

Migration and Development – Policy coherence

As an introduction I would like to note that this subject usually attracts more specialists working in the migration rather than development area, which may be symptomatic of the fact that

- The development community still keeps a distance from, if not to stay, distrusts altogether the migration community, because of fear to be used for purposes which might divert resources away from the development objectives. Since their spending is largely discretionary, the development community has a natural aversion against all those who might wish to influence the spending of the development aid.
- However:
 - in reality, a number of development activities concern Migrants, i.e. through the support of NGOs engaged with migrant communities, through programmes such as MIDA, etc.
 - development activities in developing countries can and often do have an impact on migration, for instance: improved infrastructure and increased standard of living can mitigate or reduce migration pressures in beneficiary communities.
- This indicates that Development and Migration communities
 - do not always understand each others' terminology,
 - do not speak to each other and even less, focus on the equation and potential coherence between their activities.

How do we change this situation? What steps can be taken to address this state of affairs in order to achieve greater coherence?

Which intra-governmental and intergovernmental initiatives can contribute to enhanced coherence?

A few suggestions:

1. Donor countries as well as developing countries, in particular Ministries responsible for development, need to devise strategy/strategies which would take migration aspects into account, thus mainstreaming migration into development strategies.
 - This is often a top-down exercise, as policy makers are more aware of this necessity than the “development” experts.
 - Creating a “Migration and Development” budget line, as we did in Belgium, can be very helpful for such a process.
 - The EU Communication of September 2005 on Migration and Development, which identifies concrete actions, is an example.

2. Dialogue and consultation mechanisms are to be set up between Ministries of Development, Interior/Foreign Affairs, Social Affairs and, perhaps even Ministries of Employment and Finances in order to identify possible synergies.

It is particularly important that these consultations take place when bilateral multi-year development programmes are worked out.

- For instance, a very useful consultation took place in Belgium on the occasion of the new bilateral cooperation programme with Morocco. It helped to bring to realize that development has an impact on migration and vice versa.
- Having a migration and development focal point in each of the relevant Ministries is very useful.
- Delivering the message about the need of intra-governmental consultation at the political level is also very helpful. For example, in March 2006, Belgium will organise a ministerial level Conference on the subject of Migration and Development, in which the Ministers for Development, Foreign Affairs and Interior will jointly participate.
- Consultations and dialogue at the regional level are also useful for coherence-building: in January 2006, IOM, Belgium and Austria will jointly organise a ministerial-level Conference in Brussels on the themes of Security, Freedom, Justice and Prosperity and Migration.

3. There is a need for tools which would allow to identify with greater precision the impact of Migration on Development and vice versa, and in particular, to identify those elements which are critical to:

- maximizing benefits of migration for development (and vice versa),
- mitigating the negative effects of migration on development.

The recent study of the World Bank on remittances - Global Economic Prospects 2006 - is most welcome. More research in related fields is forthcoming. However, it is important that the research is policy relevant if it is to help governments to develop appropriate policies.

4. Creation of networks between governments and civil society, between NGOs in source and destination countries, among NGOs, governments and diasporas can greatly contribute to increased policy coherence, as can the involvement of local governments.

5. In terms of Human Resources Development

If migrants are to contribute to development, they need to find jobs and, if possible, well-paid jobs.

- Therefore, countries of origin need human resource policies to better prepare migrants to the needs of the global labour market. Consequently
 - there is a need for mapping the existing human resources,
 - there is a need for mapping the needs in terms of human resources of the global/regional (and even national) labour markets,
 - as developing countries often lack the tools to do this, capacity building is required, in particular, for regional organizations.
- regional exchanges can be very useful for identifying regional labour market shortages in one country and complementary labour excesses in another country;
- coherent policies should be aimed at preventing the vicious circle which can be caused if the departure of skilled personnel leads to the breakdown of essential services or have other effects detrimental to human or economic development of a country (ie the withholding of licences to nurses until they have fulfilled a two year service in rural areas, has left a particular African county with 70 % of its nurses working outside the sector- migration of a number of the practising one has created a huge shortage)
- Destination countries are interested in ensuring that migrants are economically active. Bringing in migrants because of declining population, while not linking this migration policy to employment, is inconsistent with the needs of a sustainable social security system. Since unemployed migrants represent a further strain on the system already under stress because of ageing populations, such disconnect between policies would result in a growing pool of beneficiaries and a shrinking pool of those who finance the social security system.
 However, ageing populations may have needs different from those of younger populations, and migration could bring in required services at lower costs, thereby helping to sustain the social security systems.
 - Destination countries also have to make sure that migrants maximize their chances of finding employment, which will then hopefully result in remittances revenue for the home countries. Among the tools to do so are the following:
 - language courses;
 - fostering integration through, for instance, anti-discrimination activities (i.e. Centre of Equality of Chances in Belgium can bring employers or other actors to court for discrimination);
 - promotion of diversity models at the workplace.
- Finally, a word on “train and retain” through the development of “centres of excellence”. In South Africa, 90 % of PhD graduates have left the country and have no intention of

returning on a permanent basis. This is a great loss in terms of human resources, and also a financial loss in terms of education costs.

Creation of a scientific environment conducive to research of great calibre might have retained some of these highly trained people. This is an idea for collaboration to be explored by donors and recipient countries alike

6. On Remittances: the challenge for policy makers is to convert these into economic development and productive capacity, to increase the effectiveness of remittance transfer, which is still often expensive and unsafe.

- We note that a large part of remittances supports direct consumption, at best, health and education. This is a valid contribution to a higher standard of living, which lifts families of migrants out of poverty and contributes to their human development, **but only while these fund last**. How to make their effects economically more durable for
 - the individual beneficiaries
 - the recipient countries?
- A study of a researcher from K.U. Leuven indicates that perceptions of remittances differ between senders and recipients:
 - recipients see remittances as return on their investments (of sending somebody to go abroad),
 - senders want their families to become “self-reliant” through investing remittances.

Do governments have a role to play in changing mentalities and spending patterns?

Import duty or lack of it, will probably influence the spending patterns of returning migrants ...

One has only to watch the conveyor belts in some airports and the number of fridges, video's and TVs brought in by returning migrants...

- These spending patterns also reflect the unsatisfactory investment climate for the poor. Ministries of Finance have a role to play in promoting the development impact of remittances. Policies should aim at :
 - improving infra-structures, in particular, access to banking services (which can contribute to a great reduction of transfer costs);
 - elimination of corruption, improving access to credit, in particular for the poor and migrants (non-residents), creating incentives for savings and entrepreneurship;
 - development of appropriate investment tools, such as micro-credits, for instance, guaranteed by donors, as was proposed by the European Commission in the Communication of September 2005.

At the same time,

- levying taxes on remittances should be avoided, as it would and will have a detrimental effect;
- increasing control over the transactions (within the framework of the fight against money laundering and terrorism) should be implemented with caution, as these measures might also have undesired effects with regard to remittance transfer.

Ministers of Finance should also pay more attention to the potential of FDI, migrant tourism to the country of origin and nostalgia trade generated by migrants, as all these factors have a potential to contribute to development.

7. On Return and Brain Drain versus Brain Gain – Through the IOM MIDA programme, Belgium offered an opportunity for the temporary return of about 150 highly skilled professionals to the Great Lake countries.

Highly skilled professionals often make critical contributions to the development of home countries, in particular with respect to human resource capacity building and sometimes, in very specialised fields.

To be successful, policies in Belgium had to allow the return of highly skilled professionals to the destination country. This programme works well in certain sectors (education, health), but we would like to explore ways to recruit these “returnees” also from the private sector, which is more problematic because of the existing social security and employment policies.

- Co-development programmes in the form of micro-credits for people who return or who wish to invest. In Belgium, we have such a programme, which is implemented through NGOs. It is often successful for individuals, at least in the short term, but the evaluation has showed that the developmental impact is modest and the delivery is costly, as the projects remain often disconnected.
 - The impact of such programmes could be improved if bridges were built between these individual projects and larger social development programmes implemented by development aid agencies.
 - IOM could also create links between its Rehabilitation Programme and social programmes implemented by its Member States.
 - Local partners involved in these programmes on a regular basis should be provided with an institutional framework. This can be done through local government support/ replication. One of the examples of successful local partner engagement is Migration et Développement au Maroc – an NGO which works on improving local infrastructure (roads, water and electricity supply). As a result of their activity, people who intended to leave, stayed on!

- More coordination is needed at the multilateral level, for instance within the EU framework, in order to increase coherence and reduce costs of delivery through the economies of scale.

Finally, the link between Development and Migration:

- Poverty, conflict, lack of good governance and democracy contribute to unwanted migration.
- Policies which address these root causes will reduce migration pressures. However, policies that increase welfare often result in more migration, especially of skilled people, if not accompanied by incentives to stay.
- More open trade policies / outsourcing of production can provide jobs for people in countries where migration pressure is high because of high unemployment:
 - Policies of regional trade-free zones, offering attractive investment (for instance in North Africa) and employment opportunities.

As one can see, there is still a lot to do in terms of governance nationally, regionally and internationally. **But the main message is that coherence starts at home.**

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