

TOWARDS SUSTAINABLE MIGRATION

Interventions in countries of origin



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**The Italian Centre
for International Development**
University of Rome 'Tor Vergata'
Via Columbia, 2
00133 Rome - Italy
www.icid.info

**Italian Agency
for Development Cooperation**
Via Salvatore Contarini 25
00135 Rome - Italy
www.agenziacooperazione.gov.it
aics.info@esteri.it

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ICID
Attn: Permissions
Via Columbia 2, 00133 Rome, Italy
Email: icid@icid.info

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LIST OF ACRONYMS

ADM	African Diaspora Marketplace;
AIF	American Indian Foundation;
ALMP	Active Labour Market Programmes;
BA	Bundesagentur für Arbeit (German Federal Employment Agency);
BANCOLDEX	Colombian Foreign Trade Bank;
BGN	The Philippines Brain Gain Network;
CAMPO	Country of Origin Migrant Support Centre;
CIM	Centre for International Migration and Development;
CNIC	Computerized National Identity Card;
CONICET	Council of Scientific and Technological Research of Argentina;
CSIC	Sectoral Commission of Scientific Research of Uruguay;
EU	European Union;
GIZ	Gesellschaft für Internationale Zusammenarbeit (German Society for International Cooperation);
HTA	Hometown Association Abroad;
ICID	Italian Center for International Development;
IDB	Inter-American Development Bank;
IMIS	Integrated Migration Information System Project;
IOM	International Organization for Migration;
JSDF	Japan Social Development Fund;
MFA	Ministry of Foreign Affairs;
MIDA	Migration for Development in Africa;
MIDWEB	Project Migration for Development in the Western Balkans;
MPI	Migration Policy Institute;
MRC	Migration Resource Centre;
MRS	Mutual Recognition of Skills;
MSES	Croatia Ministry of Science, Education and Sport;

NGO	Non-Governmental Organizations;
OCI	Overseas Citizenship of India;
OECD	The Organisation for Economic Co-operation and Development;
PAP	Pre-Departure Briefing;
PDOS	Pre-Departure Orientation Seminars;
POC	Pakistan Overseas Card;
PRIO	Peace Research Institute;
SAWP	Seasonal Agricultural Workers Program;
TOKTEN	Transfer of Knowledge through Expatriate Nationals;
TRQN	Temporary Return of Qualified Nationals;
UN	United Nations;
UNDP	United Nations Development Programme;
US	United States of America;
VET	Vocational Education and Training;
ZAV	Zentrale Auslands und Fachvermittlung (International Placement Services).

INTRODUCTION

The large migratory flows towards Europe that have dominated recent headlines and generated heated political debate are likely to be a long term phenomenon due to the entrenched nature of many of the factors driving persons to move across borders. If left unchecked, the migration challenge will seriously jeopardise the fundamental pillars of European integration and solidarity both within and between Member States. But at the same time, if proactively and effectively managed, the migration challenge can be transformed into an opportunity for both an aging Europe and for partner (origin) countries, in terms of economic growth, development and the sustainability of social security systems.

Notwithstanding the tensions generated by the recent spike of migratory flows, migration is a phenomenon determined primarily by long-term structural factors and any migration strategy must be designed accordingly. Crises can exacerbate outward migratory flows, but even emergency responses are more effective if framed within a long run strategy. A long-term perspective does not imply that results will be only realised in the long-run; on the contrary, actions framed in a consistent strategy are also more likely to be effective in the short-run.

More specifically, since international labour migration is increasingly flowing from developing to developed countries, migration policies should be conceived in a manner consistent with development policies and in partnership with countries of origin. Such policies should set out to encourage the positive effects migration can have in both origin and destination countries (or to contain the potential unfavourable effects it may entail in the short-run) in order to generate mutual benefits, i.e. a win-win situation.

Some of the mutual long term benefits of migration can be spoiled if migration is characterised by unregulated migration spikes and by the use of irregular channels for crossing borders. For this reason, the interventions should be designed in such a

way to control flows and to discourage irregular migration. In practice, this means that the internal measures that have been the focus of much of the EU policy debate on migration to date need to be complemented by stronger joint external actions, within the framework of long-run development policies targeting countries of origin.

Indeed, the countries of origin are where the migration challenge must ultimately be addressed, and the centre of gravity of EU action should therefore shift to supporting countries of origin in this regard. The process of turning challenge to opportunity and of maximising the benefits of migration for all parties concerned must start by addressing the factors determining the extent and composition of migrant flows in the countries where they originate. Only by considering the forces making people move across the borders will it be possible to manage migrant flows in a sustainable way.

The Migration Compact, the recent non-paper of the Government of Italy moves in this strategic direction. The Migration Compact, consistent with recent EU Declarations (e.g., the Valletta Action Plan), calls for systematic and significantly scaled-up efforts involving close partnership with countries of origin aimed at controlling and improving the quality of migration flows and at reducing incentives to migrate through irregular channels.

The current Report is set within the framework of the Migration Compact and supports its broad call for an enlargement of the space of intervention from within the borders of the destination countries to the countries of origin, as part of a systematic and long-term response to migration and the development factors driving it.

The Report presents and discusses an array of policies that can be implemented in the countries of origin to help turn the challenge of migration into an opportunity for origin and destination countries alike. Taken together, the policies aim at bringing about the desired migration scenario, i.e. controlled migration flows, reduced incentives for irregular migration and a two-way flow of migration benefits.

It is important to note at the outset that, notwithstanding the high sensitivity of the issues and the repeated calls for coherent and effective interventions in the countries of origin, there is very little programme experience and even less solid evidence about their effectiveness. Moreover, with the exception of a few origin countries, integrated strategies of intervention are completely absent. This reinforces the potential role of Italy not only in implementing appropriate and effective strategies, but also in providing the necessary intellectual leadership in this regard within the EU and multilateral institutions and banks.

The remainder of the Report is organised as follows. Chapter 1 sets the scene by reviewing the evolution and characteristics of international migration flows towards Europe and Italy and the factors driving them. Chapter 2 then reviews policy options and experiences in countries of origin for achieving sustainable migration. These include active labour market policies aimed at making migration a choice not a necessity; education and training aimed at increasing the employability of prospective migrants; pre-migration preparatory programmes aimed at equipping prospective migrants with “migration knowledge and skills”; circular migration policies aimed at facilitating two-way movements of both migrants and their accumulated knowledge, skills and capital; diaspora engagement policies aimed at mobilising diaspora communities as agents of development in their countries of origin; return migration policies aimed at making migration a reversible choice; and protection policies aimed at safeguarding children left behind by migrant parents. Chapter 3 discusses next steps towards an integrated strategy for sustainable migration.

1 SETTING ^{THE} SCENE: MIGRATION ^{IN} EUROPE ^{AND} ^{THE} FACTORS DRIVING IT

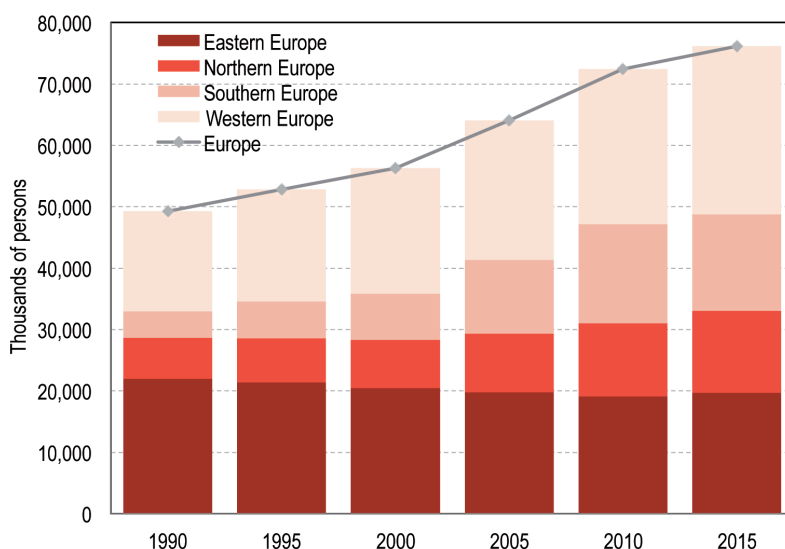
1.1 Evolution and characteristics of international migration flows towards Europe and Italy

Europe was a major source of migrant *outflows* during the first half of the 20th century, but has subsequently turned progressively into one of the main destination regions for migrants. Starting around the mid-1950s, the most developed European countries introduced special programmes to welcome foreign workers (mostly on a temporary basis) for the needs of the post-war reconstruction and following economic boom. This policy began a significant and steady increase in the stock of the foreign-born population in Europe over the following two decades.

Migrant inflows slowed but did not stop during the oil shock years of the 1970s. Although the original programmes were interrupted, most migrants did not go back to their countries of origin and numbers of foreign-born persons continued to increase, primarily as a result of family reunifications. By the early 1980s, the total stock of migrants in Europe stood at about 15 million people, compared with about five million in the 1950s.¹

¹ Garson and Loizillon (2003). More generally, after the mid-1980s every developed country had become an immigrant-receiving society, drawing migrants primarily from the developing world. Emigration notably increased from Asian countries, followed by Latin American and African countries.

Figure 1 - Stock of international migrants in Europe, by region of destination, 1990-2015



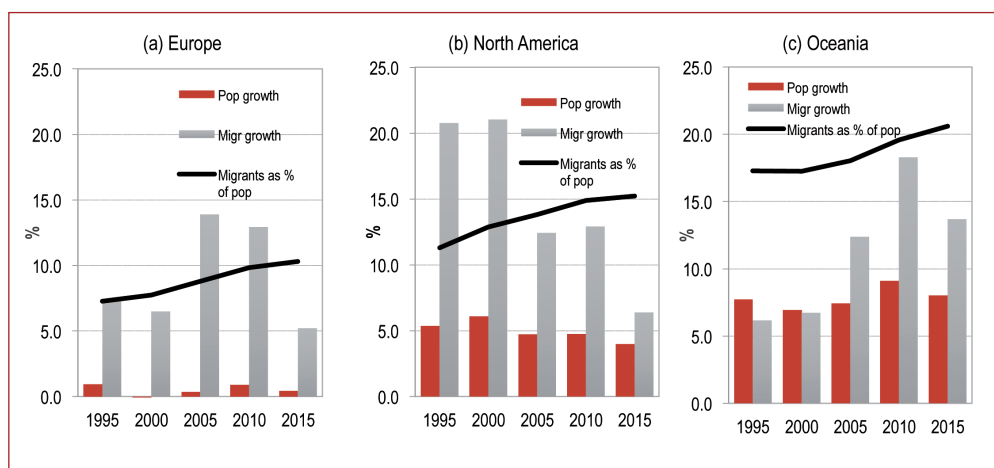
Source: ICID calculations based on UN Population Division data.

The second big wave of migration inflows to Europe started in the early 1990s, after the fall of the Berlin wall. In this period, migration inflows for the first time also targeted Southern European countries such as Italy, Spain and Greece, which had up to this point only been origin and not destination countries for migrants. Indeed, as reported in Figure 1, while Western Europe consistently hosted the highest absolute number of foreign-born migrants during the period from 1990 to 2015, by far the largest proportionate increase in migrants in this period was experienced by Southern Europe, where the stock of migrants more than tripled, from around four million in 1990 to more than 15 million in 2015.

Migration flows into Europe intensified at the turn of the new century, driven primarily by the progressive improvement in the economic outlook and consequent increase in labour demand in many European countries. Unlike the previous wave, this new migration inflow was driven mainly by the needs of local labour markets and by the difficulties experienced by local firms in satisfying their labour requirements for specific economic sectors and occupations.

The large absolute increase in the immigrant population in Europe combined with the continent's low level of natural population growth has made migration an important driver of domestic population dynamics. Europe's total population increased by only 1.7% during the 1995 to 2015 period while the presence of migrants rose by 35% over the same period, leading to an increase in the share of migrants in the European total population from 7.7% to 10.3% (Figure 2a). It is worth underscoring, however, as also reported in Figure 2, that the migrant population in Europe remains well below that of the other principal destination regions of North America (where migrants account for 15.2% of the population) and Oceania (where migrants make up 20.6% of the population).

Figure 2 - Migration vs. population growth and migrant share in total population in destination regions



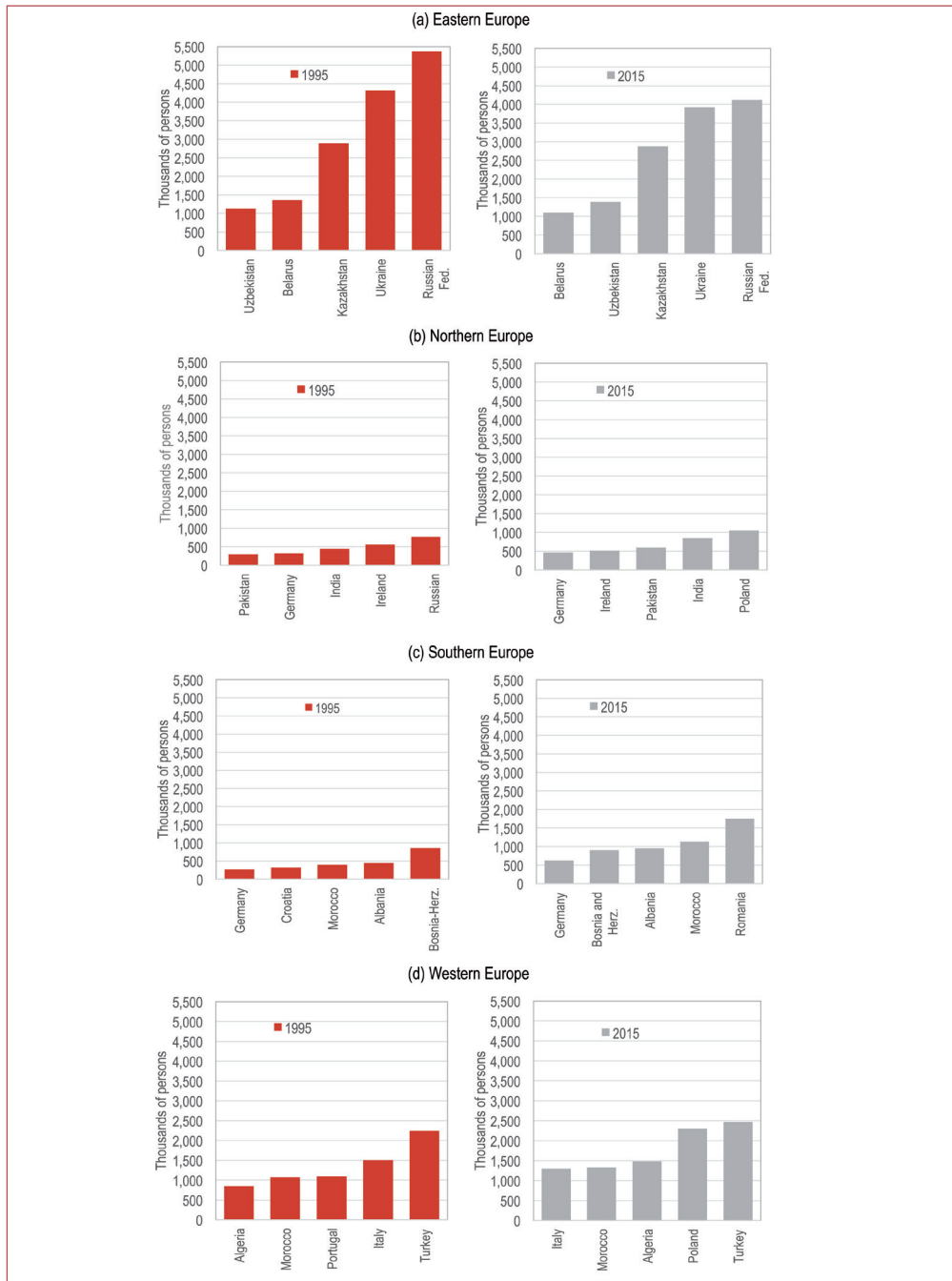
Source: ICID calculations based on UN Population Division database.

Recent decades have also seen important changes in the nationalities of the migrant populations. Figure 3, which reports the five most important migrant nationalities (in terms of recorded stocks) in 1995 and 2015 for each of the four European sub-regions, illustrates this point. The changes are in important part the product of the different migration drivers in the two periods, and in particular, the Balkan crisis and end of the Soviet Union in the 1990s, versus labour market needs in the 2000s.

Figure 4 reports migrant flows in Italy since 1990. In keeping with the broader European pattern, migration flows towards Italy intensified at the turn of the new century, peaking around 2010 and stabilising thereafter.²

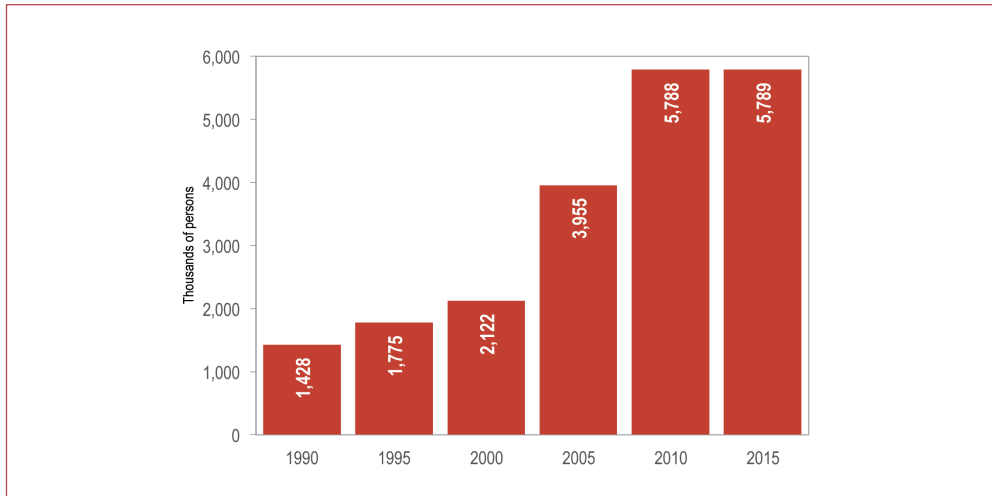
² Migration figures for Italy were also affected by the fact that the country regularised a large number of irregular migrants in the early 2000s.

Figure 3 - Migration to Europe by country of origin: top five nationalities, 1995 vs. 2015 (thousands of persons)



Source: ICID calculations based on UN Population Division database.

Figure 4 - Stock of international migrants in Italy, 1990-2015

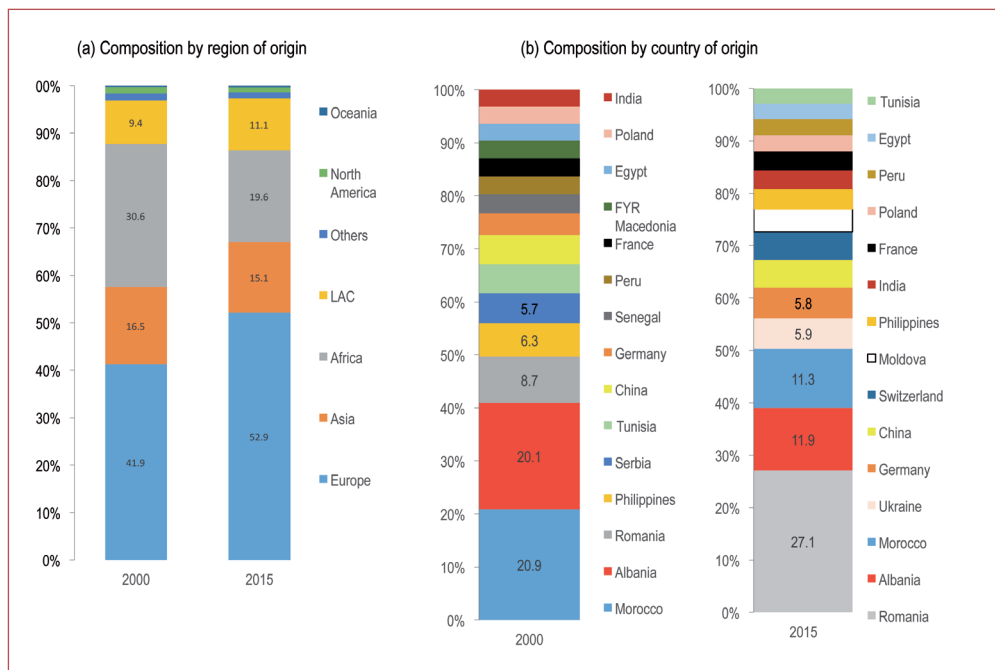


Source: ICID calculations based on UN Population Division data.

Figure 5 looks at how the regional and national composition of the stock of migrants in Italy has changed over time. Figure 5 (a) indicates that Europe grew considerably in relative importance as a source of migrants in Italy during the 15-year period from 2000; Europeans accounted for 53% of all migrants in Italy in 2015, up from 42% in 2000. The share of migrants from Africa fell considerably over the same period, from 31% of migrants in 2000 to 20% in 2015. Figure 5 (b), which reports the composition of the immigrant stock by country of origin, indicates that Romania in particular grew in importance as an origin country during the 2000-2015 period while Morocco and Albania diminished their relative weight as sources of immigrants over the same time span.

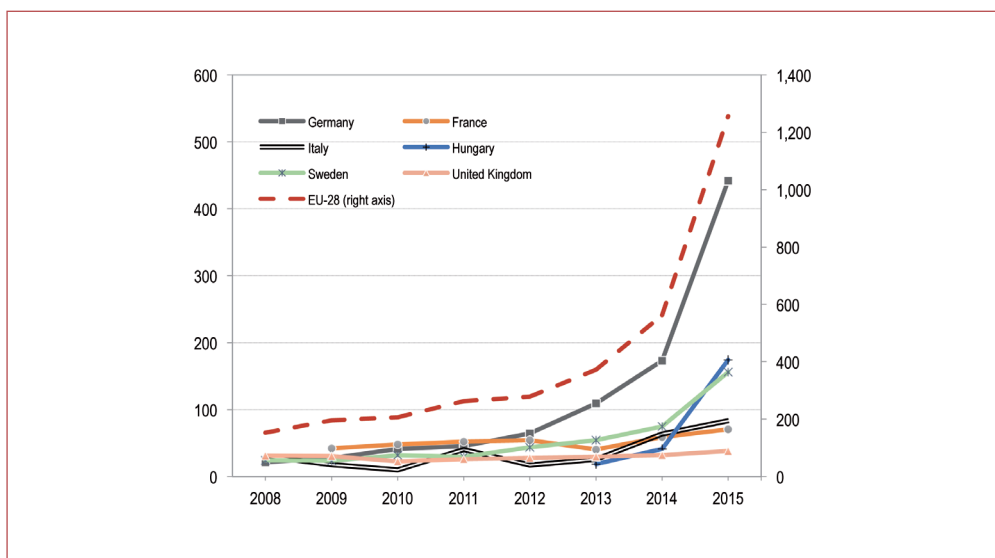
Recent years have seen a dramatic new wave of migration to Europe, not yet fully reflected in the figures cited above. This new wave is driven mainly (but not exclusively) by the huge inflows of refugees and asylum seekers fleeing from war-devastated countries such as Syria, Afghanistan, and Iraq (Figure 6). Eurostat annual data, covering the period from 2008 to 2015, indicate a jump in the number of new asylum seekers in Europe from 278,000 in 2012 to over 1.2 million in 2015. Most of the requests were directed to Germany, but significant increases after 2014 also occurred in Hungary, Sweden and Austria. Italy experienced a rise in asylum requests from 17,000 in 2012 to 85,500 in 2015.

Figure 5 - Composition of international migrants in Italy, 2000 and 2015



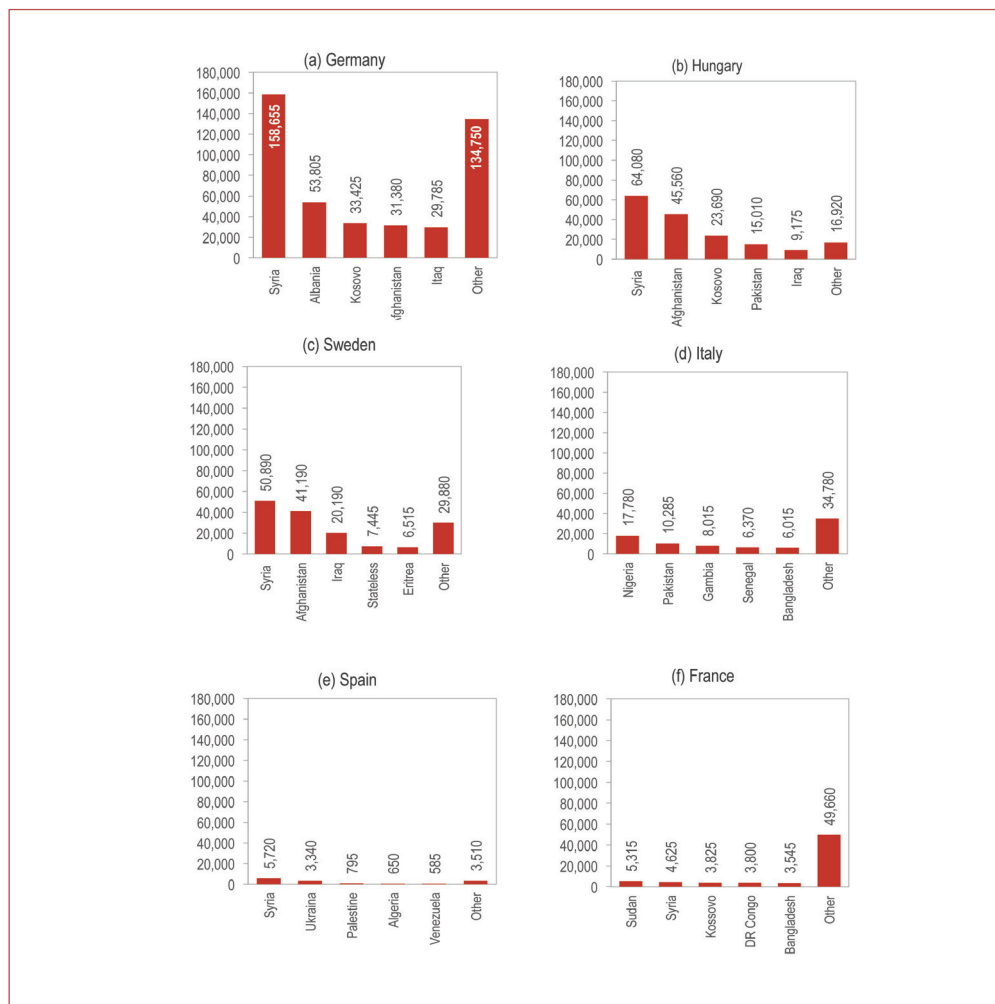
Source: ICID calculations based on UN Population Division data.

Figure 6 - Number of first-time asylum applicants in Europe, 2008-2015 (thousands of persons)



Source: Eurostat database.

Figure 7 - Top five nationalities of asylum seekers in selected EU countries, 2015

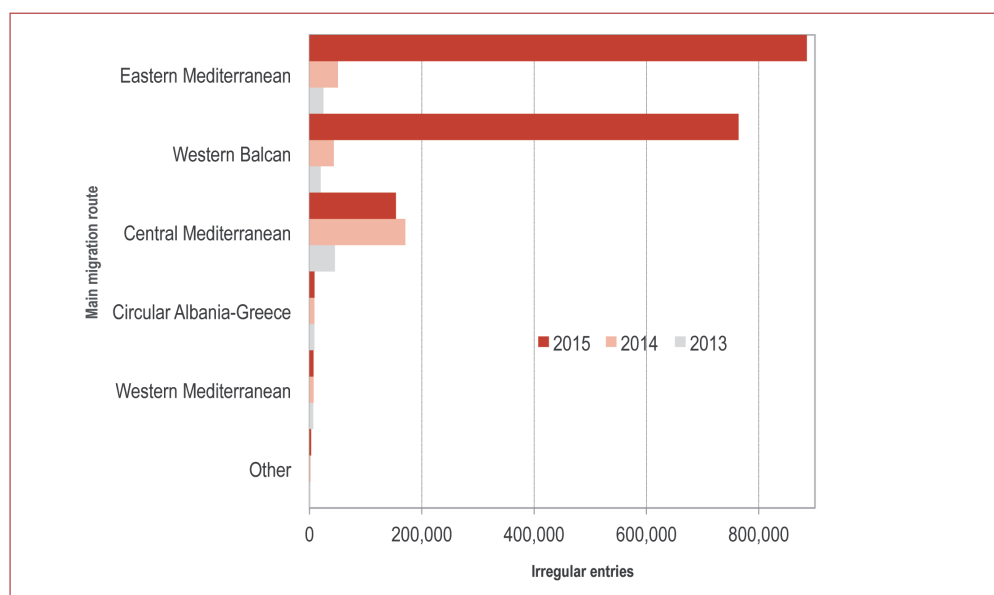


Source: Eurostat.

The main nationalities of the asylum seekers are reported in Figure 7. Syrians represent the largest community in the three countries where asylum requests are highest, i.e., Germany, Hungary and Sweden. Syrians also represent the largest share of the relatively limited number of asylum seekers in Spain, while Nigerians and Sudanese are the most common asylum seekers in Italy and France, respectively.

The unprecedented increase in the number of both migrants and asylum seekers arriving in the European Union in 2015 raised the scale of illegal migration as well. According to Frontex (the EU external border force), in 2015 about 1.8 million people crossed the EU border illegally, a dramatic rise from previous years. As reported in Figure 8, migration routes also changed and the largest number of irregular entries was detected along the Eastern Mediterranean route (by sea and land), due largely to the protracted war in Syria. In the last two years many migrants entering the EU via Turkey and the South-Eastern route travelled onwards along the Balkan route to reach countries of destination in Northern Europe.

Figure 8 - Irregular entries detected, by main migration route



Source: Frontex

1.2 The drivers of migration

The design of effective policy responses to migration requires, first and foremost, an understanding of the factors driving it. This in turn requires a focus on origin countries and on the determinants of individuals' decisions to migrate there.

In its simplest possible version, the migration decision is based on a comparison of expected lifetime earnings net of migration costs in the current country of residence and in an alternative country to which the migrant has the possibility to emigrate. Of course, non-monetary factors are also relevant, but the existing analyses focus mainly on monetary considerations.

In most developing countries, capital and insurance markets are missing or incomplete. It has been shown, both theoretically and empirically, that households in developing countries use labour migration as a tool to overcome such failed markets for insurance, capital or credit at home.³ The location choices of migrants match the need to “spatially diversify” income at the household level in the presence of malfunctioning insurance markets and to obtain access to ‘credit’ through remittances.⁴ This approach hence stresses the role of the household, instead of the individual, as the main unit for migration choices.^{5,6} As a matter of example, because Mexico has virtually no mortgage banking industry, a large share of the money earned by Mexican immigrants in the United States is channelled into the construction or purchase of homes in Mexico.⁷ At the same time, as credit markets in developing countries are incomplete and highly distorted, not everybody has access to the ‘migration way out’. Prior to migration, potential migrants must finance costly prerequisites that can include overseas search, insurance, transportation, education, visa fees, passports⁸ and smuggling.⁹

If alternative migration channels are available, regular or irregular, then the migration

3 Rosenzweig and Stark (1989); Stark and Bloom (1985); Mendola (2008).

4 Daveri and Faini (1999).

5 Rosenzweig (1988); Stark (1991); Ghatak and Price (1996).

6 In the absence of well-functioning (credit or insurance) markets, the collective decision-making framework aims at maximizing household income by dispatching one (or more) migrant member to work in foreign labour markets in order to provide support to the family back home (Stark and Bloom 1985 ; Stark 1991).

7 Massey (2005).

8 McKenzie (2007).

9 Friebel and Guriev (2004); Salt and Stein (1997).

decision relates not only to whether to migrate or not but also to which migration channel to take; this latter decision involves comparing the net benefits of migration that can be obtained through the different channels. This is an important consideration, as the wages that can be earned in the destination countries might depend on the channel used for migration.

The extensive literature on the determinants of migration, which dates back to past centuries,¹⁰ confirms that regional wage differentials determine size and direction of migration flows.¹¹

Yet, this does not mean that international economic migrants originate in the world's poorest nations. On the contrary, the largest emigration rates are observed in dynamically growing regions or in middle-income countries where incentives to leave are important and liquidity constraints (on migration) are not severe. The largest single source of U.S. immigrants, Mexico, for example, is not a poor nation by global standards. The world's major labour exporting countries relative to population are Mexico, Morocco, Turkey and Philippines, which are upper-lower to middle-income countries. While it is true that people in sub-Saharan Africa are highly mobile, most migration in this region is internal or regional, and migration to industrialised countries is relatively limited.¹² However, population projections indicate that sub-Saharan Africa will have the largest population growth in the coming decades, likely creating substantial migration pressure.

In fact, the empirical evidence on the link between the level of development in countries of origin and emigration points to an inverted U-shaped relationship, steeply increasing in the initial phases of economic development and only later gradually decreasing.¹³ This "migration hump" predicts an initial period, starting from low levels of income, during which rising incomes are accompanied by *rising* rates of emigration, since a certain threshold of wealth is necessary to enable people to assume the costs and risks of migrating. Only after this turning point are further reductions of income differentials with respect to destination countries accompanied by falling rates of emigration.¹⁴

Wage differentials and, hence, migration flows are also determined by the global

10 Ravenstein(1885); Sjaastad (1962); Todaro (1969).

11 Borjas (1987), Borjas and Bratsberg (1996); Yang (2005) for the U.S.; Hatton (2005) for the UK; Helliwell (1997) for Canada

12 Bakewell & de Haas (2007).

13 Martin and Taylor (1996).

14 Martin (1993); Hatton and Williamson (1994); Faini and Venturini (1994).

structure and geography of labour markets. In particular, economic growth and a structural demand for migrant labour in advanced economies are significant ‘pull’ factors of immigration.¹⁵ By using mainly cross-country or bilateral data, the empirical literature is consistent in providing robust evidence that emigration rates are an increasing function of economic opportunities in the destination countries.¹⁶ Moreover, the increasing complexity of labour markets and associated occupational specialisation in specific sectors may enhance the need for migration to match supply and demand in certain areas and occupations.¹⁷

Overall, real wage gaps between developed and developing countries are much larger today than in the past centuries (often as high as 10 to 1) and they are largely explained by differences in the characteristics of places rather than of people.¹⁸ Hence, the divide between rich and poor nations, coupled with reduced transport and communication costs, are likely to sustain migratory pressures.¹⁹ At the same time, though, current emigration rates from developing countries today are lower than Europe’s past mass migration or present migration within the US and the EU. It is also true that migration flows have increased much less in scale compared to other dimensions of globalisation—such as trade and capital flows.²⁰ This may be explained by (a combination of) several factors that may complement or go beyond the ‘economic’ model of migration as mentioned above. Other factors influencing the decision to migrate include political, legal, cultural and geographic barriers to international mobility between developing countries and advanced economies. Most notably, the migration model fails to capture the often large migration flows precipitated by extreme events such as wars and natural disasters.

In particular, the literature on migration and development encompasses the important assumptions that migrants leave from countries where markets are far from being complete and competitive, there are structural constraints to development and people are unlikely to have perfect knowledge of costs and benefit of migration.²¹

Migrant networks, for example, particularly family, friends and those who have

15 Harris and Todaro (1970); Borjas (1990); Hatton and Williamson (2005).

16 Rotte and Vogler (2000); Mayda (2010); Ruyessen *et al.* (2011); Docquier *et al.* (2014).

17 In the recent decades, an increase in the labor demand for jobs requiring the use of complex and abstract skills, and a decrease in the number of manual-routine type of jobs, has been documented for many developed countries (e.g. Acemoglu and Autor, 2010 for the U.S.; Goos *et al.*, 2009 for EU). For a focus on the supply-side factors, including migration, see Mitchell and Pain, 2003; Peri and Sparber, 2009; Bukert *et al.*, 2008, among others.

18 Ashenfelter (2012); Clemens (2010).

19 Czaika and de Haas (2011).

20 Faini (2003); Findlay and O’Rourke (2003); Obstfeld and Taylor (2003).

21 McDowell and de Haan (1997); Stark (1991).

already migrated, play a significant role in the decision to migrate. Former migrants assist individuals in finding a job, providing information about how to cross borders and meet the costs of migration.²² There is also some evidence that (social) media are playing a growing role in the formation and functioning of migration networks.²³

Migrant networks and other information media may also shape expectations of migration returns for new potential movers. Expectations about living standards at destination play an important role in migration choices, but there is still limited evidence about their precise role and formation.²⁴ Some research shows that high expectations are often unrealistic and can lead to a negative migration experience.²⁵ Yet, there is no consensus in the literature, nor enough evidence, about the role of over-expectations on increasing migration pressure.

Moreover, migration is not necessarily a ‘permanent’ decision, but it can be a temporary investment process, which can lead to either circular or return migration. There is evidence that many economic migrants have something like a “target accumulation” motivation, i.e. their decision to move to a high earnings labour market is not with the goal of remaining there but rather as a way of accumulating a stock of savings, perhaps for marriage, to buy a house or a piece of property, or to start a business in their home country.²⁶ In addition, return migration may take place either because workers prefer to consume in their home country,²⁷ also as they have a higher purchasing power there,²⁸ or accumulated human capital is more valued in the home country.²⁹

Finally, immigration rules at destination are also likely to influence migration choices, especially considering migration flows from developing regions to advanced economies. Such policies are related to the demand for immigration and significantly affect the *costs* associated with migration, in terms of visa requirements, processing, and controls, as well as through information and travel. Evidence for several countries shows that the enactment of more restrictive or expansive immigration policies has a

22 Massey and Espinoza (1997); Orrenius and Zavodny (2005); Dolfin and Genicot (2010); Comola and Mendola (2014).

23 Braga (2007); Dekker and Engbersen (2014).

24 Dalen, Groenewold and Schoorl (2005).

25 Knight and Gunatilaka (2010); Sabates-Wheeler, Taylor and Natali (2009).

26 Djajic and Milbourne (1988); Massey *et al.* (1993); Borjas and Bratsberg (1996); Dustmann (1996, 1997, and 2003); Stark (1991).

27 Djajic and Milbourne (1988).

28 Djajic (1988); Stark, Helmenstein and Yegorov (1997), Dustmann (1997).

29 DaVanzo (1983); Dustmann (1996).

strong effect in reducing or increasing a particular immigrant category.³⁰ Overall, the available evidence from the international literature suggests the effect of policies seems to be relatively small compared to other economic, social and political determinants of migration.³¹

However, with the rise of irregular migration flows as well as illegal human smuggling services, some scholars have questioned the consistency of restrictive immigration policies with the objective of reducing the immigrants' stock. Especially for low-skilled workers, entry closure biases the incentive structure towards the use of irregular channels, longer migration spells and, eventually, permanent migration.³² For example, there is evidence that restrictive migration policy in the US in the last decades transformed a *circular flow* of male workers from Mexico going to a few states into a *settled population* of undocumented people living all over the country.³³

Finally, while bearing in mind the importance of expected wage differentials as well as other determinants of migration, the likelihood of particular individuals and groups emigrating also depends on both the individual costs and risks of migration as well as human capital characteristics. Differences in individual 'returns to migration' can partly explain diverging inter-individual propensities to migrate. Moreover, depending on the specific type of labour demand in migrant destination regions, migrants will be selected depending on their specific skills and educational background. The combination of such factors may explain the heterogeneity and dynamism that characterise real-life migration systems, as we discuss below.

1.3 The selectivity of migration

Assuming no frictions and full access to information, migrants are ultimately expected to go where they can be the most productive, that is, where they are able to earn the highest wages. This capacity clearly depends on the specific skills a person possesses and the specific structure of labour markets. This explains, for example, why the likelihood of

³⁰ Thielemann (2004); Mayda (2005 and 2010); Ortega and Peri (2013).

³¹ Czaika and De Haas (2013); Castles (2004).

³² Faini (1996); Massey (2015).

³³ Massey *et al.* (2016).

migration decreases with age and why individuals with higher education often exhibit a higher migration propensity.³⁴ Expected earnings largely depend on the acquisition of *human capital* in both cognitive and non cognitive form, which is the main determinant of wages, both in the country of origin and (potentially, see below) in the destination country. If education is completed before migration, migration decisions based on wage differentials will in turn depend on the skill premia in the origin and destination country, as well as the degree to which skills acquired in the origin country are *transferable* to the economy of the destination country.

The distinct returns to individual characteristics mean that some people find it more profitable to move than others, known as the “self-selection” into migration. Theory predicts and evidence shows that migrants differ from non-migrants with respect to their personal characteristics (e.g. age, gender), skills, education and socio-economic background. These differences affect their ability to bear migration costs and to match potential labour market or immigration policy requirements in the host country.³⁵ Overall, whether migrants are positively or negatively selected depends on the economic, political and institutional development of the origin and destination countries (e.g. skill prices, migration costs, and the level of inequality within country of origin).

A general feature of international labour flows is that on average emigration rates of relatively high-skilled workers exceed those of low-skill workers. This is true in virtually all countries where data are available (with the exception of Mexico).³⁶ This is to say that the relatively more educated are those most likely to move abroad.

The composition of the foreign-born population in terms of their educational attainment becomes particularly relevant when seen in relation with the educational attainment of another comparison group, i.e. the native-born population at destination. Based on such comparisons, recent data show some degree of heterogeneity across countries of destination. One group of countries is characterised by a high-skilled foreign-born population (e.g., Australia, Canada, and the United Kingdom) and another group is characterised by a low-skilled foreign-born population compared to the native one (e.g., France, Germany, the Netherlands, Switzerland and the United States). The foreign- and native-born populations in Italy and Spain, instead, show relatively comparable educational make-ups.³⁷

34 Sjaastad (1962).

35 Borjas (1987); Chiswick (1999); Chiquiar and Hanson (2005); Beine *et al.* (2011).

36 Docquier, Lowell and Marfouk (2009); Hanson and McIntosh (2010).

37 Dustmann and Glitz (2011).

Yet, even though the foreign born population in a given host country is positively selected with respect to their compatriots who stayed home and it is as well educated as the natives in the host countries, they are unlikely to perform equally well in the labour market. The educational skills immigrants bring with them may not be easily transferable to the host country labour market and highly skilled immigrants are not able to command the same wage as a 'similar' native-born worker, as confirmed by the ample evidence of the so-called phenomenon of 'over-education' of immigrants. This phenomenon, persistent over time and across migrant-cohorts, points to both a problem of limited cross-country transferability of human capital and of a waste or underutilisation of migrants' skills in host economies (which in turn may influence the self-selection process into migration). It has been shown that complementary skills such as language and social capital may facilitate the transfer of skills across the borders.³⁸

1.4 The impact of migration on host countries

The migration experiences of many (developed) countries of destination have fuelled a heated debate in both academia and the policy arena on the consequences of the international mobility of workers. The focus has been primarily on the impact of migration on the destination country's labour market and economy in terms of local wages and employment levels, access to public services and aggregate productivity.

The evidence discussed below relates to medium-, long-run effects of migration on the destination economy and does not explicitly take into consideration the costs relative to integration difficulties for both migrants and natives, pressure on the social fabric and additional problems potentially stemming from large inflows or irregular migrants. Moreover, given that differential between living standards in origin and destination countries remains high also at time of economic downturn, migration flows might react slowly and continued inflow at time of recession (or sluggish growth) might increase economic and social costs, at least in the short run. However, there is little evidence to substantiate or refute this hypothesis.³⁹

38 Chiswick and Hatton (2003); Adsera and Pytlikova (2015).

39 See D'Amuri and Peri (2010) among the few papers on the impact of immigration at time of recession in Europe.

The economic consequences of immigration depend largely on the extent to which migrants are similar or different from the native population. In general, economic theory suggests that in competitive environments there are incentives and gains from exchange when agents are *different* (in terms of preferences/endowment/technology). However, a key question that has generated heated debate in the migration literature and policy circles is how to define *diversity* between people.

Applied studies have taken a pragmatic approach building on what can be actually measured in the available data. When studying the labour market impact of immigration in host countries, labour economists have typically measured ‘diversity’ through observable workers’ attributes such as education and working experience (i.e. skill composition). As long as migrants have similar attributes to the existing labour force in the host economy, their arrival will lead to higher *competition* with similar local workers and therefore a reduction in relative wages of substitute workers.

This hypothesis has been the subject of numerous studies in several countries including the U.S., U.K, Germany, France, Spain and Italy. Yet, these analyses, conducted over decades, have provided little evidence that immigrants depress wages by competing with local workers. Most studies for industrialised countries have found, on average, no effect on the wages of local workers. When findings do point to a negative effect of immigration, it relates mainly to low-skilled workers and the magnitude of the effect is very small (1 or 2%). This effect may be explained by the relatively higher competition (or higher ‘similarity’) between low-skilled natives and immigrants rather than between high-skilled workers.⁴⁰

Overall, the absence of a detrimental effect of immigration on local labour market outcomes among similarly-skilled workers has led economists to ‘refine’ their approach in defining and measuring the *richness* and *heterogeneity* of the migrant population in the host society. This further entails considering alternative adjustment channels of the local economy to migration, between the response of workers and firms to immigrant workers, beyond the ‘substitution’ effect in the local labour market. These refinements include the following arguments:

- The marginal productivity of workers with certain skills depends not only on the supply of workers with their same skills but also on the supply of other workers. In other words, immigration in a specific skill cell may involve *complementarities* with differently skilled

40 Peri (2016).

native labour force, increasing overall productivity. These complementarities may result in a less negative or even positive overall effect of immigration on wages.⁴¹ For example, there is rather robust evidence that low-skilled migrants are complementary to skilled female labour force in advanced countries.⁴²

- Migrants and natives are ‘different’ in several aspects beyond standard labour market attributes, e.g. in their occupations or production tasks. Hence, even similarly-skilled migrants and natives will not compete between them but perhaps they will specialise in different occupations and tasks that are complement in the labour markets.⁴³
- In the long-run other production inputs, such as capital, are mobile between markets and sectors so that capital investment may change in response to migration-induced variations in the labour endowment and skill mix. For example, labour supply shocks may be absorbed by changes in the production technology (e.g. more or less labour-intensive technologies) or in the output mix.⁴⁴
- Some studies provide evidence of a robust, positive effect of immigration on long-run income per capita.⁴⁵ Reasons for this are related to the firm-level productivity and dynamic-response effects, which may have positive impacts in the long term. For example, labour mobility may increase total factor productivity, by raising the degree of diversity within the immigrant population (in terms of countries of origin).⁴⁶ Immigration triggers the creation of new firms and product varieties in the long run.⁴⁷
- Migrants may trigger positive economic outcomes through trade. This is true for market integration of goods, which is spurred by co-ethnic and social *networks* that reduce informational *trade barriers*.⁴⁸ More recently, there is evidence that immigration fosters trade in services as well.⁴⁹ Indeed, since exchange in tradable services is increasing and requires the overcoming of cultural and institutional barriers (perhaps to a much greater extent than trade in goods), the role of immigrants in facilitating services trade may be critical and quantitatively relevant.⁵⁰ Immigrants may also reduce imports of

41 See, for instance, Borjas (2003) and Ottaviano and Peri (2006).

42 Cortes and Tessada (2011).

43 Ottaviano and Peri (2012); Peri and Sparber (2009).

44 Lewis (2003 and 2007).

45 Ortega and Peri (2013).

46 Ortega and Peri (2013); Andersen and Dalgaard (2011).

47 di Giovanni *et al.* (2011); Docquier *et al.* (2014).

48 Head and Ries (1998); and Rauch and Trindade (2002).

49 Ottaviano *et al.* (2015).

50 Gould (1994); Head and Ries (1998).

intermediate goods as they substitute for work that is otherwise performed by workers in their home country and then imported, thereby reducing offshoring.⁵¹

- Finally, in addition to the potential reduction in bilateral trade costs, immigrants may foster services trade to all destinations by increasing the overall productivity of the firm, thereby increasing the profits associated with overseas sales.⁵² Potential sources of these productivity gains are the effects of ‘diversity’,⁵³ in which immigrants foster creativity, help generate new ideas and provide complementary skills.⁵⁴ Moreover, as mentioned above, they may lead to a ‘specialisation effect’⁵⁵ since immigrants have a comparative advantage in performing certain production tasks and hence allow for greater division of labour within the firm.

1.5 The impact of migration on countries of origin

Labour mobility and migration are pervasive features of economic development. The emigration of workers in the 19th and 20th centuries had an important role in the economic growth of European countries such as Italy, Ireland and Sweden, in both the short- and the long-run. More recently, South-North migration has brought a welcome financial windfall to the developing world, mainly in the form of monetary and ‘social’ remittances. The importance of remittances has been stressed even more in so far they can compensate the potential loss of human capital due to migration (‘brain drain’) and boost economic growth at both the micro and macro-level⁵⁶.

Global remittances have grown steadily and are the most tangible link between migration and development. At more than \$325 billion per year, remittances sent by migrants to developing countries are larger than official development assistance, private debt and portfolio equity flows⁵⁷. Remittances can be significant in terms of the GDP of

51 Ottaviano *et al.* (2013).

52 Grossman and Rossi-Hansberg (2008); Harrison and McMillan (2011); Wright (2014); Baldwin (2010); Baldwin and Robert-Nicoud (2010).

53 Ottaviano and Peri (2005); Brunow *et al.* (2015).

54 Hunt and Gauthier-Loiselle (2010).

55 Peri and Sparber (2009).

56 Bollard *et al.* (2011).

57 World Bank (2011).

developing countries and they have proved to be resilient during times of crisis and acute economic hardship in the destination country⁵⁸.

Migrant remittances provide a measurable benefit—a lifeline—for origin communities, and they contribute directly and indirectly to the income of origin households.⁵⁹ Remittances help households to pay for food, housing, education, and health expenses and even facilitate investment in small businesses.⁶⁰ Overall, cash flows, increasing expenditures, and (productive) investments caused by remittances have a substantial impact on the social action and economic health of movers and non-movers alike through multiplier effects.

Even beyond monetary flows, migrants may send back to their home countries the so-called ‘social remittances,’ defined as ideas, know-how, practices, and skills, which can promote development.⁶¹

Labor emigration can have direct and indirect effects on development at origin also via employment generation, human capital accumulation, diaspora networks and return migration.⁶² Gains tend to become more diffuse within origin countries when labor markets are integrated; segmentation, either due to inadequate infrastructure or cultural and ethnic barriers, can restrict gains within migrant communities and might increase relative deprivation of non-migrant ones. However, there exist cases where massive and unmanaged migration, especially of highly skilled migrants, can have deleterious effects on service delivery, inequality or labor depletion.⁶³

Finally, diasporas can play a major role in promoting trade and investment flows between destination and origin countries since long-standing immigrant communities tend to influence trade preferences, facilitate trade intermediation and provide useful information on countries of origin.^{64,65}

Overall, extant evidence reveals that the synergies between migration and development, if explored and strengthened, could lead to substantial gains for both origin and destination countries.

58 Ratha and Sirkeci (2010).

59 Yang (2008).

60 Migration may have both positive and negative social effects in terms of children’s education and health, depending on changes in family composition and gender roles within the family and society.

61 Levitt (1998).

62 Ratha *et al.* (2011).

63 Akhenaten *et al.* (2013).

64 Rauch and Trinitade (2002).

65 Javorcik *et al.* (2011).

2 INTERVENING ^{IN} COUNTRIES: ^{OF} ORIGIN: A REVIEW ^{OF} POLICY OPTIONS ^{AND} EXPERIENCES

This chapter reviews policy options and policy experiences of particular relevance to the broad goal of sustainable and mutually-beneficial migration. They relate primarily to policies in countries where migratory flows originate, and the complementary measures needed in destination countries to effectively implement them, and therefore are consistent with the call made in the Italian non-paper (i.e., the Migration Compact) and recent EU Declarations for scaled-up and more systematic external efforts in the migration sphere in close partnership with governments in countries of origin. The policies should be seen as one component of a necessary integrated strategy that addresses the various dimensions of the migration phenomenon, in both origin and destination countries, in a comprehensive fashion.

The policies address seven strategic objectives that are of particular importance to efforts in the migration sphere in countries of origin: (1) making migration a choice, not a necessity; (2) increasing the employability of prospective migrants; (3) preparing prospective migrants with “migration knowledge and skills”; (4) facilitating two-way movements of both migrants and their accumulated knowledge, skills and capital; (5) engaging diaspora communities in their countries of origin; (6) making migration a reversible choice; and (7) safeguarding children left behind by migrant parents. Taken together, the realisation of these objectives would help bring about the desired “win-win” migration scenario, i.e., controlled migration flows, reduced incentives for irregular migration and a two-way flow of migration benefits.

It should be noted at the outset that much of the policy experience in these strategic areas is limited in scale and fragmentary in nature, again underscoring the need for more systematic and expanded efforts in countries of origin moving forward, with support from the EU and other international actors. Evidence concerning policy impact is also very fragmentary and significant investment is therefore needed in impact evaluation in order to guide future efforts. In the discussion that follows, descriptions are provided of key extant interventions in each of the seven strategic areas, as well as, where available, evidence of their impact.

2.1 Active labour market policies: making migration a choice rather than a necessity

2.1.1 Overview and rationale

Improving labour market conditions and outcomes in developing countries helps reduce the urgency of leaving the country, in turn reducing reliance on irregular migration channels and helping to ensure that eventual migrants are well-matched to the labour market demands in destination countries. This section gives an overview of empirical findings on the effectiveness of active labour market programmes (ALMPs) in improving labour market outcomes for participants, thus indicating the extent to which these policies might contribute to generating incentives for workers to remain in their countries of origin.

2.1.2 A brief classification of active labour market programmes

Active labour market interventions target individuals who are considered disadvantaged or vulnerable in the labour market. In low- and middle-income countries, the target group of disadvantaged or vulnerable individuals typically is heterogeneous – individuals may be rendered vulnerable by low skills, other by lack of access to education, low income, (extreme) poverty, combinations of these, or additional dimensions (e.g. regions or socio-demographic groups affected by armed conflict). All active labour market programmes aim at improving participants' labour market outcomes, and in particular

their employment probability and their labour earnings. Complementary outcomes are often defined as employability, and the formality of employment.

Active labour market programmes comprise interventions in the following categories:⁶⁶

1. *Training and skills development*: interventions implying human capital acquisition (typically post-secondary), including on-the-job training, classroom training, basic skills training, and/or life skills training;
2. *Entrepreneurship promotion*: interventions providing access to finance, access to markets, and/or business skills training;
3. *Employment services*: interventions improving the efficiency of job search and job matching;
4. *Subsidised employment*: interventions (temporarily) subsidising the creation or retention of jobs in the private or public sector.⁶⁷

2.1.3 Evidence on ALMP effectiveness

A large number of impact evaluations of active labour market programmes have been produced over the last two decades, and this section summarises the main findings making use of two recent systematic and quantitative studies, Card *et al.* (2015) and Kluve *et al.* (2016).^{68,69} Youth labour market interventions are of particular interest in the migration context, since young workers are in general more mobile than older workers and thus migration decisions are more likely to be relevant for them at any point in time, as they have a longer time horizon to obtain net benefits from migration.

⁶⁶ Kluve *et al.* (2016).

⁶⁷ Several variants of this typical categorization exist; Card *et al.* (2010 and 2015), for instance, distinguish between (a) private sector wage subsidies and (b) public sector direct job creation among category (4) “subsidized employment”. At the same time, they group “entrepreneurship promotion” together with wage subsidies under the category “private sector [financial] incentive schemes”. These slight differences in categories do not, however, affect at all the summary discussion of the available evidence on ALMP effectiveness.

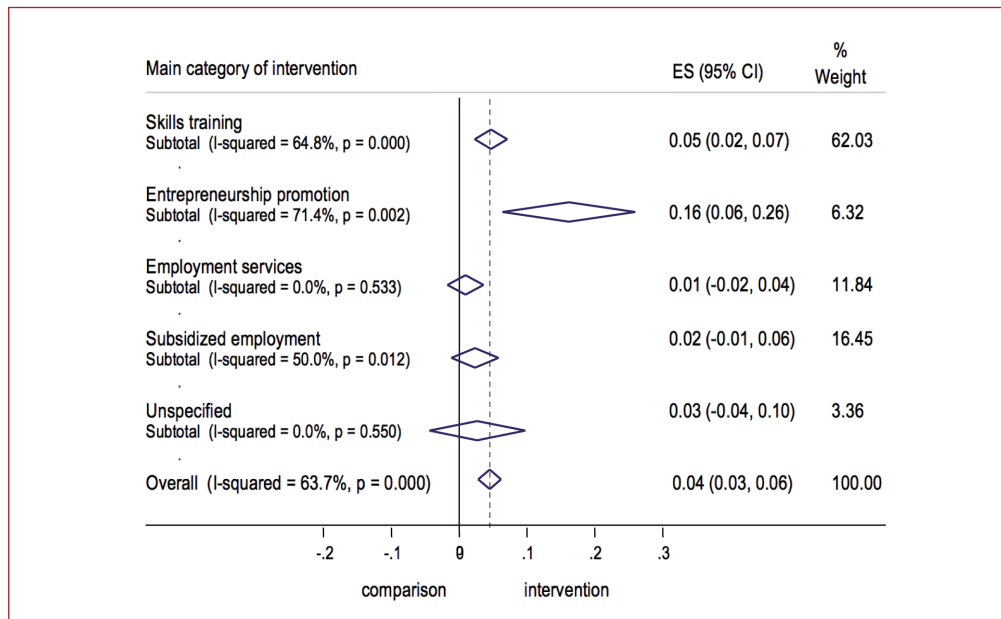
⁶⁸ Previous reviews include the predecessor paper Card *et al.* (2010), Heckman *et al.* (1999), who summarize 75 micro-econometric evaluations from the U.S. and other countries, Kluve (2010), who reviews close to 100 studies from Europe, and Filges *et al.* (2015), who analyse a narrower set of 39 studies. See also references therein. Related reviews and meta-analyses focusing on labour market interventions in low- and middle-income countries include Betcherman *et al.* (2004), Cho and Honorati (2014), and Grimm and Paffhausen (2015).

⁶⁹ The former is based on a sample of 207 studies worldwide, comprising 857 impact estimates. The latter focuses on youth labour market interventions, with some emphasis on the evidence from low- and middle-income countries, and extracts a total of 2,259 effect size estimates for 107 interventions.

The recent literature on the effectiveness of active labour market programmes has revealed the following main conclusions:

- *Investing in disadvantaged workers through active labour market interventions pays off.* In general, active labour market programmes lead to positive outcomes, increasing employment and/or earnings of programme participants. The overall size of the effect, however, may often be relatively small.
- *Program impacts differ by programme type.* Figure 9 and Figure 10 show so-called “forest plots” of ALMP impacts on employment and earnings outcomes, respectively, both overall and disaggregated by programme category.⁷⁰

Figure 9 - Forest plot of employment outcomes by intervention type

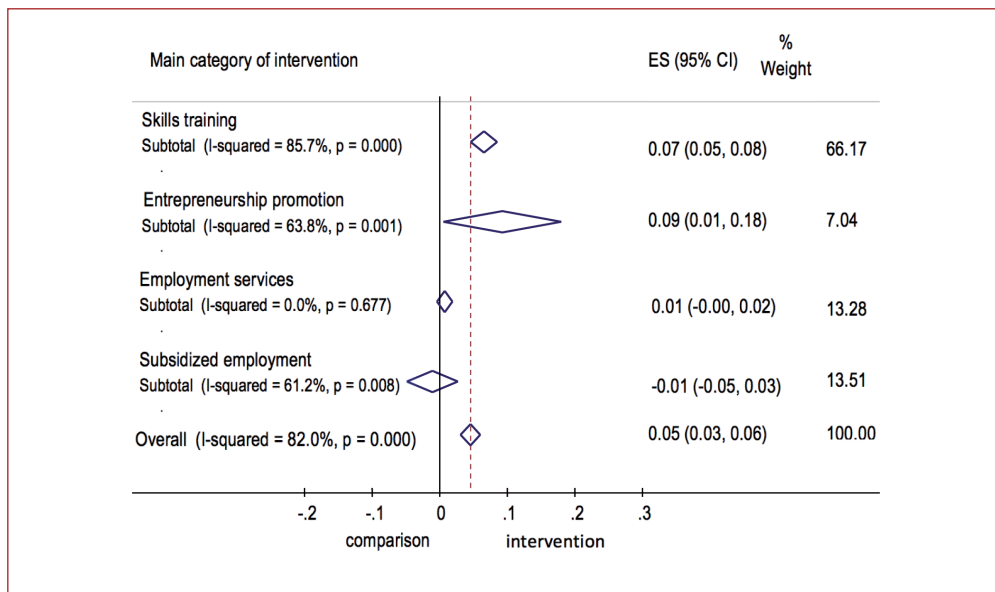


Notes: No. of SMDs/Studies: Total: 330/105; Skills training: 904/67; Entrepreneurship promotion: 43/7; Employment services: 104/10; Subsidised employment: 193/16; Unspecified: 86/5. Sub-group dropped (<4 independent studies)

Source: Kluve *et al.* (2016)

⁷⁰ The diamonds indicate the mean overall effect size (at the upper/lower edges of the diamond) and the confidence interval (left/right edges of the diamond). An effect size greater than zero indicates that, on average, the treatment group of the intervention had a better outcome than the comparison group. This is considered a positive effect.

Figure 10 - Forest plot of earnings outcomes by intervention type



Notes; No. of SMDs/Studies: Total: 638/89; Skills training: 495/60; Entrepreneurship promotion: 50/12; Employment services: 36/8. Subsidised employment: 57/9; Sub-group dropped (<4 independent studies): Unspecified.

Source: Kluve *et al.* (2016)

Both figures show (bottom diamond) that the overall average effect size of ALMP is positive, but relatively small in size. Employment services have a very small positive impact. Subsidised employment programmes are not positive in effect size on average, because of the contrasting results coming from (a) evaluations of private sector wage subsidies showing positive impacts, and (b) evaluations of public sector job creation showing negative impacts.⁷¹ Skills training has persistent positive impacts, which may still be relatively moderate in size, but are strictly larger than those of employment services programmes. Finally, entrepreneurship programmes show large effect sizes on average, but also a wide confidence interval, i.e. range, resulting from the limited number of evaluations available for this programme type.

Program impacts differ by time horizon. Card *et al.* (2015) distinguish whether the evaluation studies in their sample estimate impacts in the short-run (the first year after the end of the programme), the medium-run (up to two years after programme end),

71 Card *et al.* (2015).

and the long-run (more than two years after end of the programme). The empirical results indicate a strong pattern of programme effects becoming larger over longer time horizons, i.e. many interventions cause effects that increase over time, and/or that start materialising only 2-3 years, or later, after the programme.

Moreover, this timing pattern varies also by programme type: employment services – or “work first” type of programmes – are more likely to show short-run impacts. At the same time, especially skills training programmes imply larger impacts over a longer time horizon. This is in line with theoretical considerations, since the human capital accumulating feature of skills training would be expected to improve (long-term) labour market outcomes.

Finally, the pattern of observing positive changes in labour market outcomes only a year after exposure to the intervention – along with further increases over longer time horizons – is particularly pronounced for the youth target group.

Contextual differences also play a role in programme effectiveness. The studies by Card *et al.* (2015) and Kluve *et al.* (2016) show important differences in the magnitudes of impact across intervention types and time horizons (see previous points). Despite the strong similarities across included studies, the differences in impact were not always driven by chance – tests for heterogeneity demonstrate substantial variation in the effect size magnitude due to: (a) country context, (b) intervention design, and (c) profile and characteristics of programme beneficiaries. For instance, ALMPs seem to be generally more effective during a recession; also, the evidence overall indicates that females may be benefiting more from programme participation than males.

Impacts are larger in low- or middle-income countries than in high-income countries. This result holds for employment and earnings outcomes and after controlling for study design. It points to a factual difference across country contexts: being unemployed or unskilled in a high-income country – where labour demand is skill intensive – puts vulnerable workers, and in particular youth, at a distinct disadvantage in comparison to a cohort that is, on average, well educated. While ALMPs help these vulnerable individuals to (re)connect to the labour market, they do not fully compensate for any failure to acquire knowledge or skills earlier in the education system. In lower income countries, with large cohorts of disadvantaged youth and vulnerable workers, marginal investments in skills and employment opportunities lead to larger changes in outcomes. This finding is of particular importance in the migration context, since it indicates that active labour market interventions may be especially effective in those low- and middle-

income countries that are likely to become countries of origin for many emigrating low-skilled workers.

In low- and middle-income countries, skills training and entrepreneurship interventions produce the largest impacts. Skills training and entrepreneurship promotion interventions yield positive results, on average, especially in terms of income gains. This is an important finding, which highlights the merits of combining both supply- and demand-side interventions to support vulnerable workers. It also provides tangible evidence about the effect of interventions that aim to build human capital, since the evidence base for skills training is most robust, as the large majority of ALMP implemented and evaluated worldwide are skills training programmes. Since for entrepreneurship promotion interventions the evidence base to date remains small, further research is needed to enhance the consistency of the results from this intervention type.

In low- and middle-income countries, measures that provide multiple services and programme components to youth lead to better outcomes. Interventions that combine different components report higher outcomes than otherwise. The same relationship is not seen to the same extent among interventions implemented in high-income countries.⁷²

Targeting the most disadvantaged youths increases the programme effect. Across measures of targeting, a focus on low-income youth, those with low levels of education or exhibiting strong disadvantages in the labour market, triggers higher employment and earnings gains for youth across all country income levels.

In summary, the evidence suggests that the impacts of active labour market policies are not large but are nonetheless important in providing local labour market opportunities. Interventions promoting entrepreneurship appear to hold particularly promise.

72 Kluve *et al.* (2016).

2.2 Education, training and investment in countries of origin: improving migrant employability

2.2.1 Overview and rationale

Providing individuals with the mix of skills relevant to the labour market plays an essential role in making migration sustainable. As discussed above, skills improve employability in the domestic market thereby reducing pressures to emigrate. These pressures can be reduced further by public policies encouraging investments by firms from would-be destination countries designed to make use of local labour force skills. Education and training also favour good job matches for migrants in destination countries, and at the same time can help reduce the costs of integration and reduce incentives for irregular migration.

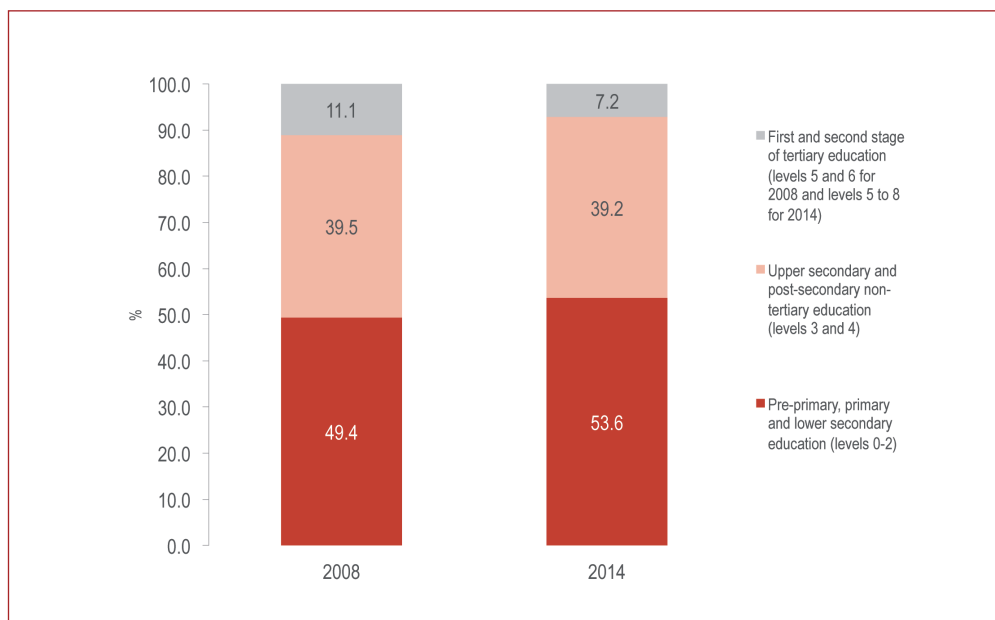
Most of the migrants arriving in Italy have relatively low levels of education and skills, a profile that has actually worsened slightly in recent years (Figure 11), and are mainly employed in low-skilled jobs. The large inflow of unskilled workers in the local labour market has important potential negative implications for (short- and long-term) economic growth and development, through, for example, promoting specialisation in low-skill jobs and activities. Migrants are for the most part *not* arriving in Italy and other EU countries with the higher level of skills needed to ensure their own employment success or to fill the skills gaps in the local labour force – a lose-lose situation that improved education and training in countries of origin can help to redress.

2.2.2 Current practices

A number of origin countries have developed **vocational education and training (VET) projects** specifically targeting prospective migrants as part of their broader national VET strategy. The EU conducted an evaluation of a set of such projects and concluded that, to be more effective, they should be part of a national VET systems in origin countries and that they also provide a useful entry point for upgrading and reforming such systems. The VET projects, in other words, serve two related goals: both preparing workers for the labour market demand coming from Europe and spearheading local VET system reforms.⁷³

⁷³ Charpin and Aiolfi (2011).

Figure 11 - Foreign-born immigrants in Italy, 15-64 years age range, by education levels



Note: levels in 2008 refers to ISCED97, while levels in 2014 refers to ISCED11.
Source: ICID calculations based on Eurostat database.

Evidence also points to the relevance of **broader investments in the education systems** in countries of origin.⁷⁴ While universal primary education has been achieved in many developing countries, this is no longer an adequate skills floor for labour markets in either origin or destination countries, pointing to the need for support in expanding and improving secondary education, and in introducing a vocational component into secondary education. Private sector partnerships are pertinent in this context, both as a means of defraying the costs associated with vocational training and of ensuring the relevance of vocational training to employers' needs.⁷⁵

Investment in technical training at the tertiary level is also important. It helps to promote a technically skilled labour force and to orient youth towards more marketable skills. The Singapore model has shown how this kind of higher education does not need to be considered of second rate with respect to more traditional academic curricula.⁷⁶

⁷⁴ Fares *et al.* (2006).

⁷⁵ Patrinos *et al.* (2009).

⁷⁶ World Bank (2012).

Table 1 - Policies and programmes: training and education

Title	Country	Intervention(s)	Participating organisations/countries
EU-Tunisi Mobility Partnership	Tunisia	Strengthening the quality of the Tunisian system of vocational education for workers engaged in circular migration schemes, in particular in the sectors of tourism and agriculture.	EU, Italy, Italia Lavoro Spa
Education and Training for Egyptian Youth	Egypt	Strengthening of the Fayoum Advanced Technical School for Hotel Management and Tourism Services in preparing students for career opportunities in the tourism sector at home and abroad.	Italy, IOM
Prevention of irregular migration from Armenia	Armenia	Vocational training, economic integration and job opportunities for potential migrants.	IOM
Towards a Mutual Recognition of Skills (MRS)	Cambodia, Lao People's Democratic Republic, Myanmar	Support to the development of skills/competency standards, and accompanying testing and certification modules.	South Korea, ASEAN Secretariat
Effective Governance of Labour Migration and its Skills Dimensions	Ukraine and Moldova	Building capacity to govern labour migration, including the capacity to balance migration flows and returns with national needs and the skills needs of EU Member states.	EU and IOM
Regional Project on Vocational and Professional Training and Labour Insertion	Dominican Republic and Central America	Development of labour skills standards, competency assessment systems and occupational competency standards.	Spanish Agency of Cooperation for Development

These measures are likely to not only improve employability in the home countries, but also to orient the flows of migration towards (semi) skilled migration favoring a smooth integration in the destination country.

Improving skills accreditation is an important related policy area. According to the Eurostat pilot study on indicators of integration,⁷⁷ in 2009, in the EU member states, the average over-qualification rate of non-EU born immigrants in the age group 20–64

⁷⁷ Eurostat (2011).

stood at 36%, while the corresponding figures for the total European population and EU born were, respectively, 21% and 28%. In order to reduce the relative disadvantages that migrants with foreign qualifications face in entering the labour markets of their destination countries, as well as the mismatches between their competences and the skills requirements for the jobs in which they eventually end up working, foreign credentials should be assessed as early as possible. The effects of favouring a good match in the destination country and to favour the use of regular channels for migration will be strongly reinforced if systems of accreditation are put in place. Indeed, if accreditation programmes increase the returns to education for migrants and if accreditation programmes can be used only if migrating through regular channels, this will increase the expected returns to regular migration.

Two policy priorities stand out in particular in the context of skills accreditation. First, accreditation should be completed as much as possible in the country of origin prior to migration. Table 2 illustrates how pre-screening of migrants improves their employability in the destination country (in this case Australia): the later generation

Table 2 - Impact of improved economic migration screening on employment outcomes in 6 months for selected general skilled migration birthplace groups, Australia (1993-95 and 1999-2000)

Birth place of select economic principal applicants	Employment within 6 months (1993-95 arrivals)	Employment within 6 months (1999-2000 arrivals)
UK/Ireland	85%	86%
South Africa	76%	89%
North West Europe	73%	83%
Eastern Europe	31%	79%
Philippines	57%	76%
India	56%	73%
Hong Kong, China/Malaysia/Singapore	53%	68%
China	45%	61%
Middle East/North Africa	42%	72%
North, South East and Central Asia	40%	77%

Source: Longitudinal Survey on Immigrants to Australia; Table derived from Hawthorne, L (2008), 'The Impact of Economic Selection Policy on Labour Market Outcomes for Degree-Qualified Migrants in Canada and Australia', Institute for Research on Public Policy Choices, Vol 14 No 5, May ISSN 0711-0677 www.irpp.org

of migrants with skills accreditation through pre-screening were much more likely to secure employment within six months of arrival in Australia than the earlier generation of migrants not benefiting from pre-screening.⁷⁸

The second priority is to substantially increase the role of the private sector (of both origin and destination countries) in order to favour the recognition of non-academic skills and of skills acquired by vocational training courses that do not lead to a formal title.

Policies in countries of origin aimed at **encouraging investment by firms from would-be destination countries** are an important complement to education and training efforts. Such policies improve employability by providing prospective migrants with opportunities in their *local* labour market to apply their newly-acquired knowledge and skills, augmenting the economic and social return to the investment in education and training.

The presence of a pool of skilled workers can be an important investment incentive for businesses from would-be destination countries whose production technology makes intensive use of these skills. However, since it is hard for a single firm to move to a country that is not well known, because of uncertainty and lack of knowledge, this important synergy can be lost without policies in countries of origin aimed specifically at encouraging and facilitating investment. Relevant policy measures in this context include agreements between business associations to make sure that firms from would-be destination countries include the origin country as a “ring” of value chain. Countries of origin can favour this process through measures such as setting up special economic zones.

78 Hawthorne (2008).

2.3 Pre-migration preparatory programmes: equipping prospective migrants with migration knowledge and skills

2.3.1 Overview and rationale

Migrants' socio-economic integration in destination countries is often imperfect,⁷⁹ preventing all involved actors from fully reaping the benefits of migration. First, many migrants earn below their income potential. Second, lower migrant incomes potentially translate into lower remittances for family members in the countries of origin. Third, lower levels of socio-economic integration reduce the fiscal benefits of migration for citizens of destination countries. They may also have adverse consequences for social cohesion and the willingness to accept additional migrants.

Pre-migration programmes aimed at preparing individuals for the challenges of migration can be effective in helping to address these sub-optimal migration outcomes. Interventions to inform potential migrants about the appropriate channels to follow and the risks of irregular migration, to help them to find the right job match in the destination countries and to prepare them to integrate there all help to promote efficient levels of migration and to reduce the incentives to use irregular migration channels.

Most efforts supporting the integration of migrants, however, have to date occurred in destination countries. In order to really help reducing irregular migration flows and to make regular migration as beneficial as possible for the migrants and the destination countries, there is need for programmes prior to migration in *origin* countries, as part of a broader effort towards sustainable migration.

2.3.2 Current practices

Many destination countries have designed policies to facilitate the socio-economic integration of migrants. Such policies typically include language training, assistance

⁷⁹ OECD (2015).

finding jobs, and information on the culture and norms of the destination country. In addition, active labour market policies often implicitly target migrants. So far, however, evidence on the effectiveness of these integration policies has been mixed, especially with regard to their cost effectiveness.⁸⁰ Overall the experiences in this crucial area have been fragmented and not carefully assessed. Below we look at efforts supporting migrant integration in three key areas: job matching, information provision and pre-departure formation.

The rationale for **job matching interventions** is clear. Matching migrants to available jobs in destination countries will increase the benefits for both sides. It will also help to transmit information on the skills most valued in the destination countries and provide incentives and indications for adequate human capital formation. Finally, a formal process of job matching will increase the expected benefits from regular migration, contributing to the reduction of irregular migration. There have been relatively few efforts relating to job matching for immigrants to date, for the most part concentrated on high-skill workers. Looking forward, internet-based approaches offer promise, given the rapid diffusion of digital access in many origin regions, including Africa.

The provision of information on labour market and living conditions is important in light of the role that expectations play in determining the decision to migrate and the channels (regular or irregular) used for migrating. Expectations about wages and living conditions in destination countries are typically formed through informal channels, and especially through migrant networks, although other sources such the media also play a role. These informal channels may not provide accurate information or fully reflect risks, in turn leading to migration decisions that are not in the best interest of the parties concerned. Informed migration decisions require accurate information in particular on average living conditions and on differences in this regard between regular and irregular migrants. The real wage difference between origin and destination countries is typically so large that correcting the expectations of potential migrants, should these be incorrect, is unlikely to affect their behavior. But better information on the variability in outcomes depending on legal status, and on the risks associated with irregular transit routes, including human smuggling and trafficking, can have an important influence, and therefore should constitute an important part of a strategy to address irregular migration.

80 Rinne (2013).

Table 3 - Policies and programmes: pre-migration information and preparation

Title	Country	Intervention(s)	Participating organisations/countries
Safe Migration for Bangladeshi Workers	Bangladesh	Development and strengthening a local information and support system for migrants and their families.	Japan Social Development Fund (JSDF) and BRAC (NGOs), World Bank
Safer Migration Project – 2013-2017	Nepal	Information provision through Migration Information and Counseling Centers so that prospective migrants can make informed decision about labour migration (or non-migration) and protect themselves against fraud and exploitation.	HELVETAS Swiss Intercooperation Nepal and Swiss Agency for Development and Cooperation https://nepal.helvetas.org/en/programmes_projects/sami.cfm
Facilitation of the Social Integration of Moldovan Potential Migrants in Greece	Moldova	Preparation of Moldovan migrants headed to Greece through, inter alia, Greek language and culture lessons, and provision of information on integration and adaptation in the destination society.	IOM, Greece National Funds, European Training Foundation
Pre-departure orientation seminars (PDOS) for migrants 1983-2012	Philippines	Multi-stakeholder pre-departure orientation programme implemented by government, civil society and private sector covering various topics such as travel regulations, immigration procedures, cultural differences as well as employment and social security concerns.	IOM
Final pre-departure briefing (PAP) 2003-2012	Indonesia	Pre-departure preparatory briefings for outward bound migrants.	Agency for the Service, Placement and Protection of Indonesian Overseas Workers, IOM
Pre-departure orientation training 2004-2012	Nepal	For-pay pre-departure preparatory briefings for outward bound migrants.	Accredited recruitment agencies, IOM
Information Dissemination for the Prevention of Irregular Migration from Georgia (Phase I - Phase II) 2001-2003	Georgia	Information campaigns on irregular migration and risks; face-to-face pre-departure orientation; call centres for migrants; guidebooks and other information materials on destination country for potential migrants.	European Training Foundation
Country of Origin Migrant Support Centre (CAMPO) 2007-ongoing	Cape Verde	Provision of information and advice, organising training sessions, mediating between local and national authorities	IPAD, I.P. (Portuguese Institute for Development Support)
Migration Resource Centre (MRC) 2001-	Armenia	Support to a Migration Resource Centre (MRC) mandated to raise awareness of the threats of irregular migration and the benefits of regular labour migration. The MRC provides free consultations to potential migrants and disseminates information on possibilities for regular migration abroad.	IOM

Given the prominence of irregular migration in the broader migration policy debate, it is surprising how little has been done or tested relating to the provision of information on the risks and outcomes of irregular migration.⁸¹ With the exception of a few anti-trafficking programmes, there is very little evidence in this area and similarly very little programme experience. A few programmes, e.g., Georgia and Moldova,⁸² have components about information, but they have limited scope and use traditional means.

The aim of pre-departure formation programmes is to prepare the migrants to living and working in the destination countries in order to favour their integration and effective working life. A number of activities fall under this programme category: information about the legal system and working relations in the destination countries, preparation for actual travel, and familiarisation with remittance systems. Introducing perspective migrants to, and instilling respect for, the culture and values of the society they are moving to is also critical to pre-departure preparation.

While some of formation programmes are carried out in the country of origin, many are in fact carried out *after* the migration has occurred, in the destination country, where the migrant has arrived without any prior preparation. One intervention that is normally carried out in the destination countries that is of proven effectiveness for integration is local language instruction.⁸³ Among the limited examples of formation programmes in countries of origin are the Integrated Migration Information System Project between Italy and Egypt, the Centre for Migrant Support in the Origin Country in Cape Verde and the Migrant Resource Centre in Armenia. All these projects are of small scale and have not generated solid evidence of their impact.

81 One of the few studies that tries to address these issues albeit with a limited scope is :Linguere, M. “Barcelona or die”: understanding illegal migration from Senegal, IZA Journal of Migration (2014).

82 The Public Employment Service of Sweden is heading a project within the Mobility Partnership on strengthening Moldova’s capacity to manage labour and return migration. The project includes an effort to inform out-migrating Moldovans of regular (as opposed to illegal) migration channels. (For more information, see: <http://www.legalin.eu/en/partners>).

83 See, for example, Chiswick and Barry, Miller (1995); Dustmann and van Soest (2001), See ETF (2014).

2.4 Circular migration: facilitating two-way flows of migrants and their accumulated knowledge, skills and capital

2.4.1 Overview and rationale

Circular migration refers to the regular or recurrent flow of migrants from their homelands to a foreign country and back again, typically for the purposes of work. Other terms used in the literature to describe the same phenomenon include “repeat”, “shuttling”, “rotating”, “multiple”, “cyclical”, “circuit”, “commuter” and “revolving-door”.⁸⁴ Circular migration is often distinguished from “return” migration, which is used to refer to a single emigration and return after a prolonged period away, and “temporary” migration” which is used to refer to a single movement involving a shorter stay. The three phenomena are related in the sense that they involve a bi-directional migration movement; they differ in terms of recurrence and in terms of the length of time away.

Policies promoting circular migration are based on the recognition that a circular, or back and forth, migrant flow can bring significant benefits to both origin and destination countries, as well as to the individuals and families concerned – often referred to in the literature as a “win-win-win” scenario.

From the *perspective of the countries of origin*, in addition to remittances, circular migration helps to lessen unemployment stresses and labour market imbalances, by providing external employment opportunities that are not available locally.⁸⁵ Circular migration can also help to mitigate “brain drain” and to promote “brain gain”, as returning workers bring with them new knowledge, skills, ideas and perspectives.⁸⁶ From the *perspective of the destination countries*, circular migration can help to fill temporary, seasonal or cyclical shortages at both the lower and upper ends of the labour market in a highly-targeted, flexible and timely fashion. This model is also often politically more palatable than other immigration arrangements in a climate of growing anti-immigrant sentiment; the temporary (albeit recurrent) nature of migrant stays

⁸⁴ Constant *et al.* (2012).

⁸⁵ Constant *et al.* op. cit. (2012).

⁸⁶ European Migration Network (2011).

helps allay public concerns around integration or lack thereof.⁸⁷ From the *perspective of individual migrants*, circular migration provides earning and learning opportunities without having to *permanently* uproot and relocate to a foreign country and without the fear that a trip home will end their chances of working again abroad.⁸⁸

2.4.2 Current practices

Current practices relating to circular migration involve both legislative measures in destination countries that create the conditions for circular migration flows and cooperation agreements between origin and destination countries that have circular migration as a specific aim. Underlying these two areas of practice are two different but nonetheless complementary, approaches to circular migration: the first involves promoting voluntary and spontaneous circular migration movements and second encouraging targeted circular migration for specific countries of origin and/or specific professions.

While the emphasis of this Report is on migration policies in origin countries, circular migration is a policy area where policy responsibility is shared between origin and destination countries. The success of circular migration for all concerned parties firstly requires measures in countries of origin to ensure that prospective circular migrants have the requisite skills, information and preparation to adjust and respond to labour market needs upon migrating and to contribute upon returning home, as discussed in Sections 2.2 and 2.3 of this chapter. But the success of circular migration also depends fundamentally on legislative arrangements in destination countries and partnership agreements with destination conditions that create the conditions permitting circular migration and that incentivize back and forth migrant flows. These latter measures are discussed further below.

Key **legislative arrangements** of relevance to circular migration within EU Member States are the subject of a recent review by the European Migration Network.⁸⁹ This review serves as the basis for the discussion below.

Few of the Member States have legislation in place which specifically regulates circular migration, but most have legislative measures that help facilitate it, even if this is not a

⁸⁷ Constant *et al.* op. cit. (2012).

⁸⁸ European Migration Network (2011).

⁸⁹ European Migration Network (2011).

stated goal. In some countries,⁹⁰ for example, migrants are permitted to return home for periods of time without having to re-apply for residence permits on their return, while in others⁹¹ a migrant may take absence without losing residence status. A number of EU countries⁹² also issue seasonal employment permits with a circularity dimension, as they allow for repeated back-and-forth mobility over a specified time period.

Sweden stands out as one of the limited number of EU States with legislative provisions aimed *specifically* at incentivising circular migration. It grants third-country nationals in the country for work the ability to have their income-based pension paid in their countries of origin upon reaching 61 years of age. Sweden also ensures that migrants who transfer funds between different countries do not face multiple taxation. Another group of EU countries allows migrants from countries with whom they have signed agreements to receive earned benefits upon return, including insurance services (Austria), social security (Portugal), advanced payment of (contributed) unemployment benefits (Spain), and other benefits earned (e.g., state pensions and bereavement and widows' benefits, and employment-related industrial injuries disablement benefit) (United Kingdom).

There are also a number of destination countries with **cooperation agreements and programmes** with countries of origin dealing with temporary and circular migration in a more targeted fashion. Again drawing on the review by the European Migration Network⁹³ of practices within the EU, examples include Belgium, Germany, Greece, Hungary and The Netherlands.

Belgium began a pilot project in 2010 facilitating one-year paid internships for Senegalese university graduates in Belgian companies in 2011 and 2012.⁹⁴ Germany has "Contract Worker Agreements" with third countries permitting companies from these countries to send employees to Germany for a limited time period in order to complete a work project in conjunction with a German firm. Greece has reached "bilateral seasonal labour agreements" with Albania and Egypt.⁹⁵ A Netherlands Pilot Circular Migration programme⁹⁶ allows a limited group of semi-skilled workers from South Africa and

90 Belgium, Estonia, Hungary, Latvia and Lithuania.

91 Germany, Estonia, Hungary, Latvia, United Kingdom.

92 France, Hungary, Italy and the Slovak Republic.

93 European Migration Network (2011).

94 The project is entitled "Circular Migration between Belgium and Senegal".

95 The latter allows Egyptian nationals to work as fishermen for a limited period each year, and can transfer social insurance contributions when they return.

96 Launched in 2009, the initiative is known as the 'Blue Birds' programme.

Table 4 - Policies and programmes: circular migration

Title	Country	Intervention(s)	Participating organisations/countries
Temporary Return of Qualified Nationals (TRQN II)	Afghanistan, Bosnia and Herzegovina, Ethiopia, Georgia, Sierra Leone and Sudan	Support to temporary return assignments for qualified migrants in the Netherlands in order for them to share their experiences, skills and knowledge with local organisations.	IOM and the Netherlands
MIDA Ghana Health III project	Ghana	Transfer of knowledge, skills and experience of Ghanaian and other African migrant health experts in EU countries through temporary assignments to Ghana.	IOM, Ministry of Health of Ghana and Ghanaian diaspora groups in Europe
Project Migration for Development in the Western Balkans (MIDWEB)	Macedonia, Montenegro, Serbia and Kosovo	Temporary and "virtual" return of qualified migrant professionals to share their skills and expertise and contribute to the development of their countries of origin.	IOM and EU countries
A transnational economic and migrant circuit between Khenifra and Emilia Romagna	Morocco	Creation of an integrated productive and commercial space between the region of Khenifra in Morocco and the fruit and vegetable district of Emilia Romagna.	Italy Region of Emilia Romagna

Indonesia in the Netherlands to work in jobs matching their skills for a limited period after which they must return to their country of origin. Spain has a number of projects focussed mainly on the circular migration of farmers. One such project, the *Temporary and Circular Labour Migration* project, also includes training of circular agricultural migrants to help them in establishing community or family projects in their countries of origin upon their return.⁹⁷

The limited evidence regarding the impact of circular migration initiatives points to their benefit for the individuals concerned. Initial findings from an evaluation of the Netherlands 'Blue Bird' project, for example, indicates that it improves the employment outcomes of participants upon their return home. An initial assessment of the circular migration pilot project between Portugal and Ukraine also suggested a positive impact on participants, permitting them to set up small businesses in their country of origin, repay debts and finance the education of their children.

⁹⁷ Begun by Unió de Pagesos (the Catalan farmers' union) and the Pagesos Solidaris foundation, the project focuses primarily on circular migrants from Colombia.

Outside the EU, a study of the Canadian Mexican Seasonal Workers (SAWP) programme⁹⁸ indicates significant development benefits in countries of origin. Participants were found to invest their earnings from working in Canada in land, business, children's schooling, housing and health care upon returning home to Mexico, providing immediate benefits to their families as well as broader benefits to the economies of their home villages and towns. However, the study also points out that dependency is a concern: "in order to maintain the lifestyle which these migrants and their households enjoy, migrant workers need to continue participating in the Canadian guest worker programme for many years and this dependency forces them to accept various forms of abuse by Canadian growers."⁹⁹

2.5 Diaspora engagement: mobilising diaspora communities as agents of development in their countries of origin

2.5.1 Overview and rationale

Diaspora engagement refers to the use of the financial and knowledge resources of the diaspora community to promote development in their countries of origin. It is distinguished from return and circular migration in that the persons involved are typically more settled in their new countries and do not intend to themselves return to take up long-term residence in their countries of origin. In some cases, diaspora members have not themselves migrated but rather are second- or later-generation migrants who have nonetheless maintained family or emotional ties to their ancestral homeland.

Diaspora engagement policies recognise the simple reality that identities in Europe increasingly extend beyond narrow national ones and that growing numbers of persons simultaneously have links to multiple countries and communities. Policies promoting diaspora engagement turn the traditional view of these multiple allegiances and identities among migrant populations on its head: rather than seen as a social challenge,

⁹⁸ The Canadian Seasonal Agricultural Workers Program (SAWP), which began over 40 years ago, is Canada's flagship temporary migration program (the newer Low Skilled Workers Pilot Program operates on a much smaller scale). (www.migrationpolicy.org)

⁹⁹ Vertovec (2007).

they are treated as an important strategic resource.¹⁰⁰ Diaspora communities can be critical bridges between societies and countries and play a key role in transferring financial capital and social knowledge.¹⁰¹ Like circular migration, the success of diaspora engagement requires a set of interventions coordinated across origin and destination countries.

2.5.2 *Current practices*

Diaspora engagement is a rapidly expanding policy area as realisation of the development potential of diaspora communities grows. There is a wide range of policy initiatives in this area instituted by the governments of both origin and destination countries. The International Organisation for Migration (IOM) in a recent review identifies a number of areas of policy focus in this regard: (1) human capital transfer; (2) direct investment; (3) philanthropic contributions; (4) capital market investments; and (5) diaspora tourism.

¹⁰² Each is discussed briefly below, drawing directly on the IOM review.

Human capital transfer is perhaps the most common form of diaspora engagement. Policies in this area aim at using the diaspora to help fill gaps in expertise and skills that hamper developing countries. These policies help maintain migrant connections across borders in order to preserve the human capital in countries of origin that might otherwise be lost to them through emigration. Known, *inter alia*, as “brain gain,” “brain bank,” “brain trust,” and “brain circulation” these policies are helping to mobilise the involvement of skilled emigrants and their descendants in initiatives in their countries of origin.

Some diaspora engagement efforts appeal to diaspora members’ on-going attachment and interest in their homelands, and provide few, if any, incentives. Examples include a volunteer programme involving US-based Dominicans in setting up Dominica State College, a tertiary education institution, a volunteer programme involving the Guyanese diaspora in Canada in educational development in Guyana, and a programme in Eritrea encouraging diaspora members to come back and provide medical services. These efforts are facilitated by measures such as the Overseas Citizenship of India, Pakistan

100 Bivand Erdal and Horst, *Engaging Diasporas in Development: A Review of Pilot Project Pakistan*, Peace Research Institute Oslo (PRIO), June 2010.

101 Norad (2009).

102 International Organization for Migration (IOM) and Migration Policy Institute (MPI) (2012).

Overseas Card and the “Poles card” (Karta Polska) that facilitate diaspora members’ travel to and investment in their countries of origin.

Most programmes, however, offer some form of material and/or non-material incentives in exchange for the services and time of diaspora members. Many programmes falling into the latter category are undertaken by governments in conjunction with international organisations. The International Organisation for Migration (IOM) is a particularly important actor in this regard. The IOM project *Migration for Development in Africa (MIDA)*, operating in 11 African countries,¹⁰³ engages diaspora experts residing in the EU in the development of their countries of origin, through temporary knowledge- and skill-transfer assignments. IOM designs specific MIDA projects according to the country, region, and/or sector of activity. These projects include capacity building in health care, education, and rural development in the Great Lakes Region, capacity building in health care in Ghana,¹⁰⁴ and a pilot project supported by Italy involving small and medium enterprise development in Ghana and Ethiopia. Another important IOM project, Temporary Return of Qualified Nationals — Netherlands, temporarily outsources qualified migrants in the Netherlands to their country of origin to undertake work for which there is a local skills gap.¹⁰⁵

Beyond IOM, efforts include the United Nations Development programme Transfer of Knowledge through Expatriate Nationals (TOKTEN) programme, functional in over 50 developing countries, allowing professionals with at least a master’s degree or equivalent and a significant amount of professional work experience to return to their countries for a short period of time to impart skills acquired while abroad.

A more recent series of programmes aim at extending the return-of-talent model into a more sustainable bi-directional flow of resources and knowledge between diaspora communities and their countries of origin. These programmes include collaborative research initiatives involving diasporas and local actors. A recent initiative in China, for example, known as the 111 Project, allows for top scholars in the diaspora to team up with domestic researchers working in one of the 126 innovation bases located throughout China. Thailand’s Reverse Brain Drain Project is another example. This project allows a

103 Benin, Burundi, the Democratic Republic of the Congo, Ethiopia, Ghana, Guinea, Kenya, Rwanda, Senegal, United Republic of Tanzania, and Uganda.

104 Further information available at: http://www.iomnederland.nl/english/Programmes/Migration_Development/Projects_Migration_Development/MIDA_Ghana_Health_III_Project.

105 In the framework of this project, temporary placements have been realized in Afghanistan, Bosnia and Herzegovina, Ethiopia, Georgia, Sierra Leone, and Sudan.

Table 5 - Policies and programmes: diaspora engagement

Title	Country	Intervention(s)	Participating organisations/countries
Human capital transfer	Various	<p>Measures facilitating diaspora travel and/or investment in countries of origin (e.g., Overseas Citizenship of India, Pakistan Overseas Card and the Karta Polska in Poland).</p> <p>Temporary knowledge- and skill-transfer assignments (e.g., IOM project Migration for Development in Africa; IOM project Temporary Return of Qualified Nationals; UNDP Transfer of Knowledge through Expatriate Nationals (TOKTEN) programme).</p> <p>Collaborative research initiatives involving diasporas and local actors (e.g., China 111 Project, Thailand Reverse Brain Drain project).</p> <p>Internet-based scientific, technical, and business networks (e.g., Colombia Red Es Colombia project, Who Is Who Diaspora Project in Bosnia and Herzegovina, Philippines Brain Gain Network, and virtual exchanges with skilled diasporas in Eritrea, Uruguay, Bulgaria, Colombia, Burundi, Estonia, Hungary, Switzerland, and Ecuador).</p>	Various
Direct investment by diaspora entrepreneurs in their countries of origin	Various	<p>Providing diaspora members information on investment opportunities and on investment procedures and requirements (e.g., “one-stop shops” for investment information in Ethiopia, business counselling in Thailand, enquiry portals in Bosnia and Herzegovina).</p> <p>Training diaspora members on investment opportunities and procedures in countries of origin (e.g., Colombia, Brazil).</p> <p>Facilitating access to local business networks (e.g. business events for diaspora members in Morocco, matching local entrepreneurs, business owners, and government leaders with their diaspora counterparts in Lebanon and the Philippines).</p> <p>Competitive grants, matching funds, or discount loans to facilitate business investment on the part of diaspora entrepreneurs (e.g., Colombia, Ecuador, African Diaspora Marketplace, and Development Marketplace for African Diasporas in Europe).</p>	Various
Capital market investments from diaspora communities in their countries of origin	Various	<p>Encouraging capital market investments from diaspora communities (e.g., creation of new class of deposit accounts at commercial banks in countries of origin for diaspora members to deposit their savings in Bangladesh, India, and Tunisia).</p> <p>Introduction of “diaspora bonds” that effectively pool diaspora assets for use in infrastructure projects and other development efforts (e.g., Sri Lanka Development Bonds Ghana Golden Jubilee savings bonds, and Ethiopia, where the Millennium Corporate Bond).</p> <p>Transnational loans permitting migrants living abroad to provide credit to family members back home (e.g., Pag-IBIG Overseas programme in the Philippines).</p>	Various
Diaspora philanthropy	Various	<p>Philanthropic intermediaries to channel donations to specific community projects in countries of origin (e.g., American Indian Foundation, Brazil Foundation, Give2Asia, PhilDev, Rafik Hariri Foundation).</p> <p>Matching schemes that match diaspora donations with government funds (e.g., Mexico Trespor Uno (3x1) programme).</p>	Various
Diaspora tourism	Various	<p>Encouraging tourism by promoting return visits from diaspora members (e.g., medical tourism, business tourism, and heritage or “roots” tourism).</p>	Various

diaspora member to team up with a Thai counterpart, propose a joint project satisfying pre-set development criteria¹⁰⁶ and receive funding.

Still other countries utilise the internet to create scientific, technical, and business networks bringing together diaspora members with local experts. The *RedEsColombia* project, for example, created by the Ministry of Foreign Affairs of Colombia with support from IOM, involves an internet networking platform for research, commercial endeavours, culture and civic participation. The *Who Is Who* Diaspora Project in Bosnia and Herzegovina involves a directory of professionally successful members of the diaspora. The Philippines Brain Gain Network is a network of professionals and organisations in the Philippines and abroad aimed at promoting business development in the Philippines. Virtual exchanges with skilled diasporas are also supported by Eritrea, Uruguay, Bulgaria, Colombia, Burundi, Estonia, Hungary, Switzerland, and Ecuador.

Policies promoting **direct investment** by diaspora entrepreneurs in their countries of origin can help in the formation and growth of businesses, in turn fuelling economic growth. A wide array of policies have been pursued by developing countries to attract direct investment by the diaspora community. These include providing diaspora members information on investment opportunities and on investment procedures and requirements, through, for example, “one-stop shops” for investment information (e.g., Ethiopia), business counselling (e.g., Thailand) or enquiry portals (e.g. Bosnia and Herzegovina). Several countries also support programmes that train diaspora members directly (e.g., Colombia, Brazil). Facilitating access to local business networks is another common means of encouraging diaspora investment, through initiatives such as business events for diaspora members (e.g. Morocco) and matching local entrepreneurs, business owners, and government leaders with their diaspora counterparts (e.g., Lebanon and the Philippines). Finally, a number of governments provide competitive grants, matching funds, or discount loans to facilitate business investment on the part of diaspora entrepreneurs (e.g., Colombia,¹⁰⁷ African Diaspora Marketplace, and Development Marketplace for African Diasporas in Europe).

Policies focused on encouraging **capital market investments** (i.e., bank deposits, stocks and bonds, loans, asset-backed securities, and derivatives) from diaspora

106 The project has to: (1) be pioneering and innovative; (2) have the potential to help Thailand improve its competitiveness; (3) lead to usable outcome or products; and (4) use the knowledge and expertise of Thai professionals overseas and their professional colleagues.

107 Colombia Nos Une, for example, has partnered with the Colombian Foreign Trade Bank (BANCOLDEX) to offer lines of credit to diaspora entrepreneurs looking to start their own businesses.

communities in their countries of origin are beginning to receive attention as another means of mobilising diaspora savings for investment. Countries such as Bangladesh, India, and Tunisia have created a new class of deposit accounts at commercial banks in countries of origin for diaspora members to deposit their savings.¹⁰⁸ Other countries have introduced “diaspora bonds” that effectively pool diaspora assets for use in infrastructure projects and other development efforts. Recent examples include Sri Lanka, where the government has offered Sri Lanka Development Bonds since 2001 to groups including non-resident Sri Lankans, Ghana, where Golden Jubilee savings bonds were offered in 2007, and Ethiopia, where the Millennium Corporate Bond was issued in 2008 to raise capital for the state-owned Ethiopian Electric Power Corporation. Transnational loans are a third option, permitting migrants living abroad to provide credit to family members back home. The Pag-IBIG Overseas programme¹⁰⁹ in the Philippines is perhaps the best-known example, offering transnational loans for a variety of purposes from several public and private entities.

Diaspora philanthropy refers to the private donations of diaspora populations to a wide range of causes in their countries of origin. Diaspora members commonly rely on philanthropic intermediaries to channel their donations to specific community projects in their countries of origin, meaning that the effective engagement of these intermediaries is of particular importance in policy terms. Examples of diaspora-focused intermediaries that collect money from diaspora communities for development efforts in countries of origin include the American Indian Foundation,¹¹⁰ Brazil Foundation,¹¹¹

108 Holders of such special accounts are given preferential interest rates as well as the option of having accounts denominated in a foreign currency.

109 The birth of the Home Development Mutual Fund (HDMF), more popularly known as the Pag-IBIG Fund, was an answer to the need for a national savings program and an affordable shelter financing for the Filipino worker.

110 The American Indian Foundation (AIF). Established to support relief efforts in India following the Gujarat earthquake in 2001, AIF has served over 1.5 million people by implementing programmes through over 115 Indian NGOs. It has held annual fundraisers in New York, San Francisco, Los Angeles, Boston, Chicago, Dallas, Washington DC, and Seattle.

111 Established in 2000, the foundation allows donors to choose and recommend a specific Brazilian non-profit organization or project in the fields of education, public health, human rights, citizenship, and culture in which they would like to invest. After screening the organization, the Brazil Foundation disperses funds and offers donors project monitoring and evaluation services.

Give2Asia,¹¹² PhilDev,¹¹³ and the Rafik Hariri Foundation.¹¹⁴ Several governments, both in countries of origin and countries of destination, have also established matching schemes that match diaspora donations with government funds. Perhaps the most frequently cited example of a matching fund scheme is the Mexican *Trespor Uno (3x1)* programme through which every dollar of remittance money sent by a diaspora member through a dedicated Mexican “hometown association abroad”¹¹⁵ is matched by a dollar from the municipal, state, and federal government in Mexico.

A final area of diaspora engagement relates to **diaspora tourism**. Some governments encourage tourism by promoting return visits from diaspora members, in view of the overall importance of tourism in job creation and foreign exchange earnings in developing countries and the unique role that the diaspora can play in opening their homelands as tourist destinations. Policies in this regard include the promotion of medical tourism, business tourism, and heritage (or “roots”) tourism.

2.6 Return migration: making migration a reversible choice

2.6.1 Overview and rationale

Return migration refers to a *single* emigration and return after a prolonged period away. Policies promoting return migration typically target high-skilled migrants and aim at encouraging these individuals to permanently resettle in their countries of origin (i.e., “return-of-talent”). From the perspective of the countries of origin, return migration provides a means of importing the human capital, social knowledge and financial resources acquired by migrants during their time abroad and of harnessing these for

¹¹² Founded in 2001, Give2Asia has experience and a presence in over 20 countries and helps small and large companies as well as foundations with their work. Its work has produced more than \$177 million as of 2011.

¹¹³ PhilDev was established in 2009 to strengthen and encourage philanthropy among Filipino Americans and to connect them to well-run nonprofit organizations in the Philippines that work on finding strategic solutions to poverty. Its main focus is to build an ecosystem of science- and technology-based entrepreneurship and innovation for social and economic development in the Philippines.

¹¹⁴ Established in 1985, the foundation offers loans as well as scholarship opportunities for Lebanese students studying in the United States. Interest-free loans that are repaid by former loan recipients are recycled to fund the education of other students.

¹¹⁵ These associations are built around a common place of origin in the home country.

national development. While, as discussed below, there remain in place policies and programmes encouraging return migration, the focus of both origin and destination countries is increasingly on more flexible circular migration and diaspora engagement arrangements (see previous discussion) that permit migrants to fill human resource gaps and remit earnings without permanent return.

2.6.2 *Current practices*

Return-of-talent schemes typically involve the identification of successful or talented individuals in the diaspora and incentivising their relocation back to their homelands (e.g., through covering moving costs, salary top-up, start-up funds, capital infusions, etc.).¹¹⁶ Historical examples include Jamaica, where, between 1994 and 1998, a Return of Talent programme offered an array of generous financial incentives to lure returnees.¹¹⁷ Similarly, in Uruguay, the Sectoral Commission of Scientific Research established in 1990 included a programme giving preference and incentives for returnee scientists.¹¹⁸ In addition to a general policy of encouraging return following the end of dictatorship in Argentina in 1983, there was a specific return effort¹¹⁹ targeting diaspora experts offering incentives such as subsidised airfare and allowances for the moving and setup costs of returnees and their immediate families. Croatia and Thailand are among the other origin countries with “reverse brain-drain” and “return-of-talent” programmes aimed at incentivising the return of migrants.

These return migration efforts by countries of origin are assisted by **legislative and other measures in destination countries** that lower the cost of and help facilitate return migration.

As discussed in the context of the preceding discussion on circular migration, EU countries such as Sweden, Austria, Portugal, Spain and the United Kingdom all have

116 Dovelyn (2001) as cited in International Organization for Migration (IOM) and Migration Policy Institute (MPI) (2012).

117 These included a one-time re-entry subsidy, a monthly salary subsidy, one-way airfare for the candidate and his or her immediate family, up to 50 percent of the cost of shipping of household goods, two years of medical and accident insurance, and even provision of the instruments and literature needed for the candidate’s work.

118 Including an economic support programme to facilitate returnees’ adjustment to the university environment.

119 Implemented by the National Council of Scientific and Technological Research (CONICET).

measures in place to ensure the migrants do not lose earned benefits accrued during their time abroad upon their return to their countries of origin. Some destination countries also have programmes in place encouraging return. In Germany, for instance, the Returning Experts programme run by the Centre for International Migration and Development¹²⁰ supports migrants working in Germany or have completed their education or training there to return home to apply their education and experience.

Table 6 - Policies and programmes: return migration

Title	Country	Intervention(s)	Participating organisations/countries
Reintegration fellowship scheme	Croatia	Fellowship scheme to encourage outstanding Croatian researchers to return and develop their careers in Croatia.	Croatia Ministry of Science, Education and Sport (MSES) and Marie Curie programme
Returning experts programme	Germany	Support to individuals from developing, emergent, and transition countries who live and work in Germany or have completed their education or training there to return to their home country to use their skills and knowledge (e.g., career planning, job search).	Centre for International Migration and Development (CIM) (Germany)
Legislative measures in destination countries	Various	Legislation granting third-country nationals in the country for work the ability to have their income-based pension paid in their countries of origin upon reaching 61 years of age (Sweden); legislation allowing migrants from countries with signed agreements to receive earned benefits upon return, including insurance services (Austria), social security (Portugal), advanced payment of (contributed) unemployment benefits (Spain), and other benefits earned (e.g., state pensions and bereavement and widows' benefits, and employment-related industrial injuries disablement benefit) (United Kingdom).	Various

120 Centre for International Migration and Development (CIM), a joint operation of Gesellschaft für Internationale Zusammenarbeit (GIZ) and the International Placement Services (ZAV) of the German Federal Employment Agency (BA), is the human resources placement organization for the German Agency for Development Cooperation.

2.7 Children left behind: protecting the next generation from potential detrimental effects of migration

2.7.1 Overview and rationale

Migration frequently involves the separation of families either on a short- or long-term basis. While children themselves sometimes migrate alone (an especially vulnerable group that is beyond the scope of this Report), it is much more common that children are left behind as a result of one or both parents having to seek work opportunities abroad. Indeed, countless children in origin countries must grow up without parental care because of emigration, with profound implications for their well-being and development.

The literature suggests that the remittances can help to lessen budget constraints for households left behind, in turn permitting greater investment in children's education. But evidence also suggests that this benefit can in some instances be outweighed by substitution effects (e.g., girls having to substitute for absent mothers in performing housework) or by the absence of a parental figure to follow-up and guide their children's studies. The evidence on the health of children left behind is similarly mixed.¹²¹ Less is known about the psychological and developmental impacts of being left behind, but these too are undoubted profound, particularly in contexts in which extended family support networks are weak.

2.7.2 Current practices

The European Parliament recognised the importance of safeguarding children left behind by migration by approving a resolution on the issue on 9 March 2009. The resolution calls on Member States and the European Commission to, *inter alia*, (a) take steps to improve the situation of the children left by their parents in the country of origin and ensure their normal development in terms of education and social life, and (b) to set up cooperation mechanisms to prevent the detrimental effects on families, especially

¹²¹ For a review of the literature in this area, see Antman (2012).

children, of living apart. Policy efforts in this sphere, however, remain very limited and evidence on policy *impact* is even more lacking.

Much of the EU support to date has centred on Moldova. In one effort, the European Commission and Italy supported the government in a package of measures aimed at strengthening systems for safeguarding children left behind.¹²² In another Moldova effort, the Czech Development Agency supported the development of a national plan to work with the children left behind.¹²³ A third Moldova effort involved strengthening community-based support to multi-generational households left behind by migration in Moldova.¹²⁴ A final intervention in Moldova trained professionals working with children left behind and of other professionals working with their migrant parents in France. Specialised education activities were also organised in schools aimed at promoting left behind children's resilience and social inclusion.¹²⁵

Elsewhere, in the Ukraine, a project provided training to teachers, psychologists and social workers and organised specialised school-based psycho-social activities for left behind children.¹²⁶ An NGO-funded programme in the Philippines mobilised and capacitated teachers to provide support to children left behind by migrant parents.¹²⁷ In Guatemala, a small-scale human rights and migration project included support services to family members left behind through a local staffed office.¹²⁸

Policies aimed at **leveraging remittances** focus on reducing remittance costs and risks in order to maximise remittance flows to families left behind. A recent review by the International Organisation for Migration (IOM) identifies a number of relevant

122 Addressing the Negative Effects of Migration on Minors and Families Left Behind (Co-financed by the European Commission with the Thematic programme of cooperation with third countries in the areas of migration and asylum), Mimeo, http://sitiarcheologici.lavoro.gov.it/AreaLavoro/Immigrazione_SpostatoInAreaSociale/Documents/SchedaMoldaviaen.pdf.

123 Support for the creation of a national plan to work with the children left behind (<http://www.czechaid.cz/en/projekty/support-for-the-creation-of-a-national-plan-to-work-with-the-children-left-behind/>).

124 Strengthening community-based support to multigenerational households left behind by migration in Moldova (<http://www.migration4development.org/en/projects/strengthening-community-based-support-multigenerational-households-left-behind-migration>).

125 Support for children and parents in migration (<http://www.migration4development.org/en/projects/support-children-and-parents-migration>).

126 IOM, 2010.

127 ATIKHA, School-Based Program in Addressing the Social Cost of Migration, Mimeo, <http://www.atikha.org/programs/school-based-program-in-addressing-the-social-cost-of-migration.html>.

128 Human Rights and Migration Project, Zacualpa Guatemala. Boston College, Center for Human Rights and International Justice (http://www.bc.edu/centers/humanrights/projects/Rights_and_Migration.html).

Table 7 - Policies and programmes: minors left behind

Title	Country	Intervention(s)	Participating organisations/countries
Addressing the negative effects of migration on minors and families left behind	Moldova	Strengthening systems for safeguarding children left behind (i.e., information system on child protection; study visits for social operators of Moldovan Social Centres; strengthening of child protection services provided by Moldovan socio-educational centres); raising the awareness of family impact of migration among Moldovan migrants in Italy; individually-tailored assistance and protection measures to children and families left behind by migrants.	Italy, IOM
Support for the creation of a national plan to work with the children left behind	Moldova	Mapping the needs and current services for children left behind; national census of children left behind in Moldova; communication campaign, aimed at parents and social workers; building a database of children left behind; and a strategy document for social care for the children left behind.	Czech Republic, UNFPA, IOM, World Bank
Strengthening community-based support to multi-generational households left behind by migration in Moldova	Moldova	Collection of direct evidence on the specific characteristics and needs of migrants' families headed by older people, and particularly of multigenerational households; home outreach visits to vulnerable households by network of older volunteers; community projects involving children of migrants and other persons in addressing local priority issues.	EU, United Nations, Switzerland
Support for children and parents in migration	Moldova	Training for 50 professionals working with the children in Moldova and other professional working with migrant parents in France; educational activities in schools for left behind youth on basic finances and healthy living; distribution of guides to children, parents and caregivers.	EU, United Nations, France
Capacity building action towards Ukrainian local institutions	Ukraine	Psycho-social training workshops for teachers, psychologists and social workers; psycho-social support activities for students (e.g., narrative laboratories, theatre, role-playing).	IOM, Italy
School-Based programme in addressing the social cost of migration	Philippines	Teacher training on setting up programmes for children of migrants; information education and capacity building for children of migrants; and integrating migration issues in the elementary and secondary curriculum	ATIKHA Overseas Workers and Communities Initiative Inc.
Human Rights and Migration Project	Guatemala	Support services and networking to family members left behind.	Boston College, Centre for Human Rights and International Justice
Leveraging remittances to benefit those left behind	Various	Raising awareness of, and increasing competition among, formal remittance channels (e.g., remittance "scorecard" of the Inter-American Development Bank, websites comparing transaction costs charged by various remittance service providers, and financial literacy campaigns). Creating more efficient remittance channels (e.g., direct collaboration with financial institutions, facilitation collaboration between financial institutions and migrants' organisations, and issuance of identity cards to migrants to enable them to access formal remittance channels).	Various

policy measures in this regard.¹²⁹ These measures focus on strengthening the financial infrastructure that supports remittance transfers, and, more broadly, on transitioning from informal to formal remittance systems. The measures are discussed briefly below, drawing directly on the IOM review.

A number of countries have context sought to increase awareness of the formal remittance channels available to them and to increase competition among formal banks and money transfer organisations. The Inter-American Development Bank, for instance, in 2006 launched a remittance “scorecard” providing migrants with information on the costs and reliability of different money transfer operators and banks. Building on this model, several governments have since set up websites that compare the transaction costs charged by various remittance service providers.¹³⁰ Other countries support “financial literacy campaigns” to promote sending remittances through formal channels and to encourage migrant workers to use other bank services.

Another way to reduce transaction costs is to create more efficient remittance channels. Some governments have established these channels directly, while others have chosen to cooperate with financial sector entities such as banks,¹³¹ savings and credit cooperatives, microfinance institutions, and post offices.¹³² Countries including Germany and Serbia have also sought to improve and promote usage of formal remittance channels by supporting banks in becoming more migrant-friendly, through, for example, bringing together banks and migrants’ organisations. Still other countries issue identity cards to migrants so that they are able to open bank accounts and access formal remittance channels.¹³³

129 International Organization for Migration (IOM) and Migration Policy Institute (MPI) (2012).

130 Examples include the Remesamex website in Mexico, the Geld Naar Huis website set up by the Netherlands Ministry of Foreign Affairs in conjunction with civil society and private sector partners, and similar website called Geld TransFAIR created through a public-private partnership involving Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) (a federal enterprise of the German government) and the Frankfurt School for Finance and Management.

131 Directo a México, a joint initiative of the US Federal Reserve and Banco de México, for example, allows remitters to send money from a bank account in the United States to any bank account in Mexico.

132 Governments in Chile, Spain, Uruguay, the United Republic of Tanzania, and Uganda, for example, have linked their postal networks with those of other countries to ensure more efficient and secure transfers.

133 Countries that issue consular cards include: Argentina (matrícula consular Argentina); Brazil (matrícula de cidadão Brasileiro); Colombia (tarjeta de registro consular); Dominican Republic (localizador archive); Ecuador (consular ID); Guatemala (tarjeta de identificación consular); Guinea (consular ID); Mali (carte d’identité consulaire); Mexico (matrícula consular); Nigeria (citizen’s certificate); Pakistan (National Identification Card for Overseas Pakistanis); Peru (tarjeta consular); and Senegal (carte consulaire).

3 LOOKING FORWARD: AN INTEGRATED STRATEGY FOR SUSTAINABLE MIGRATION

The unprecedentedly large influx of migrants in Europe witnessed in recent months, and the political tensions within the EU that has accompanied it, underscore the urgent need for a sustainable EU migration strategy. This need is even more pronounced looking beyond the immediate migrant emergency, as migration into Europe is a phenomenon that is likely to be long-term in nature, with profound consequences for the future European societies and economies.

The migration debate in Europe has to date been cast in primarily negative terms, as a short-term emergency. Much less discussed is the important longer-term development *opportunity* that migration represents for origin and destination countries alike if migration flows are managed effectively within the framework of a long-term strategy. The Migration Compact, the recent non-paper of the Government of Italy, in this context calls for systematic and significantly scaled-up efforts involving close partnership with countries of origin aimed at controlling migration flows and at reducing incentives to migrate through irregular channels.

This Report deliberately concentrates on policies addressing migration in *countries of origin*, arguing that support to such policies requires greater attention within the overall EU migration strategy. As noted at the outset, the process of translating challenge to opportunity and of maximising the benefits of migration must start by addressing the factors determining the extent and composition of migrant flows in the countries where

they originate. Only by considering the forces making people move across the borders will it be possible to manage migrant flows in a sustainable way. It should be clear, however, that policies in countries of origin are by themselves an incomplete response - migration flows are determined by factors in both origin *and* destination countries, and a comprehensive response therefore must address both locations.

The Report identifies a series of priority interventions in countries of origin that are seen as being of particular relevance as part of a broader strategic response to migration. These interventions constitute the pillars of a strategy that aims to move the relevant “frontier” for migration in countries of origin. Rather than merely a physical frontier for controlling the legality of border crossings, this new frontier involves a set of coordinated actions guaranteeing that migrants move as a result of free choice and arrive in their destination countries well-prepared for the labour market and cultural challenges they will face there.

Much of what is currently undertaken in a fragmentary manner primarily in destination countries would instead be implemented systematically in the countries of origin.

Implementing such a strategy will require resources that far exceed those allocated to managing migration to date. These additional resources would represent a vital investment in the development of origin countries and in the sustainable growth of destination countries. Implementation will also require coordinated action from numerous parties: origin and destination countries are of course at the forefront, but a far more active role on the part of multilateral banks is also necessary.

Migration will shape the future of the world alongside other global challenges such as climate change. However, notwithstanding its political prominence, migration policies have been significantly underfunded and have yet to undergo a process of global consensus similar to that observed for climate-related issues.

While sufficient investment and global consensus are necessary to ensure orderly and beneficial migration, a set of concrete actions can be immediately undertaken to initiate and test the different elements of a migration strategy.

Table 8 summarizes the main possible areas of intervention that have been discussed in this Report.

Table 8 - Strategic priorities for responding to migration in countries of origin

Priority	Policy area	Intervention areas
Making migration a choice rather than a necessity.	Active labour market policies.	Entrepreneurship promotion. Human capital development. Employment services. Subsidised employment.
Increasing the employability of prospective migrants.	Education, training and investment promotion.	Vocational education and training (VET) targeting prospective migrants. Broader investment in technical and vocational education systems. Skills accreditation. Promotion and facilitation of investment by firms from would-be destination countries to absorb skilled workers.
Equipping prospective migrants with "migration knowledge and skills".	Pre-migration preparation.	Job matching interventions. Provision of information on labour market and living conditions in destination countries. Pre-departure formation programmes.
Promoting two-way movements of migrants and their accumulated knowledge, skills and capital.	Circular migration.	Legislative provisions facilitating and incentivising circular migration. Cooperation agreements and programmes providing framework for circular migration flows.
Mobilising diaspora communities as agents of development in their countries of origin.	Diaspora engagement.	Volunteer-based human capital transfer. Incentive-based human capital transfer. Collaborative research initiatives. Internet-based scientific, technical, and business networks. Direct investment. Capital market investments. Diaspora philanthropy. Diaspora tourism.
Making migration a reversible choice.	Return migration.	Return of talent incentive schemes. Legislative measures facilitating and lowering cost of return.
Safeguarding children left behind by migrant parents.	Protection, social support and leveraging remittances.	Strengthening systems for safeguarding children left behind. Reducing remittance costs and risks in order to maximise remittance flows to families left behind.

Active labour market policies can help expand *local* employment opportunities for prospective migrants, in turn making migration a choice rather than a necessity. **Local investment in education and training** can help ensure that prospective migrants have the requisite technical and professional skills needed in destination countries, while better **skills accreditation** can ensure that these skills are recognised by employers in their new countries. Equipping prospective migrants with “**migration knowledge and skills**”, e.g., information on labour, living and cultural conditions and norms in destination countries, can help ensure that migrants have realistic expectations and fewer adjustment difficulties upon migrating. **Incentivising circular and return migration**, can make migration a reversible choice, in turn helping to mitigate “brain drain” and to promote “brain gain”, as returning workers bring with them new knowledge, skills, ideas and perspectives. **Diaspora engagement** can harness the substantial financial and knowledge resources of the diaspora community to promote development in countries of origin. Finally, **safeguarding children left behind** by migrant parents, through, for example, targeted social support and facilitated remittance flows, can minimise the potential detrimental inter-generational impact of migration.

Notwithstanding the very high level of political interest, policy interventions addressing these strategic priorities have to date been limited and fragmentary. Evidence of concerning policy *impact* is even more scant. This points to a series of urgent next steps: **developing models of integrated strategic intervention in countries of origin, assessing their effectiveness through impact evaluation and other means as necessary, and expanding promising interventions to ensure they are at the scale needed.** The intervention model will need to be tailored to the unique characteristics of the countries and regions concerned. A common imperative will be dealing with the impact of climate change, and, in particular, with the large movements of people away from marginalised agricultural lands resulting from changing climatic conditions.

While a lack of information is not an excuse for inaction, a programme of research aimed at addressing knowledge gaps and informing immigration policies is also urgently needed. Better data on migrant flows and, especially, on migrant characteristics, is critical to guide interventions. There is almost no solid evidence on the *impact* of interventions in the strategic areas listed above, pointing also to the need for well-designed pilot projects for impact evaluations in a few priority countries.

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TOWARDS SUSTAINABLE MIGRATION

The unprecedentedly large influx of migrants in Europe and the accompanying political tensions underscore the urgent need for a sustainable EU migration strategy. If left unchecked, the migration challenge will jeopardise the pillars of European integration and solidarity. But, if proactively and effectively managed, the migration challenge can be transformed into an opportunity both for Europe and for origin countries.

This Report argues that the process of translating challenge to opportunity must start by addressing the factors determining the extent and composition of migrant flows in the countries of origin. This means that internal measures at the centre of the EU response to migration to date need to be complemented by stronger joint external actions, within the framework of long-term development policies.

The Report identifies a set of coordinated actions in countries of origin that are critical to the broader EU strategic response to migration. These actions include improving local labour market outcomes, investment in education and training, skills accreditation, equipping prospective migrants with “migration knowledge and skills”, incentivising circular and return migration, diaspora engagement and safeguarding children left behind by migrant parents. Taken together, these actions would help ensure that migrants move out of free choice and arrive in their destination countries well-prepared for the labour market and cultural challenges they will face there. Implementing these actions will require resources far exceeding those allocated to date and a much closer coordination among the numerous concerned parties.