



# ***Labour Migration in the Western Balkans: Mapping Patterns, Addressing Challenges and Reaping Benefits***

**CESEE Policy Dialogue on Migration and Regional Integration**  
**5 May 2023**

# Context

## Launch of the OECD report on Labour Migration in the Western Balkans at the 2022 OECD High-Level Conference on South East Europe “*Human Capital Flight – Shaping the Future Together*”



### OECD report on Labour Migration in the Western Balkans

- Analyses labour migration patterns of the WB6 economies, investigates their root causes, potential consequences, and examines the Western Balkans current migration and diaspora policies
- Provides targeted policy recommendations for alleviating emigration factors and leveraging diaspora resources strategically



### OECD High Level Conference on South East Europe

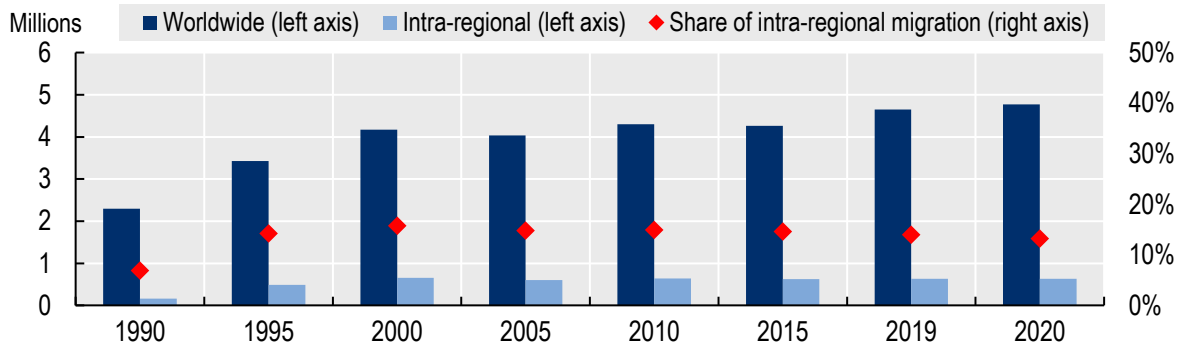
- Bringing together 200 high-level participants (including 13 Ministers, Vice Ministers, and State Secretaries) through 2 ministerial panels.
- Platform for sharing the OECD's work and recommendations with ministers and senior decision-makers.
- Commitments by policy makers for reform action.



# Labour migration in the Western Balkans

## Migration patterns

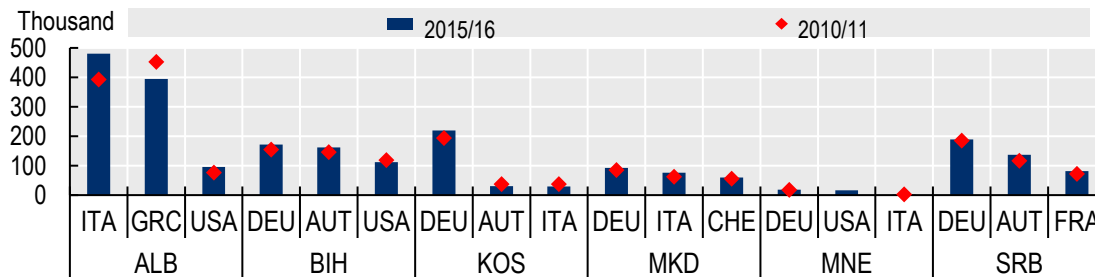
Number of WB6 migrants worldwide



Labour emigration waves from the WB6 economies over the past decades have led to **significant international diasporas**:

In 2020, 4.8 million people born in the region, i.e. about **one-fifth of the WB6 population**, live abroad.

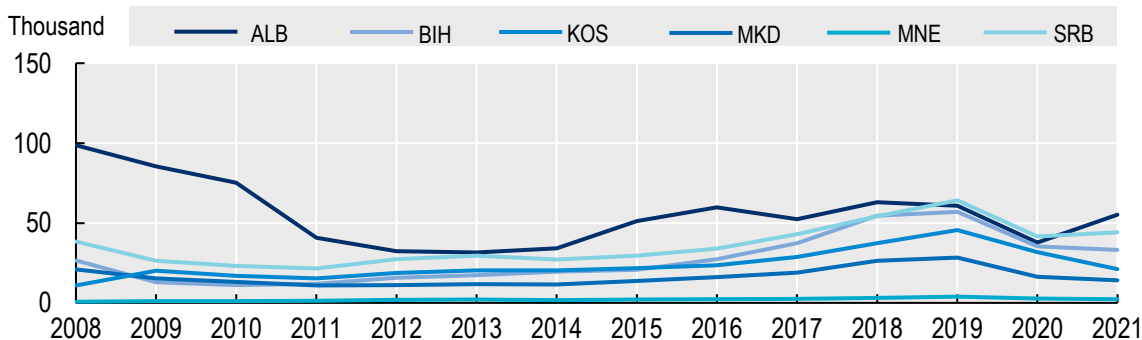
Top OECD destination countries of WB6 migrants



Source: OECD (2016), DIOC

WB6 migrants are predominantly living in **Germany, Italy, Greece, the United States, Austria and Switzerland** but emigration to **Croatia and Slovenia** has been increasing since 2015.

First residence permits attained in EEA countries and Switzerland



WB6 migration to the European Economic Area and Switzerland saw an important **increase from 2011 to the start of the COVID-19 pandemic**.

Sources: UNDESA, migration statistic; Eurostat [MIGR\_RESFIRST]

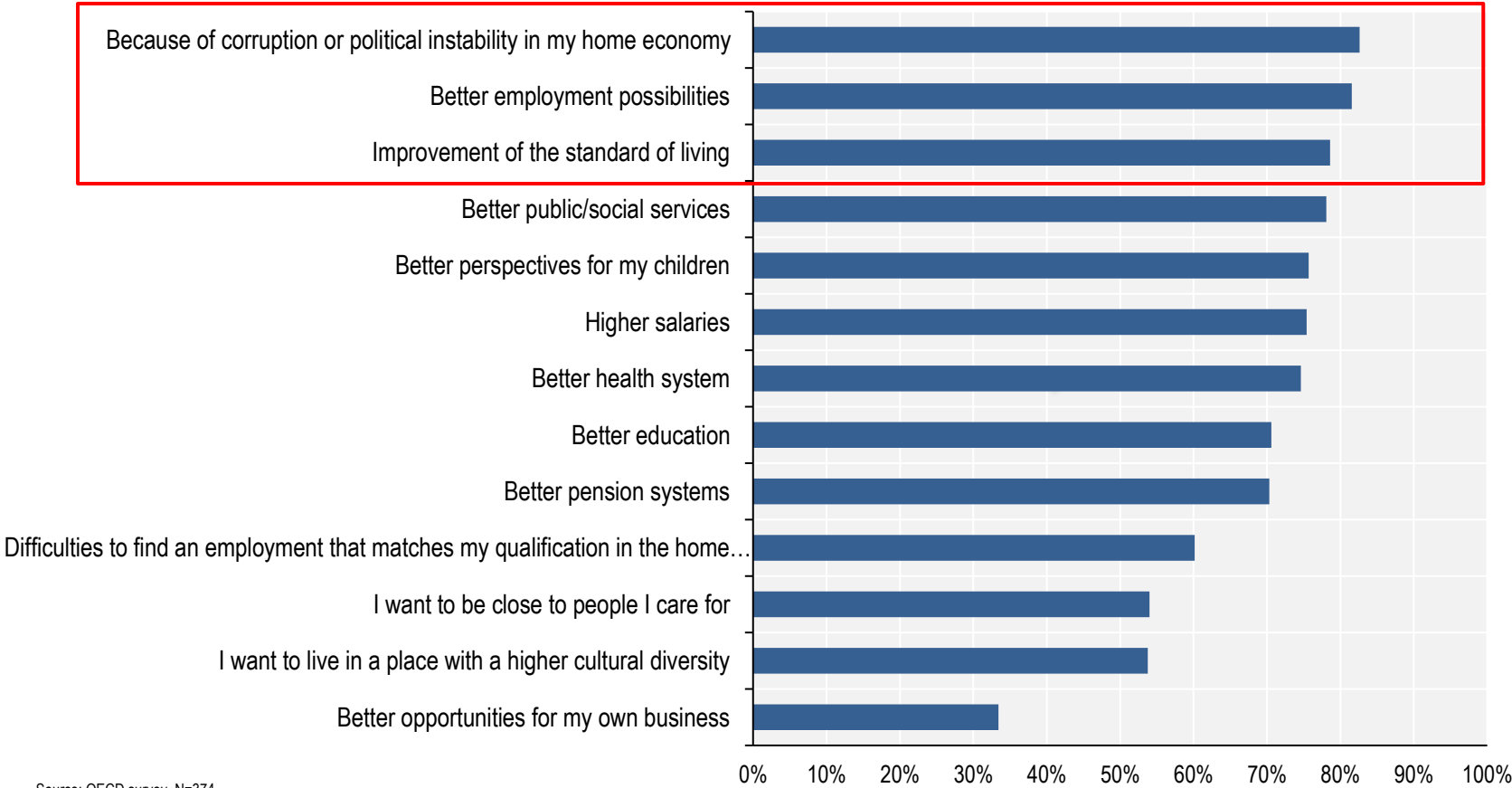


# Labour migration in the Western Balkans

## Factors driving emigration

If you have migrated, what was the main reason to move to another country? (%)

■ Important or Very important as % of total sample



Source: OECD survey, N=374.

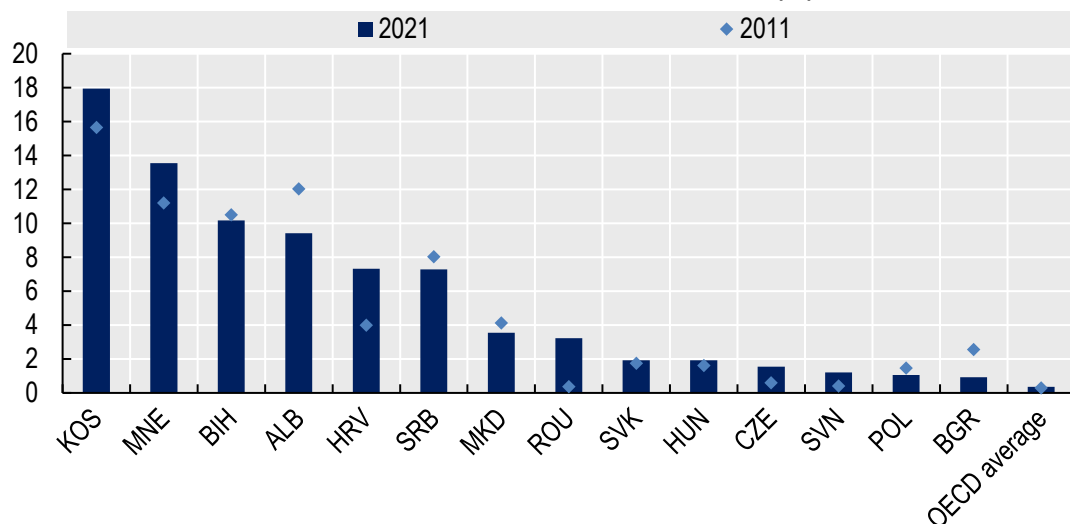
A mix of **push and pull factors** contributes to emigration from the six Western Balkan economies.

Source: OECD survey, the number of total respondents for this question is 340

# Labour migration in the Western Balkans

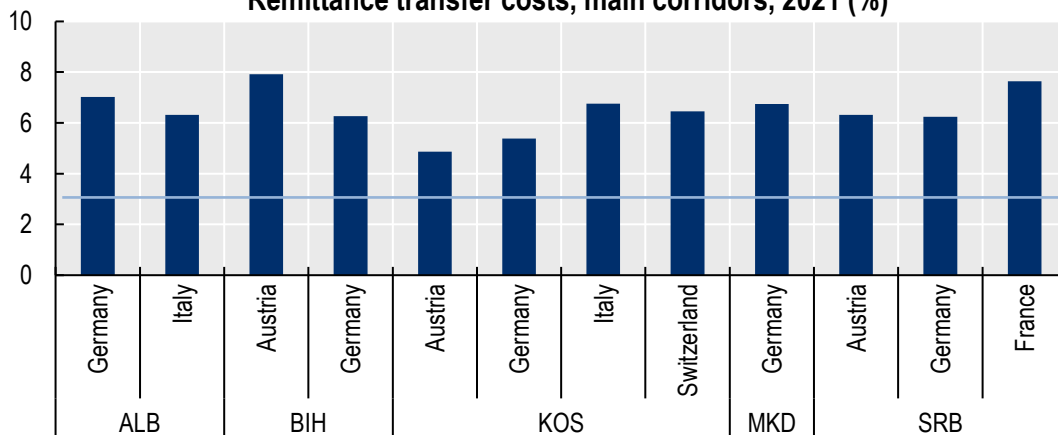
## Remittances

Remittance inflow as share of GDP (%)



On average, the WB6 economies received an estimated equivalent of **10% of their GDP in remittances** in 2021, ranging from 18% of GDP in Kosovo\* to 3.5% in North Macedonia.

Remittance transfer costs, main corridors, 2021 (%)



The **costs for transferring remittances** in most of the WB6 economies' main remittance corridors are still more than twice as high as the 3% target set in Sustainable Development Goal 10.

About one-quarter of men and one-third of women in the Western Balkans on average **did not have access to a bank account** in 2021.

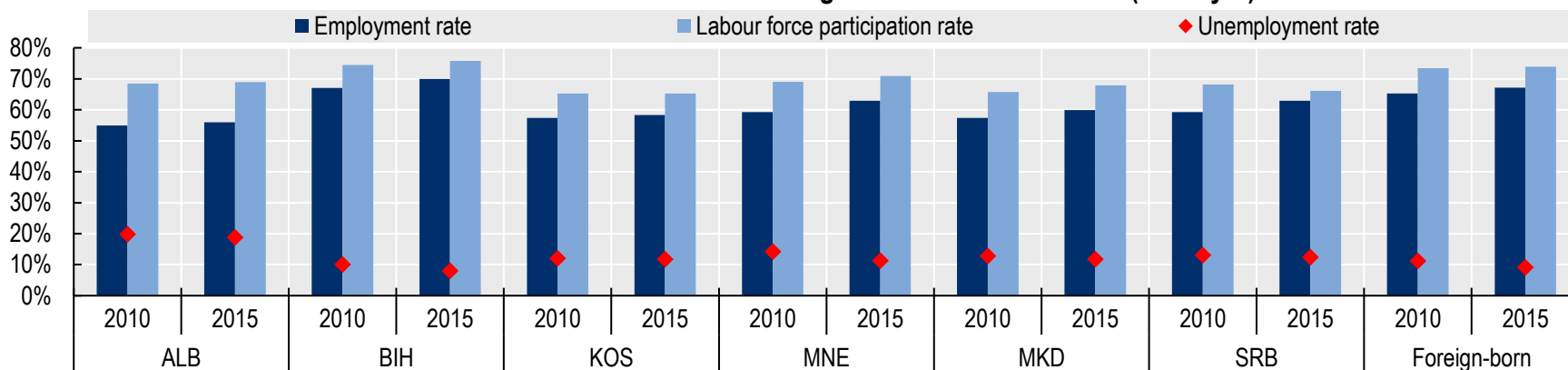


# Labour migration in the Western Balkans

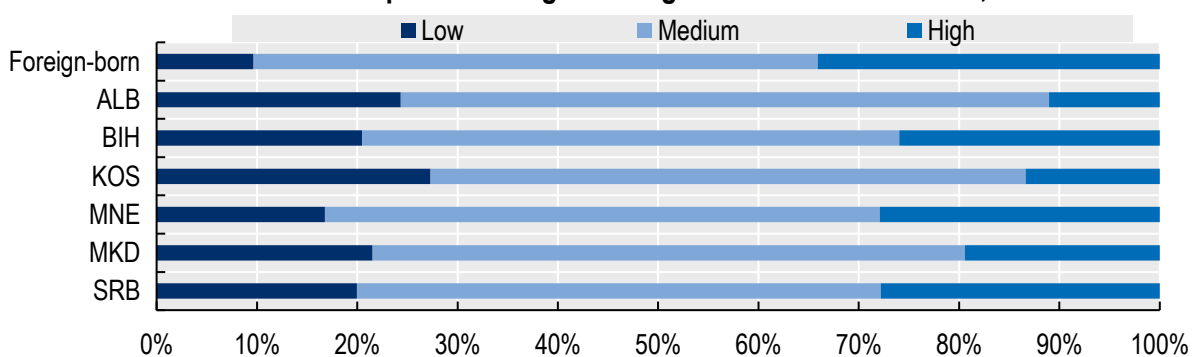
## Employment outcomes

Labour market outcomes of WB6 migrants in OECD countries have **slightly improved**, but WB6 emigrants are **less integrated** in the labour markets **than the average foreign-born population**.

Labour market outcomes of WB6 migrants in OECD countries (15-64 yrs)



Skill level of occupation among WB6 migrants in OECD countries, 2015/2016



Most WB6 migrants in OECD countries are employed in **mid-skilled occupations**.

Among **WB6 migrants with a tertiary education degree**, most are **overqualified** for the jobs they do in OECD countries.





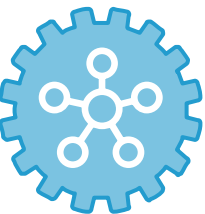
*Strengthen the management of labour migration flows and improve the outcomes of labour migrants in destination countries:*

- Reinforce **migration management** by improving institutional co-ordination and boosting migration data collection.
- Support WB6 migrants' **employment outcomes abroad** by strengthening and harmonising curricula and skills recognition systems, and using partnerships with destination countries.



*Maximise the development benefits from emigration:*

- Build trust and strengthen the **engagement with the diaspora** by capitalising on the many and active diaspora associations that already exist in the region.
- Make the most of the **diaspora's skills and financial resources** by encouraging diaspora knowledge transfers, formalising remittances and attracting diaspora investments more strategically.
- Facilitate **emigrants' return and reintegration** into the labour market by providing incentives and simplifying administrative procedures.



*Alleviate the strength of push factors for emigration:*

- Ameliorate the **conditions for living, working and investing** in the Western Balkans by pursuing economic and social reforms.
- Improve **citizens' education and labour market outcomes** by strengthening skills policies and improving employment conditions.



**Thank you for your attention!**

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