



# Labour Migration in Bosnia and Herzegovina – How to make the most of it?

**Roundtable meeting**

**Sarajevo, 14 September 2022**

# Presentation Outline



## 1. Characteristics of Migration



## 2. Labour Market Outcomes in OECD Countries



## 3. Remittances as Income and Investment Source



## 4. Migration and Diaspora Policies



## 5. Way Forward – Policy Recommendations

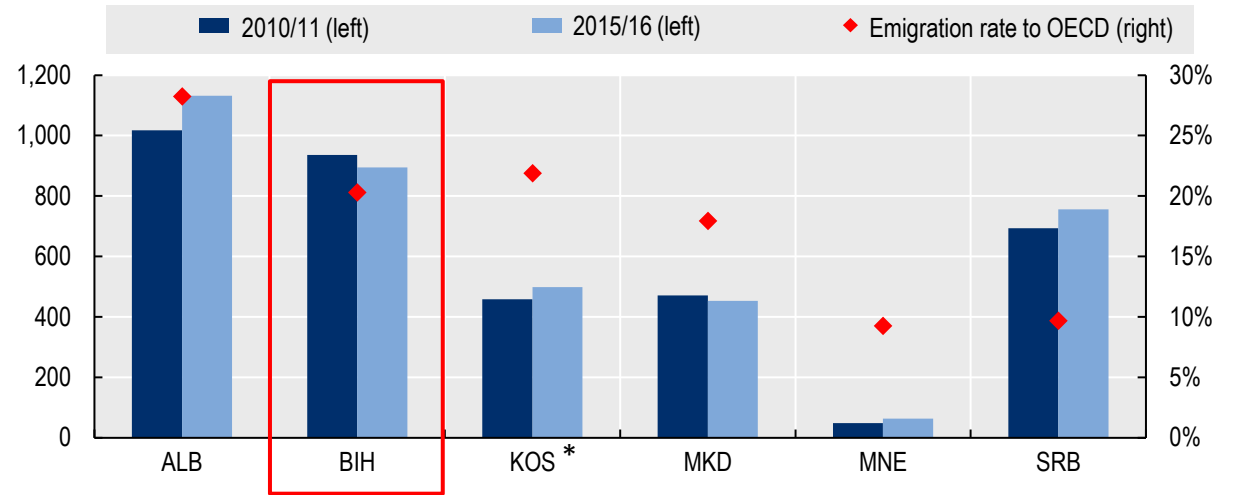


# 1. Characteristics of Migration – Trends



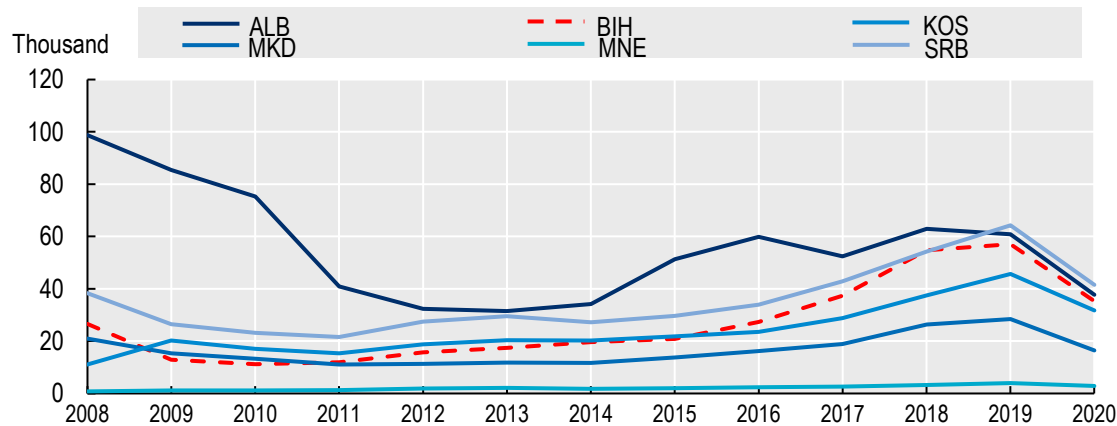
**Bosnia and Herzegovina has one of the highest emigration rates in the region with 20% of its population living in OECD countries.**

**WB6 migrants in OECD countries**



Note: More information is available at Figure 1.3 of the publication *Labour Migration In The Western Balkans*.  
 Source: OECD (2016) OECD Database on Immigrants in OECD Countries (DIOC), The Swiss Federal Statistical Office (2022); Eurostat (2022), Population change - Demographic balance and crude rates at national level [DEMO\_GIND].

**First residence permits attained by WB6 citizens in European countries**



Note: European destination countries include EU Member Countries, European Economic Area non-EU countries (Iceland, Liechtenstein and Norway) and Switzerland.

Source: Eurostat (2021), First permits by reason, length of validity and citizenship [MIGR\_RESFIRST]

**Emigration to Europe has increased almost fivefold between 2011 and 2019.**

**However, with the COVID-19 pandemic, it declined by 38% in 2020.**

\* This designation is without prejudice to positions on status, and is in line with United Nations Security Council Resolution 1244/99 and the Advisory Opinion of the International Court of Justice on Kosovo's declaration of independence.



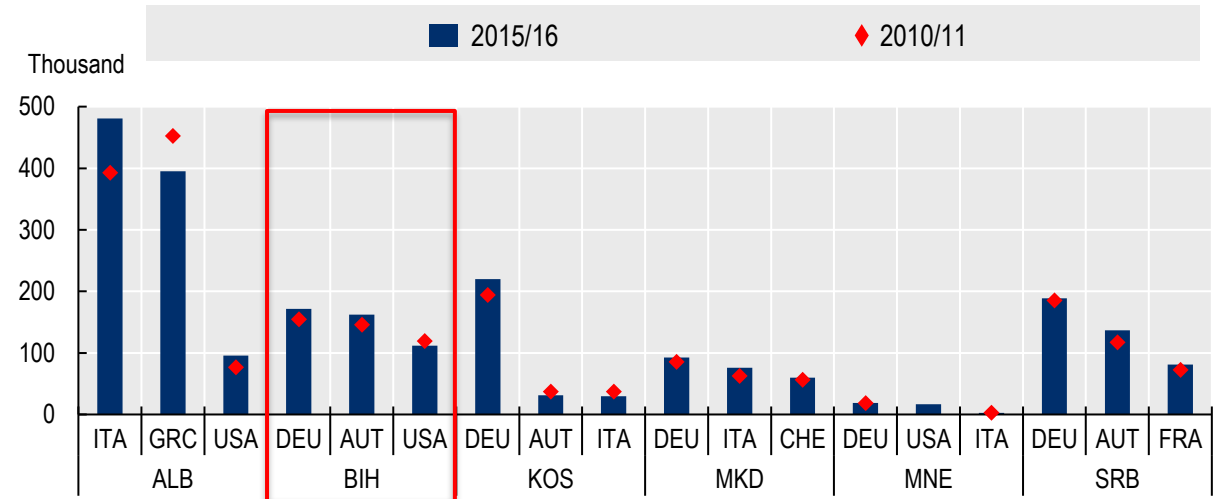
# 1. Characteristics of Migration – Destinations



Migrants from Bosnia and Herzegovina are predominantly living in a handful of traditional OECD destination countries...

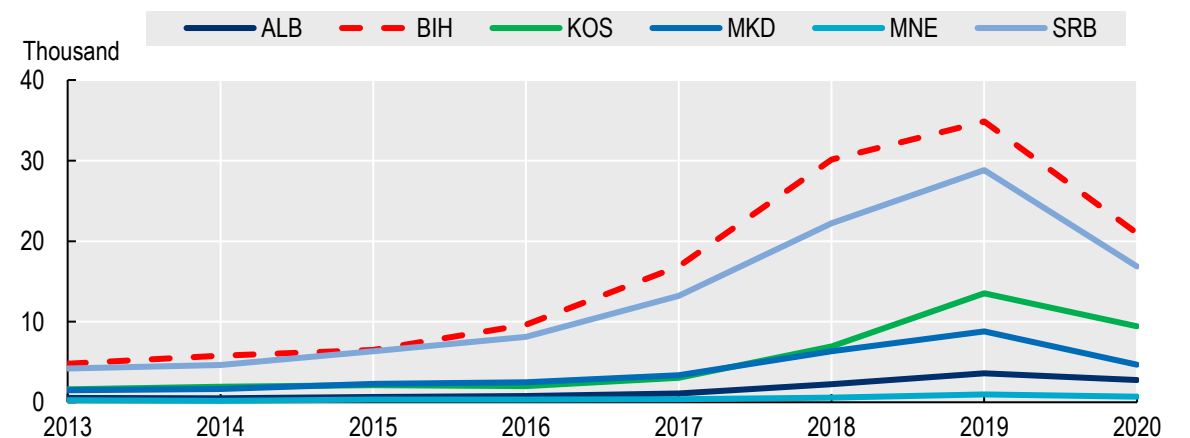
...but emigration to Central Eastern European countries quadrupled since 2013 until the start of the pandemic.

Top OECD destination countries of WB6 migrants



Source: OECD (2016), DIOC

Number of first residence permits issued to WB6 citizens in CEE countries



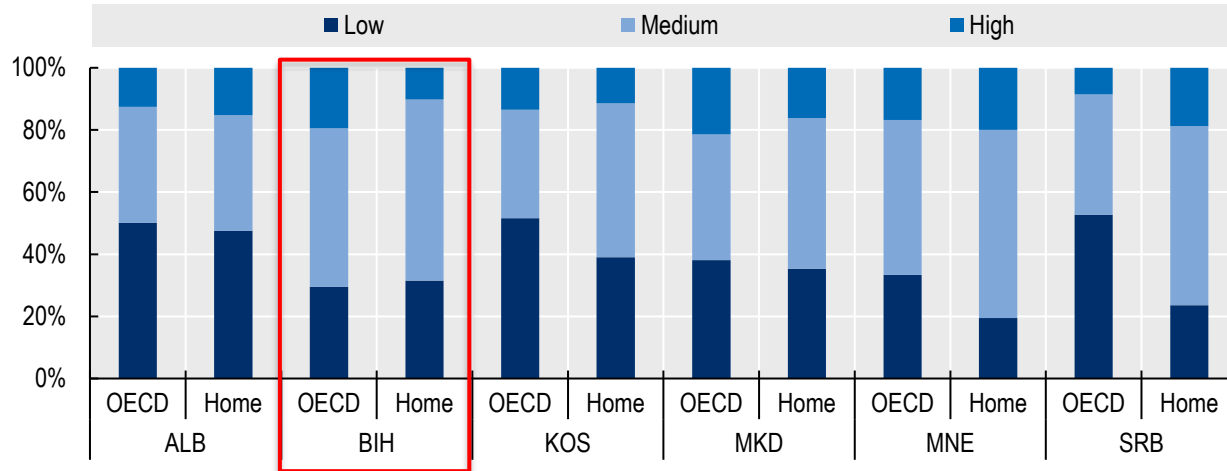
Note: CEE countries are Bulgaria, Croatia, the Czech Republic, Hungary, Poland, Romania, the Slovak Republic, and Slovenia.  
Source: Eurostat (2021), First permits by reason, length of validity and citizenship [MIGR\_RESFIRST]



# 1. Characteristics of Migration – Education levels



Education level of the working-age population in OECD countries and at home



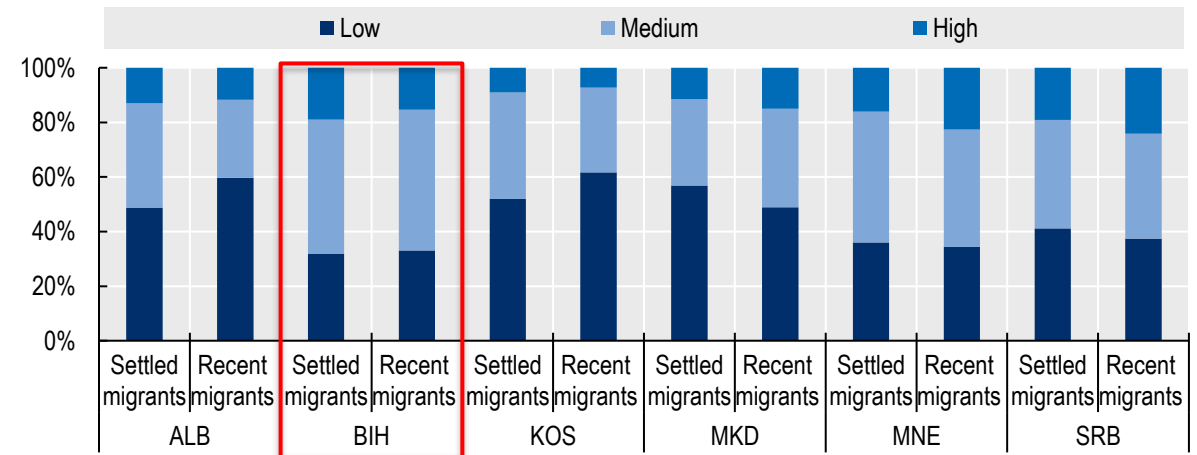
Note: Data for 2015.

Sources: OECD (2016), DIOC; Eurostat (2021), Population by educational attainment level, sex and age (%) [EDAT\_LFSE\_03]; World Bank and Vienna Institute for International Economic Studies (2022)

The diaspora of Bosnia and Herzegovina is on average more educated than the working-age population at home...

...But more recent migrants from Bosnia and Herzegovina are less educated than those who arrived earlier.

Distribution of education levels among WB6 migrants in OECD countries by duration of stay



Note: Settled migrants are defined as migrants who arrived prior to 2010. Recent migrants are defined as migrants who arrived in the country of destination between 2010 and 2015.

Source: OECD (2016), DIOC



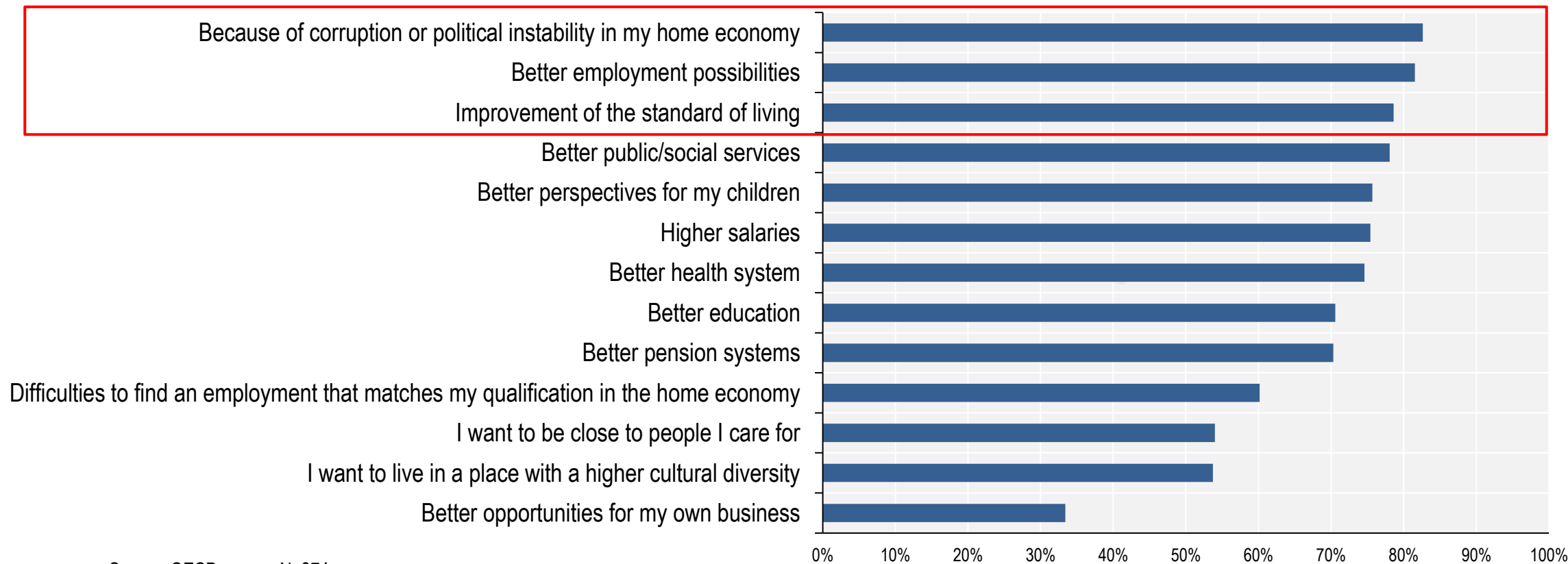
# 1. Characteristics of Migration – Motivations



**A variety of social, economic and political factors drive emigration from the WB6 economies.**

**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.

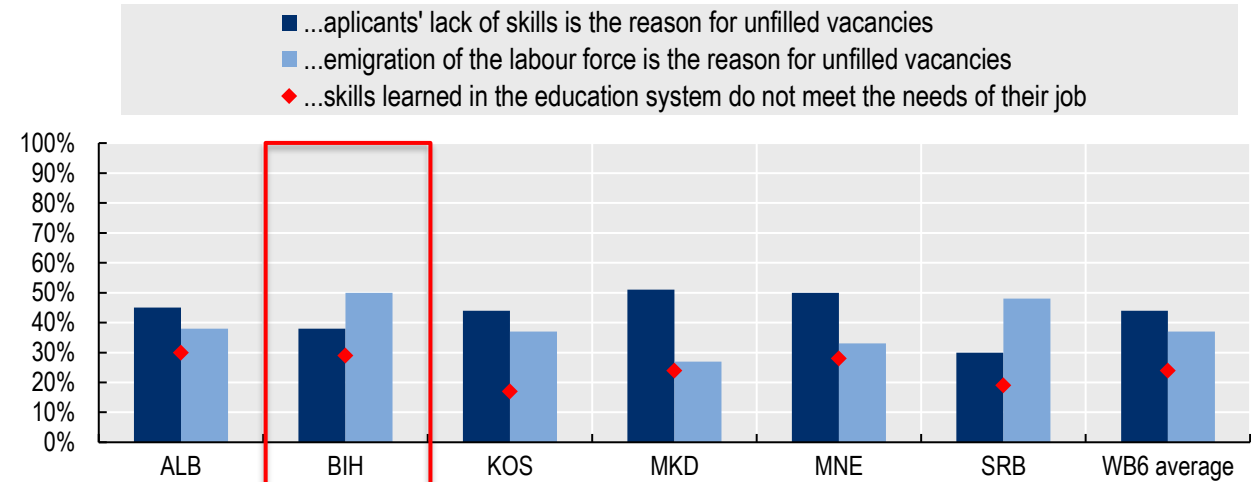


# 1. Characteristics of Migration – Main drivers



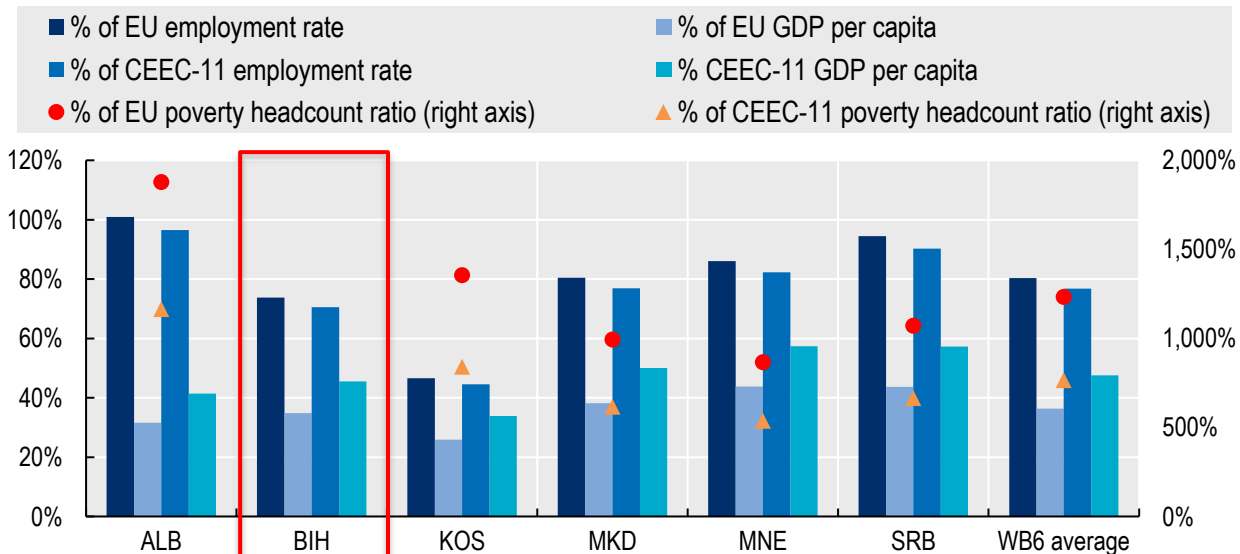
**Education systems have difficulties producing needed skills, reinforcing skills mismatches and shortages.**

**Skills mismatches and labour shortages in the WB6 - % of respondents stating that...**



Sources: RCC (2021), Balkan Public Opinion Barometer 2021; Balkan Business Opinion Barometer 2021

**WB6 development gaps as shares of EU and CEEC-11 averages (2020)**



Source: World Bank (2021), World Development Indicators

**Development gaps with EU and Central Eastern European Countries remain large.**

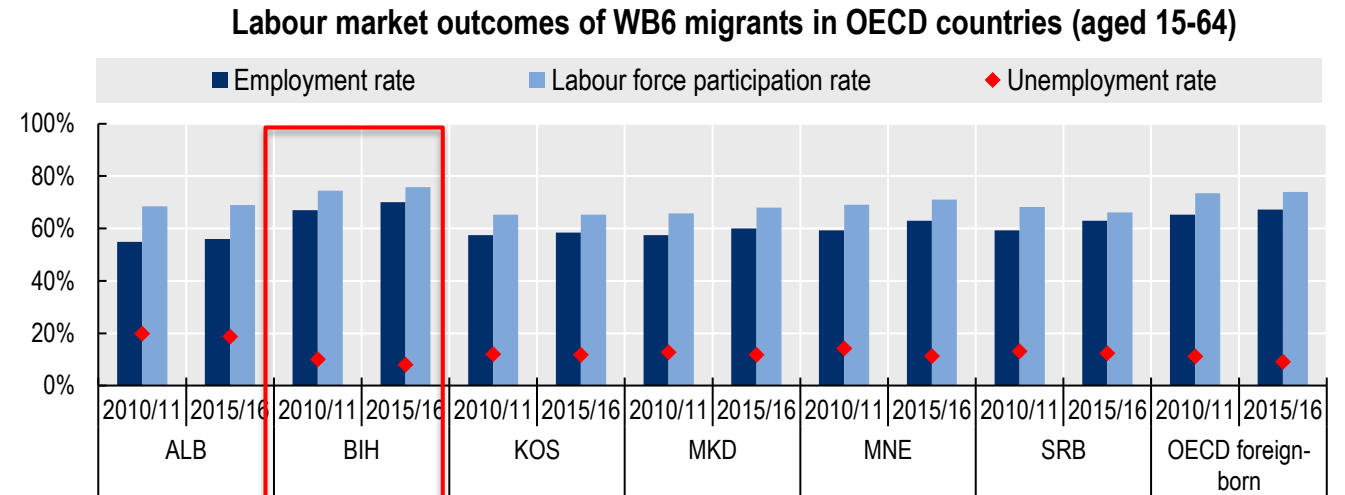


## 2. Labour Market Outcomes in OECD Countries



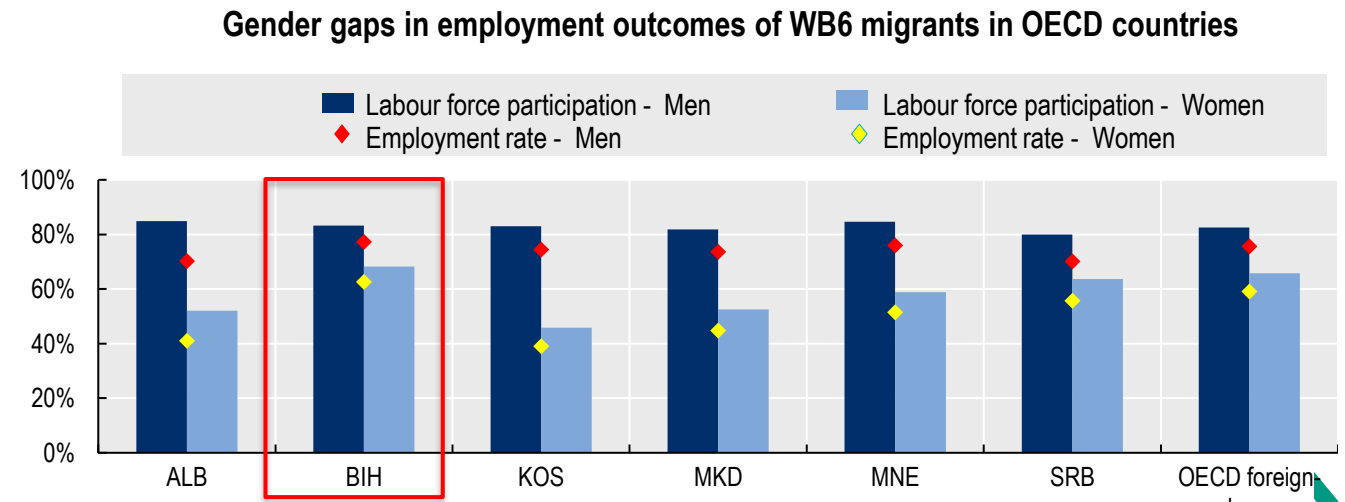
**Labour market outcomes of migrants from Bosnia and Herzegovina are the best of all WB6 economies.**

**They are comparable to those of the average OECD foreign-born population.**



Source: OECD (2016), DIOC

**Gender gaps in employment outcomes of WB6 migrants are significant, but the gaps for Bosnian migrants are among the smallest in the region.**



Notre Data for 2015  
Source: OECD (2016), DIOC

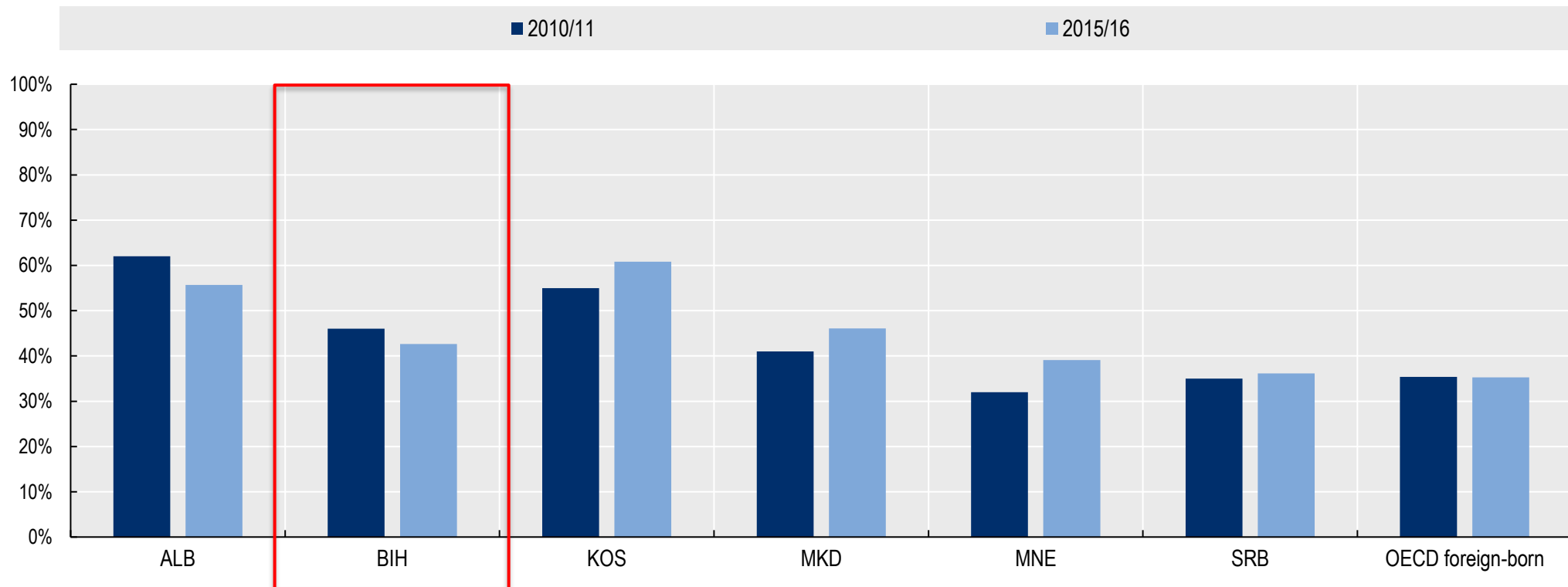






**43% of highly skilled migrants from Bosnia and Herzegovina are over-qualified for the jobs they do in OECD countries – on par with the WB6 average.**

Over-qualification rates of WB6 migrants in the OECD area



Note: Overqualified is defined as having tertiary education (ISCED 5-8) and an occupational skill level that is low or medium (ISCO 4-9). Over-qualification is only calculated for highly skilled migrants.

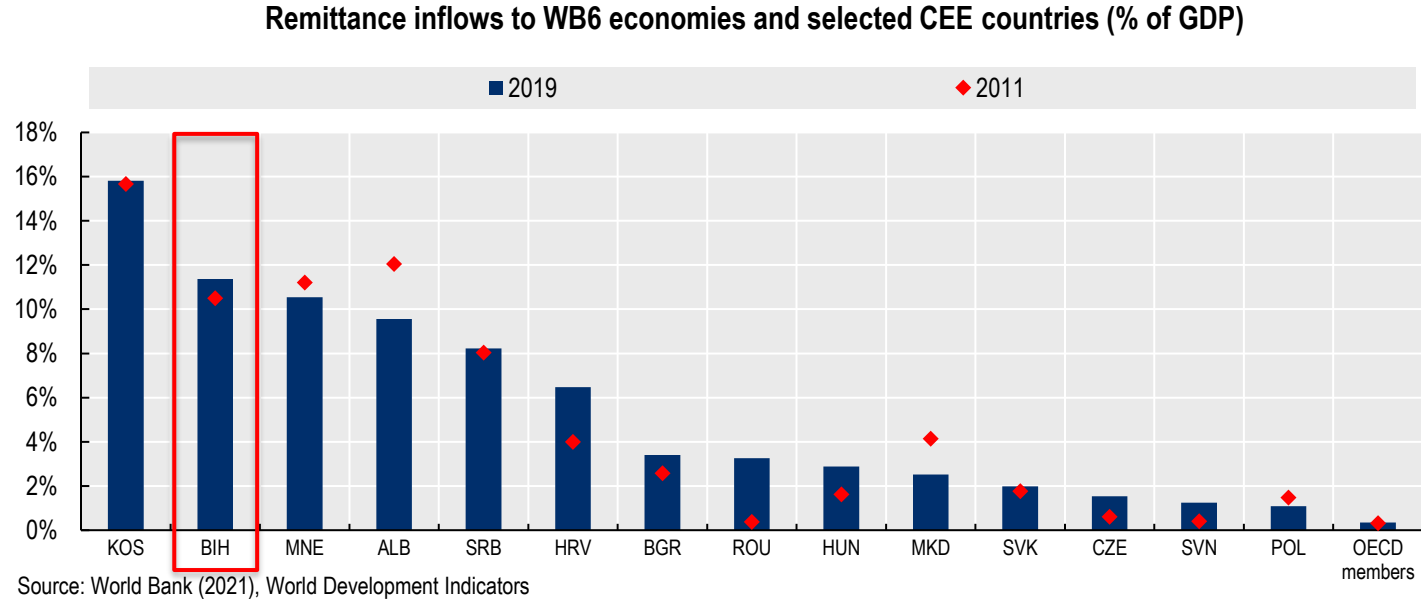
Source: OECD (2016), DIOC.



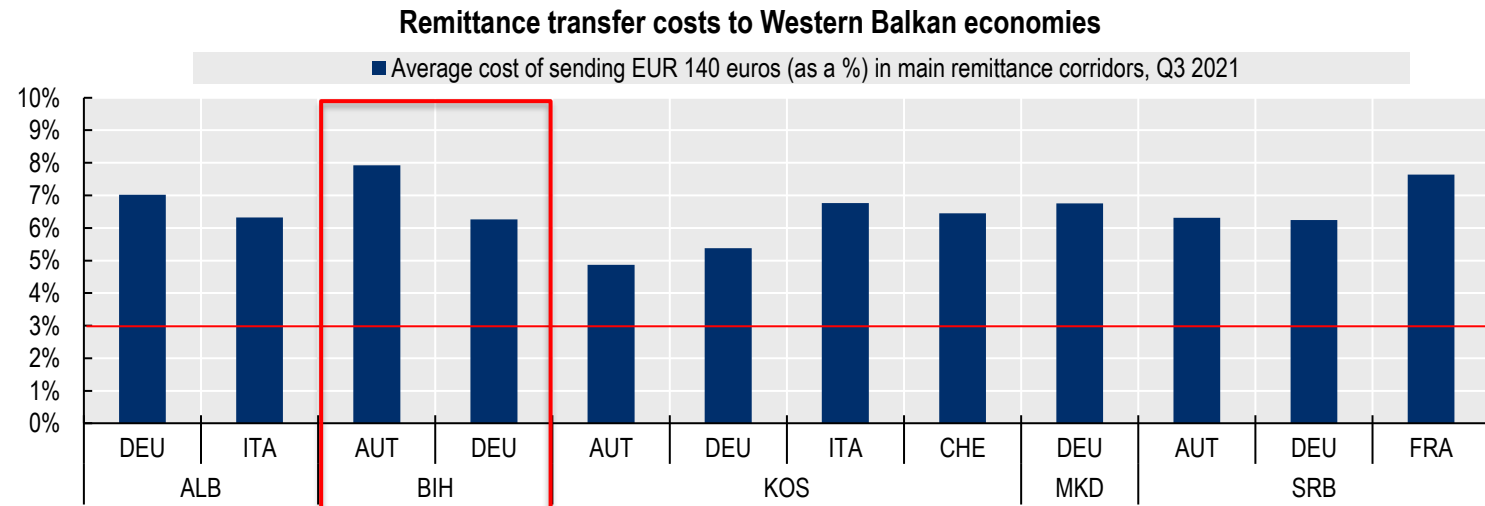


# 3. Remittances as Income and Investment Source

**Bosnia and Herzegovina received remittances corresponding to 11.4% of its GDP in 2019.**



**However, different barriers (e.g. high transfer costs) can prevent their full investment potential.**



Note: The line represents the commitment set by Sustainable Development Goal (SDG) 10.c to reduce the transaction cost of remittances to 3%. For Switzerland, the percentage is calculated as the average costs of sending 160 CHF.  
Source: World Bank (2022), World Bank Remittance Price Worldwide Database

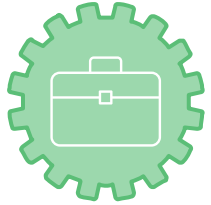
# 4. Migration and Diaspora Policies in Bosnia and Herzegovina



- Bosnia and Herzegovina has prepared a draft strategy on migration management: **Draft Strategy in the Area of Migrations and Asylum (2021-2025)**.
- There is also an overarching policy document on diaspora engagement in place since 2017: **Policy on Cooperation with Diaspora**.
  - Federation of Bosnia and Herzegovina: **Strategy on Cooperation with Diaspora and Action Plan (2020-2024)**
  - Republika Srpska: **Strategic Plan for Cooperation with Diaspora**.

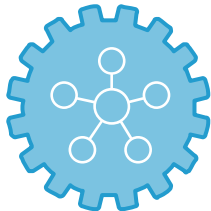
- **Diaspora engagement can be further developed.** Activities in the field of diaspora engagement that are often led by the non-governmental sector, can be complemented by public services.
- A policy framework to encourage return migration and strengthen institutional co-ordination should also be established.





### *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 migrants' **employment outcomes abroad** by strengthening and harmonising curricula and skills recognition systems, and using partnerships with destination countries.



### *Alleviate the strength of push factors for emigration.*

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





### *Maximise the development benefits from emigration.*

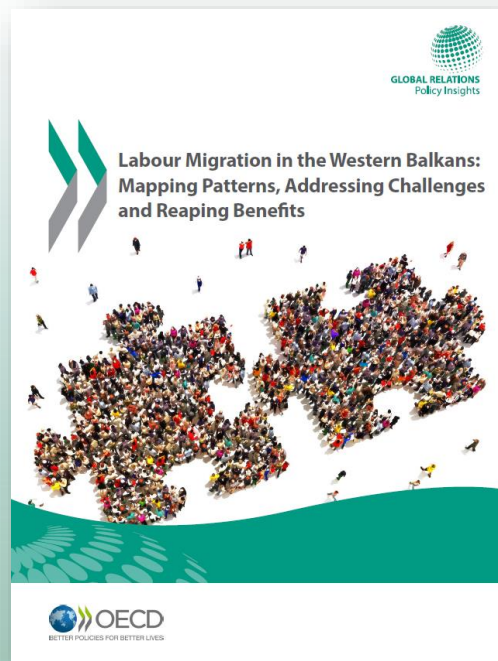
- **Develop the institutional and policy frameworks to support diaspora investment and knowledge transfers.** A more systematic government approach that works with existing non-state actors to strengthen the links with and create more opportunities for the diaspora is needed.
- Make the most of the diaspora's financial resources by **formalising remittances** and attracting diaspora investments more strategically.
- **Build trust** by investing in **long-term partnerships with the diaspora** and capitalising on the many and active diaspora associations that already exist in the region.
- **Encourage knowledge transfers through collaborations with the professional and scientific diasporas and actively support return migration of certain diaspora groups.**
  - A one-stop shop to provide information on return, facilitation of skill recognition and improved procedures to integrate returning children into the education system would combat the lack of tailored services available.



**Thank you for your attention!**

**For further information, please consult our website:**

[www.oecd.org/south-east-europe](http://www.oecd.org/south-east-europe)



**Find the full publication here:** [oe.cd/LMWB6](http://oe.cd/LMWB6)

**Find the key findings for Bosnia and Herzegovina here:**  
[oe.cd/LMBIH](http://oe.cd/LMBIH)

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