Enhancing the role of Return Migration

In Fostering Development
**The development aspect of return migration**

Second in series of IDM workshops on return migration in 2008

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<td>Managing return in broader context of international migration</td>
<td>Focus on core relation between return migration and development</td>
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<td>Different trends and modalities of return</td>
<td>Identify policies and tools</td>
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<td>Main policy issues and challenges</td>
<td>- Enhance its positive potential</td>
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<td>- Facilitate and encourage return</td>
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**Return Migration:**

Considerable potential for development
The development aspect of return migration

- Return migration can also have destabilising effects
  - Need to be considered and effectively addressed

- Return a complement to and not a substitute for development policies
  - Return: consequence or cause of development?

- Preparation key to successful return

- Cooperation between host countries & countries of origin essential
The development aspect of return migration

Returning Migrants: central actors in the return process

- Valuing their contribution
- Support structures
- Partners and not resources
- Incentives
- Options
Return migration: Integral element of the migration-development nexus

Nature and extent of the development impact of return

**Difficult to evaluate precisely**

- Depends on a number of important factors:
  - Social, political, legal and economic environment
  - Characteristics, resources and behaviour of individual migrants
  - Differing developmental potential of different types of return (e.g. voluntary vs. forced, temporary vs. permanent return)

**Challenge:**

- Gather accurate national, regional and global data on return migration flows
Main challenge:

Reducing risks of brain drain and counteracting its negative effects

Of particular concern: skills shortages in critical sectors, i.e. health care and education

Loss of investment in education

Emigration reduces number of dynamic and innovative people
Benefits of return migration for human capital in countries of origin:

• Regain skilled labour force

• Benefit from new or enhanced skills and know-how of returnees

• Transfer of technology

• Transfer of scientific, technical and economic expertise

• Establishment of economic, trade, political, social cultural networks and exchanges
From Human Capital Loss to Human Capital Gain

Enhancing the benefits of return for countries of origin

- Policies and institutional mechanisms in destination countries enabling productive stay of migrants
  - Improve migrants’ skills; avoid underutilisation

- Policies and programmes in countries of origin
  - Promoting efficient skill transfers (joint diploma programmes or inter-university programmes)
  - Measures to encourage temporary return and circular migration
  - Actual and virtual return: IOM’s MIDA programme

- Ensure migrants work productively in both labour markets
Financial Contribution of Returning Migrants

- Capital inflow and subsequent productive investment
  - Potential employment creation at local and national levels
  - Yet potential loss of remittances if return is not temporary

- Volume of savings and kind of investments depend on
  - Characteristics of returnees (skill level, age, gender, etc.)
  - Type of return
As savings are private funds – potential incentive measures to facilitate their development impact:

- Opportunities and financial tools for investments

- Financial products: higher interest rates, exchange rate guarantees, exemption from wealth and income taxes

Challenge:

Portability of pension funds and other social benefits
Most returns happen spontaneously

However, migrants may lack the financial and organisational resources to return and plan their economic and social reintegration

Returnees often face considerable challenges

- Lack of basic health facilities and education services
- Concerns about personal security and stability

Vital roles of governments of both host and origin countries
Broader Reintegration Strategy

1. Employment-finding or creating mechanisms:

- Systematic information dissemination on job opportunities and support programmes via the internet
- Recognizing professional credentials obtained abroad
- Vocational training, micro-enterprise development
- Financial assistance (micro-credit) for the development of small and medium enterprises
- Technical assistance for development of businesses in a variety of industries
- Offering returnees accreditation as trainers or consultants in schools, government agencies or the private sector
2. Other Return-inducing Measures

- Funded travel
- Medical insurance
- Provision of professional equipment
- Credible economic and investment climate
  - Good governance
  - Social, political and economic stability
  - Transparency and regulation of financial institutions
Host Countries

- Assisted voluntary return programmes
- Possibility to re-enter and access benefits in host countries
  - Assurance of legal and social status in host countries
- Addressing barriers to portability of pensions
- Enhance availability of regular migration channels
  - Work permits, residency permits, multiple-entry visas, dual nationality, etc.
Measures to Facilitate Return and Increase its Development Impact

Measures by both Host Countries and Countries of Origin

- Maintaining and strengthening ties between migrants and home countries

- Promoting savings and investment schemes for migrants’ funds through economic and financial sector tools

- Leveraging the development impact of migrants’ savings:
  - Need for sound policies, secure financial & legal environment to stimulate investment & other capital inflows
  - Incentives for savings
Combined impact of measures by governments at both ends

Sustainable return & successful reintegration

Increase its contribution to development

Make temporary migration more temporary and circular migration more circular
Multi-Stakeholder Partnerships

To maximise development benefits of return migration:

Multi-stakeholder partnerships at the grassroots, national, regional and international levels

- Address concerns and challenges faced by individual returnees and countries of origin
- Tailor policy measures
- Provide an environment enabling contributions to development
Inter-state consultation and cooperation

- At the national level, intra-state coordination between different government bodies and levels
  
  Ensure compatible and comprehensive policies

- Informal dialogue and information exchange between governments at all levels: local, municipal and national

- Other useful platforms:
  - Regional Consultative Processes (RCPs)
  - Global Forum on Migration & Development
Multi-Stakeholder Partnerships

Other Stakeholders

- Diasporas
  - Remittances, investment, entrepreneurial activities, transfer of skills and knowledge
  - Foster political, social and cultural exchange between countries of origin and destination
  - Importance of fostering effective consultative arrangements and cooperation between diasporas and home and host communities

- Migrant workers and home-town associations
  - Active role in setting up virtual networks between diasporas and countries of origin
  - Platform for sharing ideas and knowledge

Facilitates reintegration
Multi-Stakeholder Partnerships

Business and Private Sector
- Provide access to reliable financial institutions and businesses in country of origin for productive investments of migrants’ savings

Civil Society Organizations
Explore concerns of the returnees & suggest initiatives and programmes to address them

National and International Organizations
- Can play important role in establishing & strengthening partnerships with governments & capacity building
Concluding Remarks

- Relationship between Return Migration and Development
  - Is just beginning to receive due attention

- It holds considerable positive potential
  - Common ground and shared interests
    - Countries of origin
    - Host countries
    - Migrants themselves
Concluding Remarks

Return migration has effects on both countries of origin and destination

Long and shorter-term foreign residents at all skill levels can substantially contribute to home country development

- Temporary and circular mobility
- Investment
- Skills transfer
- Joint human resource development
## Concluding Remarks

### Greatest Convergence of Interests

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<th>Countries of destination</th>
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<td>• Can enhance the positive contribution of migration to development</td>
<td>• Means to meet sectoral, seasonal and peak labour demands in temporary and circular labour migration schemes</td>
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<td>• Return of forced migrants often crucial for rebuilding and development of « post-conflict » societies</td>
<td>• Public opinion often less negative towards temporary mobility compared to permanent migration</td>
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