



# Labour Migration in Albania

## How to make the most of it?<sup>1</sup>

### Meeting summary

**16 September 2022**

Rogner Hotel  
Blv Dëshmoret e Kombit 9, 1010  
Tirana, Albania

<sup>1</sup> This conference is not a meeting of an official OECD body.

## CONTEXT AND OBJECTIVE OF THE MEETING

The Western Balkan Six (WB6) economies all have a long history of emigration. In 2020, more than one in five citizens born in the region lived abroad, mainly in a handful of OECD countries. This trend is set to continue, as more than one-third of WB6 citizens surveyed in 2021 considered emigrating. High levels of labour emigration can pose a severe development challenge for the Western Balkans. However, the region's large and growing diaspora also provides opportunities, which remain largely untapped.

The [\*High-Level Conference on South East Europe: Human Capital Flight – Shaping The Future Together\*](#) was organised on 17 May 2022, bringing together more than 250 participants, including high-level representatives of SEE economies. It provided the occasion to discuss how the SEE governments can manage labour migration and offer better prospects for their citizens and businesses. The high-level stakeholders reflected on current challenges and shared insights and best practices on reversing the human capital flight and overcoming technological challenges in SEE through talent transformation.

The new OECD report [\*Labour Migration in The Western Balkans: Mapping Patterns, Addressing Challenges and Reaping Benefits\*](#), prepared between spring 2021 and January 2022, was launched at the High-Level Conference. The report provides analytical insights on WB6 economies' labour migration, with economy-specific policy recommendations to address its root causes and reap benefits of migration and the diaspora. This report, conducted under the auspices of the OECD South East Europe Regional Programme, was prepared in co-operation with the OECD International Migration Division and co-funded by Austria (ADA) and Switzerland (SDC).

A series of roundtable meetings in the Western Balkan Six economies is opening up the chance for deepening the discussions that took place during the High-Level Conference and explore ways to continue and strengthen the work on labour migration and skills. In particular, this meeting aimed to provide the opportunity to discuss key findings of the report and pathways to support Albania in better capitalising on its diasporas for its own development.

## MEETING MINUTES

### Opening remarks

The event was opened by **Ms. Anita Richter**, Acting Head of the OECD South East Europe Division, **Ms. Olta Manjani**, Deputy Minister of Finance and Economy of Albania, **Mr. Patrik Meier**, Deputy Head of Mission at the Embassy of Switzerland in Albania, and **Ms. Simone Ungersböck**, Head of the Austrian Development Agency's Cooperation Office in Albania. They reflected on current challenges and opportunities with regards to labour migration in Albania.

- **Ms. Anita Richter** explained that the report presents insights into the labour migration trends and policies of the Western Balkan economies. It also sheds light on the root causes of emigration, and provides policy recommendations on how to deal with the factors that incentivise emigration while maximising the benefits from emigration for the economies' own socio-economic development. She underscored the impact of emigration on the Albanian labour market in terms of skills shortages and mismatches. She then highlighted three key ways for Albania to leverage migration and its diaspora for its economic development: (1) Supporting Albanian migrants prior to their departure (e.g. through specific trainings) would

help decrease their relatively high levels of unemployment, inactivity and overqualification abroad; (2) encouraging remittance transfers through regular channels (e.g. by engaging with remittance receivers and providing financial literacy programmes) would facilitate remittance investments; and (3) better leveraging the diaspora's skills by developing a sound strategic framework for knowledge transfers. Ms. Richter concluded by expressing her gratitude to migration policy makers and non-governmental stakeholders from Albania who provided their inputs to the report, to the Austrian Development Agency and the Swiss Agency for Development Cooperation, as well as to the Swiss and Austrian embassies for their generous support.

- **Ms. Olta Manjani** expressed her appreciation of the report's analysis. She noted that Albania managed to keep the total stock of its migrants stable. Ms. Manjani expressed that in response to another recommendation of the report regarding migration push factors, Albania has been working closely with the European Commission to design an implementation plan for the youth guarantee program, expected to be piloted in 2023 and to have a full national roll out in 2024. Albania is also working on initiatives and policies to improve the standards of living in general, including by increasing employment opportunities and salaries and improving working conditions, improving the business climate and increasing investment prospects. She concluded by noting that in the context of the opening of accession negotiations with the EU, the future priorities remain on the general integration with EU standards and principles, while also improving migration legislation, fighting irregular immigration and focusing on the return of Albanian diaspora members.
- **Mr. Patrik Meier** noted his pleasure at participating in the presentation of this report and stated that Switzerland believes this report has come at the right and most opportune moment for the region and Albania specifically. He noted that the importance of this report underscores some of the policy reforms and approaches to maximise the benefits of the migration from both receiving and origin countries. From the Swiss perspective, the important messages included in this report are in line with its cooperation program with Albania and as the report states, it is necessary to improve the business environment, investments in innovation firms and start-ups are vital, and capitalising on using remittances for productive investments instead of consumption can improve the overall economic landscape. He added that the OECD report is particularly helpful because it can support a wide range of actors: (1) The government, to check the appropriateness of its policies; (2) the diaspora itself, to see how they can turn their remittances into productive investments for Albania, and (3) development partners of Albania, to help set their strategic orientations. Mr. Meier concluded by highlighting that the evidence and data collected for the report can be a great resource for further research in both Switzerland and Albania.
- **Ms. Simone Ungersböck** noted her appreciation for the comprehensive and evidenced-based OECD report, its findings and recommendations for how to reap the benefits of migration. She stated that Albania faces several key challenges caused by emigration, which constitute obstacles to its economic and social development. She added that, considering that the Western Balkan region's common challenges highlighted in the report, the Austria's Development Cooperation will in the future follow a more regional approach to guide its work. She underscored that the OECD report will positively influence this approach. Ms. Ungersböck also mentioned that Austria's support will also focus on, amongst other areas, sustainable and

inclusive social economic development as a key for reducing poverty, increasing employment and improving livelihoods, particularly for women and vulnerable groups.

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

Following the opening remarks, **Mr. Martin Kohtze**, Policy Analyst and Project Manager at the OECD South East Europe Division, and **Ms. Lisa Andersson**, Labour Market Economist/Policy Analyst at the OECD International Migration Division, presented the key findings of the OECD report for Albania, as well as policy approaches for maximising the benefits from migration while mitigating its negative consequences.

- **Mr. Martin Kohtze** and **Ms. Lisa Andersson** highlighted that, over the last decade alone, migration from Albania to Europe has increased by almost 50%, and that about 30% of the Albanian population now lives abroad. Continued high levels of emigration can pose severe development challenges for Albania. However, a large diaspora can also provide opportunities for Albania. For example, remittances sent by the diaspora are already estimated to represent an equivalent of about 10% of Albania's GDP. Albania's National Strategy on Migration (2019-2022) and the Diaspora National Strategy (2021-2025) include promising measures to strengthen and develop relations with the diaspora while formalising remittances and attracting investments from the diaspora.

### **Panel discussion – Maximising the benefits from migration for Albania**

The presentation was followed by a panel discussion on *Maximising the benefits from migration for Albania*. The panellists were: **Mr. Burim Bilali**, Project Specialist at the National Agency for Diaspora of Albania, **Ms. Soana Jaupllari**, Executive Director of the Albanian Diaspora Business Chamber, **Ms. Megi Mereme Llubani**, Diaspora Entrepreneur in Albania. The panel was moderated by **Mr. Martin Kohtze**, Policy Analyst/Project Manager at the OECD South East Europe Division.

- **Mr. Burim Bilali** explained that the National Agency for Diaspora is an autonomous body aimed at improving the lives of diaspora members and providing assistance for the preservation of Albanian national and cultural heritage. He noted that in terms of challenges for the stakeholders involved, brain drain and informal remittances are among the most pressing. In this regard, the Agency is running two projects to counter these phenomena: (1) Scholarships for diaspora members, for which nine have already been awarded to students for further collaborating with national education institutions; and (2) meetings with key stakeholders in the government to formalise remittances by improving financial education in schools and negotiating with intermediaries for money transfers to reduce transfer fees.
- **Ms. Soana Jaupllari** elaborated on the wide range of services provided by the Albanian Diaspora Business Chamber to help diaspora businesses find a partner in Albania and encourage skills and knowledge transfers. She noted that the Chamber also helps Albanians with formalising their employment status in European destination countries. Ms. Jaupllari added that the Chamber is also helping diaspora entrepreneurs in Italy and Greece (main destinations for Albanian migrants) on issues in the field of culture, education, finance and justice.

- **Ms. Megi Mereme Llubani** spoke about her experience as someone who lived in Germany for almost 30 years and returned to Albania to start a business. She stated that she has faced issues not only as a return migrant, but also difficulties that are common for everyone in Albania. For instance, an inconsistent power supply was one of the issues that was preventing her from running her guesthouse business smoothly. Among others, the power cuts also disrupted her online connection, which she needed to communicate with her clients. In addition, she highlighted the difficulty to access information related to the institutions that could support her business and potential government support she could receive. Finally, she added that while she had returned, her children who lived most of their lives abroad, did not. According to her, the return of members from the second generation of emigrants is less likely, as they do not have enough connections or information about Albania.

## Conclusion

Panellists and meeting participants agreed that addressing the challenges of emigration and maximising the benefits from migration should be one of Albania's policy priorities. Participants highlighted the need to reduce push factors for emigration by improving living and employment conditions, as well as (e.g. electricity) infrastructure. Strengthening the management of labour migration flows by increasing institutional capacities and improving data collection, as well as supporting the employment outcomes of Albanian migrants were among other identified priority actions.

On the other hand, a large diaspora can have important development benefits for Albania. For instance, conducting regular studies on the needs of and constraints on Albanian households receiving remittances can encourage transfers through regular channels, and building trust and confidence in the business environment can facilitate remittance investments. Other avenues to maximise these benefits would be to develop the institutional framework to support diaspora investment and knowledge transfers through the creation of dedicated mechanisms and tools for a more systematic involvement of the state. Emigrants' return and reintegration into the labour market could be facilitated by dedicated incentives and simplified administrative procedures.

Moving ahead, the OECD, together with Austria, Switzerland, and national stakeholders look forward to supporting Albania in addressing the challenges and reaping the benefits from labour migration, guided by the policy recommendations provided in the OECD report and the roundtable meeting discussions.