The overarching theme for the 2008 International Dialogue on Migration (IDM) is “Return Migration: Challenges and Opportunities”. The workshop on “Enhancing the Role of Return Migration in Fostering Development” is the second IDM workshop in 2008, with the first workshop, “Managing Return Migration”, held in Geneva in April. The first focused on managing return in the broader context of international migration, discussing trends and modalities of return and identifying the principal policy issues and challenges. It explored the special considerations and assistance needs of vulnerable groups of returning migrants and dealt specifically with return in cases when stay in the destination country is not or is no longer authorized. The second workshop therefore will not focus on these issues.

The purpose of the second workshop is to complement these discussions by exploring the development impact of return migration. More specifically, its aim is to identify promising policies and programmatic tools to facilitate and encourage return and to enhance its development potential. It is recognized that return does not automatically have a positive development impact – for instance in the case of large scale return to communities with already strained resources – and that for return migration to realize its positive development potential, its potential adverse impacts need to be considered and effectively addressed.

**Return Migration – an Integral Element in the Migration-Development Nexus**

Migration has become a defining feature of social, economic and political life in today’s globalized and mobile world. Although return is an important stage of the migration process and a critical element of effective migration management, its various aspects and linkages to development are just beginning to receive the policy attention they deserve. In recent years, there has been a growing interest in exploring the dynamics and links between return migration and development not only by States but also by various national and international actors, including intergovernmental and non-governmental organizations, migrant associations, and the private sector.

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1 The agenda and background paper for this workshop, as well as most of the speakers’ presentations, are available on the IOM website at [http://www.iom.int/idmreturnmigration](http://www.iom.int/idmreturnmigration).

2 Please refer to the Annex of this paper for working definitions of different types of return.
While return migration has the potential to bring substantial social, macro-economic and micro-economic benefits to countries of origin and destination, evaluating precisely the contribution of return migration to the development of a specific country or community is a complex and challenging task. The nature and extent of the impact of return on development depends on a variety of factors, including the social, political, legal and economic environments in which it takes place. In addition, the willingness of migrants to contribute as well as the willingness of the returnees’ communities to receive their contributions are both prerequisites to maximising the benefits of return migration. Furthermore, the developmental potential of different types of return may vary (e.g. voluntary versus forced or temporary versus permanent return). Improved national, regional and global data on return migration flows and on the numbers and characteristics (skill-level, assets, age, gender, family status, etc.) of migrants returning to their countries of origin would be helpful to furthering understanding of the relationship between return migration and development.

From Human Capital Loss to Human Capital Gain

Reducing losses of needed human capital for countries of origin and mitigating negative effects as much as possible are important to achieving development objectives. Skill shortages in critical sectors such as health care and education are of particular concern. Skilled labour emigration, where it is long-term and/or permanent, means that countries of origin may lose their original investment in the education and training of emigrating nationals. Emigration may also reduce the number of dynamic and innovative people who might be risk-takers and possess entrepreneurial and other skills – and thus hinder the future development potential of countries of origin. However, it is acknowledged that overseas employment also has many positive aspects for countries of origin and migrants themselves, including in reducing employment pressures, generating remittances, creating business and trade networks and providing migrants with opportunities for personal and professional development which might not otherwise be available, to name but a few.

Return migration, whether temporary or permanent, can contribute to reducing the negative impacts of human capital outflow for countries of origin. They can benefit from return migration in two ways: by regaining the human capital of migrants and by taking advantage of the additional skills and resources returning migrants may have acquired while abroad. However, the extent to which return migration can bring additional benefits by replacing human capital loss with the circulation of human capital is an important question to be explored.

Return migration may not only replenish and enrich the human capital of countries of origin but it can also contribute to the transfer of technology and of scientific, technical and economic expertise as well as political, social and cultural exchanges. In addition, circulation of human capital may bring in new methods of production and service provision to countries of origin. Broadly speaking, return migration – whether virtual or physical, temporary or permanent – can contribute to fostering innovation and trigger learning processes.

Countries of destination can enhance the benefits of return by putting in place enabling policies and institutional mechanisms to avoid underutilisation of and enhance migrants’ skills during their stay in the host country, thus ensuring that upon return their skills are at an equivalent or improved level to that prior to migration. For instance, effective approaches to skills accreditation in the host country can enable a migrant to use his or her skills and knowledge while abroad as well as possibly to upgrade them.
Countries of origin may also consider policies and programmes in cooperation with destination countries to facilitate effective and efficient skills transfers to enable migrants to positively contribute to the socio-economic development of their home countries upon return. Examples of this joint action that could magnify the development effects of return migration and help address the challenges of recognition of qualifications are joint diploma or inter-university programmes that allow potential migrants in the country of origin to pursue studies abroad and acquire skills that would make them more productive for both the country of origin and destination. These types of initiatives on both ends have the potential to encourage temporary return and circular migration in particular and to ensure that migrants are able to work productively in both labour markets.

Financial Contributions of Returning Migrants

Other potential macro-economic benefits of return migration can result from capital inflow and subsequent productive investment associated with returnees. Returning migrants often bring back savings and other resources. Broadly speaking, the volume of savings and the kind of investments returnees make depend on their characteristics (skill level, age, gender, etc.) as well as the type of return they undertake. These investments may, through a multiplier effect, create employment at the local and national levels, as in the case of returning Indian IT professionals. It is worth exploring the extent to which returnees’ savings offset the remittances which are lost when migrants return.

As savings are returnees’ private funds, measures to encourage migrants to save while abroad and to enhance the development impact of these savings should be in the form of incentives. Among the possible options is creating concrete opportunities and vehicles for investments that will be appealing to returnees, including micro-enterprises.

Measures to Facilitate Return and Increase its Development Impact

Government policies in countries of origin and destination that directly target or indirectly affect returnees and potential returnees can significantly influence the development impact of return. Such policies and measures should be seen as a part of and not a substitute for more comprehensive development efforts. Furthermore, the benefits of return migration for countries of origin depend on political and economic conditions as well as social stability. It should be noted that policies and measures to encourage return will be most effective where the “push factors” that initially influenced the decision to emigrate have been addressed.

While most returns happen spontaneously, governments in countries of origin and destination can put policies in place to facilitate and encourage return and to increase its development impact. For example, migrants wishing to return to their home country may lack the financial and organisational resources to return and to plan their economic and social reintegration back home. Providing these migrants with financial and other types of support, including counselling and psycho-social support, can not only help these migrants to return but also help to ensure their successful reintegration and enhance their contribution to development. It is important that these policies and incentives be devised through a gender-sensitive approach as interests and concerns of men and women may differ.

Countries of origin can also attract returnees and maximize their development potential by systematically disseminating information on job opportunities and support programmes — for
example through internet websites – recognizing professional credentials obtained abroad, offering returnees accreditation as trainers or consultants in schools, government agencies or the private sector, and promoting local entrepreneurship using their experience and expertise. In the case of post-crisis and emergency situations, carefully-tailored return and reintegration programmes can ensure that returning migrants at all skill levels can make important contributions to the development and rebuilding of societies, communities and institutional mechanisms. This is particularly true for example where the returnees have improved their skills while away, for instance through access to training and education that would not have been available in their home country.

Migrants can also be encouraged to return to their countries of origin on a temporary basis to provide short-term assistance in priority fields such as health, education, engineering, agriculture and finance. Promising new initiatives, including IOM’s Migration for Development in Africa (MIDA) programme, warrant monitoring. It is important to offer a variety of possibilities regarding the length of the return, as the willingness of migrants to return depends in large part on whether governments have taken measures which assure they will be able to re-enter host countries and not jeopardise their existing legal and social status as well as welfare and social benefits in their host countries as a result of temporary return to their home country.

Policy measures addressing barriers to portability of pensions and other social benefits are important in positively influencing a migrant’s decision to return in cases of intended permanent returns. Lack of an effective pension portability mechanism may be an important disincentive for migrants to return to their countries of origin, and where the migrant does choose to return it may mean lower levels of self-reliance for migrants and their families. Therefore, measures to ensure the portability of pensions are important both for encouraging and strengthening the development impact of return migration.

The development potential of return is limited where the returnee is not successfully reintegrated. Holistic and effective reintegration programmes can help. For example, returnees can be provided assistance in finding employment that draws upon their skills and experiences acquired abroad. Vocational training, professional equipment, support for micro-enterprise development and other forms of targeted assistance can also be important.

The ties between migrants and their home countries are critical factors in the return equation. Policies to strengthen and maintain the connection of migrants and their descendants to home countries can ensure that diasporas are willing to act as agents for the development of countries of origin. Some of the approaches countries of origin may consider for maintaining links with their diaspora include improved outreach to migrants in countries of destination and fostering a sense of belonging by, for instance, giving members of diasporas the opportunity to participate in the political process of their home country. Policies that facilitate mobility of migrants and their descendants between home and host countries not only help to maintain ties between diasporas and their countries of origin but are also key to facilitating return migration more directly. Such policies may include granting of dual nationality as well as issuing multiple entry visas, work permits, residency permits, etc.

Countries of origin might also consider using economic and financial sector tools to promote savings by migrants as well as creating investment schemes and vehicles into which remittances and returnees’ savings can be channelled, such as industry, education, infrastructure development, and the establishment of small and medium-sized enterprises. In
designing these tools, policy makers should take into consideration the needs and interests of different migrant and returnee groups.

The existence of a credible investment environment – one characterized by good governance, economic stability, and transparent regulation of financial institutions – is critical to the willingness of returnees to invest in their country of origin. Thus, in tandem with creating incentives to direct returnees’ savings to uses with positive development impacts, efforts to create a sound political, financial and legal environment that stimulates investment and other capital inflows are essential. While special measures for returnees such as business-development services, tax breaks on investments and preferential terms and conditions for loans are sometimes considered in order to encourage returnees to invest and engage in economic activities in the country of origin, such policies may be seen as preferential and discriminatory in relation to the non-returnee community and are, therefore, controversial. Thus, it is for individual governments to weigh the costs and benefits of these types of policies and to judge them accordingly. Furthermore, many countries of origin have less advanced infrastructure that might not be supportive for carrying out certain business ventures. Hence, it is of paramount significance to develop the country’s infrastructure to make it attractive for investment by returnees as well as foreign investors more generally.

**Making Return Work for Development—Multi-stakeholder Partnerships**

Multi-stakeholder partnerships at the grassroots, national, regional and international levels are important means by which the development benefits of return migration can be maximized. It is through these types of partnerships that concerns and challenges faced by individual returnees and countries of origin can be addressed, policy measures can be appropriately tailored and an environment enabling contributions to development can be provided.

At the national level, intra-state coordination between different government organs and levels is essential to ensure compatible and comprehensive policies and their effective implementation. Moreover, inter-state consultation and cooperation play an essential role in ensuring that policies in host countries and countries of origin not only facilitate return but also help maximize its development benefits. Preferably, consultation and cooperation would take place amongst multiple levels of government – local, municipal and national. Informal dialogue and information exchange are pivotal in ensuring that all parties are aware of the issues of concern and areas for partnerships. Regional Consultative Processes (RCPs) on migration are important platforms for dialogue and exploration of further areas of cooperation with a view to enhancing the development dimension of different types of return migration, such as the Regional Conference on Migration in the Americas and the Abu Dhabi Dialogue for Asian countries of origin and destination.

Coordinated partnerships among diasporas, migrant workers’ and home-town associations, business and the private sector, civil society organizations, and national and international organizations are equally crucial. Diasporas can contribute to the development of home countries through a variety of channels – remittances, investment, entrepreneurial activities, transfer of acquired skills and knowledge, and by fostering political, social and cultural exchange between countries of origin and destination. For example, diasporas can build bridges and develop understanding and strengthen cooperation between home and host countries and help design programmes that best suit the interests of their community with the aim of enhancing development in their country of origin. Hence, fostering effective consultative arrangements, partnerships and cooperation between diasporas and their host and
home countries is important from a development perspective. Building cooperation requires migrants to be treated not as resources, but as partners whose interests and concerns are taken seriously. Governments can lead the process of confidence building by creating the relevant institutional space for dialogue with diasporas as in the case of the IOM-initiated Diaspora Dialogues in major host countries and supporting the establishment of migrant networks, while respecting their autonomy.

Along with diasporas, migrant workers’ and home-town associations can play an active role in forming a virtual network between diasporas and communities in their country of origin. These networks can help share information, knowledge, ideas and other skills thus making reintegration for the returnees much easier.

Another important group of actors that can amplify the economic benefits of return migration are private sector entities in both countries of origin and destination. Returnees who have access to reliable financial institutions and businesses in the country of origin are more likely to put their savings into productive investments, thus benefiting the economy as a whole. In addition, businesses in destination countries can contribute to the development of human resources through investments in public universities in the countries of origin. Creating incentive strategies and investment opportunities in commercial, entrepreneurial and other productive ventures can be more effectively initiated in collaboration with relevant civil society stakeholders, the donor community and the financial sector.

International and non-governmental organizations as well as civil society groups such as diaspora networks and professional associations can help to explore the concerns, including gender-specific concerns, of the returnees and suggest policy initiatives and programmes to address them.

International organizations also have an important role in establishing and strengthening partnerships between governments, and in developing the capacity of States to facilitate and manage return migration cooperatively. This is a priority area of activity of IOM worldwide, consistent with several elements of the recently-adopted IOM Strategy. Inter-agency partnership is often an effective way to pool resources and strengthen return and reintegration programmes and initiatives for the returnees.

The Way Forward

Focused global attention today on migration and development creates a window of opportunity to explore more fully the relationship between return migration and development. This workshop will provide an opportunity for IOM’s membership and other stakeholders to look in greater depth at how and the extent to which return migration can contribute to development, through the identification and sharing of policies, effective practices and initiatives that can help enhance the role of return migration in fostering development. Potential opportunities and challenges will be identified with a view toward exploring how they can be met and managed through enhanced cooperation among all relevant stakeholders.
ANNEX

Selected Definitions³

Return Migration – Return migration refers to the movement of a person returning to his/her country of origin or habitual residence usually after spending at least one year in another country. This return may or may not be voluntary. Return migration includes voluntary repatriation.

Physical Return – Physical return refers to the geographical relocation/movement of an individual from the destination country to their country of origin or of habitual residence. It could be either permanent or temporary in nature and at the same time could be voluntary or forced.

Virtual Return – This type of return is a relatively new phenomenon and it encompasses the non-physical relocation of migrants from the destination country to their country of origin or of habitual residence. It refers mainly to the transfer by migrants of skills and knowledge to their country of origin or of habitual residence while they are physically present in the destination country. An example of this type of return is when migrants living in a destination country participate in e-teaching for students in their country of origin, such as in IOM’s Migration for Development in Africa (MIDA) capacity-building programme which uses virtual return of migrants to impart higher education to students in the Democratic Republic of the Congo, Rwanda and Burundi.

Permanent Return – This refers to the intended definitive physical relocation of migrants from the destination country to their country of origin or of habitual residence. Under this category of return, once migrants are back in their country of origin or of habitual residence, they usually settle and reintegrate and do not necessarily engage in re-migrating to the destination country except for the purposes of tourism and business.

Temporary Return – Temporary return is the opposite of permanent return whereby the migrants return to their country of origin for a limited period of time and have the potential to emigrate again. Temporary return also occurs in the context of circular migration, which refers to recurrent back and forth movement of migrants from the country of destination to the country of origin.

Voluntary return – This refers to the return of an individual to the country of origin, transit or a third country based on the free will and well-informed decision of the individual in the absence of coercive measures. Voluntary return can be subdivided into two categories: spontaneous return, whereby the individual initiates and implements the return without the involvement of States or other national or international actors; and assisted voluntary return, whereby the individual receives financial and/or logistical support (and in some cases also reintegration assistance) from a State or other national or international actor.

Forced return – This refers to the return of an individual by government authorities, under national law enforcement procedures, to the country of origin, transit or to a third country, when the person does not leave the country by his/her own means or with the assistance of a State or other national or international actor before the deadline for return established by an administrative or judicial act ordering the person to leave the country.

³ Please note that the definitions provided here are not binding in any sense and are provided for conceptual clarity and better understanding of the diverse types of return. These definitions are solely for the purpose of this paper and should not be cited as representing the official position of IOM. They are formulated in the context of international labour migration.