Database of Nigerians in the Diaspora (GDND), launched in 2009. Following the establishment of the commission, Nigeria’s National Diaspora Policy, introduced in 2021, recognised the diaspora as fundamental to national development and outlined strategies to improve diaspora engagement in trade and investment, tourism and culture, infrastructure, and a wide range of other

areas. In the same year, Nigeria published its National Development Plan, focused on stimulating economic growth and development with the support of the skilled diaspora community. In the years ahead, NiDCOM intends to re-launch Nigerian diaspora bonds in collaboration with the national Debt Management Office, present Diaspora Champions, and Awards to members of the diaspora to encourage their ambassadorial work, amend electoral laws to increase voting rights for Nigerians abroad, and build a diaspora city in Abuja with over 17,000 housing units (Diaspora for Development, 2023, p. 3).

Although efforts have been made to support diaspora engagement, Nigeria's diaspora population faces many challenges to engaging with the country, including limited voting rights (despite the country's allowance of dual citizenship), exorbitant remittance costs, and a lack of reintegration structures for Nigerians who return to the country (Diaspora for Development, 2023, p. 2). Beyond intellectual contributions, the plan also highlighted opportunities for the diaspora to support Nigerian brands, enable Nigerian enterprises to enter new markets, and formalise pathways for exporting services.

Nigeria hosts several regular events to support its diaspora investor community, including the annual Nigeria Diaspora Investment Summit, organised through NiDCOM, and Spotlight Nigeria. Beyond investment-focused gatherings, cultural movements such as the Detty December initiative have increased diaspora tourism and economic engagement. These events connect diaspora investors with networking and investment opportunities in the country.

Recent data from the UK Office for National Statistics indicates that 68 per cent of migrants from Nigeria hold higher education qualifications (Office for National Statistics, 2023). This is aligned with a similar trend in the United States, where as 2015, Migration Policy Institute research indicated that a greater share of first and second generation Nigerians in the country earn undergraduate degrees compared to the U.S. population overall (37 per cent versus 20 per cent) and are more than twice as likely to have an advanced degree (29 per cent versus 11 per cent) (Migration Policy Institute, 2015, p. 1). The Nigerian diaspora in the U.S. is also more likely than the general population to work in professional or managerial occupations. However, despite these educational and professional advantages, there are only slight differences in median income (\$52,000 versus \$50,000) between the Nigerian diaspora and the general U.S. population (Migration Policy Institute, 2015, p. 1).

1.2.8. Trends and Insights: Nigeria Case Study (Diaspora Bond)

In 2017, the Nigerian government successfully targeted Nigerians abroad to contribute to the country's infrastructure development through diaspora bonds

(Diaspora for Development, 2023, p. 5). The process was coordinated by the National Debt Management Office (DMO), and the bond was offered through private banks and wealth managers, helping the government secure over USD300 million. Nigeria prepared for the launch for over four years, including two rounds of consultation with the Nigerian diaspora in the US and the UK, which resulted in the bond issuance amount being increased from USD100 million to USD300 million (Bolaji, 2022, p. 198). The government also worked with legal and financial advisers from the US Securities and Exchange Commission (SEC) and the UK Financial Conduct Authority (FCA). By complying with SEC and FCA regulations, Nigeria increased the bond's perceived credibility in the market. This regulatory compliance, coupled with anti-corruption efforts from former President Muhammadu Buhari, boosted investor confidence.

Ultimately, the bond was purchased by twenty-nine fund managers representing clients in the UK, US, Denmark, Ireland, Germany, Switzerland, France, Liechtenstein, Italy, and Japan (Bolaji, 2022, p. 198). However, critics within the Nigerian diaspora community have noted that the bond's subscribers were not necessarily of Nigerian origin due to FCA and SEC regulations "prohibiting the marketing of non-mainstream pooled investments to retail clients" (Bolaji, 2022, p. 200). Furthermore, the minimum bond investment value of USD2,000 was close to the average amount Nigerians in the diaspora send home yearly, aligning with a potential constraint that the diaspora is likely to purchase bonds sold in small denominations (Bolaji, 2022, p. 201). Leveraging diaspora savings for investment is a long-term process that depends on various factors, including managing currency volatility, providing stable interest payments, and creating practical tools to engage with the diaspora (Bouzerb, Khoualed, and Almi, 2024, p.162)

The Nigerian government successfully utilised its diaspora bonds to secure development finance, despite the high issuance costs of USD4.4 million (Bouzerb, Khoualed, and Almi, 2024, p. 161) and the challenges it faced in marketing the instrument to the diaspora and in mapping its diaspora population. This success underscores the need to overcome challenges related to developing innovative diaspora finance instruments to mobilise and maximise diaspora contributions to their countries of heritage.

Recent research has highlighted a strong link between remittances and financial development in leading Sub-Saharan African countries, underscoring the importance of diaspora finance as traditional aid declines. The examples and case studies presented in this section showcase successful models for channelling diaspora funds into development projects, underscoring the growing importance of diaspora contributions to African development, supported by innovative financial tools and government initiatives. Building on this, the next section explores energy access in Africa and the existing crowdfunding landscape, underscoring the sector's challenges and opportunities.

1.3 Crowdfunding for Energy Projects

1.3.1. State of energy access and investment needs in Africa

Access to modern energy remains one of Africa's most difficult and long-standing development challenges, as outlined in the introduction. Despite global efforts to promote sustainable development, around 600 million people in Africa still lack access to electricity, and approximately 900 million rely on traditional biomass, mainly wood, for cooking (African Energy Portal, 2023). These figures not only highlight the scale of energy poverty on the continent but also reflect the growing energy divide between the Global North and Global South.

At the core of Africa's energy issue lies a systemic lack of investment. The *Sevilla Commitment*, adopted at the Fourth International Conference on Financing for Development (FFD4) in Sevilla, Spain, explicitly acknowledged the \$4 trillion annual financing shortfall needed to achieve the Sustainable Development Goals (SDGs) in developing countries (UN, 2025). Structural barriers continue to obstruct progress, as highlighted by the African Energy Portal (2023), including high financing costs, inadequate infrastructure, weak institutional frameworks and fragmented energy policies. These factors collectively deter both domestic and foreign investment in energy infrastructure. According to the International Energy Agency (IEA, 2023), Africa accounts for about 20 per cent of the global population, yet receives less than 2 per cent of global clean energy investment. This imbalance between demographic significance and financial flows reflects deep geopolitical inequities in the distribution of climate finance.

To achieve universal access to modern energy and fulfil its Nationally Determined Contributions (NDCs), the IEA estimates that annual energy investments must more than double, reaching USD \$200 billion by 2030. This includes USD \$28 billion per year for electricity access, broken down into USD \$13 billion for mini-grid systems, USD \$7.5 billion for grid extension, and USD \$6.5 billion for off-grid solar and clean cooking solutions (AEP, 2023).

The paradox remains in that Africa possesses some of the best solar and wind resources globally, but accounts for just 1 per cent of global installed renewable energy capacity and only 2 per cent of clean energy spending (Chu, Adeoye, and Smyth, 2024). Investment costs vary significantly across the continent, with energy project financing costs in East and West Africa being substantially higher than in North Africa, where stronger infrastructure and closer ties to European capital markets provide a more favourable investment environment. These disparities exacerbate inequalities between Africa and the rest of the world, limiting the scalability of renewable energy solutions in regions that need them most.

The literature suggests that Africa's energy crisis is not due to a lack of natural resources or technology, but rather to a persistent shortfall in equitable and sustained investment. Closing the energy access gap and developing climate-resilient energy systems will require coordinated action from African governments, development partners, and private investors. However, a key challenge lies in the disconnect between development finance and private capital, two financing streams that must be better aligned to unlock scalable funding for distributed energy solutions. Programmes such as REEEP's Beyond the Grid Fund for Africa (BGFA), Energise Africa, and Sida-supported guarantees illustrate the potential of results-based financing and crowd-investment models, yet they remain limited in scale. Commercial ventures like M-KOPA and d.light have reached millions through pay-as-you-go solar but continue to face capital constraints that hinder expansion. Addressing this gap will require more integrated financial instruments, robust risk-sharing mechanisms, and enabling regulatory environments to attract long-term private investment. Findings from several studies on this topic suggest that key priorities should include innovative financial models, risk mitigation strategies, and institutional reforms to unlock the continent's full energy potential (IEA, 2023 and AfDB, 2024).

1.3.2. Rise of Debt-Based Crowdfunding in the Energy Sector

Academic research (Candelise, 2015 and Bonzanini et al., 2016), development finance institutions (World Bank, 2013 and AfDB, 2023), and platform-level analyses (IEA, 2023; AEP, 2021) point to the growing use of debt-based crowdfunding as a financing mechanism for energy access projects in developing countries, particularly in Africa. This trend reflects the characteristics of infrastructure-style renewable energy projects such as off-grid solar home systems, mini-grids, and commercial and industrial (C&I) solar installations, which generate relatively predictable cash flows and are therefore well suited to debt financing (von Ritter and Black-Layne, 2013).

Platform experience further illustrates this pattern. In 2018, the Swedish crowdfunding platform TRINE partnered with BBOXX to launch an off-grid solar initiative in Kenya and Rwanda, raising over €7 million from retail investors. The campaign offered a nominal interest rate of 6.75 per cent on investments of up to €1,000. It reached thousands of households, demonstrating the potential scalability of debt-based crowdfunding models in underserved energy markets (GOGLA Annual Report, 2018).

More recently, the African Development Bank (AfDB, 2023) has highlighted the increasing role of blended finance structures, including debt-based crowdfunding, in helping to close Africa's estimated USD 30–60 billion annual energy investment gap. Together, this literature suggests that debt instruments have become the dominant crowdfunding model for energy access, driven primarily by project finance

considerations and platform design choices rather than end-investor preferences. However, as explored in the empirical sections of this study, diaspora investor preferences do not always align with the supply-side dominance of debt-based models, suggesting a potential mismatch between prevailing platform designs and diaspora investment motivations.

1.3.3. Regional Distribution of Debt Crowdfunding for Energy Projects

East African countries like Kenya, Uganda and Tanzania are leading in debt-based crowdfunding for energy access, with platforms like TRINE playing a prominent role. Supported projects include off-grid solar home systems, mini-grids and Pay-As-You-Go (PAYG) solar installations, which are well-suited to rural and peri-rural contexts. The Bettervest platform has also funded initiatives in the region, complementing the local crowdfunding ecosystem by channelling international capital towards community-based energy solutions. While these platforms demonstrate the operational viability of debt-based crowdfunding, they also reflect a model largely oriented toward institutional and retail investors in destination markets, rather than explicitly engaging diaspora communities as a distinct investor segment.

In West Africa, particularly Ghana and Senegal, an emerging solar market is driven by the growth of solar SMEs and community solar initiatives. While crowdfunding platforms are less established here than in East Africa, interest in debt-based crowdfunding is growing. For example, TRINE began expanding its presence in the region, partnering with companies such as Daystar Power to support solar installations in Ghana, Nigeria, Togo, and Senegal (Smart Energy International, 2019). The relative absence of established crowdfunding platforms in West Africa further underscores the gap between growing diaspora investment interest and the limited availability of diaspora-aligned investment vehicles.

Southern African countries such as Zambia and Malawi have adopted PAYG solar systems and rural mini-grid projects to improve energy access (World Bank, 2025).¹ However, the crowdfunding landscape in this region remains relatively underdeveloped compared to East and West Africa. Recent studies suggest that debt-based crowdfunding is gaining traction as a financing mechanism to support rural energy access. In Zambia, for example, PAYGO solar and cookstove initiatives launched under the Beyond the Grid Fund for Africa (BGFA) demonstrate the potential of result-based financing to drive off-grid energy markets. Yet diaspora capital was notably absent from the programme's design, thereby missing an opportunity to leverage transnational financing flows. This highlights a missed opportunity to integrate diaspora investment into result-based financing models, particularly to address early-stage capital gaps and strengthen community ownership.

1.3.4. Success Factors in Energy Crowdfunding

There are many different crowdfunding models, each with different regulatory implications depending on the country and its financial framework. Some are governed through financial services legislation, while others operate informally or remain largely unregulated. For example, in Ghana, donations and reward-based models are regulated by the Bank of Ghana under Acts 930 and 987. In contrast, equity and debt crowdfunding require approval from the Securities and Exchange Commission. Nigeria has established a regulatory oversight for equity crowdfunding through its Securities and Exchange Commission, while in Senegal, crowdfunding is largely unregulated, though diaspora engagement is strong but informal. In Benin, regulation is still evolving, with research indicating ongoing institutional development (EUDiF and AFFORD, 2025).

Crowdfunding approaches generally fall under four categories: donation-based (supporter give funds with no expectation of return, commonly used for charitable causes), reward-based (backers receive non-financial rewards like access to a product or service), equity-based (investors receive shares in the business in exchange for their contributions), and debt-based, also known as crowdlending, where contributors are repaid with interest over time.

Several studies identify key factors that influence the success of crowdfunding campaigns, many of which apply to the energy sector despite the limited sector-specific research. Clear communication is a recurring theme. Mollick (2014) highlights the importance of transparent messaging, while Mukherjee et al. (2024) find that campaigns with strong marketing strategies, media coverage, and well-framed messages are more likely to succeed. Menyeh and Acheampong (2024) further emphasise the role of persuasion theory, particularly the Elaboration Likelihood Model (ELM), which shows how a funder's motivation and ability to influence whether rational arguments or emotional appeals drive campaign success.

However, much of this literature often treats success factors as universally applicable, without fully accounting for the nuances of context, especially in Sub-Saharan Africa, which is under-researched. For example, while emotional storytelling is often cited as a strength, it may not resonate equally across diaspora groups or investor profiles, particularly when trust in digital platforms is low or when diaspora investors prioritise due diligence over narrative appeal.

In the context of crowdlending for renewable energy, Ben Slimane and Rousseau (2020) identify success factors specific to environmental campaigns that differ from those of the reward-based models discussed by Böckel, Hörisch, and Tenner (2020). Yet, these distinctions are often underexplored, and there is limited analysis of how environmental values intersect with financial expectations. Similarly, while social networks and diaspora engagement are widely acknowledged as enablers (Menyeh & Acheampong, 2024), there is little discussion of how these networks may also

reinforce exclusion, privileging those with access to capital, information, and elite associations.

Reward-based platforms like Indiegogo show that branding, storytelling, and visuals increase donor trust. Bonzanini et al. (2016) found that early fundraising momentum increases overall success. However, this raised questions about equity and visibility, as campaigns with access to influential networks or media exposure are more likely to gain early traction, potentially overshadowing equally viable, less visible initiatives. Moreover, smaller, targeted funding goals and realistic returns are often associated with higher success rates (Mollick, 2014). This may inadvertently discourage ambition and innovation in high-impact but capital-intensive projects.

Donation and reward-based models are especially effective during early stages of renewable and sustainable energy projects, as they appeal to supporters with non-financial, altruistic motivations (Law & Law, 2016). Adhami et al. (2017) link this success to local trust, environmental performance, and perceived benefits for community well-being. However, there is limited evidence on whether these early successes translate into long-term sustainability or scalability.

General factors such as low minimum investment, high returns, a clear plan, and alignment with social or nonprofit goals are frequently cited (Jovanovic, 2018), but Jaki, Csepy, and Kovács (2022) found that only 41 of 106 proposed success factors were confirmed across multiple studies. This highlights the complexity of measuring success and the need to apply more context to research.

Ultimately, while the literature provides useful insights, it often focuses on campaign-level characteristics and underexplores structural and institutional conditions, such as platform governance, regulatory frameworks, and investor protections, that shape outcomes. For diaspora investors, it is safe to argue that trust, transparency, and alignment with identity and impact goals are essential. Still, these must be supported by an enabling ecosystem that promotes inclusive, accountable, and scalable crowdfunding practices.

1.3.5. Risks and Barriers to Crowdfunding

Despite the growing relevance of debt crowdfunding in Africa, several barriers and risks constrain its full potential. One of the most persistent challenges is regulatory uncertainty. Many African countries lack clear or harmonised legal frameworks, leaving both investors and platforms without adequate protection or operational guidance (Energy4Impact, 2020). Policy fragmentation further exacerbates this issue. As highlighted by the African Development Bank (2016) and Soni and Kawahara (2020), regulatory inconsistencies can deter participation, with one study attributing up to 44 per cent of all identified barriers to policy-related issues (Bukari et al., 2021, see Sesan 2024).

In addition, crowdfunding campaigns often suffer from inconsistencies in information. Project developers frequently struggle to provide standardised, bankable data, which undermines investors' confidence and limits the scalability of campaigns (Candelise, 2015 and Bonzanini et al., 2016). Financial risks, such as high capital costs, repayment uncertainty, and currency exchange fluctuations, further deter participation, particularly among European investors financing African borrowers (IEA, 2023 and AfDB, 2023). These risks are not just technical; they reflect deep structural imbalances in global finances that disproportionately affect African borrowers.

The market dominance of European platforms such as TRINE and Bettervest also raises important questions about ownership and agency. While these platforms have helped mobilise capital (Energy4Impact, 2021), their prominence highlights the underdeveloped nature of Africa-led crowdfunding ecosystems. This imbalance risks reinforcing dependency on external actors and limiting the emergence of locally rooted context-relevant financing models. Without deliberate efforts to build African platforms that reflect local realities and investor profiles, the sector may replicate the very asymmetries it seeks to address.

Infrastructure gaps in rural areas further restrict both campaigns' reach and the reliability of repayment mechanisms (GSMA, 2023), and many local energy SMEs lack the technical and financial capacity to meet the standards of international crowdfunding platforms (Energy4Impact, 2020 and World Bank, 2020). This creates a structural misalignment between the supply of viable projects and the expectations of global investors.

The EUDiF and AFFORD (2025) study identifies a range of structural and operational challenges impacting the crowdfunding ecosystem across Senegal, Nigeria, Ghana and Benin. In Senegal, barriers such as the lack of electronic signature infrastructure, complex property transfer processes, and limitations on cross-border transactions in CFA currency underscore the need for regional collaboration and streamlined financial systems. Meanwhile, Benin's evolving regulatory framework shows the need for clearer policies and platform licensing to boost trust and investor confidence.

Fraud prevention and data security also emerged as a key concern. Across all countries, fears of misuse of personal data and of stolen cards have undermined trust in digital finance. AFFORD's targeted training addresses some of these vulnerabilities, but broader efforts to authenticate campaigns and eliminate fraudulent activity remain essential for sustaining user engagement and platform legitimacy. Nigerian investors are extremely cautious, often citing early-stage investment risks and limited exit strategies as a further deterrent.

In Ghana, bureaucratic complexities and strict authorisation requirements, often demanding international presence, are major barriers for platform operators. Interviews reveal that many stakeholders in both the public and private sectors lack understanding of crowdfunding, limiting its growth potential. Simplifying approval

systems and raising awareness could unlock participation by local entrepreneurs and investors, fostering an inclusive and functional crowdfunding ecosystem across regions.

Taken together, these barriers reveal a complex interplay among regulatory, financial, infrastructure, and capacity-related constraints. Yet much of the literature tends to treat these challenges in isolation, rather than examining how they intersect and reinforce one another. Addressing them will require more than technical fixes as it demands coordinated policy reform, long-term capacity building, and the intentional development of African-owned platforms that can anchor a more inclusive and resilient crowdfunding ecosystem. Ultimately, overcoming these interconnected barriers will be central to unlocking the transformative potential of crowdfunding as a driver of innovations, entrepreneurship and economic inclusion in Africa.

1.4 The Intersection Between Diaspora Investing and Energy Crowdfunding

The intersection of diaspora investing and energy crowdfunding represents a growing yet underexplored avenue for financing sustainable development across Africa. This section of the literature review examines three key areas of this nexus. First, it reviews existing initiatives and platforms that engage diaspora investors for energy projects, including mechanisms such as crowdfunding and diaspora bonds. Second, it assesses the investment appetite within diaspora communities for energy access and renewable solutions, drawing on recent empirical literature. Third, it contrasts the investment behaviours of diaspora investors with those of conventional crowdfunding backers. The objective of this section is to enhance understanding of how diaspora capital can be more effectively mobilised to support Africa's energy transition and development goals.

1.4.1. Existing Initiatives and Platforms Targeting Diaspora Investors for Energy

The table below outlines key initiatives and platforms that actively engage diaspora investors in the African energy sector. It shows a diverse and innovative range of approaches to mobilising capital for energy development in Africa. These initiatives combine financial instruments, regional focus, and engagement strategies to leverage the diaspora's financial resources and intellectual capital.

Table 1: Key Initiatives and Platforms for Diaspora Investors in the African Energy Sector

Platform / Initiative Name	Institution Type	Investment Model	Geographic Focus	Energy Sector	Diaspora Engagement Strategy
AFFORD / EUDiF	NGO/EU Programme	Crowdfunding and Crowdlending training	Ghana, Benin, Nigeria, Senegal	SMEs incl. energy	Capacity building & diaspora co-investment
AFFORD	NGO	Crowdlending	Ghana	Green Business	Training of diaspora investors
Lelapa Fund	Private Platform	Equity crowdfunding	Pan-Africa	Clean energy SMEs	Diaspora-targeted developer platform
Energise Africa	MFI-backed (Ethex and Lendahand)	Debt bonds	Sub-Saharan Africa	Off-grid solar, pico-solar	UK/EU diaspora via IFISA bonds
Simusolar (via Energise Africa)	MFI-backed SME	Debt crowdfunding	Tanzania	Solar irrigations and fishing light	Diaspora indirectly engaged via bond campaign
Green Currency / TVET+ Stakeholder Investors Platform (SIP)	NGO / blended finance	Debt repayment with fixed interest, equity stakes and managed-fund contribution crowdfunding	Somalia	Solar for schools, workshops, and water pumping	Diaspora funding + knowledge transfer
InAfrika	Private platform	Diaspora crowdfunding	South Africa, Ghana and Kenya	Infrastructure and sustainability projects, including energy	Market access for diaspora investors
Ethiopia Diaspora Investment Incentives	Government	Tax break and land access	Ethiopia	Renewable energy	Government-led diaspora investment promotion
President's African Diaspora Engagement (USA)	Government	Policy partnerships	Pan-African	Climate and energy	Diaspora investment facilitation
Smiling Through Light	Private social enterprise	PAYG solar distribution, reinvestment model	Sierra Leone	Household solar system	UK-based diaspora founder; profit reinvestment into women-led solar enterprises and community initiatives
Zuma Energy	Diaspora-founded startup	PAYG solar leasing	Malawi	Off-grid solar	Founded by the Malawian diaspora, combines tech innovation with local distribution

1.4.2. Assessment of Diaspora Appetite for Energy Investments

Many contemporary diasporas continue to maintain strong ties to their countries of origin, often engaging in development initiatives, philanthropy, and even political processes (Taal, 2016). Motivated by shared ancestry, language and cultural heritage, diaspora members frequently support their communities through financial and social contributions (Flanigan, 2017). For example, the Eritrean diaspora willingly contributed 2 per cent of their income tax to support the Eritrean state, viewing this as a civic duty (Koser, 2003). Similarly, the Senegalese diaspora in France financed development projects worth approximately €3.3 million (Plaza and Dilip 2011, p. 193), while diaspora-specific bank accounts in Cape Verde held over US\$ 530 million in 2013, significantly expanding access to credit for local businesses and consumers (Resende-Santos, 2015).

Remittances are the most widely studied form of diaspora contribution. In 2023, remittance flow to Africa was just over USD \$90 billion. These funds have played an important role in stabilising national economies, particularly in countries facing challenges such as food insecurity, drought, supply chain disruptions, flooding and debt servicing pressure. In countries like The Gambia, Lesotho, Comoros, Liberia and Cape Verde, remittances have surpassed both Overseas Development Assistance (ODA) and Foreign Direct Investment (FDI), becoming the main source of external finance. Beyond household consumption, remittances also support investments in health, education, and entrepreneurship, reflecting the socio-economic priorities of diaspora communities (Terrazas, 2010, Hammond, 2011 and Amagoh and Rahman, 2014).

Despite the breadth of diaspora engagement, investment in Africa's energy sector has received comparatively less scholarly attention. This study aims to fill that gap by exploring the growing interest and potential of diaspora involvement in energy access initiatives. Given Africa's significant energy access deficit and the rise of innovative financing tools, this is a timely opportunity to examine how diaspora capital could help bridge the continent's energy financing gap.

Although direct evidence remains limited, several initiatives suggest growing interest in investments in energy-related projects. For example, Ethiopia's "Renaissance Dam Bond", launched in 2011 to finance a major hydroelectric project, though largely unsuccessful in meeting its target, attracted considerable diaspora support, driven by a sense of national pride and energy sovereignty (Salia and Nyantaakyi, 2022). In addition, platforms such as Energise Africa, Lelapa Fund and Green Currency SIP are actively engaging diaspora investors through crowdfunding, debt bonds and equity models.

Understanding diaspora appetite for energy investment requires examining both motivations and constraints. A 2020 study of the Malian diaspora in France found

that members of the qualified diaspora could invest up to €5,000 in entrepreneurial projects, motivated by a desire for both social impact and financial returns. Community solidarity was a key driver, cited by 70 per cent of respondents (Investisseurs & Partenaires, 2024). However, major barriers included political instability (86.5 per cent) and the lack of accessible information on investment opportunities (92.9 per cent), aligning with the broader literature on diaspora investment challenges.

1.4.3. How Diaspora Investors Differ From Conventional Crowdfunding Backers

Diaspora investors and conventional crowdfunding backers differ in several important ways, including their motivations, relationships to the projects, investment structures, and desired outcomes. While this chapter treats diaspora investors as a single category for clarity and coherence, it's important to note that motivations and forms of engagement vary widely within this category. Some investors are first-generation with direct ties to their countries of origin, shaped by lived experience and personal relationships. Others are second-generation communities who engage through more modernised channels and evolving identity frameworks.

While there can be overlap, especially as diasporas increasingly engage with digital crowdfunding platforms, their priorities and approaches are generally distinct. Diaspora investors are believed to be influenced by a combination of emotional, social, and financial factors. Conventional backers are often guided by financial returns and risk assessment, as highlighted in much of the investment-based crowdfunding literature (Menyeh and Acheampong, 2024). The Theory of Planned Behaviour explains how attitudes and cultural background shape diaspora intentions to invest or share campaigns, while Trust Theory explains how diaspora investors place significant weight on project transparency, developer reputation and credibility (Menyeh and Acheampong, 2024, p. 3)

The nature of engagement also differs. Diaspora investors tend to have a deeper, more personal relationship with the projects they support. Organisations like AFFORD (African Foundation for Development) illustrate this well by facilitating diaspora contributions through local knowledge, networks, mentorship, and technical expertise. These investors often support initiatives through hometown associations or diaspora organisations. Crowdfunding backers, on the other hand, typically engage in a more transactional manner, with limited involvement beyond their initial contribution.

In terms of financial structure, diaspora investments are commonly channelled through remittances, direct investments, and diaspora bonds. These tend to involve larger sums and longer-term commitments than the smaller, short-term contributions characteristic of crowdfunding platforms like Kickstarter or GoFundMe. For example, diaspora investment initiatives, such as real estate, infrastructure, and renewable energy projects in Nigeria, Ghana, and Kenya, reflect a preference for longer-term, development-focused financial commitments.

Importantly, diaspora investors often prioritise social impact alongside financial returns. Their capital is frequently directed toward education, healthcare, infrastructure, or clean energy in their home countries. While crowdfunding backers may also support socially driven campaigns, their focus is often on deliverables rather than long-term development outcomes (Gerber, 2014). For example, a diaspora-led project with strong social impact is the “Diaspora Healthcare Professionals’ Medical Mission to Nigeria”, in which trained healthcare professionals abroad return periodically to provide free medical services, equipment, and training, demonstrating how diaspora engagement can generate sustained social impact.

In summary, diaspora investments tend to be more personal, long-term, impact-driven, and riskier than the more transactional, campaign-specific nature of conventional crowdfunding. Understanding these differences is critical to designing effective financial instruments that engage diaspora capital for development.

1.4.4. Case Study: Energise Africa and the Role of Blended Finance in Diaspora-Aligned Energy Crowdfunding

Energise Africa represents one of the most established examples of debt-based crowdfunding for clean energy operating across Sub-Saharan Africa. As a UK-based platform operating as an appointed representative of an FCA-authorized principal firm, it occupies a distinctive position within the African energy-finance ecosystem, combining retail investor participation with blended finance and development-oriented impact objectives (Energy4Impact, 2020).

Since its inception, the platform has mobilised approximately £47.7 million from UK retail investors for investment in solar and clean-energy enterprises across several African markets (Energise Africa, 2023). Although Energise Africa presents itself as sub-Saharan African in scope, its operational footprint varies by country. Publicly disclosed portfolio data indicate active investments in Kenya, Uganda, and Nigeria, with comparatively limited representation from Ghana (Energise Africa, 2023).

These markets are characterised by persistent electricity-access gaps and rapidly expanding off-grid solar sectors. Regional assessments consistently highlight significant investment shortfalls in decentralised and distributed renewable energy systems across Sub-Saharan Africa (International Energy Agency, 2023; African Development Bank, 2023). These structural financing constraints create space for alternative mechanisms, including regulated crowdfunding platforms, to channel capital to early-stage and growth-stage enterprises.

Energise Africa's model demonstrates how debt-based crowdfunding instruments can be adapted to contexts where enterprise cash flows, particularly in pay-as-you-go (PAYGO) and distributed-solar business models, are designed to be relatively predictable, yet access to affordable capital remains constrained. Investments are structured as fixed-term, interest-bearing debt instruments, many of which qualify for the UK's Innovative Finance ISA (IFISA), offering retail investors defined returns alongside measurable socio-environmental impact (Energy4Impact, 2020; Energise Africa, 2023).

Portfolio listings reveal a concentration of investments in sub-Saharan Africa, including. This distribution reflects broader regional issues regarding off-grid solar market maturity and enterprise-pipeline development, as documented in sector analyses (IEA, 2023).

Although the platform does not explicitly target diaspora investors, its UK-based retail investor base overlaps demographically with African diaspora communities. Academic and policy literature consistently identifies regulatory credibility, transparency, and investor protection as central determinants of cross-border retail participation in emerging-market investment opportunities (World Bank, 2019; OECD, 2020). Energise Africa's FCA regulatory status, disclosed due diligence processes and regular impact reporting (Energy4Impact, 2020) align closely with these institutional trust requirements.

Structural constraints nonetheless remain. Retail crowdfunding contributions are modest relative to institutional energy-finance flows (Energy4Impact, 2020), and currency volatility continues to shape risk exposure in African energy-investment markets (IEA, 2023). These characteristics reinforce the interpretation of diaspora-oriented energy crowdfunding as complementary rather than substitutive to development-finance institutions, public finance, and commercial capital. However, Energise Africa has partially bridged these constraints through blended-finance mechanisms, including results-based finance grants and match-funding partnerships with institutional actors such as CEI, as well as RBF-backed loan products designed to expand enterprise pipelines. These initiatives illustrate how retail capital can be

leveraged alongside concessional and institutional finance to enhance impact and reduce risk.

Overall, Energise Africa provides an empirically grounded example of how regulated, debt-based crowdfunding platforms across sub-Saharan Africa can mobilise retail capital for clean energy enterprises in markets linked to Ghana, Kenya, Nigeria, and Uganda. Its experience underscores a broader conclusion in the literature: institutional credibility, regulatory protection and transparent impact reporting are decisive in enabling cross-border retail investment in capital-intensive renewable-energy sectors.

1.5 Market Potential

Market potential is understood as the conditions under which diaspora investors might allocate part of their portfolios to energy crowdfunding rather than other established investment options. Africa has the potential to bypass traditional energy development avenues and embrace the renewables revolution for its electricity sector, as it did with mobile phones, with the help of its diaspora community. Through a combination of networks, skills, and capital, the diaspora can leverage its resources to integrate critical technological infrastructure across the continent. However, the commodity dependence that defines many pre- and post-colonial African countries, especially oil- and gas-producing countries, may create a challenge for balancing profit and environmental concerns. As African countries rapidly extract their natural resources to propel their economic growth, those activities are accompanied by resource degradation and environmental consequences that make sustainable development a challenge on the continent (Ngangnchi, Aquilas and Mbella, 2024, p. 8). To mitigate this challenge, environmental cost-benefit analysis must guide natural resource extraction and infrastructure development. Arrangements such as the African Continental Free Trade Agreement will play a critical role by facilitating economic integration and intra-regional trade with sustainability in mind. Global decarbonisation efforts do not need to become a “double jeopardy” (IOM, 2021, p. 27) for the continent, where Africa faces the risks of both climate change and penalties for insufficient decarbonisation efforts due to its mineral and manufacturing export activities.

As of 2021, the total addressable market for Productive Use Leveraging Solar Energy (PULSE) appliances in sub-Saharan Africa is USD \$11 billion, with the potential to increase production yields and efficiency by 5x or more (Green Investment Opportunities, 2021, p. 13). Unfortunately, even with government policies in place to promote energy efficiency, industries and institutions prioritising sustainability on the continent remain underdeveloped, partially due to funding

difficulties for renewable energy investments. To address these issues, increasing local and diaspora awareness and understanding of the benefits of sustainable development in their investments and in their business activities is key.

Among existing green initiatives on the continent, many are replicable investment models. For instance, the social sanitation enterprise WASHKing improves access to clean water and sanitation in Ghana. The company has built 100 toilets with plans to build more than 450 (Green Investment Opportunities, 2021, p. 36). Further, agribusinesses such as Complete Farmer, FarmerLine, and Grow for Me are focused on increasing farmers' profits across the continent. Their innovative platform, which provides digital IDs and financial recorders for farmers, is increasing the productivity of small-scale farmers through its information services and training (Green Investment Opportunities, 2021, p. 36). Other initiatives, such as Simplifi, are focused on increasing financial inclusion on the continent. The enterprise is a fee-free platform facilitating diaspora transactions by acting as a guarantor and providing access to microfinance loans that help locals start or grow businesses.

Many green economy initiatives and platforms target diaspora investors, and this focus is well-warranted. Ghanaians in the diaspora have reported that they would “rather reinvest their financial returns in Ghana than in their country of residence” (Green Investment Opportunities, 2021, p. 11). However, these initiatives are often “diverse, fragmented, and uncoordinated” (Green Investment Opportunities, 2021, p. 9), which limits diaspora awareness of them. As a result, the initiatives lack the visibility and impact needed to become competitive solutions to the prevalence of informal diaspora investments.

As mentioned in earlier sections, for many Africans in the diaspora, distrust in their home-country governments reduces their willingness to remit funds beyond direct payments to relatives, communities, or businesses (Bolaji, 2022, p. 205). This distrust is one of many differences in attitudes and motivations among contributing Africans in the diaspora. While some scholars' emphasis a "patriotic discount" (Gelb, McMahon and Perez Fernandez, 2021, p. 11) that makes the diaspora less likely to prioritise financial returns over the social and emotional ties they have to their home countries, their cultural knowledge often manifests as a "diaspora premium" (Gelb, McMahon and Perez Fernandez, 2021, p. 11). This premium results from the diaspora being critical and concerned about political, social, and environmental risks that may not be directly addressed in mainstream investment memoranda or presentations.

1.5.1. Market Potential: Youth

There are also generational differences to consider. Among second- and third-generation members of the diaspora, there is less emphasis on obligatory,

socially motivated contributions and a growing focus on investment opportunities associated with sending funds home (Green Investment Opportunities, 2021, p. 6). This underscores the importance of prioritising and mobilising African youth to promote development. In addition to financial motivations, cultural leaders such as Burna Boy and Fuse ODG have used their influence to shape youth perceptions of Africa. Fuse ODG recently partnered with the remittance platform PayAngel to launch the New Africa Growth and Relief Fund, linking diaspora engagement to development finance. Their platforms and global influence offer valuable reference points for effectively inspiring youth engagement within the diaspora.

Identifying and distinguishing among the contributions and attitudes of first-, second-, and third-generation diaspora members is critical to understanding the outcomes of diaspora finance efforts (Gevorkyan, 2021, p. 12). Some scholars argue that, beyond differences in attitudes and motivations, there are also significant differences in the number of contributions made. This finding aligns with the “remittance decay hypothesis” (Bolaji, 2022, p. 98): the idea that remittance levels will decline as first-generation immigrants in the diaspora leave the workforce. To maintain and promote youth diaspora investment, initiatives must develop attractive investment opportunities that compete effectively with opportunities abroad.

1.6 Data Gaps, Looking Ahead, and Considering Socio-Political Drawbacks

While diaspora crowdfunding presents an exciting opportunity for financing Africa’s development, it is not without challenges. Many African countries lack valuable data on their diaspora populations, including their locations, earnings, savings, and investment rates (Bolaji, 2022, p. 197). This problem is exacerbated by the diaspora’s heavy reliance on informal channels for remittance transfers. Despite recorded outflows totalling billions of dollars, the World Bank estimates that “unrecorded remittances in African countries account for more than half of total remittance inflows” (Ndikumana and Boyce, 2011, p.36).

These unrecorded exchanges often occur to avoid the high transfer fees prevalent in the formal banking system. Transferring money in Africa exceeds the global average by over 2 per cent—8.5 per cent in Africa compared to the 6.3 per cent global average (UN Policy Paper: Remittances in West Africa, 2024, p. 12). These numbers are nowhere near the SDG goal of 3 per cent (International Organization for Migration, United Kingdom & FCDO, 2024). They will be further challenged by recent US policies to tax remittances, which will increase costs and push more individuals to use informal channels. If transfer costs are not reduced and regulations governing diaspora contributions are not simplified, many recipients and distributors of diaspora funds will continue to prefer informal channels despite the risks (UN Policy Paper: Remittances in West Africa, 2024, p. 15).

Even transferring money among African countries is expensive. Sending remittances averages around 13 per cent, higher than the cost of receiving money from outside Africa. For example, as of 2022, sending money from Nigeria to Benin and Togo can cost more than 21 per cent of the transfer amount (UN Policy Paper: Remittances in West Africa, 2024, p. 13). Though some transfers are lower, notably transfers among countries in the West African Economic and Monetary Union (WAEMU), this is driven by the shared currency and a payment system standardised by the Central Bank of West African States (BCEAO) (UN Policy Paper: Remittances in West Africa, 2024, p. 14). The high costs underscore the challenges facing Africans on the continent and in the diaspora. However, signs of lower payments in the region indicate that lower costs are possible with innovation and institutional willpower.

Adopting digital solutions is limited by inconsistent internet penetration rates across the continent, a high prevalence of cash-based transactions, and risks related to cybersecurity and personal data safety. While countries like The Gambia have internet penetration rates above 60 per cent, in Nigeria the rate is only 15 per cent (UN Policy Paper: Remittances in West Africa, 2024, p. 16). Without consistent levels of technological infrastructure, attempts to leverage innovative technological solutions to reduce remittance costs and involve the diaspora in financing will be limited.

To overcome these challenges, African countries interested in leveraging the diaspora should embrace and expand financial inclusion across rural and urban communities, leverage the power and convenience of Mobile Money and digital payment systems, and create databases that consolidate diaspora initiatives, which would make it easier to connect willing members of the diaspora to scalable investment opportunities. These efforts will likely require targeting “non-traditional access points” (Kayode-Anglade and Spio-Garbrah, 2012, p. 8) such as cultural associations, hometown associations, social media websites or religious groups.

Diaspora-centred solutions to African development should not be considered without due regard for potential socio-economic frictions. Economist Beverley Mullings argues that financialising remittances has the potential to create “new forms of racial subjugation and dispossession” (Kunz, Maisenbacher and Paudel, 2022, p. 696) and replicate colonial dynamics through taxation and regulation. Academic Veronica Gago refers to this as expanded extractivism, essentially the tendency for international institutions, governments, and financial stakeholders to monitor and assess migrants, their social ties, and their financial activity (Smyth, 2022, p. 773).

Pursuing opportunities to financialise remittances also has the potential to shift the dynamics between diaspora and their home-country governments. The Liberian academic Robtel Neajai Pailey noted this in her writings about the relationship between the diaspora and the government in Liberia. As remittance levels increase, “the government comes to be equally beholden to the remitter, thus placing the remitter ‘above’ the state” (Pailey, 2021, p. 207), creating a “power geometry of

development" (Warnecke-Berger, 2022, p. 704) that is primarily dependent on controlling the flow of remittances. Given that non-resident nationals tend to favour and finance projects with a limited scope that are easy to monitor over expensive, but critical, infrastructure development (Gelb, McMahon and Perez Fernandez, 2021, p. 31), this dynamic can create a "Tyranny of Experts" (Frimpong Boamah, Osei and Yeboah, 2017, p. 563) favouring the ideas and insights of Western-educated Africans in the diaspora over a diverse representation of voices infusing local knowledge.

Though remittance contributions are often countercyclical and increase during medical emergencies and natural disasters, overall, migrants tend to remit funds when their foreign currency is significantly more valuable than their home currency (Donou-Adonsou, Pradhan, and Basnet, 2020, p. 5818). As a result, the benefits of remittance contributions become dependent on maintaining the structural inequalities that underpin the lower positions of "receiving economies in global currency hierarchies" (Warnecke-Berger, 2022, p. 704). These contributions can also exacerbate local racial, gender, and socioeconomic inequalities if remittance inflows are unequally distributed among recipient households.

1.7 Conclusion

As aforementioned, access to clean and reliable energy is critical for Africa's development, yet remains a challenge due to limited investment in renewable clean energy infrastructure and insufficient installed capacity. Without greater financial inclusion and widespread technological advancement, even innovative financing tools such as crowdfunding will remain underutilised.

The literature review has explored how diaspora investment, positioned at the intersection of philanthropy, identity and financial return, can play a more strategic role in financing Africa's energy transition. Diaspora engagement is shaped by complex motivations and personal networks that extend beyond economic considerations to include cultural ties, community solidarity and impact-driven goals. As such, diaspora capital is uniquely placed to support long-term, socially embedded energy projects, particularly those that conventional investors may overlook.

However, diaspora contributions are not a panacea. Overreliance on diaspora contributions risks perpetuating a new form of financial dependency, echoing the very dynamics Africa seeks to overcome as it transitions away from foreign aid and non-structural external support. Moreover, key barriers continue to constrain diaspora participation in energy investment, including high transaction costs, limited trust in domestic institutions, a lack of reliable data on diaspora populations and investable opportunities, and fragmented policy engagement.

Crowdfunding offers a promising opportunity to mobilise diaspora investment at scale, with lower entry barriers, and enable collective action. Yet its success relies on

an enabling environment characterised by coherent regulations, robust platforms, and mechanisms that foster trust, transparency, and accountability. To fully realise this potential, coordinated action is required across the public, private and community sectors. This includes investing in diaspora data systems, supporting African-owned crowdfunding platforms, creating targeted diaspora investment products and developing inclusive investment frameworks that account for generational, cultural and class differences within diaspora communities.

Ultimately, mobilising diaspora investment for clean energy is not just about unblocking capital; it is about redefining who participates in Africa's development and how. When designed intentionally, a diaspora-led financing model can move far beyond transactional remittances to support systemic, transformative change in Africa's energy landscape.

Collectively, the existing literature highlights both the potential and the barriers to mobilising diaspora capital, particularly regarding trust, policy, and effective diaspora engagement strategies. The following section draws on survey and interview findings to contextualise these themes within the report's primary data.

2. Methodology

This study employed a mixed-methods approach to examine the potential of energy crowdfunding as a viable framework for African diaspora investment in clean energy infrastructure across Ghana, Kenya, Nigeria, and Uganda. The methodology was designed to capture both quantitative trends and qualitative insights, providing a comprehensive understanding of diaspora investor behaviours, motivations, and barriers.

2.1 Data Collection Process

Data were collected over a defined period between August and November 2025, using a secure online survey platform and Key Informant Interviews (KIIs). The survey was initially planned for two weeks but was extended to accommodate broader outreach and improve participation. It ultimately ran for three months, yielding 366 responses. Distribution relied on targeted outreach and snowball sampling, leveraging diaspora associations, mailing lists and digital platforms such as WhatsApp and LinkedIn. While effective in reaching engaged participants, this approach may have skewed the sample toward more digitally connected, English-speaking, and educated diaspora members (see Limitations for further discussion of representativeness and sampling bias). Broader platforms such as Instagram and Facebook were considered but posed trade-offs in moderation and targeting. KIIs were conducted on the telephone in November 2025, with informed consent obtained from all participants. All participation was voluntary and anonymised, except where participants provided email addresses for the prize draw. Data were stored securely in full compliance with data protection regulations.

2.2 Online Survey Design

A structured online survey was developed to collect detailed data on diaspora investor intentions, platform preferences, and perceptions of energy crowdfunding. It included closed-ended and multiple-choice questions, which resulted in some percentage totals exceeding 100%. The questions focused on the following key areas:

- Demographics
- Connection to Africa
- Energy access awareness
- Crowdfunding experience and interest
- Marketing and communication

A structured online survey was developed to collect detailed data on diaspora investor intentions, platform preferences, and perceptions of energy crowdfunding. It closed-ended and multiple-choice questions, which resulted in some percentage totals exceeding 100%.

The questions focused on the following key areas:

- Social media platforms, with LinkedIn influencers' posts proving particularly impactful.
- AFFORD's newsletter, reaching over 4,000 diaspora members.
- In-person events and diaspora engagement forums during Black History Month.
- Strategic partner networks and diaspora organisations

To incentivise participation, a prize draw was offered. Due to low engagement in the first two weeks, the outreach strategy was adjusted to include targeted social media engagement and influencer support, increasing participation to 366 respondents.

2.3 Key Informant Interviews (KIIs)

To complement the survey data, five semi-structured KIIs were conducted with stakeholders across the crowdfunding and diaspora investment sectors. Interviewees were selected based on their professional experience, strategic involvement in diaspora finance, and relevance to energy crowdfunding initiatives. The sample included founders of crowdfunding platforms and diaspora investment specialists. While the interviews offered valuable practitioner insights, the small sample size and limited institutional diversity may constrain the breadth of perspectives. Future studies could benefit from including policymakers or leaders of diaspora organisations to capture institutional viewpoints that are currently underrepresented.

Interviews explored strategic themes such as trust-building, platform design, regulatory enablers, and diaspora mobilisation. Transcripts were analysed thematically, and insights were triangulated with survey findings to deepen understanding and inform strategic recommendations.

2.4 Target Population

The target population comprised individuals of African origin living outside the continent, with a focus on diaspora communities interested in Ghana, Kenya, Nigeria, and Uganda. The majority of respondents were nationals of the four focus countries.

The sampling strategy ensured diversity across generational status (first-, second-, and third-generation), geographic location (North America, Europe, the Middle East, Asia, and other regions), and professional background. Recruitment leveraged a multi-channel approach, including diaspora networks, social media platforms, professional associations, and community organisations, ensuring broad representation and enhancing the relevance of findings. However, the generational distinctions discussed in this report are intended as heuristic categories rather than fixed or exhaustive classifications. The analysis does not disaggregate respondents by age cohorts, migration histories, income levels, or asset ownership, nor does it fully capture differences between professional migrants, refugees, or long-settled diaspora communities. As a result, generational patterns should be interpreted cautiously, and platform or policy interventions based on this segmentation should be tested and adapted rather than applied uniformly.

2.5 Data Analysis

Quantitative survey data were analysed using descriptive statistics to identify trends and correlations across demographics, investment intentions, and platform preferences. Qualitative responses and KII transcripts were coded thematically, with particular attention to recurring patterns in trust, social impact, and risk perception. To strengthen analytical rigour, findings from surveys, KIIs, and the literature were triangulated. For example, interview insights on trust and credibility were compared with survey trends on transparency and platform expectations, and then cross-checked against published studies on diaspora investment behaviour. This integrated methodology provided a robust foundation for analysing both broad trends and nuanced perspectives, enabling evidence-based recommendations for stakeholder engagement and policy design.

2.6 Strengths

- **High Engagement and Diverse Reach**
 - With 366 survey responses, the study achieved substantial reach via LinkedIn, AFFORD's newsletter, and diaspora events, which ensured a mix of professional, philanthropic, and entrepreneurial respondents.
- **Mixed-Methods Depth**
 - The combination of quantitative survey data and qualitative Key Informant Interviews (KIIs) enabled both breadth and depth. This dual approach allowed for statistical trend analysis while capturing nuanced stakeholder perspectives on trust, platform design, and regulatory enablers.
- **Contextual Relevance**
 - By focusing on four strategically selected countries (Ghana, Kenya, Nigeria, Uganda) with active diaspora communities and emerging clean energy markets, the findings are directly applicable to a real-world investment context.
- **Stakeholder-Centric Design**
 - Survey questions and interview themes were co-developed with diaspora engagement specialists and platform founders, ensuring relevance to investor realities and sector priorities.

3. Findings and Analysis

3.1 Survey Responses

The survey captured 366 responses, with 79.2 per cent identifying as members of the African diaspora. In line with the African Union's definition, the diaspora refers to "*peoples of African origin living outside the continent, irrespective of their citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union*" (AU 2005, p. 7). Within this framing, the majority of respondents fall neatly into the African diaspora category. However, the remaining respondents, selected other options to describe their relationship to the diaspora, including 6.3 per cent who noted they have African heritage but do not identify as part of the diaspora, 3.6 per cent who noted being of mixed heritage including African ancestry, 3.3 per cent who identify culturally or socially with the diaspora but not through origin, and 1.6 per cent who preferred not to share a response. The variety in responses among the 20.8 per cent combined reflects broader transnational solidarities and communities' interest in African development. For several survey questions, respondents could select multiple options (e.g., project types supported, motivations, barriers), meaning some percentage totals exceed 100% and should be interpreted as multiple-response outcomes.

Country heritage was diverse but concentrated: 27.6 per cent of respondents have Nigerian heritage, 24.9 per cent Ghanaian, 13 per cent Sierra Leonean, 9 per cent Kenyan, and 5.5 per cent Ugandan. This distribution demonstrates a strong West African representation, consistent with migration patterns to the UK and Europe, while also underscoring the importance of recognising wider diasporic and allied communities. Positioning diaspora investors by heritage country is critical as it highlights where interest in energy crowdfunding is most concentrated and where targeted initiatives are likely to gain traction.

What is your country of origin or heritage in Africa?

366 responses

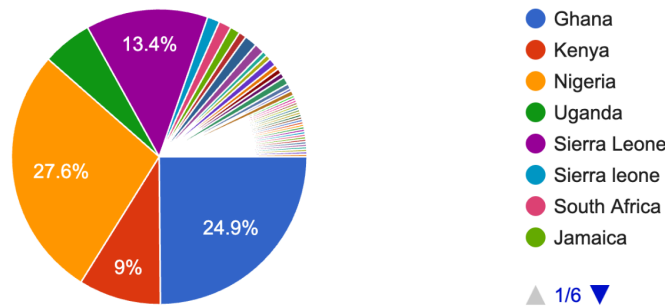


Figure 5: What Is Your Country of Origin or Heritage in Africa? Survey Results

Kenyan respondents demonstrate the highest remittance rate, with 93.9 per cent sending money home, well above the overall average, indicating strong financial ties or cultural expectations of support within this diaspora. Ugandan respondents also show high engagement, with 70 per cent remitting despite being a smaller group, which may reflect tight-knit networks or specific migration patterns. Nigerian respondents, the largest country group at 27.6 per cent of the sample, report a remittance rate of 62.4 per cent, slightly below the overall average of 64.5 per cent. In comparison, Ghanaian respondents record the lowest rate at 56 per cent. Taken together, these patterns highlight notable country-level differences in remittance behaviour, suggesting that cultural norms, diaspora size, and migration histories shape the extent of financial support sent to countries of origin.

What is your gender?

366 responses

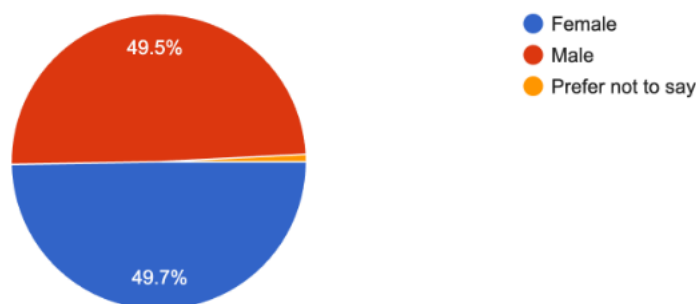


Figure 6: What Is Your Gender? Survey Results

Gender representation was nearly equal, with 49.7 per cent female, 49.5 per cent male and 0.8 per cent preferring not to share their gender, indicating that interest in

diaspora investments is broadly shared across genders. Engagement with diaspora investment opportunities is therefore not gender-skewed at the participation level. This parity reflects emerging scholarship highlighting diaspora women’s expanding role as entrepreneurial investors, often directing resources toward community- and family-based enterprises. In contrast, men historically favoured higher-risk assets such as real estate and stocks. Such balanced engagement highlights the importance of designing inclusive diaspora investment programmes that acknowledge diverse motivations and risk appetites across genders.

Survey findings on age distribution reveal two strategically significant cohorts. A quarter of respondents (25.1%) are aged 25–34, with an additional 28.7% aged 35–44. Notably, the African Union defines youth as 15–35, meaning a substantial proportion of respondents fall within or adjacent to this category, aligning with the literature that frames diaspora as a development agent, including younger cohorts through investment and innovation (AU, 2005 and Ratha & Plaza, 2011). At the same time, 20.8% of respondents are aged 55–64, reflecting a pre-retirement cohort with accumulated savings and risk-averse investment preferences, consistent with findings in diaspora finance literature (Faal, 2019). Together, these cohorts underscore the multi-generational nature of diaspora investment, reinforcing the need for crowdfunding platforms to design products that are both youth-oriented and retirement-conscious.

What is your age group?
366 responses

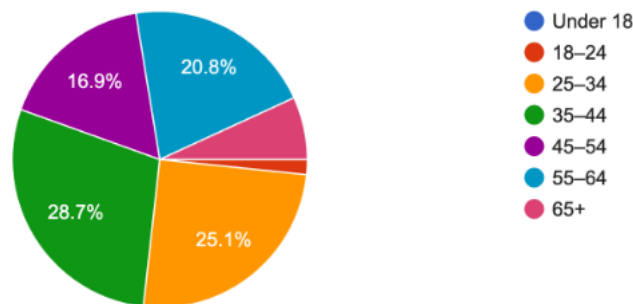


Figure 7: What Is Your Age Group? Survey Results

Education levels were notably high, with 58.7 per cent of respondents holding postgraduate degrees and a further 39.1 per cent holding tertiary qualifications, aligning with evidence that higher education is associated with greater financial literacy and confidence in structured investment products (Klapper, Lusardi & van Oudheusden, 2015). The sample also reflects generational diversity within the diaspora, with 51.4 per cent of respondents being first-generation and 35.5 per cent

second-generation. The survey also allowed respondents to identify as third generation (6.6 per cent) or explain their more complex relationship with the term “diaspora” in the “Other” category. This composition is analytically important, as prior research shows that first-generation migrants tend to invest through emotionally and community-anchored channels. In contrast, the second-generation diaspora are more likely to engage through commercially structured and impact-oriented investment models.

What is your highest level of education?

366 responses

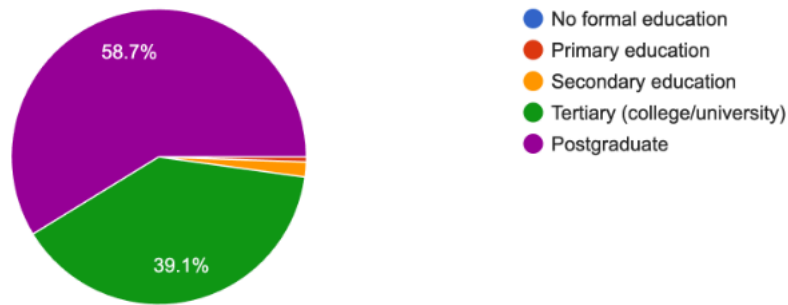


Figure 8: What Is Your Highest Level of Education? Survey Results

What generation diaspora are you?

366 responses

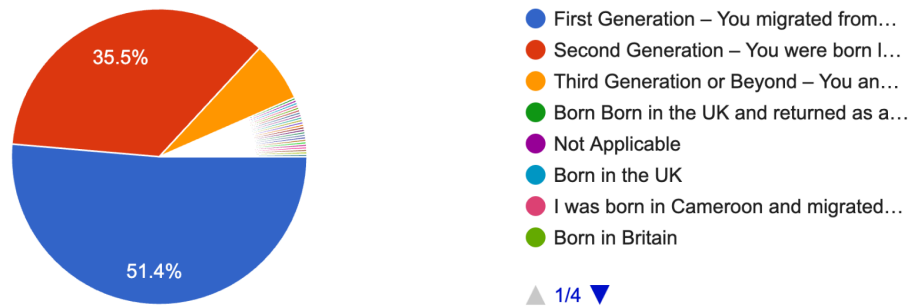


Figure 9: What Generation Diaspora Are You? Survey Results

What is your current employment status?

366 responses

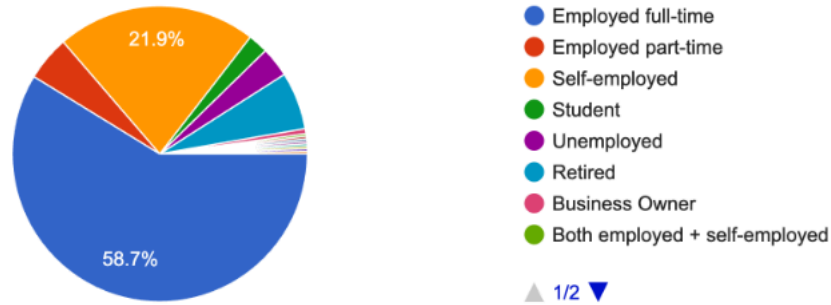


Figure 10: What Is Your Current Employment Status? Survey Results

These demographic indicators, higher education, balanced gender, professional age range, and strong remittance behaviour, collectively suggest a viable pool of diaspora investors. Their diversity also implies the need for segmented outreach strategies: platforms should tailor messaging and product design to reflect generational identity, cultural connection, and financial goals, ensuring engagement approaches align with the varied priorities and motivations across diaspora segments.

3.1.1. Connection to Africa

The survey findings reveal that most respondents regularly send remittances to their country of origin, highlighting the personal and economic bonds that members of the African diaspora maintain with their homeland and cultural roots. This pattern aligns with the literature review's insights, which identify remittance flows as clear evidence of sustained economic and social connections. Instead of weakening these bonds, migration transforms them into dynamic, reciprocal relationships that span borders and reinforce ties between diaspora communities and their countries of origin.

Do you send remittances to your country of origin?

366 responses

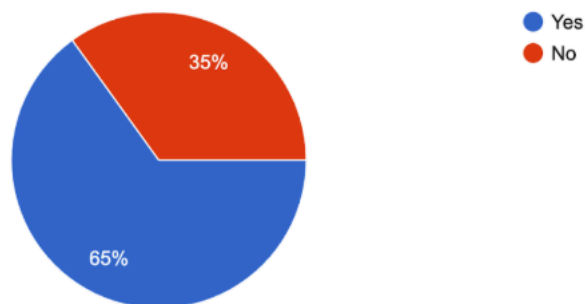


Figure 11: Do You Send Remittances to Your Country of Origin? Survey Results

Remittance behaviour varies significantly across generational lines among those who specifically identified as first-, second-, or third-generation, with first-generation diaspora remitters being the most active. Representing 51.4 per cent of the total sample, 77.7 per cent of them send remittances at the highest rate among all groups. Mavroudi (2015) and Moniruzzaman (2016) argue that first-generation migrants maintain stronger emotional, familial, and cultural ties to their countries of origin, making them the most consistent remitters and contributors to development. Second-generation respondents, who make up 37.7 per cent of the sample, show moderate engagement, with 56.5 per cent reporting remittance activity, which aligns with Brinkerhoff (2011) and Tölölyan (2007), who note that subsequent generations often shift from obligation-driven remittances toward identity-based or impact-oriented investments. In contrast, third-generation and beyond constitute just 6.6 per cent of the sample and display evenly split behaviours, with only half sending remittances. This finding supports Brinkerhoff (2009) and Nielsen & Riddle (2007), who argue that later generations often disengage financially but may re-engage through symbolic, philanthropic, or equity-based investments tied to identity and legacy. These findings suggest a generational decline in direct financial support to countries of origin, reinforcing the need for alternative engagement models, such as impact investments or philanthropic giving, that resonate with younger generations.

These regular contributions, in conjunction with the annual visits reflected by the survey data, suggest that family and friends are the most trusted recipients of remittance funds, likely due to cultural ties and deep connections. However, while informal networks may inspire confidence, this does not necessarily translate into trust in formal institutions or structured investment products among diaspora members. Maintaining accountability and transparency will be obligatory to the

success of future diaspora crowdfunding efforts, a theme that will recur throughout the report.

Frequency varies: 30.1 per cent remit monthly, 16.1 per cent every few months, and 14.5 per cent occasionally and irregularly. Meanwhile, 32.8 per cent selected “not applicable,” which, according to survey instructions, indicates they do not send remittances. This segmentation is important because while a majority are active remitters, a substantial minority are not, suggesting that diaspora investment strategies must distinguish between habitual senders and those motivated by other forms of engagement. Monthly remitters represent a high-potential group, primarily composed of first-generation diaspora, and indicate that structured investment products could effectively leverage their established financial behaviour.

This pattern is not uniform across all groups. For example, Nigerian-heritage respondents, while highly represented in the sample, demonstrated slightly lower remittance frequency than Kenyan respondents but expressed stronger concerns about governance and institutional trust. This aligns with broader literature on Nigerian diaspora investment behaviour, which emphasises both high financial capacity and heightened risk sensitivity. These concerns shape investment decision-making and reinforce the importance of transparent, regulated, and professionally governed platforms when engaging Nigerian diaspora investors.

If yes, how frequently do you send money? *If you do not send remittances, please select N/A.

366 responses

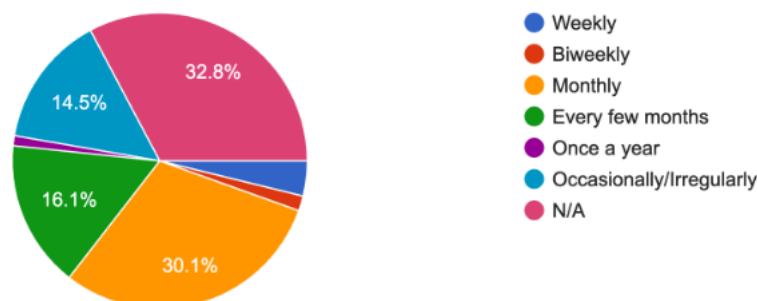


Figure 12: If Yes, How Frequently Do You Send Money? Survey Results

The majority of respondents noted that their remittance contributions are used to cover basic household expenses, education, medical costs, and special occasions. Though many respondents did not share a precise range for their contributions, among those who did, over a quarter (27.6 per cent) noted sending less than USD 300 regularly. In combination with the prior survey question, this amount is likely sent either monthly or irregularly, suggesting that these contributions serve more as a social safety net than as an indication of potential investment capital. This result reinforces the fact that these transfers are a form of social commitment and

community obligation driven by cultural ties. This dynamic will need to be incorporated into future diaspora investment products if crowdfunding platforms aspire to leverage the behaviour of regular remittance flow into structured investment contributions. Rather than seeking to change remittance behaviour outright, the goal is to create complementary channels that allow diaspora members to continue supporting families while also allocating a share of their resources towards long-term, impact-driven investments.

If yes, how much do you typically send? (choose one or provide a range) *If you do not send remittances, please select N/A.

366 responses

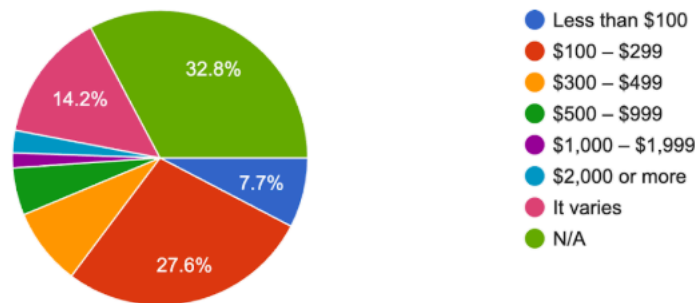


Figure 13: If Yes, How Much Do You Typically Send? Survey Results

Are you currently aware of any incentives to encourage diaspora investment in your country of origin?

366 responses

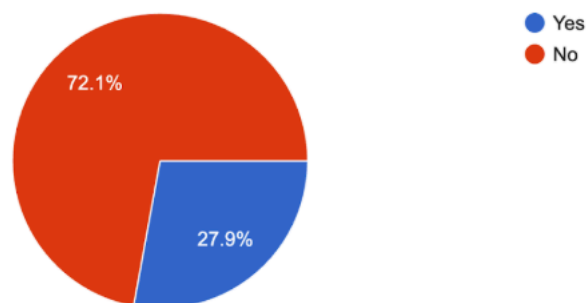


Figure 14: Are You Currently Aware of Any Incentives to Encourage Diaspora Investment in Your Country of Origin? Survey Results

Nearly three-quarters of respondents were not aware of existing diaspora-targeted investment incentives. This information gap represents a major barrier to mobilising diaspora capital. This finding is consistent with the literature, which highlights fragmented or absent policy engagement, weak diaspora data systems, and inadequate communication strategies as persistent constraints on diaspora investment mobilisation (EUDiF & AFFORD, 2025). Evidence from Kenya’s M-Akiba bond further demonstrates that even where diaspora-relevant instruments exist, poor communication and follow-up significantly limit participation and scalability (FSD Africa, 2018). Clear and trusted communication channels are essential for diaspora investment products to scale.

3.1.2. Energy Access Awareness

The data from the Energy Access Awareness section of the survey supported the findings from the literature review as well. 69.1 per cent of respondents are very familiar with energy access challenges on the continent and are willing to contribute to projects that address the issue. 81.4 per cent indicated a willingness to invest in energy access projects for a financial return and socio-economic impact.

How aware are you of energy access challenges in Africa (e.g. lack of electricity, unreliable power)?
366 responses

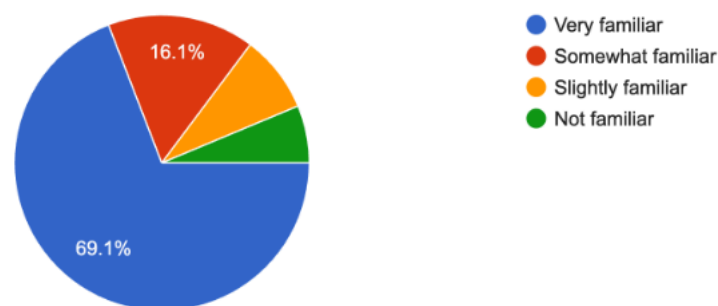


Figure 15: How Aware Are You of Energy Access Challenges in Africa? Survey Results

Would you consider investing money into energy access projects in Africa for a financial return while also making a socio-economic impact?

366 responses

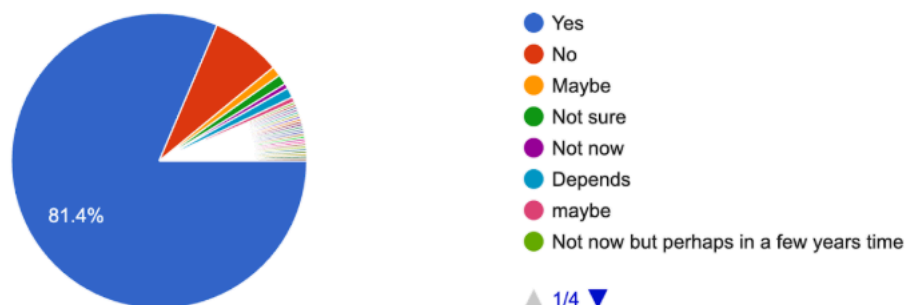


Figure 16: Would You Consider Investing Money Into Energy Access Projects in Africa for a Financial Return While Also Making A Socio-Economic Impact? Survey Results

This level of awareness indicates that energy access is a widely recognised development priority among diaspora communities. The resulting dual motivation aligns with impact-investing principles and reinforces the argument that diaspora capital is not merely philanthropic, but strategic, values-driven, and increasingly return-conscious. However, awareness and willingness alone are insufficient to mobilise capital without credible measures to build trust, enhance transparency, and reduce perceived risk. The typical respondent profile, highly educated, first-generation diaspora members who remit regularly, suggests that the capacity and readiness to invest already exist. With clear, credible communication that explains expected returns, impact metrics, and project progress, this latent interest can be converted into an active investment.

3.1.3. Crowdfunding Experience and Interest

These signals of investment readiness are further reflected in the ways members of the diaspora already engage with accessible, low-barrier financing channels, including crowdfunding. For instance, the majority of survey respondents have previously contributed to a crowdfunding campaign, supporting the literature's findings that diaspora engagement is a unique blend of philanthropic interest and financial action. A total of 61.5 per cent of respondents have contributed to a crowdfunding campaign, with 58.6 per cent specifically supporting campaigns for businesses or entrepreneurs. This indicates growing familiarity with digital finance models and a willingness to support emerging and expanding enterprises. Given that

many members of the African diaspora are familiar with collective finance methods, such as crowdfunding, it is a feasible channel for mobilising diaspora capital.

Have you ever contributed to a crowdfunding campaign?

366 responses

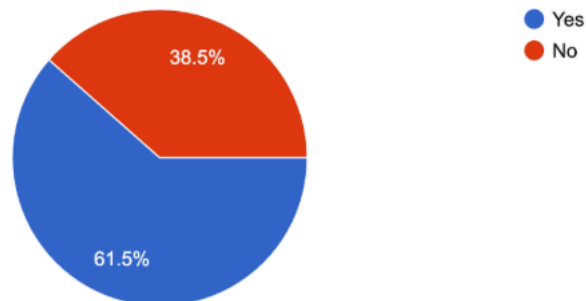


Figure 17: Have You Ever Contributed To A Crowdfunding Campaign? Survey Results

The top platforms used for contributions were GoFundMe, Kickstarter, and Indiegogo. African-based platforms such as M-Changa, Grow for Me, and Kwanda were also mentioned when respondents were asked to specify other Africa-based or non-Africa-based platforms.

The survey respondents contributed to a wide variety of projects; however, categories such as health (30.3 per cent), emergencies (19.9 per cent), education (27.6 per cent), and start-ups (21.3 per cent) made up the vast majority, reflecting a focus on immediate social needs in contrast to energy projects (7.7 per cent). This low percentage reveals a gap between the strong awareness of energy access issues expressed earlier and actual investment behaviour. Although respondents indicated a clear willingness to support energy initiatives, their current participation remains limited, underscoring the report's central argument: without addressing trust, transparency, and alignment with familiar financial practices, diaspora capital will remain on the sidelines of energy crowdfunding.

Given this context, crowdfunding for energy access is currently an underutilised solution, signalling that appropriately targeted products could fill funding gaps and complement public funding. However, the popularity of needs-based funding will make the leap to long-term, technical projects significant. Energy projects with clear, direct household benefits and measurable community impact will be a closer match to the type of giving currently popular within the African diaspora. They will enable

platforms to build trust with members of the diaspora over time before larger projects can be funded.

Equity-based crowdfunding emerged as the most popular option among survey respondents (66.1 per cent), ahead of donation-based (48.6 per cent), debt-based (30.9 per cent), and reward-based (22.7 per cent) models. This result diverges from existing literature, which typically highlights debt and donation models as more familiar and accessible to diaspora investors (Belleflamme et al., 2013; Mollick, 2014; Faal, 2019). While our survey did not capture detailed demographic correlations, studies suggest that equity options often appeal to aspirational investors, particularly second-generation diaspora professionals and postgraduate-qualified individuals who value impact, governance participation, and capital growth (Brinkerhoff, 2011; Mavroudi, 2015; Moniruzzaman, 2016). To harness this evolving interest, crowdfunding platforms must balance risk with transparency and offer co-ownership structures that build trust and convert enthusiasm into sustained investment.

While equity-based crowdfunding emerged as the most popular option at a preference level, the qualitative data and KIIs suggest that debt-based models may, in fact, be better aligned with diaspora investors' stated priorities. Debt instruments offer predictable repayment schedules, lower perceived risk, and regular income flows that mirror remittance behaviour. As one platform founder explained, *"there's nothing better at eliminating mistrust than receiving payment...monthly dividends attract more diaspora,"* underscoring the role of repayment frequency in building confidence. This aligns with broader evidence from the energy access sector, where stable cash flows make debt a natural fit for project financing. For diaspora investors who prioritise trust, transparency, and tangible evidence of positive impact, debt-based products may therefore provide a more accessible and confidence-building entry point than equity, particularly for first-generation investors and those making smaller, recurring contributions.

Given that trust will play a crucial role in developing effective products, creating crowdfunding campaigns beyond donations that offer equity or debt could be positioned differently. Equity could offer an option for diaspora investors seeking both impact and profit. Debt could be more appropriate for risk-averse investors who prefer more predictable returns. Based on the survey respondents' demographics, the diaspora has the capacity to provide both financial and intellectual capital, aligning with respondents who indicated an interest in supporting new enterprises in their countries of origin or heritage.

When asked to select the top three influences for choosing to support a crowdfunding campaign, members of the diaspora highlighted the cause or mission (82.8 per cent), transparency and accountability (74.6 per cent), and the leadership behind the crowdfunding campaign (41.8 per cent) as their primary priorities. These

preferences align with two leading motivations for supporting energy crowdfunding: measurable social and environmental impact (63.4 per cent) and trust in the organisation (58.7 per cent), highlighting a consistent pattern: diaspora investors care as much about *who* is delivering a project as *what* project seeks to achieve. Accountability, transparency, and credible leadership, therefore, emerge as central determinants of participation. Brand recognition alone is not sufficient; robust reporting, verification, and evaluation mechanisms must support it. To sustain engagement, crowdfunding initiatives should be accompanied by clear impact metrics, outcome reporting and transparent disclosure of fund flows.

This result is even reinforced by the respondents' concerns regarding what would discourage them from participating. The primary concerns were lack of transparency or trust of institutions in their home countries (86.3 per cent), fear of fraud or fund misuse (78.7 per cent), unclear impact or results (73 per cent), complexity or difficulty in donating (41.8 per cent), and a lack of personal connection to the project (24.9 per cent). These results reinforce the literature's findings that trust, governance, and accountability should be the primary priorities for effectively mobilising diaspora capital. Without credibility, even highly motivated and well-resourced members of the diaspora will utilise familiar remittance channels rather than innovative investment products. These results also reflect the need for clarity in investment processes for investors. Reducing transaction costs and logistical friction by prioritising simplicity and user-friendly design of both platforms and communications will be vital.

The survey respondents preferred smaller investments and donations compared to larger amounts, with 33.1 per cent indicating a willingness to invest US\$100 - 499 in a crowdfunding campaign and 41.5 per cent willing to donate US\$25 - 99. In this context, smaller incremental financial contributions are another avenue to build trust among potential diaspora investors.

What amount would you consider INVESTING [for impact and a financial return] in a crowdfunding campaign?

366 responses

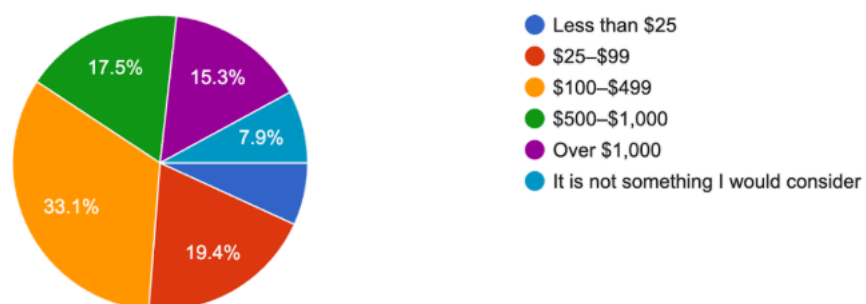


Figure 18: What Amount Would You Consider Investing In A Crowdfunding Campaign? Survey Results

What amount would you consider DONATING [for impact only] in a crowdfunding campaign?
366 responses

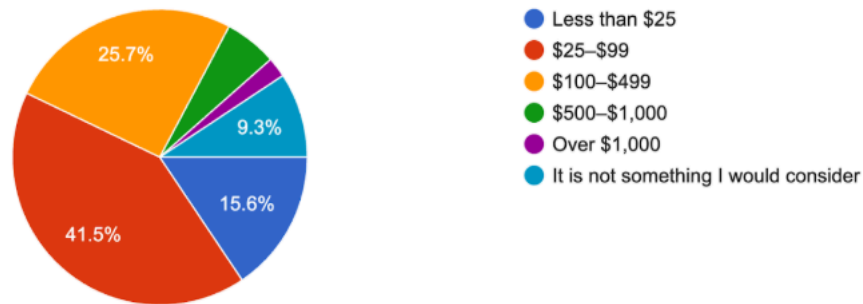


Figure 19: What Amount Would You Consider Donating In A Crowdfunding Campaign? Survey Results

Similar to the often-irregular remittance behaviour reflected in the survey data, consistent, affordable transfers are preferred to larger ones. Crowdfunding campaigns that cater to this behaviour will complement the existing contribution habits of the African diaspora. Smaller contributions reduce risk and exposure for diaspora investors while creating an opportunity for scale if crowdfunding platforms can aggregate contributions from a large diaspora investor base. After building trust, crowdfunding platforms will be well-positioned to increase their contribution targets.

The majority of survey respondents indicated a willingness to invest in their country of origin and across Africa (57.7 per cent), reflecting a geographic openness aligned with the African diaspora's passion for the continent. With sufficient social and financial value, pan-African projects could thrive with diaspora support.

Would you be willing to INVEST [for impact and a financial return] in crowdfunding campaigns focused on renewable energy or electricity access in the following contexts?

366 responses

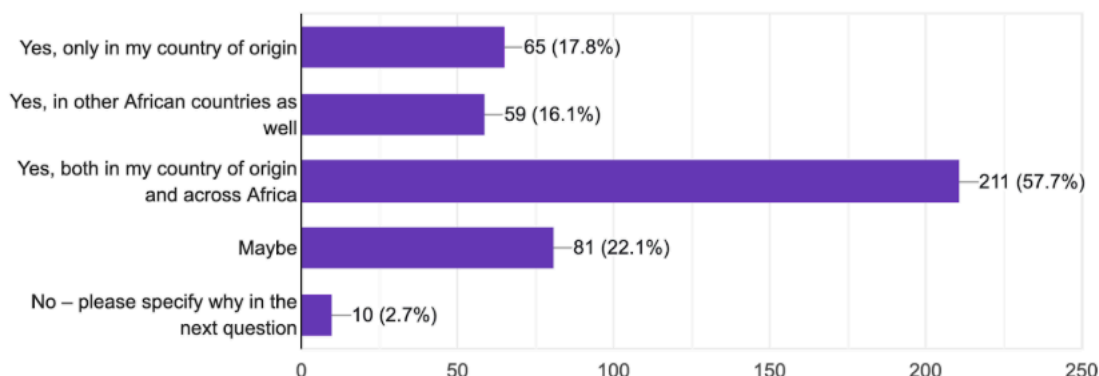


Figure 20: Would You Be Willing to Invest in Crowdfunding Campaigns Focused on Renewable Energy or Electricity Access? Survey Results

Behind the uncertainty, maybe (22.1 per cent) and no (2.7 per cent), the following concerns were revealed: concerns about a lack of knowledge about the energy sector and the risks involved, misuse of funds, and a lack of transparency. These responses further underscore the importance of building trust and reducing information asymmetries between crowdfunding platforms, implementation teams, and diaspora investors. Reducing political, operational, and currency risks will also help address investors' hesitations.

The survey data indicated that the type of product (46.2 per cent) is nearly equally as important as whether it is a diaspora-specific product or crowdfunding campaign (46.4 per cent). Overall, respondents shared an interest in products and campaigns focused on renewable energy and green businesses (73.8 per cent), local businesses (63.7 per cent), and education (62.3 per cent). Despite earlier data suggesting lower contributions to energy projects, the interest reflected in this response suggests potential demand for climate-focused investment opportunities. If those climate-centric opportunities also support local businesses and education, their priorities will be more strongly aligned. However, verifiable outcomes are essential.

3.1.4. Marketing and Communication

The survey results on marketing and communication highlight a significant disconnect between diaspora crowdfunding platforms and their intended audience:

70.8 per cent of respondents report no exposure to relevant marketing, and those who have report predominantly neutral responses. This lack of engagement can be attributed to communications that neither capture attention nor address the core trust and transparency concerns repeatedly identified by diaspora investors. To bridge this gap, crowdfunding platforms must adopt a more strategic, evidence-based approach to outreach. This involves moving beyond generic messaging towards tailored, credible communications that directly articulate how platforms safeguard funds, verify impact, and maintain accountability. Platforms should leverage the most trusted communication channels, such as targeted email campaigns, endorsements from diaspora community organisations, and relevant social media engagement to ensure that messaging reaches the intended audience and resonates with their priorities. Furthermore, integrating transparent reporting, impact dashboards, and clear fund flow documentation into communications will not only address the trust deficit but also differentiate platforms in a crowded market. Ultimately, until marketing efforts are aligned with the diaspora's desire for transparency, accountability, and compelling storytelling, scaling up crowdfunding participation will remain an elusive goal.

Have you ever seen or received marketing for African business crowdfunding campaigns targeted at the diaspora?

366 responses

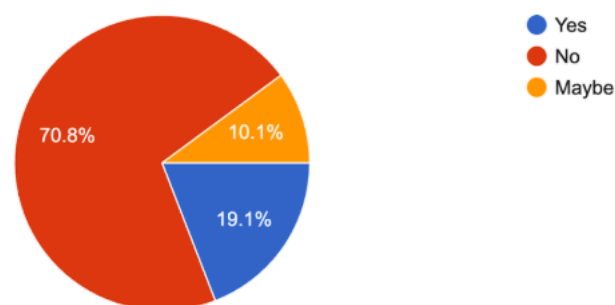


Figure 21: Have You Ever Seen or Received Marketing for African Business Crowdfunding Campaigns Targeted at the Diaspora? Survey Results

How compelling do you find such marketing messages when deciding whether to support a crowdfunding campaign?

366 responses

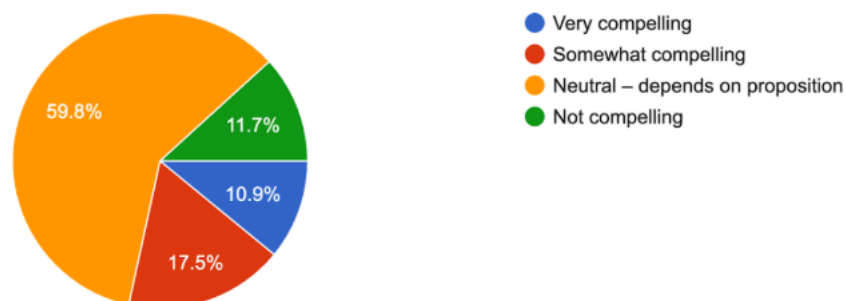


Figure 22: How Compelling Do You Find Such Marketing Messages When Deciding Whether to Support A Crowdfunding Campaign? Survey Results

This disconnect highlights the importance of adopting communication strategies that reflect the diaspora’s actual preferences. Given that 73 per cent of respondents indicated a preference for email, 33.1 per cent for Diaspora Community Organisations, and 25.4 per cent for social media, targeted email campaigns stand out as a particularly promising tool for mobilising diaspora interest and sharing vital information. By combining personalised email outreach with endorsements from trusted diaspora organisations and strategic social media engagement, platforms can harness all the preferred channels to maximum effect. Messaging should be concise, evidence-based, and explicitly address the need for trust, transparency, and accountability, directly tackling the concerns that matter most to diaspora investors.

When disaggregated by country of origin, the survey findings broadly align with patterns identified in the literature, while also revealing some notable divergences. Nigerian-heritage respondents constituted the largest share of the sample, consistent with Nigeria’s position as Africa’s largest diaspora. However, their reported remittance frequency was slightly lower than the sample average, echoing the existing literature, which highlights strong investment interest among the Nigerian diaspora tempered by persistent concerns about trust, governance, and institutional credibility. Kenyan-heritage respondents demonstrated comparatively higher familiarity with digital financial tools, aligning with Kenya’s reputation for digital financial innovation and mobile-money-enabled investment. By contrast, although Uganda was a focus country in the study, only a small proportion of respondents identified as Ugandan diaspora. Their responses did not significantly diverge from overall trends, suggesting that the findings may be broadly indicative but may under-represent Uganda-specific dynamics.

3.2 Thematic Analysis of Key Informant Interviews

The interviews reconfirmed that diaspora investment is often inspired by personal identity, lived experience and a desire to contribute meaningfully to their country of origin. This resonated with both the survey findings and the literature, which consistently highlight that diaspora capital is a hybrid form of support situated between philanthropy and investment (Brinkerhoff, 2011 and Mavrodi, 2015). While the survey data emphasised measurable social and environmental impact (63.4 per cent) and trust in organisations (58.7 per cent) as the top motivations, interviewees added nuance by emphasising the relational and emotional dimensions of investment. This triangulation suggests that diaspora investors care not only about *what* they support but also *who* they connect with, and *how* communication builds trust. One participant reflected:

“A lot of people are tired of the West... want to go back home, but there are barriers (political, health, family). They want to contribute back in a structured way.”

Another noted that emotional connection and social impact often outweigh financial returns:

“Diaspora investors operate at the intersection of philanthropy and investment... It’s not always about profit.”

Crises such as Ebola and natural disasters were cited as catalysts for diaspora crowdfunding mobilisation:

“Crowdfunding increased during emergencies like Ebola... Education is also a big thing. Now, because of clean energy, people are coming into it.”

These reflections align with the literature on diaspora mobilisations during emergencies (de Hass, 2012 and AFFORD, 2019). Still, they also highlight a misalignment: while survey respondents prioritised transparency and accountability, interviewees emphasised the emotional resonances of campaigns, pointing to weak communication as a barrier when storytelling is absent or poorly executed.

3.2.1. Trust and Transparency

Trust deficit emerged as a recurring theme across all interviews, echoing survey findings where transparency and accountability ranked (74.6 per cent) among influences. Literature similarly warns that weak governance and fraud undermine diaspora confidence (MADE 2016). Interviewees stressed that mainstream crowdfunding platforms often lack localisations, accountability and cultural relevance.

One interviewee explained:

“Platforms often don’t feel local or relatable... Localised storytelling and having our own fund are needed.”

Another added:

“There’s nothing better at eliminating mistrust than receiving payment... If you structure an investment opportunity that pays monthly dividends, you’re likely to attract more diasporas.”

This insight from a crowdfunding platform founder underscores the importance of tangible returns in building investor confidence.

Transparency around fund usage and impact reporting was seen as essential:

“Regular updates and impact reporting are important. Trust and credibility are key.”

Participants also highlighted the importance of storytelling and emotional resonance:

“You need a good story that aligns with people’s feelings... Messaging needs to be succinct and heartfelt.”

Triangulation across survey data, interviews, and the literature indicates that trust deficits are structural rather than perceptual (Belleflamme et al., 2013; Mollick, 2014). These deficits are particularly pronounced where platforms lack localisation, accountability mechanisms, and cultural relevance.

3.2.2. Information Asymmetries and Barriers

Interviewees described a fragmented ecosystem in which remittance data is frequently misused as a proxy for diaspora investment, echoing long-standing critiques in the literature. Scholars consistently warn that remittances, primarily household-level, consumption-oriented transfers, should not be conflated with structured investment capital (de Haas, 2012; Ratha & Plaza, 2011). This misalignment was also evident in the survey data, where respondents clearly distinguished between sending money home and engaging in formal, risk-adjusted investment. As Faal (2019) and IFAD (2017) note, failure to differentiate these flows leads to weak policy design and unrealistic expectations of diaspora investment mobilisation.

“Mostly rely on remittance data, which isn’t the same as diaspora investment...information is scattered and unorganised”.

Another added:

“Even in-country, they don’t know who the diaspora investors are... without that, scalable diaspora solutions are hard to implement”.

While weak governance and inconsistent regulatory frameworks were also cited, some countries, such as Ghana and Nigeria, do have diaspora investment policies in place. However, the challenge lies less in the absence of frameworks and more in their practical application. This reflects a gap between policy design and implementation, where a lack of communication and linked knowledge on the ground hinders effective engagement.

“There needs to be policy around crowdfunding – I’ve never seen one... Key bodies need to lead, like African Development Bank, ECOWAS”.

Technology-enabled solutions such as PAYGO (pay-as-you-go) systems and mobile payments were seen as promising tools to bridge these gaps.

“Mobile payments are popular with investors... Tech innovation has helped us move from small lanterns to larger digital PAYGO systems.”

These findings align with the literature on digital innovation in diaspora finance (Ahler et al. 2015 and Jaki et al. 2022) and suggest that, while policy frameworks exist in some contexts, their impact is undermined by fragmented information flows and limited awareness among both diaspora and local actors. Triangulating interviews, survey data, and literature reveals that strategic mapping, digital infrastructure, and policy coordination are critical to unlocking diaspora capital at scale, but equally important is ensuring that policies are communicated clearly and accompanied by practical guidance for doing business on the ground.

3.2.3. Energy Access as a Strategic Entry Point

Survey findings showed strong diaspora interest in energy crowdfunding, with equity-based models most popular (66.1 per cent). Interviews reinforced this, highlighting energy’s cross-cutting impact on education, health, and livelihoods. Literature similarly frames energy as a strategic entry point for diaspora mobilisation (Africa Energy Portal 2023). One participant shared:

“Giving a child a light improved grade, health, safety and well-being.”

Another explained:

“Energy is needed for everything... UNOPS project in Sierra Leone for maternal health – lack of electricity means using torches for operations”.

However, participants also cautioned that energy projects must be simplified and clearly structured to attract non-expert investors:

“Energy is highly complex... You need to reduce it to digestible pieces”.

Financial models requiring high upfront subsidies were seen as a challenge:

“Energy’s financial models most times don’t work well... you need concessional grants or guarantees to make it viable”.

This triangulates with survey findings on equity preferences and the literature on energy finance challenges, but also highlights a misalignment: investors want accessible pathways, yet energy projects often remain overly technical or financially burdensome.

3.2.4. Innovations and Ecosystem Support

Interviewees highlighted innovations such as influencer marketing, digital platforms, and organised investment mechanisms, which triangulate with survey findings on preferred channels (email and diaspora organisations). Literature also supports the role of digital ecosystems in scaling diaspora finance (Mollick 2014)

One participant noted:

“The referral system was the most effective... Today, the most effective was TikTok influencers”.

Another described the use of the LLC structure to pool diaspora capital:

“The most efficient crowdfunding solutions we have seen... limited liability company... Regulations ... Obama Jobs Act of 2012”

Partnerships were also seen as essential:

“The right funders are those who engage regularly, not just annually... partnerships must be respectful and equal”.

To scale impact, participants called for coordinated policy frameworks and strategic collaboration:

“Success would be key players sitting together and agreeing on what success looks like... consensus would help align efforts”.

This aligns with literature on ecosystem collaboration and survey findings on trust and accountability, but misaligns with current practice, where policy frameworks remain fragmented.

3.3 Mapping the Energy Crowdfunding Ecosystem

This section synthesises survey findings, key informant insights, and existing literature to map the energy crowdfunding ecosystem and assess its alignment with diaspora investment preferences.

Energy crowdfunding has emerged as a transformative financing mechanism for clean energy projects, particularly in regions where traditional capital flows remain limited or risk-averse. By mobilising small contributions from a large pool of individuals via online platforms, it offers an alternative to conventional investment channels that often exclude underserved communities and diaspora investors. Widening access to finance is especially relevant in the African context, where energy access challenges persist, and diaspora capital remains largely underutilised despite its scale, consistency, and emotional resonance.

Four primary models dominate the crowdfunding space: donation-based, reward-based, equity-based, and debt-based. Donation-based models rely on altruistic contributions without financial return, appealing to individuals motivated by social impact, cultural connection, or moral obligation. Reward-based campaigns offer non-financial incentives, such as branded products, experiences, or recognition, to engage early adopters or build community loyalty. Equity-based crowdfunding provides investors with ownership stakes, attracting those seeking long-term engagement, governance influence, or capital appreciation. Debt-based crowdfunding offers fixed interest returns and predictable repayment schedules, making it the most prevalent model for energy access projects in Africa. Its dominance reflects the compatibility of debt instruments with infrastructure-style renewable energy projects that generate steady cash flows and require upfront capital, while maintaining manageable risk profiles. However, as this study's findings suggest, the suitability of debt-based models at the project level does not automatically translate into diaspora participation, which remains contingent on trust, transparency, and clear differentiation from remittance-based transfers.

Although equity aligns with aspirations for ownership and long-term value creation, behavioural evidence suggests that debt-based models may be well aligned with diaspora investment psychology. Regular repayments act as a credibility-building mechanism in contexts where trust is fragile. The lower risk profile of debt aligns with the cautious investment posture observed among many respondents. This indicates that debt-based crowdfunding may offer a more realistic pathway for scaling diaspora

participation in energy access projects, particularly in the early stages of market development.

Case studies illustrate the practical application and scalability of these models. TRINE, a Swedish platform, partnered with BBOX to raise over €7 million for off-grid solar initiatives in Kenya and Rwanda, offering retail investors a nominal interest rate of 6.75 per cent (GOGLA Annual Report, 2018). In 2015, Kenya issued its first infrastructure bond, the M-Akiba bond, targeted at retail investors. It was designed to finance infrastructure projects such as roads, energy, and water, and was notable for being accessible via mobile money platforms like M-Pesa. The initial pilot issue was undersubscribed and was relaunched in 2019 (Cook and Osano, 2019) with a strong focus on the diaspora, where uptake overtook expectations, reflecting a strong demand from Kenyan investors who valued its affordability (minimum investment of KSh 3,000) and tax-free interest status (Kenyan National Treasury, 2021). These examples validate the literature's assertion that diaspora capital can be effectively mobilised when products are structured and credible institutions back platforms.

However, the survey findings suggest a more nuanced picture. While literature (Candelise, 2015; Bonzanini et al., 2016) identifies debt-based crowdfunding as dominant in practice, the survey reveals that equity-based models are the most preferred among respondents (66.1 per cent), followed by donation-based (48.6 per cent), debt-based (30.9 per cent), and reward-based (22.7 per cent). In one KII response, the platform owner explained that their investors are motivated by "*returns first, development second, followed by security of capital (avoiding currency loss) and risk-adjusted returns higher than UK/US benchmarks (e.g., Treasury bills)*". This divergence may reflect the professional and risk-tolerant profile of the sample, with 58.7 per cent holding postgraduate qualifications and a significant proportion engaged in regular remittance behaviour. The preference for an equity-based model suggests a desire for deeper engagement, ownership, and strategic influence. However, given the relatively modest investment levels indicated, this preference may instead reflect a desire for more participation, transparency, and accountability in investment opportunities, rather than direct control. It also signals a shift from passive giving to active investment, where diaspora actors seek measurable returns alongside social value.

Motivations for participation align strongly with theoretical expectations. The survey shows that the top motivators include measurable social and environmental impact (63.4 per cent), trust in the organisation (58.7 per cent), and personal or cultural connection (45.6 per cent). These findings echo the literature (Nielsen & Riddle, 2007 and Moniruzzaman, 2016), which emphasises the importance of moral, emotional, and identity-driven factors in diaspora investment. Attractive financial returns (40.7 per cent) and the possibility of rewards (36.1 per cent) are also relevant, but secondary to impact and trust. This suggests that crowdfunding platforms must go beyond transactional models and embed narratives of community, transparency, and purpose. Campaigns that centre diaspora relevance, showcase

credible impact metrics, and offer co-ownership or governance roles are likely to resonate more deeply.

Barriers to diaspora participation in energy crowdfunding mirror global studies but are amplified by the diaspora context, where lived experiences of institutional failure and broken promises heighten scepticism. The survey identifies a lack of transparency or trust in home-country institutions (86.3 per cent) as the most significant deterrent, aligning closely with KII insights that emphasise a pervasive trust deficit shaped by past experiences of institutional failure and unmet expectations. Fear of fraud or misuse of funds (78.7 per cent) and unclear impact/results (73 per cent) also emerge as major deterrents to participation. Complexity in donating (41.8 per cent) and lack of personal connection (24.9 per cent) further underscore the need for user-friendly platforms and culturally relevant engagement strategies. An analysis of responses that explicitly identified as first, second or third generation shows that lack of transparency is the dominant concern for all cohorts, though most pronounced among the first generation (168), followed by the second generation (108) and third generation and beyond (21). Complexity is a notable barrier for first-generation students but is nearly absent among younger generations, reflecting differences in digital fluency and comfort with online platforms. Fear of fraud or misuse of funds is evenly cited by the first and second generations (13 each), but declines sharply among third-generation respondents. Emotional barriers such as unclear impact and a lack of personal connection remain minimal overall, though they surface slightly among younger generations.

These findings highlight that barriers to diaspora participation in energy crowdfunding are not merely operational but rooted in historical encounters with corruption, fraud, and unmet expectations. While complexity and unclear impact play a role, the overriding concerns across generations are transparency and trust, making credibility a non-negotiable prerequisite for engagement. For platforms and policymakers, this shows that building trust through accountable governance and visible impact reporting is the single most decisive factor in mobilising diaspora capital at scale.

Diaspora demographics further illuminate investment potential, particularly through remittance behaviour and stated interest in energy-focused crowdfunding. Notably, 30.1 per cent remit funds monthly, indicating consistent financial engagement with their country of origin. In addition, 57.7 per cent expressed willingness to invest in crowdfunding campaigns focused on renewable energy or electricity access, both in their country of origin and across Africa. This signals a shift from passive remittances to proactive impact investment, especially among diaspora members seeking measurable development outcomes. However, platform awareness remains uneven. While 54.4 per cent are familiar with GoFundMe, a general-purpose platform, there is little to no recognition of specialised energy crowdfunding platforms such as TRINE or Energise Africa. This gap suggests that diaspora investors are engaging with familiar tools but may lack exposure to sector-specific platforms that offer structured investment opportunities and measurable impact. The dominance of GoFundMe also

implies that many diaspora contributions may be informal, donation-based, or driven by emergency appeals, rather than strategic investment.

The disconnect between the willingness to invest and platform awareness highlights a critical opportunity for targeted education, outreach, and diaspora-specific onboarding. Platforms must not only raise visibility but also build trust, simplify access, and tailor messaging to diaspora motivations such as cultural connection, legacy building, and social impact. Developers and policymakers should collaborate with diaspora associations, faith networks, and professional bodies to bridge this awareness gap and convert remittance flows into structured energy investments.

Regulatory and technological enablers play a critical role in shaping the energy crowdfunding ecosystem. Kenya's Capital Markets Authority introduced regulations for investment-based crowdfunding in 2022, providing a framework for investor protection and platform licensing. However, most African markets remain fragmented, creating uncertainty for both investors and operators. Technological innovations, including mobile money and Pay-As-You-Go (PAYG) systems, have enhanced affordability and reduced default risk. At the same time, blockchain-based solutions promise greater transparency and efficiency in fund flows. Despite these advances, gaps in digital infrastructure, cross-border payment systems, and harmonised regulation continue to constrain scalability. This highlights the central importance of trust-building mechanisms that extend beyond technology to include institutional partnerships, diaspora representation in governance, and consistent reporting.

In summary, the energy crowdfunding ecosystem offers a promising avenue for mobilising diaspora capital toward Africa's clean energy transition. Success will depend on aligning product design with diaspora preferences, strengthening regulatory frameworks, and leveraging technology to enhance trust and efficiency. Platforms that integrate transparent reporting, culturally resonant messaging, and risk mitigation mechanisms are best positioned to unlock this potential. The survey findings and the literature review align on a clear message: diaspora investors are ready. However, the ecosystem must evolve to meet their expectations, not just financially, but emotionally, ethically, and strategically.

3.4 Conclusion

The findings have demonstrated that diaspora interest in energy crowdfunding is both substantial and differentiated, shaped by a combination of demographic characteristics, financial behaviour, identity-based motivations, and deeply rooted trust. The survey findings confirm that the African diaspora, particularly those with strong remittance ties to Ghana, Nigeria, Kenya, and Uganda, represent a financially engaged investor base, cutting across gender and concentrated within economically

active age cohorts. This profile challenges assumptions that diaspora engagement is primarily philanthropic and instead highlights its growing investment orientation.

A consistent shift emerges from passive remittance-giving toward more intentional, impact-driven investment. A preference for equity-based crowdfunding over debt or reward models signals a desire for ownership, strategic influence, and long-term value creation rather than short-term or transactional engagement. The findings align with KII insights indicating that diaspora investors increasingly prioritise competitive, risk-adjusted returns alongside measurable development outcomes.

Motivations for participation further underscore the hybrid nature of diaspora investment behaviour. While financial returns remain relevant, social and environmental impact, trust in the platform or organisations, and personal or cultural connections consistently rank higher. These layered motivations cut across generations, though their expression varies: first-generation respondents exhibit stronger concerns about operational complexity and institutional reliability, while second- and third-generation participants demonstrate greater digital fluency but weaker emotional or personal connections to projects in their countries of heritage. This generational differentiation reinforces the need for tailored engagement strategies rather than a one-size-fits-all approach.

At the same time, the findings make it clear that barriers to participation remain the dominant constraint on scaling diaspora energy crowdfunding. Lack of transparency, fear of fraud, and distrust in home-country institutions overwhelmingly outweigh technical or usability challenges. These concerns are not merely operational but are rooted in historical experiences of corruption, policy instability and unmet expectations. The persistence of a trust deficit across all generations positions credibility, accountability, and clear impact reporting as foundational, not optional, conditions for diaspora mobilisation.

Taken together, the survey and KIIs indicate that diaspora energy crowdfunding holds significant promise but cannot be sustained solely on interest or goodwill. Its viability depends on aligning investment structures with diaspora expectations and embedding trust through governance and transparency. It also requires recognising the emotional, generational, and contextual dimensions that shape participation. The findings, therefore, reveal that diaspora capital can meaningfully contribute to Africa's clean energy transition only where platforms and policymakers move beyond mobilisation narratives and invest in systems that deliver credible returns, demonstrable impact, and sustained confidence.

4. Strategic Implications

This section synthesises the study's findings to outline their strategic implications for policymakers, crowdfunding platforms, development partners, and diaspora organisations seeking to mobilise African diaspora capital for energy access. Rather than prescribing specific actions, it identifies the systemic shifts required to move diaspora crowdfunding from fragmented, trust-constrained initiatives toward scalable, locally embedded investment ecosystems.

4.1 Policy and Ecosystem Implications

The findings suggest that mobilisation of diaspora capital for energy crowdfunding is constrained less by a lack of interest than by misaligned policy frameworks and fragmented ecosystem support. These frameworks frequently conflate remittance flow with investment potential, leading to poorly aligned financial instruments.

Regulatory ambiguity around crowdfunding, cross-border investment, and consumer protection further compounds these challenges. It increases perceived risk and reinforces scepticism among diaspora investors, particularly in contexts where governance concerns are already salient. The findings imply that policy coherence and regulatory clarity are foundational conditions for building confidence and enabling innovation in diaspora-focused crowdfunding ecosystems.

More broadly, the results point to the need for ecosystem-level coordination across government agencies, regulators, financial institutions, and diaspora engagement bodies. Without such coordination, diaspora crowdfunding initiatives remain fragmented, limiting their ability to scale or to complement broader energy financing strategies.

These challenges stand in contrast to regulatory environments where crowdfunding is clearly defined and robustly supervised.

In contrast to the fragmented regulatory environments across African markets, the United Kingdom offers a highly structured and trusted framework for investment platforms. UK-based crowdfunding platforms operating within an FCA-regulated environment are subject to stringent consumer-protection rules, transparent reporting requirements, and mandatory risk disclosures. These safeguards directly address the transparency and accountability concerns repeatedly highlighted by diaspora respondents and KII participants. For many diaspora investors, particularly those in the UK, FCA oversight functions as an institutional anchor of credibility, offering assurance that funds are managed responsibly and that platforms are subject to independent governance and risk-assessment frameworks. For platforms such as

Energise Africa, operating within a regulated environment can provide the diaspora with assurance that governance and risk assessment frameworks are in place. The environment offers a trust signal that can strengthen diaspora confidence and differentiate regulated investment opportunities from informal or unregulated alternatives.

4.2 Platform Strategy Implications

The study's findings indicate that crowdfunding platforms play a decisive role in shaping diaspora participation, not only as financial intermediaries but as institutional actors that mediate trust, information, and risk. Platform design choices, including product structure, disclosure practices, and leadership visibility, directly influence investor perceptions and willingness to engage.

A key implication is that one-size-fits-all platform strategies are poorly suited to diaspora markets characterised by generational, cultural, and financial diversity. Failure to segment offerings and engagement approaches contributes to weak alignment between investor motivations and available products. Platforms that prioritise scale and standardisation over localisation risk reproducing the very trust deficits that deter diaspora investment.

The findings also suggest that platform credibility is built over time through consistent performance, transparent reporting, and demonstrable impact, rather than solely through brand recognition. Platforms that are unable to signal reliability and accountability may struggle to convert awareness into sustained participation, regardless of technical sophistication.

These credibility dynamics are further shaped by their regulatory environments. For UK-based platforms, operating under FCA regulation provides an additional layer of assurance for diaspora investors who prioritise transparency, institutional accountability, and regulatory oversight. This regulatory environment should be explicitly communicated as a core trust signal for diaspora investors.

4.3 Engagement and Communication Implications

The findings indicate that engagement and communication are central determinants of diaspora participation in energy crowdfunding, rather than ancillary outreach functions. Survey and interview data show that trust, transparency, and personal connection consistently shape decision-making, while a lack of culturally relevant engagement constrains participation even where suitable financial instruments exist.

Communication failures, therefore, operate as structural barriers, limiting the translation of interest and awareness into actual investment.

Diaspora investors interpret investment opportunities through relational and identity-based lenses, emphasising who is behind a project, how funds are managed, and whether impact claims are credible. Generic messaging and standardised platform interfaces fail to resonate with this audience, particularly in the absence of localisation and visible accountability mechanisms. The reported lack of personal connection among nearly a quarter of respondents underscores the extent to which current engagement strategies remain misaligned with diaspora expectations.

These findings suggest that effective communication in diaspora crowdfunding must function as a trust-building infrastructure rather than a promotional activity. Ongoing, two-way communication supported by transparent reporting, impact updates, and credible verification emerges as a prerequisite for sustained engagement. Without such relational and culturally attuned communication approaches, diaspora-targeted crowdfunding initiatives are unlikely to achieve scale, regardless of platform sophistication or brand recognition.

4.4 Risk and Market Design Implications

The study highlights that diaspora investment decisions are shaped by both objective and perceived risks, including currency volatility, political instability, transaction costs, and concerns about fraud or misuse of funds. These risks are often magnified by information asymmetries and weak disclosure practices, reinforcing cautious investment behaviour.

An important implication is that risk in diaspora crowdfunding is not solely a financial construct but a behavioural one, mediated by trust, familiarity, and past experiences with remittances and informal transfers. When investment products resemble remittance mechanisms and fail to offer clear risk-adjusted returns or protections, diaspora investors are more likely to disengage or limit their participation to small, informal contributions.

The findings therefore suggest that market design must account for the layered risk preferences of diaspora investors, recognising that entry into structured investment often requires gradual exposure and credible safeguards. Failure to address these dynamics constrains the ability of crowdfunding models, particularly debt-based instruments, to achieve scale among diaspora audiences.

4.5 From Intermediaries to Ecosystem Enablers

The findings indicate that donor-backed and development-oriented crowdfunding platforms operating in Africa are positioned not merely as capital intermediaries but as potential ecosystem enablers capable of shaping more locally owned and diaspora-aligned energy crowdfunding markets. Beyond mobilising finance, such platforms can contribute to product innovation, trust-building, and market formation.

The experience of AFFORD's collaboration with the Kenyan-owned crowdlending platform Pezesha illustrates how development partners can support the co-creation of diaspora-relevant investment products while strengthening links between diaspora investors and locally led enterprises. This case demonstrates the value of coupling financial innovation with community engagement and local institutional capacity.

More broadly, the findings suggest that partnerships with African- and diaspora-led platforms can help address information gaps, improve project sourcing and due diligence, and surface investment opportunities that may remain inaccessible to external actors. In this way, development-oriented intermediaries can play a catalytic role in building resilient, inclusive energy crowdfunding ecosystems rather than operating as stand-alone financing channels. Taken together, these implications reinforce the view that diaspora capital is strategic and underutilised, but must be positioned as a complement to public funding, blended finance, and institutional investment. It cannot single-handedly resolve Africa's energy financing gap; its impact depends on trust, governance, and enabling ecosystems.

The above implications highlight where systemic gaps must be addressed in policy alignment, platform design, engagement strategies, and ecosystem coordination. Building on these insights, the following recommendations outline concrete actions across short-, medium-, and long-term horizons to unlock diaspora investment for energy access.

4.6 Recommendations

The recommendations that follow recognise that diaspora energy crowdfunding does not operate in isolation, but within complex regulatory, financial, and energy-sector ecosystems. While crowdfunding platforms play an important intermediary role, outcomes are shaped equally by securities regulation, foreign exchange regimes, investor protection frameworks, energy market structures, and the behaviour of actors such as utilities, regulators, financial institutions, and development partners. The proposed actions should therefore be read as ecosystem-level interventions, rather than platform-centric solutions.

The recommendations are organised into priority actions, enabling actions, and system-building actions, reflecting their relative importance and sequencing for mobilising African diaspora investment in energy crowdfunding within existing regulatory and market constraints. Priority actions (12–24 months) focus on immediate, high-impact steps to build trust and momentum. Enabling actions (medium term) aim to strengthen institutional and regulatory foundations. System-building actions (long term) support sustained ecosystem development in collaboration with public, private, and development-sector actors. This sequencing recognises that quick wins and confidence-building must come first, followed by deeper structural reforms.

Priority Actions (12 - 24 Months)

- 1. Customise Investment Options to Reflect Diaspora Diversity**
 - a. Platforms should develop segmented investment products that reflect generational, cultural, and financial diversity within the African diaspora, combining low-barrier entry points with scalable investment options. These should be supported by culturally relevant outreach, transparent metrics, and clear risk-mitigation measures. A one-size-fits-all approach undermines participation. Segmented products align more closely with diaspora motivations and reduce the disconnect between remittance behaviour and structured investment.
- 2. Reduce Behavioural Friction by Aligning with Remittance Practices**
 - a. Crowdfunding campaigns should mirror familiar remittance dynamics by enabling small, regular contributions linked to specific community or project outcomes. Over time, these contributions can form tiered investment pathways that encourage deeper engagement and larger commitments. Lowering behavioural and psychological barriers is critical for converting willingness into action and for gradually introducing diaspora investors to more formal investment instruments.
- 3. Build Trust Through Transparency, Verification and Ongoing Reporting**
 - a. Platforms should embed robust transparency mechanisms, including impact dashboards, regular project updates, third-party verification, and clear reporting on fund flows and outcomes. Trust deficits emerged as a central constraint, with 86.3 per cent of surveyed diaspora citing lack of transparency as a key deterrent to participation. Without visible accountability and credible reporting, even well-designed financial products will struggle to attract sustained diaspora participation.
- 4. Leverage Digital Tools to Enable Accessible, Low-Cost Participation**
 - a. Platforms should integrate mobile money, PAYGO (pay-as-you-go)

systems, and other digital payment tools to simplify transactions, reduce fees, and improve accessibility for diaspora investors across different geographies. High transaction costs and complex processes discourage participation. At the same time, survey and interview insights highlighted that mobile payments are widely used and trusted, making them a natural fit for scaling diaspora crowdfunding. Digital tools reduce friction and align with existing financial behaviours both within Africa and across diaspora communities.

5. Complement Domestic Energy Finance Rather Than Substitute It

- a. Diaspora crowdfunding occupies a distinct niche in the energy finance ecosystem by mobilising retail diaspora investment for early-stage, pilot, and community-level projects that are often underserved by traditional finance. Positioned as a complementary channel rather than a substitute for public energy finance, crowdfunding can support project preparation, de-risk innovation, and strengthen long-term sustainability. Clear differentiation from remittance and donation-based flows is essential to reinforce its role as a structured investment mechanism.

6. Leverage Diaspora Networks and Trusted Intermediaries for Targeted Outreach

- a. Crowdfunding platforms should partner with diaspora associations, community leaders, and trusted champions to promote investment opportunities through established channels such as diaspora newsletters, mailing lists, and community events. Given that respondents identified email and diaspora organisations as preferred communication channels, engaging these networks can enhance credibility, improve information dissemination, and increase campaign uptake.

Enabling Actions (Medium Term)

1. Strengthen Diaspora Data Systems and Investor Segmentation

- a. Governments, platforms, and development partners should move beyond aggregate diaspora mapping to collect sector-specific data on risk tolerance, investment preferences, and attitudes toward equity and debt instruments. This can be achieved by adding diaspora registries and surveys, or through regular mapping initiatives that capture generational, geographic and sectoral differences. Weak data systems currently limit effective product design and policy formulation, leading to misaligned instruments and underperforming engagement strategies.

2. Foster Multi-Stakeholder Partnerships Across the Ecosystem

- a. Encourage collaboration between governments, diaspora organisations, financial institutions, and clean energy developers to co-design investment products, share risks and pool expertise. Convening bodies such as the African Union (AU), the African Development Bank (AfDB), ECOWAS, or regional energy alliances could facilitate multi-stakeholder forums that bring these actors together to align priorities, co-create products, and share risk. No single actor can address trust, scale and delivery challenges alone. Partnerships enhance credibility, coordination and impact.

3. Enhance Financial Literacy and Investor Education

- a. Implement targeted education programmes, including workshops, webinars, and diaspora-centric events, to improve understanding of energy crowdfunding, investment risk, and impact measurement, particularly for first-time and less financially literate investors. Investor education increases confidence, improves decision-making, and supports sustained participation beyond one-off contributions.

4. Advocate for Cross-Border Regulatory Harmonisation

- a. Policymakers should prioritise harmonising regulations governing crowdfunding and diaspora investment across African countries to reduce complexity and regulatory uncertainty for diaspora investors. Fragmented regulatory frameworks increase compliance costs and perceived risk, constraining cross-border participation and limiting market scale and efficiency. Regional blocs such as the East African Community (EAC), ECOWAS, and the African Union's financial standard-setting bodies provide practical institutional platforms to initiate harmonisation, align investor protection and compliance standards, and build consensus around shared regulatory frameworks.

Systems Building Actions (Longer Term)

1. Pilot Innovative and Blended Investment Models

- a. Donor agencies and development finance institutions (DFIs), in partnership with crowdfunding platforms, should pilot innovative, blended investment models, such as matched funding schemes, first-loss guarantees, blended finance structures, and impact-linked returns, to attract a broader range of diaspora investors and address risk aversion. These risk-sharing mechanisms can unlock capital from more cautious investors and enable financing for projects that would otherwise struggle to secure funding.

2. Promote Gender and Youth Inclusion in Diaspora Crowdfunding

- a. Design digital-first, impact-driven investment products that reflect

gendered and generational differences within the diaspora, while supporting women's leadership and youth participation. Second- and third-generation diaspora members and women represent underutilised investor segments with strong digital engagement and openness to innovative models.

3. Strengthen Cybersecurity, Data Protection, and Platform Integrity

- a. Platforms should invest in robust digital security, privacy safeguards, and fraud-prevention mechanisms to protect investor information and reinforce investor confidence. Concerns about fraud and data misuse directly undermine trust and deter participation, particularly in digital investment environments.

4. Integrate Feedback Loops and Continuous Learning

- a. Establish regular feedback mechanisms such as surveys, focus groups, and platform analytics to adapt products and engagement strategies over time. Diaspora preferences are dynamic. Continuous feedback ensures relevance, responsiveness, and long-term engagement. To measure impact and effectiveness, these platforms can conduct annual diaspora surveys or host quarterly feedback sessions to refine initiatives in future interactions.

5. Showcase Success Stories and Social Proof

- a. Actively document and promote successful diaspora-funded energy projects through case studies, testimonials, and media campaigns. Visible evidence of impact and success builds confidence, reduces perceived risk, and encourages wider participation.

5. Limitations and Future Research

5.1 Limitations

Sampling Bias and Representativeness: Although the survey reached a sizeable and diverse group, reliance on professional networks, AFFORD's newsletter, and targeted diaspora-facing platforms such as LinkedIn likely skewed participation toward more digitally connected and financially literate members of the diaspora. This recruitment strategy preserved relevance and precision but limited the inclusion of less-connected, lower-income, or non-English-speaking groups. Consequently, the findings should be interpreted as indicative of early adopters and engaged diaspora segments, rather than as representative of the diaspora population as a whole. The results, therefore, are most applicable to the design of pilot initiatives, platform features and policy interventions aimed at mobilising initial diaspora investment in clean energy.

Geographic Concentration: While focusing on four countries enabled greater analytical depth, it did not allow analysis of regional differences in attitudes and behaviours, for example, within Francophone African countries. Further, variations in regulatory environments across countries will make it quite challenging to apply broad lessons from these findings across the continent, particularly as they relate to investment product design. While investment motivations and barriers could be similar, implementation will need to be context-specific.

Data Quality: The study relied on self-reported data, which could overstate the remittance-to-investment conversion among the diaspora and introduce bias or inaccuracies regarding investment intentions, risk perceptions, and platform preferences. The responses may not accurately reflect real-world financial decisions and long-term behaviour within the diaspora if factors such as recall bias and social perception influenced respondents.

Key Informant Interviews: While the interviews provided qualitative depth, they were constrained by the limited pool of relevant experts within the diaspora investment and energy crowdfunding ecosystem. As a result, interview selection and scheduling were dependent on participant availability, which proved challenging given competing professional commitments. The small sample also limited the breadth of stakeholder representation, particularly across government institutions, diaspora organisations, and crowdfunding platforms, which ultimately limited the range of institutional insights provided in the report. Future research could strengthen these insights by engaging broader, more diverse stakeholder groups.

Limited Longitudinal Insight: This research provided a snapshot of the study's participants at a given point in time. Without longitudinal tracking, the survey cannot track respondents' attitudes and behaviours in response to future platform pilots, macroeconomic shifts, or new government policies. As a result, the causal inferences that can be drawn from the results are limited, and the impact of this data on creating a sustainable increase in diaspora investment depends on factors such as community engagement, increased transparency and trust, stronger investment ecosystems, and the creation of scalable platform pilots.

Lack of Comparative Benchmarking: The study does not provide a direct comparison between diaspora energy crowdfunding and other common diaspora investment channels, such as real estate, small- and medium-sized enterprises (SMEs), treasury instruments, or digital savings and fintech products. Nor does it compare diaspora investor appetite with that of non-diaspora impact or retail investors. As a result, the analysis does not seek to establish whether energy crowdfunding is relatively more attractive than alternative investment vehicles but rather examines the specific conditions under which diaspora investors who are already inclined toward impact-oriented investments may consider energy crowdfunding as part of their portfolio.

Systemic Dimensions of Trust: While trust emerges as a central theme throughout the analysis, this study primarily examines it at the levels of platforms, project governance, and information transparency. Broader structural factors that also shape investor confidence, such as macroeconomic stability, currency convertibility, contract enforcement, and regulatory predictability, are acknowledged but not analysed in depth. In some contexts, particularly where foreign exchange controls or weak legal enforcement prevail, these systemic risks may outweigh platform-level trust mechanisms and lie largely beyond the control of crowdfunding intermediaries.

Depth of Country-Level Diagnostics: The country comparisons presented in this report are intended to highlight broad differences in diaspora engagement patterns and perceived investment barriers across Ghana, Kenya, Nigeria, and Uganda. However, they are not grounded in a detailed comparative analysis of national securities regulations, crowdfunding caps, foreign exchange regimes, or energy market structures such as tariff design, grid reliability, or utility solvency. As such, the country-level insights should be read as indicative rather than diagnostic, and future research would benefit from integrating regulatory and energy-market analyses to better explain why crowdfunding may function differently across national contexts.

Financial Risk and Return Considerations: While the report recognises that diaspora investors are motivated by a combination of financial returns and social impact, it does not provide a detailed assessment of expected risk-adjusted returns, liquidity constraints, or exit pathways associated with energy crowdfunding investments. Key risks, including currency volatility, project underperformance, and limited secondary market liquidity, are acknowledged but not modelled. Consequently, the analysis should not be interpreted as positioning diaspora

investors as impact-first actors, but rather as highlighting the importance of improved risk mitigation and financial structuring in making energy crowdfunding investable at scale.

5.2 Future Research

Experimental Studies and Pilot Programmes: Rather than standalone studies, future research should be conducted alongside a small pilot energy crowdfunding product. Embedding experimental methods within a live platform would allow researchers and practitioners to test how trust, platform design, and incentives influence the conversion of diaspora intent into actual investment, while simultaneously informing product development and scale-up.

Broader Geographic and Demographic Coverage: Sampling can be expanded to include more African countries, and concentrated effort can be made to include low-income cohorts who may be less connected and have lower levels of formal education. This inclusion will improve the generalisability of the results and reveal more patterns in risk tolerances and investment channel preferences.

Policy and Regulatory Analysis: Research can analyse the impact of tax incentives and aligned cross-border regulations on investor confidence and transaction logistics. Within target pilot programmes, campaigns can be evaluated with standardised metrics and verification to understand the impact on scalability and investment contributions.

Diaspora Mapping and Segmentation: Diaspora mapping initiatives should include generational segmentation, distinguishing between first-generation, second-generation and multigenerational diaspora groups. More granular data on motivations, investment behaviour and engagement preferences would support the design of better-targeted diaspora investment products, including energy crowdfunding instruments.

Diaspora Investment Behaviour: Further research is needed to understand how diaspora capital is currently spent. Given that existing savings are likely committed to financial obligations such as mortgages, pensions, personal businesses, and familial commitments, pursuing diaspora investment opportunities creates an opportunity cost. Investment choices among members of the diaspora will involve weighing diaspora-focused opportunities against other global asset classes with different, potentially more advantageous risk-return profiles. Examining portfolio-substitution dynamics in future work will provide a helpful basis for assessing the scalability of diaspora crowdfunding efforts and broader diaspora capital mobilisation strategies.

Stakeholder Engagement and Ethics: Interviews with key stakeholders should cover a broader range of participants, including regulators, community leaders, and even small business owners in countries of origin or heritage. Assessments can be undertaken to ensure diaspora investment supports and strengthens local capacity building rather than creating dependency.

6. Conclusion

This study explores the potential of African diaspora investors to mobilise capital for sustainable energy projects through crowdfunding, focusing on Ghana, Kenya, Nigeria, and Uganda. Against the backdrop of Africa's persistent energy access gap and declining traditional development finance, the findings demonstrate that diaspora capital represents a credible, underutilised and strategically important financing source for the continent's clean energy transition.

The research confirms that diaspora investors in the study are not passive remitters but intentional economic actors, demonstrating strong awareness of energy access challenges and a clear desire to contribute to long-term development outcomes. Survey responses and key informant interviews reveal that engagement is driven by a hybrid motivation that combines social impact, community benefits, and financial returns. This dual orientation differentiates engaged diaspora investors from conventional crowdfunding backers and positions them uniquely to support energy projects that deliver visible, localised benefits in health, education, and enterprise development.

Crowdfunding emerges as a promising, though underdeveloped, mechanism for channelling diaspora capital into energy projects. While familiarity with crowdfunding is relatively high, participation in energy-specific campaigns remains limited by persistent barriers related to trust, transparency, regulatory uncertainty and information asymmetry. Across all four countries studied, trust in platforms and project governance was identified as the single most decisive factor shaping investment behaviours. Where platforms offer credible reporting, accountability mechanisms, and clear communication about fund use, diaspora investors show a strong willingness to participate, even at modest individual contribution levels.

The study further highlights that remittance behaviour provides a critical foundation for diaspora energy crowdfunding. Regular, low-value transfers already form part of diaspora financial contributions, suggesting that platforms designed around low minimum investments, recurring contributions and familiar payment channels can gradually shift remittances from short-term consumption support to structured, impact-oriented investment. Although individual contributions may be small, their consistency and scalability offer a viable pathway to finance distributed energy solutions, particularly off-grid and community-based projects.

Country-level analysis reveals important contextual differences and shared structural constraints. Kenya and Nigeria benefit from relatively advanced digital financial ecosystems and established diaspora engagement policies, while Ghana and Uganda demonstrate strong community networks and emerging institutional support. However, fragmented regulatory frameworks, limited diaspora data systems and weak coordination between government, platforms and development actors continue to constrain scale. The absence of scaled African-owned, diaspora-aligned

crowdfunding platforms focused primarily on energy further reinforces dependency on external intermediaries and limited local ownership of financing models.

Overall, the study finds that mobilising diaspora capital for energy access is less a question of capital availability than of effective design, strong governance, and trust. Crowdfunding platforms that align with diaspora priorities, mirror remittance behaviour, and clearly articulate community-level impact can unlock new and resilient financing flows for Africa's energy transition. To achieve this at scale, coordinated action is required from policymakers, regulators, development partners and platform operators to strengthen enabling environments, de-risk investments and centre diaspora investors as long-term partners in sustainable development.

By positioning diaspora energy crowdfunding at the intersection of digital finance, community engagement, and clean energy investment, this research contributes to a growing body of evidence that alternative financing mechanisms can play a meaningful role in closing Africa's energy financing gap. When governments create enabling regulatory environments, crowdfunding platforms build trust and tailor products, and diaspora communities are actively engaged as partners, diaspora capital can move beyond remittances to become a cornerstone of Africa's sustainable energy future.

While the report emphasises opportunity and timeliness, it also recognises potential failure modes, including platform underperformance, fraud, regulatory reversals, and macroeconomic shocks. Moreover, although diaspora engagement is positioned as a complementary financing mechanism, the study does not interrogate in depth issues of platform ownership, decision-making power, or data control. Care must therefore be taken to avoid reproducing diaspora-as-saviour narratives and instead situate diaspora crowdfunding within broader efforts to support locally grounded, inclusive, and accountable clean energy systems.

Ultimately, diaspora energy crowdfunding is not a standalone solution, but one part of a wider, locally rooted approach to expanding sustainable energy access across Africa.

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Appendix

Appendix A: Survey Instrument

This appendix contains the full set of survey questions administered to participants.

Section 1: About You (Demographics)

1. Are you a member of the African diaspora? [See definition in the above introduction and context section.]
2. What is your country of origin or heritage in Africa?
3. What country is your primary place of residence?
4. What generation diaspora are you?
5. What is your gender?
6. What is your age group?
7. What is your highest level of education?
8. What is your current employment status?

Section 2: Connection to Africa

9. How frequently do you visit your country of origin or heritage?
10. How have you supported your country of origin over the past year?
11. How do you prefer to contribute to social and economic development in your country of origin? Please select all that apply.
12. Do you send remittances to your country of origin?
13. If yes, how frequently do you send money?
14. If yes, how much do you typically send? (choose one or provide a range)
15. If yes, what are your remittances mainly used for? (Select all that apply)
16. Are you currently aware of any incentives to encourage diaspora investment in your country of origin?

Section 3: Energy Access Awareness

17. How aware are you of energy access challenges in Africa (e.g. lack of electricity, unreliable power)?
18. Would you consider investing money into energy access projects in Africa for a financial return while also making a socio-economic impact?

Section 4: Crowdfunding Experience and Interest

19. Have you ever contributed to a crowdfunding campaign?
20. If yes, which platform(s) have you used to contribute? (Select all that apply)

21. If applicable, please specify the other Africa-based or non-Africa-based platforms from question 20.
22. If yes, what type of projects have you supported? (Select all that apply)
23. Which type of crowdfunding model would you feel most comfortable supporting?
24. What influences your decision most when choosing to support a crowdfunding campaign? (Select your top 3)
25. What would motivate you to support an energy crowdfunding campaign in Africa? (Choose up to 2)
26. What concerns would stop you from contributing? (Select all that apply)
27. What amount would you consider INVESTING [for impact and a financial return] in a crowdfunding campaign?
28. What amount would you consider DONATING [for impact only] in a crowdfunding campaign?
29. Would you be willing to INVEST [for impact and a financial return] in crowdfunding campaigns focused on renewable energy or electricity access in the following contexts?
30. If you are unwilling to INVEST [for impact and a financial return] in crowdfunding campaigns focused on renewable energy or electricity access, please specify why below. If you are willing to support, please type "N/A" as your response.
31. Would you be more likely to support a product or crowdfunding campaign designed specifically for the diaspora?
32. What kinds of diaspora-focused products or crowdfunding campaigns would you be most interested in supporting? (Select all that apply)

Section 6: Marketing and Communication

33. Have you ever seen or received marketing for African business crowdfunding campaigns targeted at the diaspora?
34. How compelling do you find such marketing messages when deciding whether to support a crowdfunding campaign?
35. How would you prefer to hear about crowdfunding opportunities?