



ECONOMIC
DEVELOPMENT IN

AFRICA

REPORT 2018



Migration

for Structural Transformation



“As Governments across the world work towards a Global Compact for Migration, this report offers important economic and development insights into the dynamics of intra-African migration. It reinforces what we know to be true of international migration more broadly: that migrants make a significant contribution to countries of both origin and destination. Offering clear policy guidance on how African countries can harness migration for transformative and sustainable growth, it is an invaluable guide for African policymakers, academics, and the broader development community.”

Mr. António Guterres,
Secretary-General of the United Nations

“Addressing the challenge of migration requires an innovative approach that allows for assessing causes, impact and identifying solutions, particularly by building synergies between development and migration policies. We must work together to develop an African agenda on the topic that would articulate a common vision of ways and means of dealing with the question of migration within our continent and in international forums.”

King Mohammed VI of Morocco

“The *Economic Development in Africa Report 2018* underscores the integral role that well-managed migration can play in addressing Africa’s development challenges. African Governments should harness intra-African migration’s unparalleled growth in order to maximize its benefits for economic growth and structural transformation.”

Mr. Mukhisa Kituyi, Secretary-General of the United Nations
Conference on Trade and Development

Economic Development in Africa Report 2018

Migration for Structural Transformation



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Note

The stories of Mamadou, Ramatoulaye and Afwerki, are entirely fictional. Mamadou is representative of the average migrant; each of these characters reflects the complex situations migrants come across. The story of Yaguine Koïta and Fodé Tounkara is, however, true.*

Country-level detailed figures are available upon request to the UNCTAD secretariat.

In tables: hyphen (-) indicates that the item is not applicable.

Any references to dollars (\$) are to United States dollars.

* The boys' story was reported in various media outlets, as for example in <https://www.youtube.com/watch?v=lfAlpGUZYnc>, <https://www.humanite.fr/node/211952>, <https://www.theguardian.com/world/1999/aug/08/stephenbates.theobserver> and http://www.lesoir.be/archive/recup/%-25252Fle-testament-des-jeunes-guineens-morts-de-froid-la-lett_t-19990804-Z0H34Y.html.

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Foreword

Images of thousands of African youth drowning in the Mediterranean, propelled by poverty or conflict at home and lured by the hope of jobs abroad, have fed a misleading narrative that migration from Africa harms rather than helps the continent. The latest edition of the UNCTAD flagship *Economic Development in Africa Report* takes aim at this preconceived notion and assesses the evidence to identify policy pathways that harness the benefits of African migration and mitigate its negative effects.

This year, 2018, offers the international community a historic opportunity to realize the first global compact for migration, an intergovernmentally negotiated agreement in preparation under the auspices of the United Nations. Our contribution to this historic process is the *Economic Development in Africa Report 2018: Migration for Structural Transformation*.

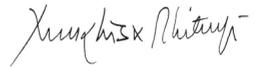
Migration benefits both origin and destination countries across Africa. The report argues that African migration can play a key role in the structural transformation of the continent's economies. Well-managed migration also provides an important means for helping to achieve the Sustainable Development Goals, both in Africa and beyond.

The report adopts an innovative, human-centred narrative that explores how migrants contribute to structural transformation and identifies opportunities for absorption of extra labour in different sectors across the continent. African migrants include from highly skilled to low-skilled persons, who migrate through legal channels and otherwise. These migrants not only fill skills gaps in destination countries, but also contribute to development in their origin countries. Children remaining in the origin country of a migrant parent are also often more educated than their peers, thanks to their parent's migration. The connections that migrants create between their origin and their destination countries have led to thriving diaspora communities. They have also opened up new trade and investment opportunities that can help both destination countries and origin countries to diversify their economies and move into productive activities of greater added value.

Contrary to some perceptions, most migration in Africa today is taking place within the continent. This report argues that this intra-African migration is an essential ingredient for deeper regional and continental integration. At the same time, the broad patterns of extra-continental migration out of Africa confirm the positive contribution of migrants to the structural transformation of origin countries.

We believe this report offers new and innovative analytical perspectives, relevant for both long-term policymaking and for the design of demand-driven technical cooperation projects, with a shorter time frame and will help Governments and other stakeholders in reaching informed decisions on appropriate migration policies in the context of Africa's regional integration process.

It is our hope that these findings will improve policy approaches to migration for African Governments, as well as for migration stakeholders outside the continent.



Mukhisa Kituyi
Secretary-General of UNCTAD

Acknowledgements

The *Economic Development in Africa Report 2018: Migration for Structural Transformation* was prepared by Junior Roy Davis (team leader), Milasoia Cherele-Robson, Jane Muthumbi, Claudia Roethlisberger and Anja Slany. The work was completed under the overall supervision of Paul Akiwumi, Director, Division for Africa, Least Developed Countries and Special Programmes.

An ad hoc expert group meeting on migration and structural transformation in Africa was held in Geneva, Switzerland, on 15 and 16 November 2017, to conduct a peer review of the report. The meeting brought together specialists in African migration and economic development. The following people participated in the meeting and contributed to the report: Jacqueline Andall, Associate Professor, University of Tokyo; Julie Litchfield, Senior Lecturer, Department of Economics, University of Sussex; and Faïçal Belaid, PhD student in international economics, Graduate Institute of International and Development Studies, Geneva.*

Marine Manke, Head, Labour Mobility and Human Development Division, International Organization for Migration; Carolyne Tumuhimbise, Migration Policy Officer and Liaison Officer to the African Union Commission; Richard Longhurst, Research Fellow, Institute of Development Studies, University of Sussex; and members of the *Economic Development in Africa Report* team also attended the meeting.

The following staff members took part in the meeting and/or made comments on the draft: Bineswaree Bolaky, Lisa Borgatti, Mussie Delelegn, Pilar Farjanés, Stefanie Garry, Guoyang Liang, Nicole Moussa, Patrick Nwokedi Osakwe, Matfobhi Riba, Astrit Sulstarova, Antipas Touatam, Rolf Traeger, Giovanni Valensisi and Anida Yupari.

Agnès Collardeau-Angleyss provided statistical assistance; Stefanie West provided administrative support; Nadège Hadjémian designed the cover and infographics; Sonia Blachier and Anton Sudzic worked on internal chapter infographics; Maritza Ascencios and Deniz Barki edited the report; Nathalie Loriot, Lise Fantin and Magali Studer were responsible for the layout, graphics and desktop publishing.

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* These participants each contributed an original research paper to the report, available at <http://unctad.org>.

Abbreviations

AMU	Arab Maghreb Union
CEN-SAD	Community of Sahelo-Saharan States
COMESA	Common Market for Eastern and Southern Africa
EAC	East African Community
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
GDP	gross domestic product
IGAD	Intergovernmental Authority on Development
ILO	International Labour Organization
IOM	International Organization for Migration
OECD	Organization for Economic Cooperation and Development
SADC	Southern African Development Community

Regional classifications and membership in regional economic communities*

Regional classification	MEMBERSHIP IN REGIONAL ECONOMIC COMMUNITIES							
	AMU	CEN-SAD	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC
Eastern Africa								
Burundi			•	•	•			
Comoros		•	•					
Djibouti		•	•				•	
Eritrea		•	•				•	
Ethiopia			•				•	
Kenya		•	•	•			•	
Madagascar			•					•
Malawi			•					•
Mauritius			•					•
Mozambique								•
Rwanda			•	•				
Seychelles			•					•
Somalia		•					•	
South Sudan								
Uganda			•	•			•	
United Republic of Tanzania				•				•
Zambia			•					•
Zimbabwe			•					•
Middle Africa								
Angola					•			•
Cameroon					•			
Central African Republic		•			•			
Chad		•			•			
Congo					•			
Democratic Republic of the Congo			•		•			•
Equatorial Guinea					•			
Gabon					•			
Sao Tome and Principe		•			•			
Northern Africa								
Algeria	•							
Egypt		•	•					
Libya	•	•	•					
Morocco	•	•						
Sudan		•	•				•	
Tunisia	•	•						

Regional classification	MEMBERSHIP IN REGIONAL ECONOMIC COMMUNITIES							
	AMU	CEN-SAD	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC
Southern Africa								
Botswana								•
Lesotho								•
Namibia								•
South Africa								•
Swaziland			•					•
Western Africa								
Benin		•				•		
Burkina Faso		•				•		
Cabo Verde						•		
Côte d'Ivoire		•				•		
Gambia		•				•		
Ghana		•				•		
Guinea		•				•		
Guinea-Bissau		•				•		
Liberia		•				•		
Mali		•				•		
Mauritania	•	•						
Niger		•				•		
Nigeria		•				•		
Senegal		•				•		
Sierra Leone		•				•		
Togo		•				•		

• Regional classifications as used in the report. Membership in regional economic communities as recognized by the African Union. Figures for all periods in the report calculated based on the membership reflected in this table.

Source: UNCTAD.

Abbreviations: AMU, Arab Maghreb Union; CEN-SAD, Community of Sahelo-Saharan States; COMESA, Common Market for Eastern and Southern Africa; EAC, East African Community; ECCAS, Economic Community of Central African States; ECOWAS, Economic Community of West African States; IGAD, Intergovernmental Authority on Development; SADC, Southern African Development Community.

Glossary

brain drain	Emigration of trained or qualified persons, resulting in a depletion of skilled labour in a given country.
brain gain	Immigration of trained or qualified persons to a given country, i.e. a destination country . Also known as reverse brain drain .
circular migration	The fluid movement of people between countries, including temporary or long-term movement, which may be beneficial to all involved, if the movement occurs voluntarily and is linked to the labour needs of origin countries and destination countries .
demographic dividend	Accelerated economic growth, which may result from a decline in a country's mortality and fertility rates, and the subsequent change in the age structure of a population.
destination country	A country that has received a certain number of refugees and migrants on a yearly basis by presidential, ministerial or parliamentary decision. Also known as receiving country .
economic migration	Movement of persons from one country to another, or within their own country of residence, for the purpose of employment or for purely economic reasons. Economic, or labour, migration is addressed by most States in their migration laws. Some States take an active role in regulating outward labour migration and seeking opportunities for their nationals abroad. Also known as labour migration . ¹
emigration	The act of departing or exiting from one State with a view to settling in another.
extra-continental migration	Concerns the movement of persons born in Africa to other continents or regions outside of Africa: Asia, Europe, the Middle East, North America, Oceania and South America. This migration may be temporary or permanent.

¹ The terms economic migration and labour migration are used interchangeably in this report.

forced migration	A migratory movement in which an involuntary element or coercion exists (e.g. persons displaced by natural or environmental disasters, famine, movements of refugees and internally displaced persons). The involuntary element or coercion may arise from natural or man-made causes or from threats to life and livelihood or otherwise.
freedom of movement	A human right. As defined in the 1948 Universal Declaration of Human Rights, comprises the freedom of movement, of all persons, within the territory of a country (article 13(1)) and the right to leave any country and to return to their own country (article 13(2)). A term distinct from free movement of labour, used in economics to denote one of the major factors of production, affecting growth and production.
free movement	In reference to the free movement of labour. A term used in economics to denote one of the major factors of production, affecting growth and production.
heritage (nostalgia) trade	Refers to trade that is largely stimulated by migrants' demand for their home country goods and services. The terms heritage and nostalgia trade are used interchangeably in the report.
immigration	A process by which non-nationals move into a country for the purpose of settlement.
internal migration	Concerns the movement of people from one area of a country to another, for the purpose, or with the effect, of establishing a new residence (e.g. rural to urban).
internally displaced person	According to the Guiding Principles on Internal Displacement of the Human Rights Council, ² persons or groups of persons who have been forced or obliged to flee or to leave their homes or places of habitual residence, in particular as a result of or in order to avoid the effects of armed conflict, situations of generalized violence, violations of human rights or natural or human-made disasters, and who have not crossed an internationally recognized State border.
international migrant stock	The number of people living in a country or area other than that in which they were born, as estimated by the

² Formerly the Human Rights Commission.

	<p>Department of Economic and Social Affairs of the United Nations, based on population census data. If the number of foreign-born persons was not available, the estimate refers to the number of people living in a country other than that of their citizenship.</p>
interregional migration	<p>Concerns the temporary or permanent movement of persons between regional economic communities.</p>
intraregional migration	<p>Concerns the temporary or permanent movement of persons within a given regional economic community.</p>
intra-African migration	<p>Concerns the temporary or permanent movement of persons within the continent of Africa.</p>
irregular migration	<p>Movement that takes place outside the regulatory norms of sending, transit and receiving countries. This concerns entry, stay or work in a receiving country without the necessary authorization or documents required under immigration regulations. For a sending country, the irregularity is seen for example in cases where a person crosses an international boundary without a valid passport or travel document or does not fulfil the administrative requirements for leaving the country.</p>
labour migration	<p>See economic migration.</p>
migrant	<p>As defined by the International Organization for Migration, any person who is moving or has moved across an international border or within a State away from his/her habitual place of residence, regardless of (a) the person's legal status; (b) whether the movement is voluntary or involuntary; (c) what the causes for the movement are; or (d) what the length of the stay is. There is a legal distinction between migrant and refugee. See refugee.</p>
migration	<p>The movement of a person or a group of persons, either across an international border or within a State. It is a population movement, encompassing any kind of movement of people, whatever its length, composition and causes; it includes migration of refugees, displaced persons, economic migrants and persons moving for other purposes, including family reunification.</p>
migration management	<p>A term, as defined by the International Organization for Migration, used to encompass numerous governmental</p>

functions within a national system for the orderly and humane management for cross-border migration, particularly managing the entry and presence of foreigners within the borders of a State and the protection of refugees. It refers to a planned approach to the development of policy, legislative and administrative responses to key migration issues.

mixed migration

A term used to suggest that forced migrants (e.g. refugees) and economic (irregular) migrants use the same migration corridors and are often indistinguishable from each other.

origin country

See **sending country**.

receiving country

See **destination country**.

refugee

A person who, owing to a well-founded fear of persecution for reasons of race, religion, nationality, membership of a particular social group or political opinions, is outside the country of his nationality and is unable or, owing to such fear, is unwilling to avail himself of the protection of that country, according to the 1951 Convention relating to the Status of Refugees.

remittances

Monies earned or acquired by non-nationals that are transferred back to their origin country. Social remittances are ideas, know-how, values, knowledge, behaviour, practices and skills that migrants bring home with them or that they send home from abroad. These can promote or deter development in home countries.³

reverse brain drain

See **brain gain**.

sending country

The country that is a source of migratory flows (regular or irregular). Also known as **origin country**.

xenophobia

At the international level, no universally accepted definition of xenophobia exists, though it can be described as attitudes, prejudices and behaviour that reject, exclude and often vilify persons, based on the perception that they are outsiders or foreigners to a community, society or national identity. There is a close link between racism and xenophobia, two terms that can be hard to differentiate from each other.

³ See chapter 5, section 5.2.

INTRODUCTION

Migration for structural transformation

Africa is on the cusp of tremendous change, with the recent agreements on the establishment of the African Continental Free Trade Area (AfCFTA), the Protocol on the Free Movement of Persons and the launch of the Single African Air Transport Market. It is in this context that this Report contributes to a better understanding of the implications of intra-African migration for the continent's socio-economic transformation.

As the dream of the Single African Passport is within reach, the report provides evidence on the intimate correlation between two sides of the same coin: migration and trade. The report's analysis of the role of intra-African migration in Africa's development trajectory should make it a reference document for defining an African position in the Global Compact on Migration to be adopted in Marrakesh in December 2018. The report ends with a series of recommendations for African policy-makers, as well as for other actors willing to implement the necessary policy and regulatory changes for increasing the economic and trade benefits of migration within Africa.

MIGRATION'S IMPACT ON ECONOMIC DEVELOPMENT AND STRUCTURAL TRANSFORMATION



“ Ongoing continental-level efforts to facilitate intra-African mobility, trade, investment and technology must complement the positive contribution of African migrants to the economies of origin and destination countries. ”

– Professor Aderanti Adepoju

Coordinator, Network of Migration Research on Africa

Mamadou is a 35-year-old husband and father of four children living in Ouagadougou, Burkina Faso. He is married to Ramatoulaye, a 30-year-old market trader with a university degree in history. Both are migrants from Senegal. Mamadou, a welder, has been unemployed for 12 months, and has exhausted most of his financial resources. He's getting desperate and is considering that migration from Ouagadougou is the only realistic livelihood option left available to him.

As this report reveals, Mamadou's decision to migrate or not critically depends on the characteristics of his **household**. The underlying migration decision-making process of Mamadou is influenced by his education level, transferable skills, financial and physical assets, the intra-household allocation of labour, vulnerability to poverty, savings, levels of income and a family or community history of migration. The same variables will also to some extent determine where Mamadou chooses to go depending on the expense/affordability of getting to the new destination and the existence of social or kin networks there that can facilitate his immigration. Beyond the household, there are also national level drivers at work such as spatial gaps in wages and earnings, limited labour market opportunities where he lives, the frequency of political crises, the impact of climate change on livelihood opportunities etc. This report considers the national level drivers of migration and their role as "push" or "pull" factors in the process.

As it is not too costly, and he speaks French, Mamadou and Ramatoulaye decide that he should travel without his family to Abidjan in Côte d'Ivoire, the main migration hub in West Africa. However, international migration to neighbouring states (perhaps even within a regional economic community) without adequate provisions easing freedom of movement, further limit Mamadou's range of options. This report focuses on **regional level** constraints and facilitators of migration such as, visa requirements, access to financial resources, information on the migration recruitment industry and limited infrastructure. With little prospect for a better life in Abidjan, Mamadou decides to risk everything and move to Johannesburg in South Africa, as he has heard that there are plenty of jobs there for welders and metalworkers. He is short of funds and decides to travel by road to Johannesburg, finding en route that trying to cross the various African borders by coach or bush taxis is very hazardous. Direct road networks are almost non-existent and are of poor quality. In addition, their complex security, crime or bribery systems, are not only very expensive, but also unsafe. At times, Mamadou wonders whether he will make it to Johannesburg.

After many long weeks on the road, once he arrives in Johannesburg, potential employers demand that he provides certificates attesting to his acquisition of technical skills. Mamadou has some school certificates, but these are not considered bona fide due to translation and skill recognition requirements in South Africa. With no such certificates,

he decides to start his own welding business. He discovers that as a foreigner, and not being a high skilled, affluent candidate for a business visa, there is little chance of his case being considered. Unfortunately, despite ongoing efforts at the **African Union level** to pursue mutual recognition of academic qualifications and skills – and right of establishment rules for African migrants across the continent – progress has been patchy and slow. Mamadou is in precisely the same situation he was back in Ouagadougou and is considerably poorer for the experience. This report provides recommendations for improving the decision making of households and individuals such as Mamadou. It shares good practices in tools and mechanisms for enhancing the benefits of migration in origin and destination countries and considers how the African Union and regional economic communities can better enhance the contribution of migration to economic development and trade.

Finally, Mamadou is unaware of **multilateral level** efforts that African Governments have engaged in through the African Union's Migration Policy Framework and the provisions for Labour Mobility and Free Movement of People in Africa. Nor does he know that the **international community** is engaged in the preparatory process for the negotiations of the **United Nations global compact for migration** in 2018. There are great hopes for the compact and its potential for delivering the right provisions for Africa. If well crafted, the compact could help transform the economic migration prospects for Mamadou and his family. This report provides insights on how African countries can leverage partnerships at the multilateral level for increasing resources to be devoted to migration management within Africa. This could be done through building coalitions around key drivers of migration such as security and climate change.

Migration should always be a choice and not a necessity. To exercise his freedom of movement as one of the fundamental rights recognized by article 13 of the Universal Declaration of Human Rights, Mamadou needs to have full access to accurate labour market information on opportunities within and outside of the continent. Mamadou feels stuck in Johannesburg and like many migrants, is of necessity now planning his next move. Taking advantage of their occasional phone calls, Mamadou and Ramatoulaye discuss the possibility for her eventually joining him in Libya if he makes the journey there, and dream about travelling to Europe together. They debate this option and the debts that they are likely having to incur. This report provides insights on the **migration recruitment industry** and on what the migration journey means for hundreds of thousands of women such as Ramatoulaye and what should be done to address their specific circumstances.

If all the above is adequately addressed as proposed in this edition of the Economic Development in Africa Report, there would be less of a need for Mamadou to undertake the riskiest journey of all, across the Sahara Desert and the Mediterranean Sea.

Objectives and organization of the report

Africa has the fastest rate of demographic growth in the world. The continent is now at a crossroads. The question is whether its growing working population will lead to a much hoped for demographic dividend. In recent years, images of African youth attempting to cross the Mediterranean Sea to reach Europe have dominated 24-hour news channels and contributed to increased attention to the international dimension of migration. The flow of migrants out of Africa to other regions, particularly to Europe, has dominated political debates. As boats have continued making their way through the Mediterranean Sea, African migration gradually became one of the top topics in international affairs. By contrast, there is an intra-African dimension, characterized by the flow of migrants in and out of countries or regions within the continent, that has received little attention in the migration and development discourse, despite its economic importance.

The *Economic Development in Africa Report 2018: Migration for Structural Transformation* attempts to put together key pieces of the puzzle of African migration and what migration means for the continent's structural transformation. The report draws on existing knowledge on the theoretical and empirical underpinnings that link migration and structural transformation. Compiling diverse sources of highly aggregated and microlevel household data, the report uses a range of analytical tools, both qualitative and quantitative, to provide an account of how intra-African migration can contribute to socioeconomic development in origin and destination countries. It also discusses what Africans have gained from migration to the North as well as to other parts of the world.

Putting an African lens to the migration narrative, this report investigates how African countries could capitalize on the economic potential of the continent's domestic and foreign human resources both at home and abroad to drive structural transformation. Three main objectives underlie the approach used.

First, the report seeks to provide a better understanding of the multiple dimensions of migration in Africa and how they are interwoven with economic and trade factors at the household, regional and continental levels. Though intra-African migration is relevant to regional and continental integration, knowledge gaps persist on its socioeconomic and trade impact.

Second, the report aims at drawing out thematic recommendations that span policy and institutional frameworks on how intraregional and interregional migration in Africa can better contribute to structural transformation in both origin and destination countries.

Finally, the analysis is with a view to proposing how actors at the multilateral level can partner with Africa in addressing structural drivers of extra-continental migration, such as environmental factors, peace and security. The report thus advocates for two sets of measures, one on devoting more resources to ongoing projects and initiatives designed to support migrants and would-be migrants in the short and medium term, and the other in support of Africa on its sustainable development journey by means of adoption of long-term economic and trade policies.

The report has six chapters, organized as described here.

Chapter 1 provides the background to why trends in the global environment warrant a better understanding of intra-African migration. It situates African migration at the heart of global challenges that influence human experiences the world over. The chapter also provides the situational context for the exploration later of the underlying dynamics of migration in Africa. Chapter 2 examines the contemporary nature of intra-African migration, including current trends, patterns and dynamics within and across regions.

Chapter 3 provides a human face and development dimensions of migration by examining who the migrants are. The chapter examines gender dimensions in intraregional migration. While migration is generally associated with men (and increasingly with male youths) seeking employment or business opportunities, the report also identifies sectors where women migrants are most likely to work and analyses the challenges to their journeys. The chapter takes a closer look at types of migrants, i.e. whether they are highly skilled or semi- or low-skilled, as well as their education levels, and seasonal and/or short-term migrant workers, by regional economic communities. It explores what drives individuals to migrate by drawing on data detailing household-level characteristics in a sample of African countries.

Chapters 4 and 5 focus on the interface between migration, trade and economic development. Chapter 4 aims at contributing to a better understanding of economic and trade channels in relation to migration and structural transformation in destination countries in Africa. It also probes the widespread assertion of deteriorating social conditions in migrants' host countries, as a consequence of high levels of immigration. Taking expectations on the benefits of emigration as a starting point, chapter

5 analyses the extent and role of remittances in origin countries. It uncovers how resources from migration may contribute to establishing the necessary conditions for long-term economic development.

Finally, chapter 6 draws on the findings of previous chapters to offer policy recommendations and insights on how all stakeholders can harness the benefits of African migration. The report builds on the diversity of drivers of migration to establish links between migration and humanitarian, security and environmental issues at the global level. The chapter thus lists thematic areas and corresponding action points of relevance to stakeholders in Africa and to all parties involved in the multilateral negotiations of the global compact for migration.

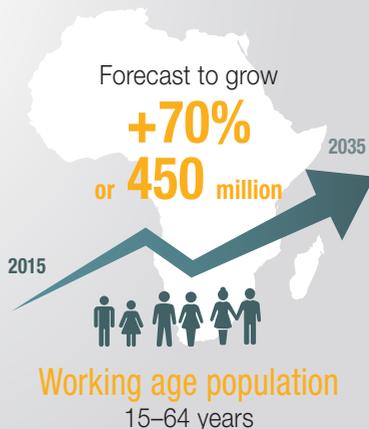
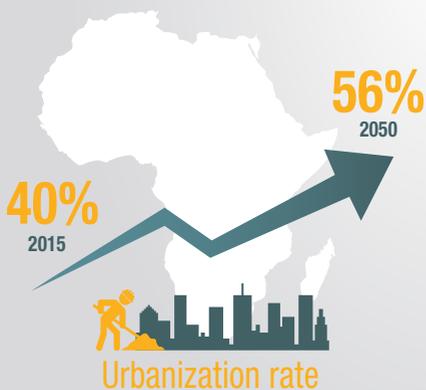
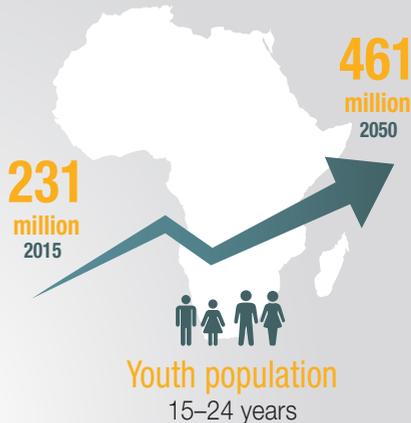
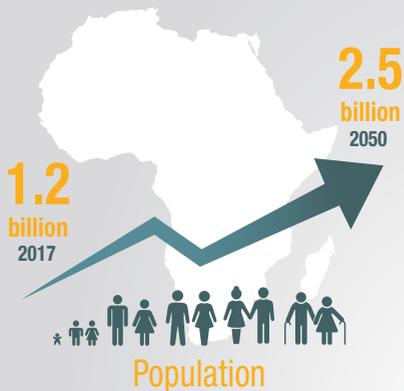
CHAPTER 1

Migration and structural transformation: The global environment, the policy agenda and conceptual and data issues

This chapter provides an account of the global environment within which the subsequent analyses are conducted, situates African migration within major trends on the continent and highlights its inclusion in regional integration agendas and multilateral initiatives. It then provides a conceptual framework on the linkages between migration and structural transformation. The economic benefits of migration and the associated free flow of labour have long been showcased by economists, yet there has been minimal work on establishing a theoretical basis between international migration and structural transformation. Finally, the chapter discusses definitional issues and describes the main datasets on which this report's analyses are based.

MIGRATION AND THE GLOBAL CONTEXT

Africa's projected population and urbanization trends



Links to the Sustainable Development Goals



Globally, in 2017, there were around 258 million international migrants, approximately 3.4 per cent of the world population (United Nations Department of Economic and Social Affairs, 2017a).⁴ In 2017, 38 per cent of migration was South–South, and 35 per cent was South–North, or one third. Yet South–North migration attracts the most attention. In contrast, intra-African migration and its economic and trade dimensions have received little attention.

258 million international
migrants globally, in 2017



Only one third, **35%**,
is **South–North**



Africa is projected to have the largest population growth of any geographical region by 2050, which will have important consequences for international migration, and major implications for the continent’s economic development. People will move, as they always have done. The question, therefore, is not whether they will move, but to where they will move and under what circumstances and conditions, including in order to unleash their economic potential. To fully tap this potential, stronger efforts are required towards establishing a vision for migration management that best contributes to the continent’s structural transformation.⁴

1.1 Africa and migration in the global environment

African migration patterns do not happen in a vacuum. Rather, they are situated within major trends on the global stage that have also affected the continent, namely climate change and environmental degradation and conflict. This section discusses these trends.

1.1.1 Migration, climate change and environmental degradation

In recent years, the world has witnessed frequent occurrences of weather extremes, from cyclones in the north Atlantic to high-impact hurricanes in the Caribbean and North America, floods in South Asia and severe droughts in Eastern Africa, which have led to famines. Such cases of weather extremes are likely due to climate change, defined in the United Nations Framework Convention on Climate Change as “a change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere” (United Nations, 1992), with deleterious impacts on the prospects for peace

⁴ The terms migrant and refugee are often used interchangeably in public discourse, but there is a legal difference between the two (see Glossary, section 1.1.2 and section 1.6).

and sustainable development in many developing countries. For example, Lake Chad, which borders Cameroon, Chad, the Niger and Nigeria, has lost 95 per cent of its size since 1960. This trend has negatively impacted the livelihoods of millions of people and contributed to acute sociopolitical tensions and conflict in the region, making migration much more likely.

Migration has also been a response to environmental degradation and/or disasters. A distinction can be drawn between migration that occurs in the wake of chronic disasters or environmental degradation and migration that follows sudden onset disasters such as floods and landslides, cyclones, hurricanes and windstorms. The latter – distress-push migration – is often temporary, until conditions improve and enable people to return to their homes.

Environmental hazards usually have more long-term impacts, such as droughts that lead to salinification and the degradation of soil quality. Areas affected by environmental hazards provide fragile ecosystems and economic bases, in particular for communities that depend on agriculture. In areas where agricultural systems are mainly rain-fed, droughts can have a major impact on food production systems and the incidence of famine. Coping strategies include labour migration, often circular, to diversify incomes and reduce dependence on agricultural production. Through remittances, the impact of droughts can be mitigated, with investments into technologies that allow for better coping with degraded soil.

Environmental changes or disasters have also been associated with permanent migration. There have been attempts to relocate populations from areas that are chronically affected by droughts and famines, such as in Ethiopia in the 1980s (Clapham, 1990). Climate and conflict induced food insecurity in developing countries is on the rise; in 2016, globally, 108 million people faced crisis-level food insecurity or worse (Food Security Information Network, 2017). This represents a 35 per cent increase compared with 2015, when almost 80 million people faced such insecurity. In recent years, war, terrorism and conflict has resulted in large numbers of food insecure people in need of urgent assistance in Yemen (17 million), Syria (7 million), South Sudan (4.9 million), northeast Nigeria (4.7 million), Somalia (2.9 million), Burundi (2.3 million) and the Central African Republic (2 million) (Food Security Information Network, 2017). Such conditions have worsened in some countries, with the risk of famine in parts of northeast Nigeria, Somalia, South Sudan and Yemen, and can contribute to new, major waves of migration.

Environmental factors that trigger migration are likely to be aggravated by climate change, as climate change is associated with the increased frequency and severity of disasters. For instance, Barrios et al (2006) and Marchiori et al (2012) consider that declines in rainfall or temperature anomalies in sub-Saharan Africa are important factors driving rural–urban migration. Such factors not only induce migration but can also put pressure

on ecosystems in destination locations, while allowing ecosystems of the area of outmigration to recover (see International Organization for Migration (IOM), 2017a).

In Africa, the environmental hazard with the greatest impact, both in terms of the number of people and the share of the total population affected, is drought, affecting between 7 per cent of the population in Northern Africa and 22 per cent in Western Africa (Raleigh et al, 2008, based on the Emergency Events Database).⁵ The impact of droughts is seen in all regions in Africa. Floods are also an emergency event that affect each region; the population share affected is 2 per cent or less. Extreme temperatures have a greater impact in Western Africa, with 13 per cent of the population affected, and windstorms have affected 4 per cent of the population in Southern Africa and 3 per cent in Eastern Africa.

Classifying data by income groups shows that the impact of droughts in terms of share of total the population affected is highest in low-income countries. This likely reflects the fact that low-income countries have fewer resources to cope with natural hazards. UNCTAD calculations comparing the occurrence of natural disasters in 1970–2013 with the stock of emigrants find a positive relationship between the two variables, that is, stocks of emigrants are higher in countries that have experienced more natural disasters, with a correlation coefficient of 0.31.

1.1.2 Migration, peace and security

In Africa, political tension, terrorism and war have forced people to move within countries or abroad in search of basic safety and security (Adepoju, 1995; Adepoju, 2008). Conflict-induced displacement includes those who are “forced to flee their homes for one or more of the following reasons and where the State authorities are unable or unwilling to protect them: armed conflict including civil war; generalized violence; and persecution on the grounds of nationality, race, religion, political opinion or social group”.⁶ Forced migration also occurs in response to border disputes, which have led to violent conflicts in several countries.

Conflict is thus a driver of migration. Severe conflicts often lead to flows of internally displaced people or refugees, if they flee across borders, yet conflicts can also be a driver of economic migration. This section examines cross-border movements and focuses on migrants and refugees, while recognizing that internally displaced persons outnumber refugees in Africa. Refugee flows are important in terms of their magnitude and recent increases. The evolution of the number of African refugees in 1990–2017, as well as their share of the total international migrant stock, are shown in figure 1. The total number of refugees declined from 5.7 million in 1990 to 2.9 million in 2010, then increased sharply to

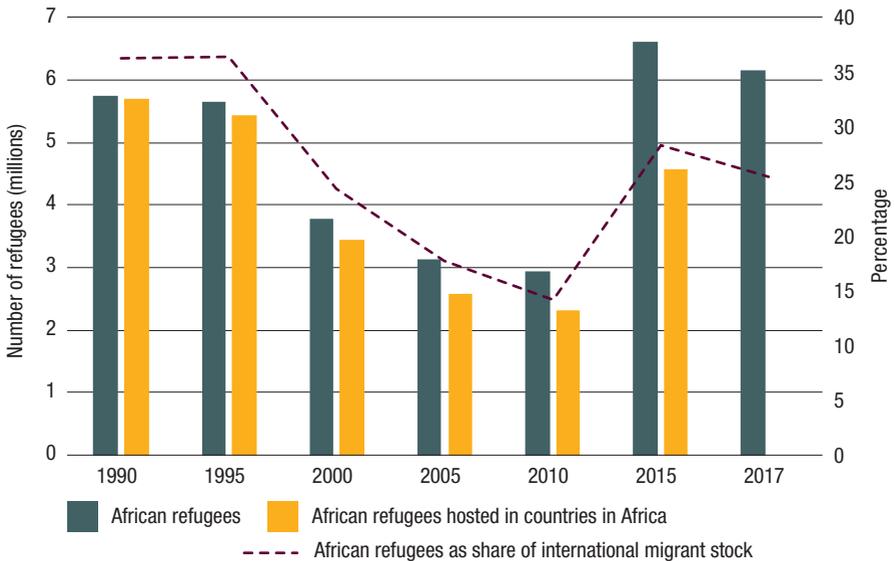
⁵ Formerly the Human Rights Commission.

⁶ See <http://www.forcedmigration.org/about/whatisfm>.

4.6 million in 2015. Most of these refugees were hosted by countries in Africa. Refugees accounted for 36 per cent of the total international migrant stock in 1990, had declined to 14 per cent by 2010, doubled to 28 per cent in 2015 and declined to 26 per cent in 2017 (United Nations Department of Economic and Social Affairs, 2017a).

Figure 1

African refugees, African refugees hosted in countries in Africa and African refugees as share of international migrant stock



Sources: United Nations High Commissioner for Refugees, 2018, Population Statistics database (number of refugees); United Nations Department of Economic and Social Affairs, 2017a (refugees as share of international migrant stock).

Note: Data for 2017 on refugees hosted in countries in Africa was unavailable at the time of preparation of this report.

A regional breakdown of refugees from Africa shows that at the start and end of the 1990–2015 period, the dominant source region of refugees was Eastern Africa, and that relatively few refugees originated from Southern Africa. Most refugees moved to countries within the same region.

African migrants account for 10 per cent of the international migrant stock (United Nations Department of Economic and Social Affairs, 2017a), yet most fatalities in the

Mediterranean region in 2015 were of migrants from sub-Saharan Africa, at 42 per cent of over 1,500 fatalities (IOM, 2017b). Similarly, in 2014–2016, an estimated 3,800 migrants died travelling in Africa and data for the first half of 2017 shows that Northern Africa had 225 recorded deaths (IOM, 2017b). Most incidents occurred along routes from Western Africa and the Horn of Africa towards Egypt and Libya. IOM (2018) notes that human trafficking is also on the increase. In addition, migrants and refugees along Central Mediterranean routes may be exposed to high levels of violence and exploitation and an alleged slave trade in Libya (United Nations News, 2017).

The challenge lies in determining how migration management may be addressed effectively by the African Union and the European Union. In 2016, the European Union initiated a project under an emergency trust fund for Africa of €3.4 billion, aimed at managing migration and addressing the root causes. In the Horn of Africa, for example, there is a package of 10 projects focused on tackling irregular migration and forced displacement, totalling €818.1 million in 2017. Such programmes complement similar efforts in Northern Africa, discussed by European leaders in Malta in 2017 (*Reuters*, 2017).

Given the interconnectedness between the different drivers of migration, such as conflicts as a consequence of communal competition over scarce environmental resources due to acute droughts or famines, which fuel mass emigration, it is critical for multilateral and integrated policy approaches to be pursued, to address the social and economic challenges with regard to migration and its management.

1.2 Situating migration within major trends in Africa

1.2.1 Historical perspectives on migration patterns

Intra-African and extra-continental migration is a phenomenon that dates back to the origins of humankind (Adepoju, 1995; Adepoju, 2008). Historical records from many centuries past show well-established trade routes between Western Africa, the Arabian Peninsula and India, and between either end of the Sahara through the trans-Saharan caravan trade (Afani, 2013).

Patterns of transcontinental migration were fundamentally altered with the advent of European colonialism in the fifteenth century. The extraction of labour, commodities and natural resources helped to build the European and North American economies, while denuding such opportunities for Africa (Meredith, 2014; Pakenham, 1991). The colonial era was designed to meet the labour demands of mining and plantation-based economies, and the control and regulation of human mobility was an essential

element. For example, France introduced various forms of labour conscription in Burkina Faso and Mali, as well as, to varying degrees, in Western Africa. Similarly, the hut tax was a type of taxation introduced by the United Kingdom of Great Britain and Northern Ireland on a per hut or household basis, mainly in Eastern and Southern Africa, that was variously payable in money, labour, grain or stock. Such economic policies induced indigenous labour to move and work in colonial-owned mines and plantations on the continent.

Cultural affinities and shared languages have always played a key role in movements across borders, in terms of both people and trade. The colonial era demarcation of international borders often disregarded cultural and ethnic affiliations. The movement of people and trade, however, continued in line with traditional groups. For example, undocumented migration between Kenya, Uganda and the United Republic of Tanzania for work on tea, coffee and cotton plantations has taken advantage of common cultural affinities, languages, currencies and shared colonial experiences (Oucho, 1995).

This highlights a path dependency of contemporary migration patterns in Africa due to colonial heritages. Under colonial rule, labour, both skilled and low-skilled, was relocated from one colony to another, establishing migrant labour systems as well as trade patterns that continued beyond the colonial era. The temporary international migration patterns prevalent in Eastern and Southern Africa, whereby workers circulate between their homes and work in mines, has its roots in the colonial era. The underlying factors can be traced to the organization of tasks and living and working conditions prevalent at that time (Adepoju, 2011). The post-colonial improvement of the employment conditions of workers attracted further labour to, for example, mines in Zambia and plantations in Cameroon and Nigeria. Following independence, such migration was institutionalized, and various restrictive practices related to family reunions, residence and contractual labour systems in Eastern and Western Africa ceased, although some such rules continue to be enforced in South Africa. By imposing arbitrary borders, colonial rule modified the frameworks for labour movement on the continent, affecting international migration patterns.

Colonial rule also brought new cultures and languages, which led to longstanding links to the colonial powers that are still apparent in today's patterns of extra-continental migration. For example, France established labour recruitment schemes in Algeria and Morocco during and after colonial rule (Castles, 2014). Similarly, the United Kingdom recruited labour from colonies, for example for military campaigns (Killingray, 1982). Massey et al (2005) note that, "due to long-established social, cultural and economic ties, citizens of Commonwealth countries have well-established networks that facilitate

further inflows [into the United Kingdom] by lowering costs and risks of migration". Since the end of colonial rule, new trade and economic ties have been established, and since the late 1980s, "there has been an acceleration and spatial diversification (beyond colonial patterns) of emigration out of Africa to Europe, North America, the Gulf [States] and Asia" (Flahaux and De Haas, 2016).

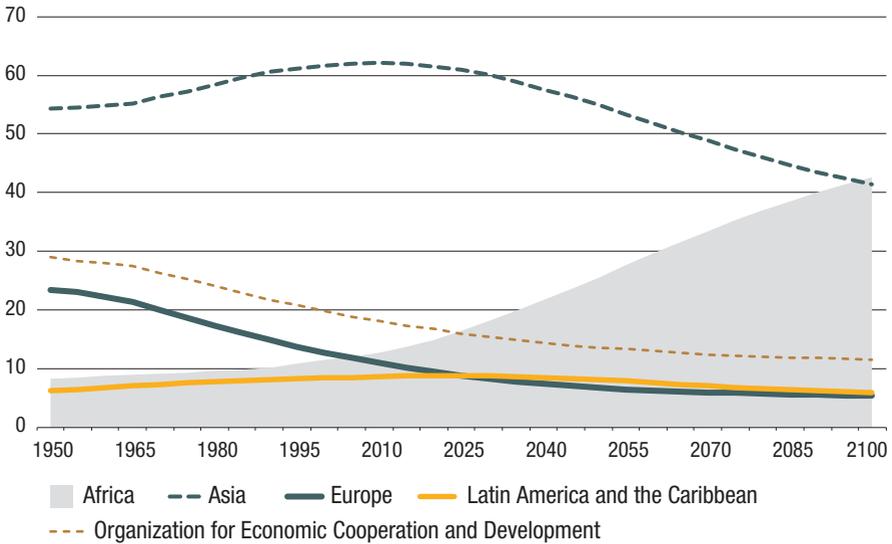
Chapter 2 shows how the main migration corridors from Africa to outside the continent still reflect colonial ties. Cultural and linguistic ties between sending and receiving countries are also observed in the increasing levels of migration from Egypt and the Sudan to the Middle East. Existing national borders are often porous and fluid in terms of trade and culture, yet colonial boundaries still retain an economic and social presence in contemporary African life.

1.2.2 Demographic change

Population growth is an important aspect of migration dynamics on the continent. The population of Africa in 2017 was 1.2 billion, up from 477 million in 1980, and is forecast to rise to 2.5 billion by 2050. The majority of the world's population growth will take place in Africa (United Nations Department of Economic and Social Affairs, 2017a). Africa has a relatively young population, and the age group of 15–24 years is projected to almost double in size, from 231 million to 461 million in 2015–2050, higher than the increase in both China and India. The working age population of 15–64 years is the group that typically migrates, and Africa's working age population is forecast to grow by about 70 per cent, or 450 million, in 2015–2035, as is its share of the world total (figure 2). However, given that Africa's economic growth rates in 2004–2014 were high, at above 5 per cent per year, yet only yielded an average job growth rate of 0.2 per cent per year until 2014, it is unlikely that sufficient jobs will be generated to absorb this additional labour under the current scenario.

However, if this youth bulge is successfully tapped, the continent could reap a demographic dividend and set off on a sustainable path of wealth creation. At present, Africa is at a critical stage of development, in which population growth is high and the nature of the employment challenge, especially in rural areas, is changing. In the past, most new labour market entrants were typically absorbed into low-productivity agriculture. However, as population densities rise, farm sizes decline, and farmers increasingly shift towards the cultivation of more ecologically fragile land, both on-farm incomes and agricultural productivity may remain extremely low. Because of these factors, the rate of urbanization in Africa is

Figure 2
Share of world total of working age population (15–64) by region
 (Percentage)

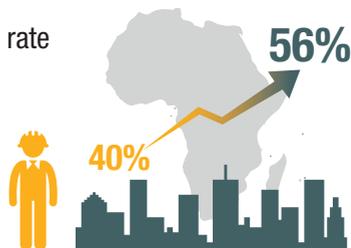


Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

forecast to rise from 40 per cent in 2015 to 56 per cent by 2050, and rural–urban migration levels are expected to remain high.

Given such demographic challenges, Africa needs to make significant efforts to generate a sufficient volume of jobs, to provide decent employment into the medium term (UNCTAD, 2012). Progress on this front will be key in influencing future migration patterns. This necessitates addressing some of the negative externalities associated

Africa's urbanization rate
projected to rise
 from 40% in 2015,
to 56% by 2050



with migration, such as brain drain, or the outflow of skilled human resources, with critical skills shortages in some sectors adversely affecting origin countries.

1.3 Migration in policy agendas in Africa and the multilateral policy agenda

1.3.1 Migration and the regional integration agenda in Africa

In 2006, the African Union adopted the Migration Policy Framework for Africa. The Framework provided comprehensive and integrated policy guidelines for the member States of the African Union and regional economic communities, for their consideration in endeavours to promote migration and development and address migration challenges on the continent, such as those related to border management, irregular migration, forced displacement, the human rights of migrants and inter-State cooperation and partnerships.

The African Union engages with regional economic communities in the implementation of commitments, programmes, policies and strategies relating to migration. Africa has cooperated in other migration initiatives such as the migration and mobility strand of the African Union–European Union Partnership and the Africa and Arab partnership strategy.

Following an evaluation of the Migration Policy Framework for Africa in 2016, and recognizing the dynamic nature of migration and the changing migration trends and patterns on the continent, the African Union revised the Framework, to reflect current migration dynamics in Africa to guide member States and regional economic communities in migration management. The revised Framework includes a 10-year (2018–2027) action plan for its implementation, as well as guidelines that address labour migration, diaspora engagement, border management, irregular migration, forced displacement, internal migration and migration and trade. In addition, the revised Framework recommends strategies for consideration by member States and regional economic communities under each of these pillars. The guidelines also identify cross-cutting issues in migration, including migration and development, migration data and research, the human rights of migrants, migration, poverty and conflict, migration and health, migration and the environment, migration and gender, migration, children, adolescents and youth, migration and the elderly, and inter-State and interregional cooperation.

In their rhetoric, policy and protocol documents, regional economic communities aim to enhance the free movement of persons and labour between their member countries.

1.3.2 Migration and the Sustainable Development Goals

Among the Sustainable Development Goals, Goal 8 on economic growth and decent work explicitly refers to migration, acknowledging the economic value of migrant labour. Target 10.c aims for a reduction in the transaction costs of remittances. In particular, target 10.7 aims to facilitate orderly, safe, regular and responsible migration, including through the implementation of well-managed migration policies. Terms such as orderly and regular imply that this target is concerned with migration that is regulated and adequately monitored by Governments. The overall objective of Goal 10 is to reduce inequality. However, it will be challenging to assess the extent to which achieving target 10.c contributes to this aim.

The relationship between migration and development does not feature explicitly in the other Goals despite its relevance to several of the Goals. This report focuses on the links between migration and structural transformation and shows that migration can contribute to economic development and, inter alia, the achievement of the Goals. Governments should identify the linkages between migration and different Goals and targets, and recognize “that migrants may be a particularly vulnerable group, who should be considered under the general principle of [the 2030 Agenda for Sustainable Development of] leaving no one behind (Foresti and Hagen-Zanker, 2017).

Migration can contribute to the achievement of Goal 1, as it can reduce poverty for migrants and their families in origin and destination countries. Migrants and their families benefit from increased income and knowledge, which allows them to make productive investments, meet basic needs and access education and health services, related to the achievement of Goals 1, 3 and 4 (Foresti and Hagen-Zanker, 2017). Through higher rates of expenditure, consumption and investment in origin countries, migrant households can also help to stimulate higher wages and economic growth (Ratha, Mohapatra and Scheja, 2011; Ratha, Mohapatra, Özden et al, 2011). In destination countries, migrants can fill labour gaps and contribute to services and the fiscal balance through taxes, that is, contribute to the achievement of Goals 1, 8 and 9. Migrants face risks and intensified vulnerabilities throughout the migration process, such as the fact that women migrants working in less-regulated informal sectors are at greater risk of exploitation and abuse, including trafficking (Andall, forthcoming), and that first-generation immigrants are likely to live in urban areas and attend schools with student populations who are, on average, from less advantaged socioeconomic backgrounds (Nicolai et al, 2017). Under Goals 5, 8, 10, 16 and 17, migrants are included among other groups in the targets aimed at

improving access to rights, including gender equality and labour rights, and in data collection. This is an important step. It reminds those engaged in development that the universal human rights of migrants should be recognized. However, ongoing debates on how migration and migrants may contribute to development need to be considered.

1.3.3 The preparatory process for the global compact for migration

The Sustainable Development Goals are an opportunity to frame migration and development relationships between countries as reciprocal and beneficial, under a global framework. The global compact for migration links migration and development and could have major implications for migration policy if approved by the General Assembly of the United Nations in 2018. It represents a unique effort by countries to adopt a common approach to migration challenges, and the Sustainable Development Goals “provide a holistic and comprehensive framework to ground the migration–development nexus” in the global compact for migration (Foresti and Hagen-Zanker, 2017). The global compact for migration is intended to do the following:

Address all aspects of international migration, including the humanitarian, developmental, human rights-related and other aspects; make an important contribution to global governance and enhance coordination on international migration; present a framework for comprehensive international cooperation on migrants and human mobility; set out a range of actionable commitments, means of implementation and a framework for follow-up and review among Member States regarding international migration in all its dimensions; be guided by the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda; and be informed by the Declaration of the 2013 High-Level Dialogue on International Migration and Development (IOM, 2017c).

In establishing a range of actionable commitments, means of implementation and a framework for follow-up and review among Member States regarding international migration, the global compact for migration should avoid limiting its focus to specific targets on migration and remittances, but instead broaden its scope to encompass all of the Sustainable Development Goals. Its framework should include national, regional and international cooperation, and be locally driven and context specific, to address emerging challenges.

In some destination countries, official development assistance is used as part of a broader strategy to deter migration, yet this is often ineffective, and there is no clear evidence that official development assistance can alter migration patterns (Clemens and Postel, 2017). The sectoral distribution of official development assistance to origin countries

does not significantly differ from its distribution in other countries, and its capacity to deter migration is therefore likely limited. Donors could potentially achieve greater impact by leveraging official development assistance to shape migration for the mutual benefit of both origin and destination countries (Clemens and Postel, 2017). Official development assistance could be an important instrument of longer term migration management if channelled into supporting structural transformation in Africa, especially in infrastructure and the manufacturing, transportation and electricity supply sectors. Targeting official development assistance and investments towards the most potentially productive sectors, such as agriculture, to raise quality standards and productivity through technical assistance, in addition to promoting rural non-farm economic development, may yield results that could generate the best return in terms of jobs and investment in origin and destination countries, given that the need for work is a key driver of migration.

The global compact for migration offers the potential for a multilateral approach to addressing the international and interconnected migration challenges faced by many countries. The consultation process highlights “the need for a fresh narrative that goes beyond the negative connotations and perceptions that are present in both migration and development debates”, and the migration and development discourse under the global compact for migration should focus more on innovation, investment and inclusion (Foresti and Hagen-Zanker, 2017).

1.4 Assessing migration and structural transformation in Africa

1.4.1 Economic development as at 2017

When considered with the major demographic changes detailed in section 1.2.2, contemporary trends in economic development in Africa present a disquieting context and underline the primacy of setting the continent on a sustainable path of structural transformation. The real gross domestic product (GDP) of Africa grew by 1.8 per cent in 2016, lower by 1.5 percentage points than in 2015. In 2010–2016, there was a general slowdown in global economic growth. Since the global financial crisis, austerity measures introduced at the time have compounded the situation, hitting the poorest developing countries hardest. Preliminary forecasts for GDP growth in 2017 were more positive, suggesting growth of 3.3 per cent. However, GDP per capita growth declined by -0.7 per cent in 2016 and rose by only 0.4 per cent in 2017, therefore having a limited impact on poverty reduction.

An analysis of real GDP growth rates by region and regional economic community shows that the performance of Western Africa and ECOWAS has negatively impacted the overall performance of the continent. Growth is forecast to rise in 2018, but is likely to remain well below the levels in 2002–2008 of 6.2 per cent per annum. Given the high level of dependence in Africa on external economic conditions, energy-exporting countries have been particularly impacted by the global financial crisis. Since 2015, Africa's growth prospects have been affected by multiple external shocks. For example, in recent years, oil-exporting countries such as Angola and Nigeria have moved into a recession because of lower oil prices. Similarly, mineral exporting countries such as South Africa have been impacted by a general slowdown in emerging economies, in particular in China. Regions specializing in the export of manufactures and services, such as EAC, have fared better than mineral and oil-exporting regions. The former regions have experienced less fluctuation in real growth rates, suggesting that more diversified economies were less affected by the general slowdown in global economic growth.

Since 2016, improving global conditions, particularly slowly rising commodity prices, have helped curtail current account deficits. In 2017, there was a resumption of growth in capital inflows, in particular foreign direct investment, which helped to finance current account deficits and cushion foreign reserves (World Bank and Global Knowledge Partnership on Migration and Development, 2017a). Headline inflation also slowed in the region in 2017. However, fiscal deficits remain high.

1.4.2 Exploring the links between migration and structural transformation

The literature on migration and structural transformation

Outlining a conceptual framework on migration and structural transformation in Africa is a challenge as much of the research on migration focuses on patterns of migration and the direction of flows, origin countries and the use and adaptation of immigrant labour. As at the time of preparation of this report, there was no established theory of migration that encapsulates structural transformation. This section reviews definitions of structural transformation and discusses existing theories of migration and how its patterns relate to structural transformation.

From a macroeconomic perspective, although each economy has a distinct growth path, the most common feature is that, as economic growth takes place, labour moves out of the agriculture sector towards the manufacturing and services sectors, leading to higher levels of urbanization and internal migration. There are several definitions of structural transformation, mostly centred around variations of this phenomenon. Traditional views of structural transformation are defined as a reallocation of production factors across agriculture, manufacturing and services that underpin economic growth (Kuznets, 1973; Lewis, 1954).

A normative perspective of structural transformation often emphasizes desirability in the direction of change and can be defined as the ability of an economy to continually generate new dynamic activities characterized by higher productivity and increasing returns to scale.

Most recent literature considers structural transformation as a reallocation of resources from lower to higher productivity activities, both between and within sectors (McMillan et al, 2014). Consequently, structural transformation can generate both static gains (increased economy-wide labour productivity as workers move to more productive sectors) and dynamic gains (positive externalities due to workforce skill upgrading and enhanced technological capabilities), thus simultaneously generating productivity growth within sectors and shifts of labour from lower to higher productivity sectors. In addition, Taylor and Martin (2001) state that rural–urban migration is a necessary component of the economic development process, because the migration of labour out of the agriculture sector has been a feature of the growth path of most developed countries.

Massey et al (1993) and Todaro and Smith (2015) state that most theoretical approaches to migration offer different but complementary hypotheses. However, the neoclassical theory of migration remains dominant, underpinned by assumptions of migration driven by rational economic considerations and financial decisions (Todaro and Smith, 2015). Others, such as Arango (2000) and Gheasi and Nijkamp (2017), question this on empirical and theoretical grounds. There is a complexity of flows encompassing labour shifts from industrializing to developed economies as a function of more affordable and accessible information and communications technologies, transportation, migrant networks and government policies, in an era of rising globalization and, in Africa, deeper regional integration. Moreover, as the costs of migration are often high, it is not the poorest persons who migrate nor the poorest countries that send the most labour abroad (De Haas, 2008; Flahaux and De Haas, 2016; Massey et al, 2005). In some neoclassical models of migration, movement is determined by expected earnings, not necessarily actual earnings, weighted by the probability of employment (Fouarge and Ester, 2007).

A variant of the neoclassical theory is the push–pull dichotomy that emphasizes the economic context of migration, with push factors typically being poverty, unemployment and inequality and pull factors being potential for employment, greater wealth and political stability. It is argued that more rapid economic growth in the origin country reduces the observed rate of outmigration; a hypothesis termed the migration hump (Martin and Taylor, 1996). In addition, the higher the gap between the real wage at home and abroad, the greater the rate of emigration. De Haas (2011) states that migration is a function of people's aspirations and capabilities to migrate, and emphasizes that people only migrate when they have the ambitions and resources to make it happen, a factor that is ignored in push–pull models.

Historical structuralist approaches to migration link the determinants of migration to structural transformation in world markets, and migration is considered a function of globalization, regional integration, economic interdependence and new forms of production (Silver, 2003; Skeldon, 1997; Wallerstein, 1974). Structuralist theories consider capital and labour mobility as related, whereby the rising expansion of export-led agriculture and manufacturing is linked to foreign direct investment flows from the North, which contributes to the disruption of traditional occupational and social structures and drives both intraregional migration in Africa and extra-continental migration. The structural framework has been criticized as being too deterministic, as migration is assumed to be the result of broader structural processes (De Haas, 2011; Favell, 2008; Gheasi and Nijkamp, 2017). However, within this analytical framework, it may be argued that if migration reflects international trade in labour, it is as likely that international linkages such as trade, tourism and foreign direct investment are affected by migration (Gheasi et al, 2011; Gheasi et al, 2013; Gheasi and Nijkamp, 2017).

The new economics of migration literature shift the focus of analysis to household responses to income and livelihood risks and various market failures, that is, in labour, insurance and credit markets. Given that market failures are common in developing countries, migration is thus a response to the absence of market institutions and the need to diversify sources of household income, to reduce livelihood risks. The benefits for sending countries from income diversification provide a first theoretical justification for expecting a link between migration and structural transformation. Remittances play an important role in this process (Massey et al, 1993; Taylor and Martin, 2001).

Many studies of South–North migration are rooted in neoclassical frameworks of migration, which propose wage differentials as the key determinant of migration (Hicks, 1932; Lewis, 1954). Many of the theories of migration discussed in this section focus primarily on internal migration. Although wage and income differentials play a role in influencing the decisions of migrants, it is unlikely that this proposition adequately accounts for most migration, especially when migration occurs between countries with similar living standards and wage differentials. While recognizing the importance of the wage differential theory, this report advocates a broader approach that recognizes the importance of household, country and region-specific characteristics. In outlining the conceptual framework underpinning the report, it is useful to situate it in recent migration theory.

Conceptual framework of this report

In this report, migration is broadly conceptualized as a function of the capabilities and aspirations of migrants and, on a macrolevel, the opportunities available, rather than simply income differentials. Migration is the result of a complex interaction of choices

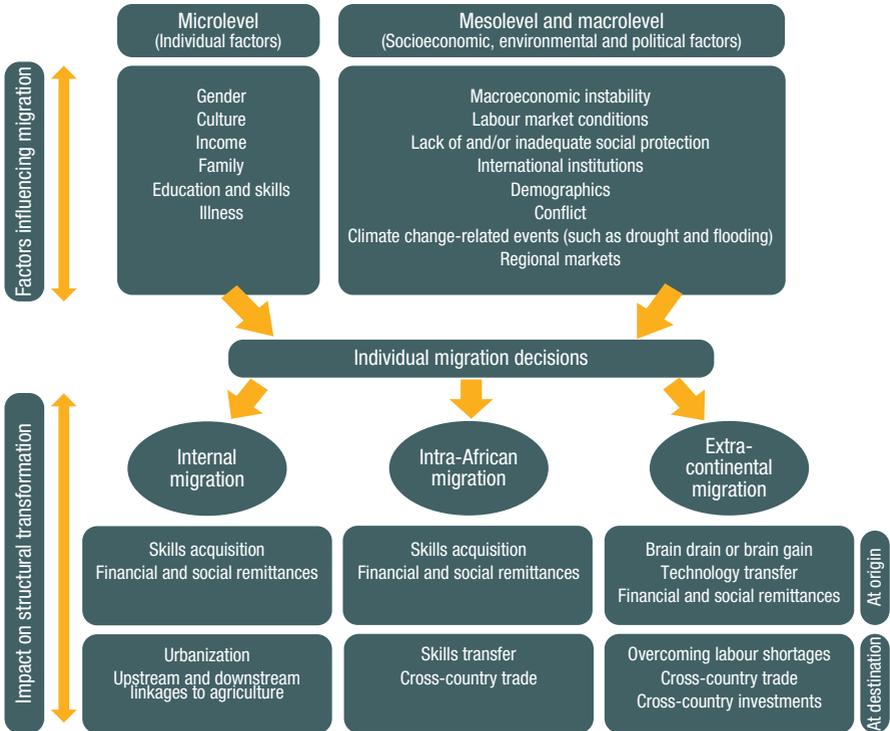
made by people located within social contexts that vary across time and space. Government policies and historical, structural, economic and environmental constraints can also impact the decision-making of potential migrants. Similarly, the availability of decent jobs and accessible health and education services may also be passive drivers of intra-African and extra-continental migration.

The movement of migrants is governed by mainly structural and institutional factors in origin countries, subject to household and community circumstances. The decisions of migrants are also affected by broader trends in national and international political economies. The link between structural transformation and rising international migration may therefore be conceived as how microlevel action is linked to macrolevel structures and vice versa (Coleman, 1990). Hypothetically, although in a simplified form, the social condition, or lack of rural economic development opportunities (macrolevel), often leads to high levels of rural underemployment and poverty among persons (microlevel), which leads to a decision to migrate from a rural to an urban setting or to an international location (microlevel), often resulting in structural transformation given the resulting shifts of labour from agriculture to the manufacturing and services sectors (macrolevel).

This report focuses on intra-African migration. Figure 3 shows the key features of the contextual analysis and the interrelationship between migration and structural transformation at the different levels of aggregation analysed in this report. The boxes are best seen as examples of where, in terms of level of impact, different factors might have an initial first-round impact on migration and, possibly, structural transformation. Different potential entry points for external factors that influence migration are also shown in figure 3. However, the impact of such policies, shocks or trends are likely to be felt directly or indirectly at several or all scales through microlevel–macrolevel linkages. The impact of some factors is specific, as they have an immediate or first-round effect on one aspect of the economy. An idiosyncratic shock at the personal or household level, such as the accidental death of an earner, is one example, whereby the first-round effect may be specific to the household in question, but subsequent effects may be more generalized if, for example, the person who died was a teacher at a nearby school. Idiosyncratic first-round effects may be contrasted with more widespread effects that may arise, for example from a nationwide or regional drought, leading to mass migration. Similarly, if a rural infrastructure development policy, for example, results in the rapid expansion of a road network in a particular region with a social and cultural context in which one gender is by tradition or culture more geographically mobile than the other, such changes might exacerbate gender-related disparities in access to resources and ability to migrate, thereby affecting the development of the local economy in a particular

area. The reality of complex microlevel–macrolevel linkages and migration impacts pose challenges for empirical investigation and policy-oriented research.

Figure 3
Conceptual framework of migration and structural transformation



Source: UNCTAD.

The impacts of migration on structural transformation are varied, highlighting the important role played by investment and trade policies allied to the necessity of building productive capacities. Any attempt to improve understanding of how migration can contribute to poverty alleviation and structural transformation, or vice versa, needs to take on board this complexity. If migration reflects international trade in labour, it is as likely that international linkages such as trade, tourism and foreign direct investment are affected by migration (see section 1.4.2). The key economic and trade channels through which international migration impacts on socioeconomic development in sending and receiving countries are discussed in section 1.5.

1.5 Migration, trade and structural transformation in Africa: The evidence

Considering the drive towards regional integration in Africa and the policy agenda described in section 1.3.1, this section highlights the economic and trade channels through which migration may be positively associated with structural transformation. These insights form the basis of the empirical analysis of the linkages between migration and structural transformation in chapter 4.

1.5.1 Economic and trade channels

There are economic and trade channels through which international migration impacts on socioeconomic development in sending and receiving countries. The ensuing ripple effects of migration on labour movements across sectors and on productivity gains could benefit receiving countries. Similarly, emigration may benefit sending countries through improvements in their socioeconomic indicators. Such improvements may in turn constitute the foundations for structural transformation.

Interest in understanding migration patterns and how they relate to development was restricted for many years to analyses of rural–urban migration and its role in structural transformation (Harris and Todaro, 1970; Todaro, 1969). This line of argument offers glimpses into how international migration affects structural transformation. Lewis's dual-sector model postulates that urbanization in a developing economy is accompanied by constant costs of goods produced in cities and the arrival of a continuous supply of low-cost rural labour to towns and cities. This cost differential gradually ends with the shortage of cheap sources of rural labour, leading to what is called the Lewis turning point. Identifying locations where there may be scope for international migration to fill the gap left by low-cost rural labour in some countries can play a key role in shaping the new generation of migration policies in Africa.

With regard to international migration, the analytical focus of proponents of the free flow of labour is generally on demonstrating the positive impact of the influx of foreign migrant workers on a receiving economy. Many analyses of the economic impact of migration, stating that border controls are analogous to trade barriers, show that increased migration would increase the global GDP far more than trade liberalization. Earlier analyses were based on the traditional assumption of neoclassical economic and trade models, in which all productive resources were fixed in quantity and constant in quality across nations. Additional assumptions included that of full employment in all regions of the world. Using these assumptions as a point of departure, the models

questioned what would happen if workers migrated from lower to higher wage countries, and findings showed that global GDP would more than double (Clemens, 2011; Hamilton and Whalley, 1984).

More recent pro-migration arguments focus on demonstrating the cost effectiveness of the free flow of labour for destination countries. Labour liberalization is seen as the last frontier of globalization. A growing body of work argues that dismantling labour market segmentations internationally would be wealth generating and pro-poor and lead to more egalitarian distributional outcomes (Anderson and Winters, 2008; Clemens, 2014; Pritchett and Smith, 2016). Numerical simulations of the benefits of migration indicate that the gains from increased migration exceed those from trade reform under the Doha Development Round in the early years, but may be similar to the comparative static gains from the Round over the long term if the latter excludes provisions for the greater temporary migration of labour (Anderson and Winters, 2008). Estimates show a win-win scenario for both sending and receiving countries. The global net benefit of the increased flow of migrants in 2001–2025 is calculated to be about \$13 trillion at a higher discount rate and \$38 trillion at a lower discount rate in present value terms. For sending countries in the developing world, migrant families accrue benefits from migration that greatly exceed the costs (Anderson and Winters, 2008).

In advanced economies, the predicted positive impact of international immigration is apparent in the greater share of working-age people in the total population, as well as in productivity enhancements derived from both skilled and low-skilled migrants. Proponents of migration generally agree on its overall positive impact, yet the intertemporal distribution of its effects has been shown to be varied. On the one hand, highly skilled migrants contribute through transfers of knowledge and know-how to local employees. On the other hand, low-skilled migrants fill occupations neglected by citizens, allowing the latter to move to higher-skilled jobs. The ensuing rise in employment levels is generally predicted to have a depressing effect on wages in the medium term, and to result in increased GDP in the long term. Assuming that overall conditions remain constant in the receiving economy, lower wages should lead to the increased profitability of capital. Combined with a parallel increase in GDP growth, the rise in profitability stimulates investment and raises demand. As higher demand for labour follows, there may, in some circumstances, be a subsequent upward adjustment of wages to pre-immigration levels (Ortega and Peri, 2009; Ortega and Peri, 2014). Although analytical studies on the labour market impact of immigration agree on the impact on employment and on GDP, there is also evidence that this does not necessarily affect average wages or labour productivity (Ortega and Peri, 2009). In sending countries, the benefits of

remittances are numerous and include greater incentives for private investment in education and the productive sector (see chapter 5).

There is evidence that countries tend to trade and invest more with countries from which they have received migrants (Dolman, 2008). The literature has addressed whether trade and migration are substitutes or complementary (Egger et al, 2012). If they were substitutes, higher levels of migration would lead to reduced trade, and if they were complements, higher levels of migration would spur trade through network effects or higher incomes. The standard theory is that labour is transferred across borders either directly in the form of migration or through the trade of labour-intensive goods. Trade liberalization thus decreases the need for migration, and stimulates trade and favours a convergence in factor prices that reduces incentives to migrate. Migration and trade can also work as complements, as trade is likely to increase with higher factor mobility (Ethier, 1995; Markusen, 1983). In addition, pro-trade effects are channelled through factors that include the dissemination of the preferences of migrants for goods from origin countries, the removal of informational barriers between origin and destination countries and improvements in the facilitation of contract enforcement in weak institutional environments (Greif, 1993; Rauch and Casella, 2003). The net effect depends on whether the trade creation effect dominates over the trade diversion impact in trade with the rest of the world. Generally, when countries trade more, improvements in productivity and living standards tend to follow (Frankel and Romer, 1999; Redding and Venables, 2004; Romalis, 2007).

1.5.2 Brain drain and brain gain: The debate

Although there is economic evidence of the welfare-enhancing effect of the liberalization of labour, detractors of migration emphasize both the dampening effect on wage differentials in destination countries and the impact of what has become known as brain drain in origin countries. With regard to the latter, it has been argued that migration has a strong education-related selection bias, whereby more educated people are more able to move, leading to the brain drain phenomenon. As a result, developing countries are perceived to be suffering from the loss of their most educated and skilled labour (see, for example, Collier, 2013, on Haiti).

However, brain drain in origin countries may have the effect of stimulating investment in education and boosting domestic skills development (Docquier and Rapoport, 2012). Thus, emigration prospects may increase incentives for investing in education, supported by empirical evidence at the cross-country level and at the bilateral level (Beine et al, 2016; Dinkelman and Mariotti, 2016).

1.6 Analysing migration: Definitional and data issues

1.6.1 Navigating definitions

This report focuses on migrants, not on refugees. The precise definition of a migrant is not an uncontroversial or straightforward issue, and influences the generation and empirical use of migration data. How migration is defined and classified and the consistency of use affects data, including measures of migrant stocks and flows. Different definitions can generate diverging estimates of net migration flows.

This report uses a working definition of migrant that identifies both a spatial and a temporal dimension (see Glossary). However, this report extends this definition, and identifies persons as migrants if they have moved away from their community, usually defined as their village, for a period of at least three months, for purposes that may include work, education and family reasons. By using a relatively generous definition of the types of mobilities that may be defined as migration – a short period, over a short distance and for multiple possible purposes – researchers have the chance to explore a greater diversity of migration and mobility patterns, including short-term seasonal migration to neighbouring districts and long-term migration to international destinations. Migrants are defined as internal if they remain within the borders of the country in which their household of origin is located and international if they relocate to another country.⁷

1.6.2 Migration measurement issues

The adoption of the 2030 Agenda for Sustainable Development enshrined a clear focus on integrating international migration within global development policy, to facilitate orderly, safe, regular and responsible migration, with the protection of human rights. Achieving target 17.18 (“By 2020, enhance capacity-building support to developing countries, including for least developed countries and small island developing States, to increase significantly the availability of high-quality, timely and reliable data disaggregated by income, gender, age, race, ethnicity, migratory status, disability, geographic location and other characteristics relevant in national

⁷ International long-term migrants are persons who move to a country other than that of their usual residence for a period of at least one year, so that the destination country effectively becomes their country of usual residence. International short-term migrants are persons who move to a country other than that of their usual residence for a period of at least three months but less than one year, except in cases where the movement to that country is for purposes of recreation, holiday, visits to friends and relatives, business, medical treatment or religious pilgrimage (United Nations Department of Economic and Social Affairs, 1998). The duration that identifies short-term and long-term migrants varies between countries.

contexts”), including with regard to migratory status, could provide for progress in research and policy analysis hindered by the lack of high-quality data. The main data sources for the study of international migration include decennial population and household censuses, population registers, residence permit statistics and labour and household surveys. As they provide a comprehensive source of internationally comparable information, national census data are a particularly important source of statistics for achieving target 17.18 and disaggregating the targets for the other Sustainable Development Goals by migration status. This section focuses on the potential of aggregated national decennial and household-level migration data to aid in-depth research and policy analyses of the multifaceted nature of international migration, both within and from Africa.

Studies of international migration often stress that there are major gaps in migration data collection and analysis in Africa. This report uses a compilation of international, mesolevel and household-level datasets to conduct its analyses.

International migration datasets

The data on migration and remittance variables presented in this report are the latest available as at December 2017. UNCTADstat database classifications include 54 countries in Africa. Given the availability of data, this report presents the most recent migrant stocks in 2017, refugee numbers for 2015–2016 and remittance inflows for 2016–2017. However, there are some drawbacks in using international migration and remittance data, as much data are often absent or lacking in cross-country comparability owing to the use of different definitions and inconsistent collection and collation. Collecting data on irregular flows of migrants in Africa is a considerable challenge. Given that such flows are probably substantial on the continent, intra-African migration is likely to be highly underestimated.

The only two databases that report on bilateral migration data that allow for a determination of intra-African migrant stocks are the Global Bilateral Migration database of the World Bank and the United Nations Department of Economic and Social Affairs international migrant stock dataset for 2017 by origin and destination country (table 1).⁸ There are definitional differences concerning migrants and refugees between these two databases, although the primary source of the raw data is the Global Migration database of the United Nations Population Division, created through collaborations with the United Nations Statistics Division, the World Bank and the University of Sussex. To address

⁸ The Global Bilateral Migration database should not be confused with the trends in international migrant stock dataset also reported in the World Bank database, which lists aggregate migrant stocks for each destination country in the world at five-year intervals.

the different treatment of refugees, this report also notes the recent data on refugees, including on refugee-like situations, from the United Nations High Commissioner for Refugees.

Table 1
Data sources and census details and years

	UNITED NATIONS DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, 2017			YEAR OF CENSUS IN WORLD BANK GLOBAL BILATERAL MIGRATION DATABASE				
	DEFINITION OF MIGRANT IN CENSUS	DATA TYPE	DATA COVERAGE IN DATABASE (PERCENTAGE)*	1950–1960	1961–1970	1971–1980	1981–1990	1991–2004
Algeria	Citizenship	C R	5.66	-	1966	-	-	-
Angola	Foreign born	B R	22.64	1960	-	-	1983	1993
Benin	Citizenship	C B R	16.98	-	-	1979	-	2002
Botswana	Citizenship	C	32.08	-	-	1971	1981	1991; 2001
Burkina Faso	Foreign born	B R	15.09	-	-	1975	1985	1996
Burundi	Foreign born	B R	9.43	-	-	1979	1990	-
Cameroon	Foreign born	B	16.04	-	-	1976	1987	-
Cabo Verde	Citizenship	B	24.53	-	-	1980	1990	-
Central African Republic	Citizenship	C	16.98	-	-	1975	1988	-
Chad	Foreign born	B R	16.98	-	-	-	-	1993
Comoros	Foreign born	B	5.66	1958	-	1980	-	1991
Congo	Citizenship	B	24.53	-	-	1974	1984	-
Côte d'Ivoire	Citizenship	C B	30.19	-	-	1975	1988	1998
Democratic Republic of the Congo	Citizenship	B R	13.52	1958	-	-	1984	-
Djibouti	Foreign born	B R	3.77	-	-	-	-	1991
Equatorial Guinea	Citizenship	C	7.55	1950	-	-	1983	-
Egypt	Citizenship	B R	81.13	1960	-	1976	1986	1996
Eritrea	Foreign born	I	32.08	-	-	-	-	-
Ethiopia	Citizenship	B R	16.98	-	1961	-	-	1994
Gabon	Citizenship	C	41.51	1960	-	-	-	1993
Gambia	Citizenship	B	13.21	-	1963	1973	1983	1993
Ghana	Foreign born	B	43.40	1960	1970	-	1984	2000
Guinea	Citizenship	C R	28.30	-	-	-	1983	1996
Guinea-Bissau	Foreign born	B R	13.21	1950	-	1979	-	1991
Kenya	Foreign born	B R	24.53	-	1962; 1969	1979	1989	1999
Lesotho	Citizenship	C R	20.75	1956	-	1976	1986	1996
Liberia	Foreign born	B	24.53	-	1962	1974	1984	-
Libya	Foreign born	C	49.06	1957	-	-	-	1997
Madagascar	Citizenship	C	1.89	-	1965	1975	-	1993

Table 1
Data sources and census details and years (continued)

	UNITED NATIONS DEPARTMENT OF ECONOMIC AND SOCIAL AFFAIRS, 2017			YEAR OF CENSUS IN WORLD BANK GLOBAL BILATERAL MIGRATION DATABASE				
	DEFINITION OF MIGRANT IN CENSUS	DATA TYPE	DATA COVERAGE IN DATABASE (PERCENTAGE)*	1950– 1960	1961–1970	1971– 1980	1981– 1990	1991–2004
Malawi	Foreign born	B R	18.87	-	1966	1977	-	-
Mali	Foreign born	B R	35.85	-	-	1976	1987	1998
Mauritania	Citizenship	C R	33.96	-	-	1977	1988	-
Mauritius	Citizenship	C	5.66	-	-	1972	1983; 1990	2000
Morocco	Citizenship	C	15.09	1960	-	1971	-	2004
Mozambique	Citizenship	B R	15.09	1955	-	1980	-	1997
Namibia	Citizenship	B	64.15	-	-	-	-	1991; 2001
Niger	Citizenship	B R	24.53	-	-	1977	-	1993; 2001
Nigeria	Citizenship	C R	16.98	-	1963	-	-	1991
Rwanda	Citizenship	B R	9.43	1958	-	1978	-	1991; 2002
Sao Tome and Principe	Citizenship	C	9.43	-	-	-	1981	1991
Senegal	Foreign born	B R	28.30	1960	-	1976	1988	2002
Seychelles	Citizenship	B	13.21	1960	-	-	1982; 1987	1997
Sierra Leone	Foreign born	B R	30.19	-	-	-	1985	2004
Somalia	Foreign born	I R	3.77	-	-	-	-	-
South Africa	Foreign born	B R	81.13	-	1961; 1970	1980	1985	2001
Sudan	Foreign born	B R	24.53	1956	-	-	1983	1993
Swaziland	Foreign born	B R	24.53	1956	1966	1976	1986	1997
Togo	Citizenship	C R	45.28	-	-	-	1981	-
Tunisia	Citizenship	C	18.87	1956	1966	-	1984	1994; 2004
Uganda	Citizenship	B R	18.87	-	1969	-	-	1991; 2002
United Republic of Tanzania	Foreign born	B R	37.74	-	1967	1978	1988	2002
Zambia	Foreign born	B R	37.74	-	1963; 1969	1980	1990	-
Zimbabwe	Foreign born	B R	9.43	1956	1969	-	-	1992

Sources: UNCTAD estimates, based on Özden et al, 2011 and United Nations Department of Economic and Social Affairs, 2017a.

Notes: B, estimates derived from data on foreign-born populations; C, estimates derived from data on foreign citizens, also called foreigners; R, number of refugees or persons in refugee-like situations, as reported by the United Nations High Commissioner for Refugees, added to estimates; I, estimates imputed, as no data are available on international migrants for the country or area concerned.

* The data coverage in percentage refers to the number of observations for each country as a share of the total database.

The United Nations Department of Economic and Social Affairs dataset is the primary source of information on international migrant stocks in 1990–2017. It uses population censuses from various sources and provides data on international migrant stocks by origin and destination. In the censuses, migrants may be defined by foreign birth, foreign citizenship or movement into a new country for a temporary stay or long-term settlement. Some analyses of the impact of migration include in the migrant population children born in a destination country whose parents are foreign-born or foreign nationals. The dataset definition of a migrant is equated with either foreign-born or foreign citizens. If data on place of birth are available, they are generally given precedence. However, there is considerable variation in how destination countries collect, record and disseminate immigration data. It is often not possible to conduct a meaningful comparison of destination country records over time. During census collection in 2010, only 19 of the 149 countries for which data are available in the United Nations Statistics Division census database collected data on the period of return of native-born populations, and most of these countries were in the Caribbean, Europe and North America (Juran and Snow, 2016). Sources of migration data by level of aggregation are shown in table 2.

Refugees with legal status are counted in a population census and treated as migrants in many developed countries. However, in countries in which refugees live in camps, they are unlikely to be counted in censuses. In the United Nations Department of Economic and Social Affairs international migrant stock dataset for 2017, in order to obtain a common definition of international migrants, refugee numbers, including those in refugee-like situations, from the United Nations High Commissioner for Refugees⁹ and the United Nations Relief and Works Agency for Palestine Refugees in the Near East are added to the international migrant stocks of all developing countries deemed to have not included refugees in reported statistics. In developed countries, where refugees and recognized asylum seekers are routinely included, no adjustment has been made. Of the 3,500 sources detailed in the Department of Economic and Social Affairs dataset for 2017, 1,107 are suitable for analysis, once repeated censuses have been removed or combined (see table 1). There are discrepancies in the reporting of migration data, such as

⁹ Populations of concern to the United Nations High Commissioner for Refugees include refugees, asylum seekers, internally displaced persons, including those protected and/or assisted by the office of the United Nations High Commissioner for Refugees, returned refugees, returned internally displaced persons, stateless persons and others of concern. Since 2007, persons in a refugee-like situation, most of whom were previously included under others of concern, have also been included. This subcategory is descriptive in nature and includes groups of persons outside their country or territory of origin who face protection risks similar to those of refugees, but for whom refugee status has, for practical or other reasons, not been ascertained.

the number of immigrants reported in one country differing from the number of emigrants reported in the sending country, which arise because of differences in definition and reporting time. An important difference between the Global Bilateral Migration database and the Department of Economic and Social Affairs dataset is in the treatment of refugees. The estimated number of refugees has been subtracted from the database whenever it is drawn upon the dataset (Özden et al, 2011).

Table 2
Sources of migration data by level of aggregation

INTERNATIONAL MIGRATION DATASETS	NUMBER OF COUNTRIES IN AFRICA COVERED	TIME PERIOD	AGGREGATION LEVEL				
			BILATERAL	BY GENDER	BY AGE GROUP	BY EDUCATION LEVEL	BY EMPLOYMENT, SECTOR OR SKILLS
World Bank Global Bilateral Migration database	54	1960, 1970, 1980, 1990 and 2000	Yes	Yes	No	No	No
World Bank Global Bilateral Migration database	54	2010 and 2013	Yes	No	No	No	No
United Nations Department of Economic and Social Affairs international migrant stock by origin and destination	54	1990, 1995, 2000, 2005, 2010, 2015 and 2017	Yes	Yes	No	No	No
United Nations Department of Economic and Social Affairs international migrant stock by age and sex	54	1990, 1995, 2000, 2005, 2010, 2016 and 2017	No	Yes	Yes	No	No
United Nations Department of Economic and Social Affairs migration profiles: Common set of indicators	54	1990, 2000 and 2013	No	Yes	Yes	Yes (tertiary students by origin and destination in 2013)	No
Household-level datasets							
University of Sussex Migrating Out of Poverty quantitative household surveys	Ethiopia, Ghana and Zimbabwe	2013 and 2015	No	Yes	Yes	Yes	Yes
World Bank Africa Migration Project household surveys	Burkina Faso, Kenya, Nigeria, Senegal, South Africa and Uganda	2009	No	Yes	Yes	Yes	Yes

Sources: United Nations Department of Economic and Social Affairs, 2017a; University of Sussex, 2018; World Bank, 2013; World Bank Global Bilateral Migration database.

Household datasets and mesolevel data

This report utilizes data from two household-level surveys to explore the determinants and drivers of migration, whether domestic or international (see table 2).

First, the Africa Migration Project conducted by the World Bank in 2009, which consisted of household surveys of migrants in six countries, namely Burkina Faso, Kenya, Nigeria, Senegal, South Africa and Uganda, with the aim of providing a better understanding of migrant characteristics in sending and receiving countries (World Bank, 2013). The results from Nigeria, Senegal and Uganda are representative of each country; the results from Burkina Faso, of the 10 most important provinces for migration; the results from Kenya, of 17 districts with the largest concentration of migrant households; and the results from South Africa, of the Limpopo–Gauteng migration corridor in particular (World Bank, 2013).

Second, the Migrating Out of Poverty quantitative household surveys, which consisted of surveys in Ghana in 2013,¹⁰ in Ethiopia in 2014 and in Zimbabwe in 2015, collected with funding from the Department for International Development of the United Kingdom by researchers at the Centre for Migration Research, University of Sussex; the University of Ghana; the African Centre for Migration and Society, University of the Witwatersrand; and the Centre of Applied Social Sciences, University of Zimbabwe. The surveys were of rural households in the sending regions of each country, and cannot be considered nationally representative. However, the sample of migrants was randomly selected and relatively large and can therefore provide useful insights into migrant decision-making and comparisons between migrants and non-migrants, as well as a detailed exploration of gender-related differences. The surveys were designed to incorporate larger subsamples of households with current migrants than are typically available in existing surveys, and used a comparable and detailed questionnaire designed to capture the complexity of migration patterns and behaviour and to adopt a common definition of migration that captured a wide range of migration patterns. This comparability in approach gives an opportunity to explore the diversity of migration patterns, both internal and international, beyond the orders of an origin country, including to neighbouring countries, other countries in Africa and other international destinations, as well as the reliance of households on migration to generate income and support livelihoods and the depth of relationships between migrants and families in origin countries.

¹⁰ The survey in Ghana captured few international migrants; as the surveys focused only on internal migration, they were designed to only capture households with internal migrants. Some households reported that some of their members were international migrants. The second survey of households in 2015 did not have a strategy to replace households that had moved or dropped out of the sample for other reasons.

In addition to these primary data sources, this report also uses various secondary data sources to inform its analyses of opportunities in the leading sectors on the continent.

1.7 Conclusions

This chapter provides the background within which this report's analyses of migration and structural transformation are situated. It sets out the theoretical underpinnings and conceptual frameworks that inform the analyses in the following chapters. Appropriate consideration should be given to the complexity of the multidirectional relationships and interactions between migration and the factors associated with structural transformation.

CHAPTER 2

Patterns and trends of migration

This chapter examines migration patterns and trends in Africa over the last 27 years, highlighting their evolution and configurations within and across regions on the continent. The first section examines migration patterns and trends in Africa in 1990–2017 at the interregional and continental levels. The second section provides an overview of regulatory frameworks that have shaped mobility on the continent. The last three sections examine migration patterns in terms of duration of stay, irregular migration and the gender component of migration.

INTERNATIONAL MIGRATION IN AFRICA IN 2017

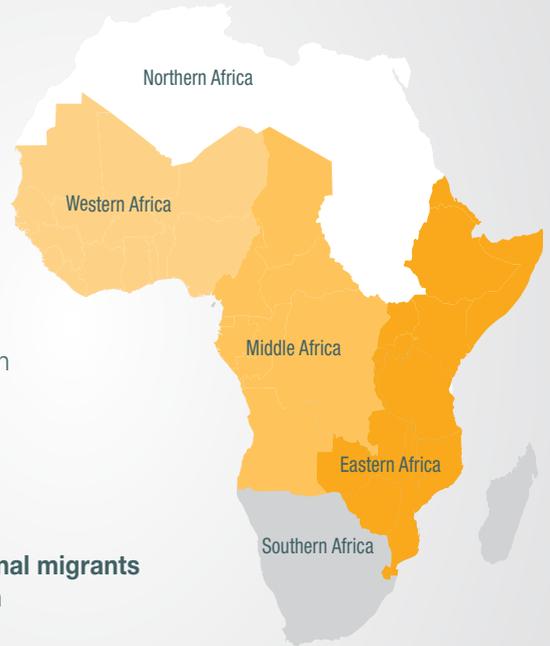
53% of Africa's international migrants resided on the continent



International migration grew on average at 2.8% per year

4 out of 5 international migrants residing in Eastern, Middle and Western Africa were from the same African region

49% of international migrants residing in Northern Africa were from the same region



of international migrants were women

Average age of an international migrant: 31 years old

Top destinations for international migrants

-  South Africa
-  Côte d'Ivoire

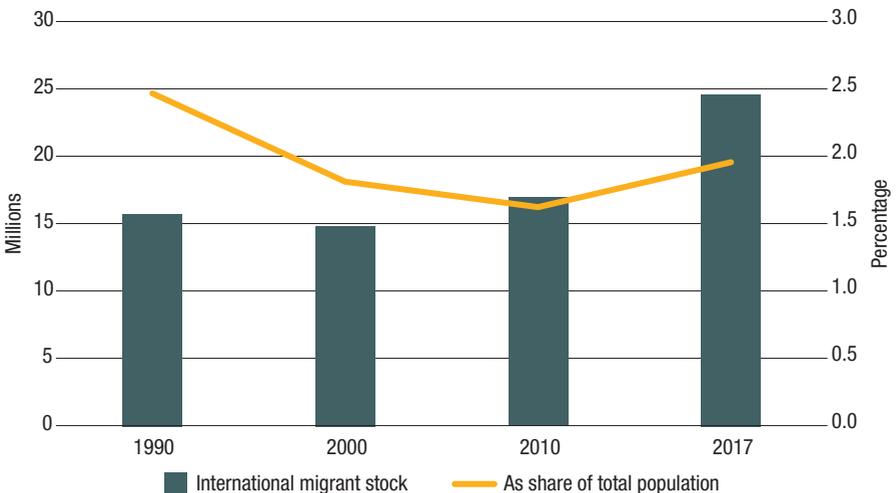
Migration hubs:
Abidjan, Johannesburg, Nairobi

2.1 Patterns of migration: Stylized facts

International migration in Africa expressed as a share of total population has been declining since 1990. It declined to levels below 2 per cent in 2017, which is lower than the global average of 3.4 per cent (figure 4). In 2000–2017, the number of international migrants in Africa increased from 15 million to 25 million, or by 67 per cent, at an average of 2.8 per cent per year. As a result, the percentage of all international migrants residing in Africa increased from 9 per cent in 2000 to 10 per cent of the global total in 2017 (table 3).

Figure 4

Africa: International migrant stock as share of total population



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

In relation to the population of Africa, the incidence of emigration, or the stock of its emigrants in the continent's total population, is among the lowest in the world, owing to Africa's high population growth rate. Africa also has the lowest median age of migrants in the world, at 31 years, and a faster rate of growth in its migrant stock than the global average (table 3), only Asia has a faster rate of growth.

In 2000 and 2017, the number of women migrants in Africa increased, yet as a share of total international migrants in Africa, remained stable at 47 per cent (United Nations Department of Economic and Social Affairs, 2017a). More women appear to be moving

Table 3
International migrant stock

DESTINATION	INTERNATIONAL MIGRANT STOCK AT MIDEAR		INTERNATIONAL MIGRANT STOCK AS SHARE OF TOTAL POPULATION (PERCENTAGE)		SHARE OF TOTAL INTERNATIONAL MIGRANTS (PERCENTAGE)		WOMEN MIGRANTS AS SHARE OF INTERNATIONAL MIGRANT STOCK (PERCENTAGE)		ANNUAL RATE OF CHANGE OF MIGRANT STOCK		MEDIAN AGE OF INTERNATIONAL MIGRANTS (YEARS)	
	2000	2017	2000	2017	2000	2017	2000	2017	2000–2005	2015–2017	2000	2017
World	172 604 257	257 715 425	2.8	3.4	100	100	49	48	2.0	2.0	38	39
Africa	14 800 306	24 650 223	1.8	2.0	9	10	47	47	0.9	2.5	28	31
Eastern Africa	4 844 795	7 591 799	1.9	1.8	3	3	49	50	-0.4	4.6	29	30
Middle Africa	1 756 687	3 539 697	1.8	2.2	1	1	49	48	1.9	1.5	27	29
Northern Africa	1 885 650	2 410 056	1.1	1.0	1	1	44	42	-1.7	1.2	28	32
Southern Africa	1 222 314	4 338 205	2.3	6.7	1	2	41	45	3.3	2.7	35	34
Western Africa	5 090 860	6 770 466	2.2	1.8	3	3	47	47	2.0	1.2	25	30
Sub-Saharan Africa	13 716 539	22 975 988	2.0	2.2	8	9	47	48	0.8	2.8	27	31

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

due, in part, to population ageing and greater job opportunities in the North and in Eastern Asia and the Middle East in the health sector and the care and domestic service sector. There is also rising demand for care and domestic services in Africa, which is increasingly influencing patterns of women's migration both within and outside the continent (see section 2.5).

2.1.1 Patterns from, within and to Africa

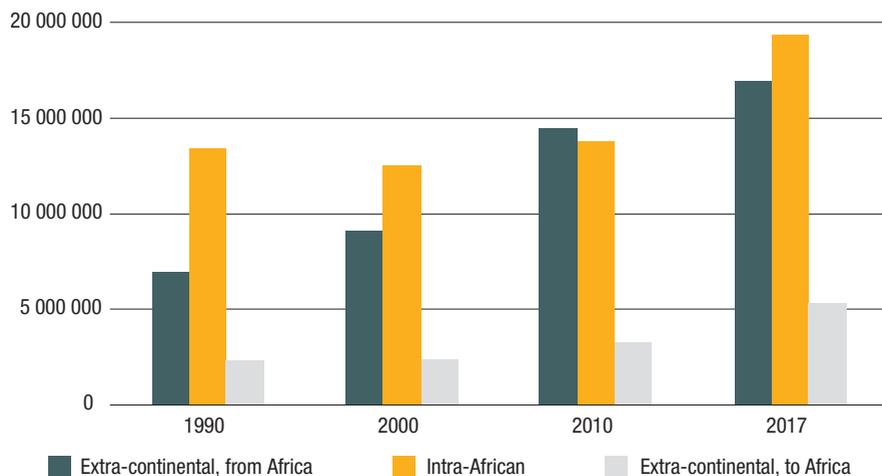
The evolution of migration from, within and to Africa is shown in figure 5. Migration under all three categories increased in 1990–2017.

In 2017, each stock exceeded the value in 2000, highlighting the growth in African migration in absolute terms. Three distinct trends may be observed.

First, in 1990, African migration was predominantly intracontinental, although the distribution has changed over time. The stock of international migrants originating from Africa and living in Africa was the main stock in 2000, at 12.5 million, highlighting that migration was foremost an intra-African phenomenon. This stock grew consistently, and reached 19.4 million in 2017.

Second, the stock of international migrants originating from Africa and living outside the continent was 6.9 million in 1990 and increased to 16.9 million in 2017. With the exception

Figure 5
Stocks of international migrants from, within and to Africa



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

Intra-African migration:
 up from 12.5 million in 2000
 to **19.4 million** in 2017



of the year 2010, since 1990, there have been more international migrants of African origin that lived within the continent than outside Africa, but the margin is narrowing. Extra-continental migration and migration to Africa experienced stronger growth than intracontinental migration in 1990–2017. The propensity to migrate outside the continent is significantly higher in Northern Africa than in sub-Saharan Africa (table 4). Of the total 16.9 million stock of extra-continental emigrants in 2017, the majority lived in Asia, Europe and North America. Within Asia, almost all of Africa's international migrants live in the Middle East, illustrating the importance of the region as a hub for the continent's migrants.

Third, the stock of international migrants as a share of population rose from 1.8 per cent in 2000 to 2.0 per cent in 2017, or from 18 to 20 migrants per 1,000 people (see table 3). In 2017, the countries with the highest stock of international migrants as a share of total population were Equatorial Guinea (18 per cent), Gabon and Seychelles (14 per cent each) and Djibouti (12 per cent).

2.1.2 Emigration trends characterized by growth and regional diversity

The stock of emigrants that stayed within Africa and those that moved outside the continent in 2017 are shown in table 4. Most international migration takes place within the continent. Around 53 per cent of emigrants reside within Africa and 47 per cent emigrate to extra-continental destinations.

Table 4

Intra-African and extra-continental emigrant stocks by region of origin, 2017

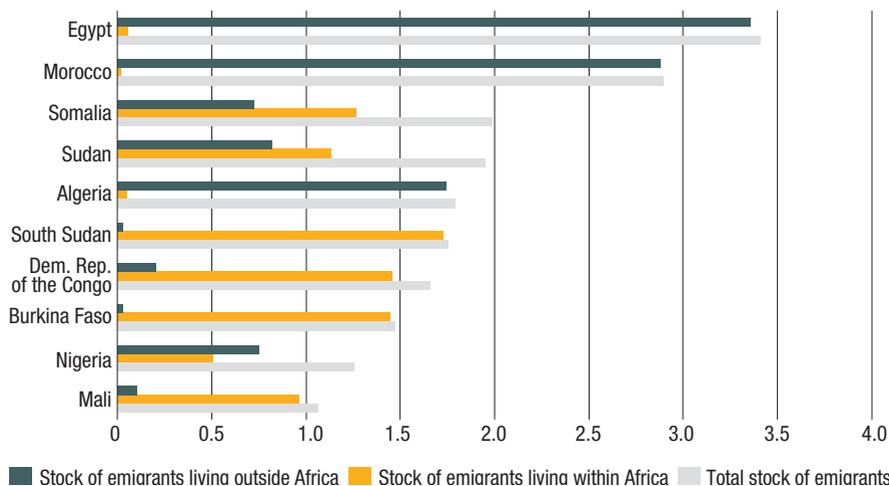
ORIGIN	TOTAL STOCK OF EMIGRANTS	TOTAL STOCK OF EMIGRANTS LIVING WITHIN AFRICA	STOCK OF EMIGRANTS LIVING WITHIN AFRICA AS SHARE OF TOTAL STOCK OF EMIGRANTS (PERCENTAGE)	TOTAL STOCK OF EMIGRANTS LIVING OUTSIDE AFRICA	STOCK OF EMIGRANTS LIVING OUTSIDE AFRICA AS SHARE OF TOTAL STOCK OF EMIGRANTS (PERCENTAGE)
Total Africa	36 266 428	19 359 848	53.4	16 906 580	46.6
Eastern Africa	10 533 239	7 475 553	71.0	3 057 686	29.0
Middle Africa	4 099 426	3 229 786	78.8	869 640	21.2
Northern Africa	11 175 732	1 477 069	13.2	9 698 663	86.8
Southern Africa	1 586 875	821 006	51.7	765 869	48.3
Western Africa	8 871 156	6 356 434	71.7	2 514 722	28.3

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

The main sending countries in Africa were Egypt (3.4 million) and Morocco (2.9 million), as shown in figure 6. Emigrants from Algeria, Egypt, Morocco and Nigeria was primarily to extra-continental destinations. Emigrants from Somalia (1.9 million), Burkina Faso (1.4 million) and the Democratic Republic of the Congo and Mali were primarily to other countries on the continent.

In Northern Africa, geographical proximity to Europe and the Middle East, as well as the subregion's colonial ties and established networks, have influenced extra-continental migration and high levels of youth unemployment have been a key driver of recent movements from the subregion to Europe (table 5). In terms of intra-African emigration, political instability in Somalia and the Sudan, as well as conflict in the Democratic Republic of the Congo, have been important drivers of emigration from these countries. Economic migration remains a key driver of mobility from Burkina Faso to Côte d'Ivoire.

Figure 6
Countries with largest numbers of emigrants, 2017
 (Millions)



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

Table 5
Regional unemployment rate, total and among youth
 (Percentage)

	TOTAL (15+)									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Eastern Africa	8.3	8.6	9.0	8.5	8.3	8.3	8.3	8.3	8.2	8.2
Middle Africa	9.9	9.9	9.7	9.3	9.2	9.2	9.3	9.3	9.4	9.4
Northern Africa	10.5	10.4	10.7	11.1	11.1	11.3	11.3	11.3	11.4	11.4
Southern Africa	24.3	23.6	23.8	24.4	24.6	24.6	24.5	24.5	24.4	24.4
Western Africa	8.3	7.7	7.7	7.7	7.7	7.6	7.6	7.7	7.8	7.8
	YOUTH (15-24)									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Eastern Africa	13.7	14.5	14.4	13.6	13.4	13.8	13.9	13.8	13.8	13.7
Middle Africa	17.7	16.5	16.4	15.3	15.3	16.1	16.5	16.8	17.0	17.1
Northern Africa	26.9	26.4	29.2	31.3	30.8	31.7	31.1	31.1	31.3	31.4
Southern Africa	43.7	43.5	44.2	45.2	46.5	46.0	45.0	45.1	45.1	45.2
Western Africa	12.8	11.9	11.8	11.8	11.8	11.7	11.8	12.0	12.1	12.1

Source: UNCTAD calculations, based on International Labour Organization (ILO) ILOstat database modelled estimates, November 2016.

Notes: The unemployment rate is the number of unemployed persons as a share of the labour force. Data for 2009–2016 are estimates and data for 2017–2018 are projections.

2.1.3 Rising immigration levels

In Africa, 78.5 per cent of all international immigrants were born in Africa (table 6). In other words, four of every five international migrants in Africa come from the continent. In contrast, with regard to subregions, around half the international migrants residing in Northern and Southern Africa were born on another continent. Africa recorded an increase in the stock of immigrants, including immigrants from outside and within the continent, from 12.4 million in 2000 to 19.3 million in 2017. Only 12 out of 54 countries in Africa experienced a decline in the stock of immigrants between 2000 and 2017.

Table 6
Immigrant stocks by region of origin, 2017

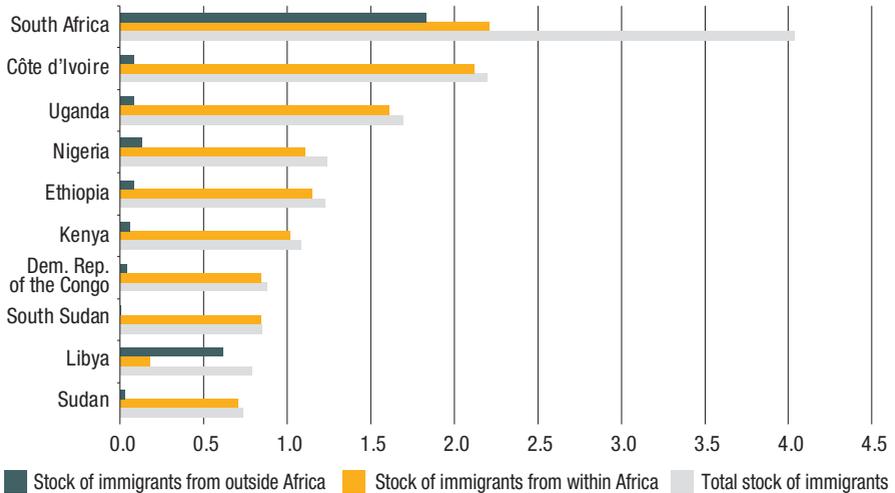
DESTINATION	TOTAL STOCK OF IMMIGRANTS	TOTAL STOCK OF IMMIGRANTS FROM WITHIN THE REGION	STOCK OF IMMIGRANTS FROM WITHIN THE REGION AS SHARE OF TOTAL STOCK OF IMMIGRANTS (PERCENTAGE)	STOCK OF IMMIGRANTS FROM OUTSIDE THE REGION	STOCK OF IMMIGRANTS FROM OUTSIDE THE REGION AS SHARE OF TOTAL STOCK OF IMMIGRANTS (PERCENTAGE)
Total Africa	24 650 223	19 359 848	78.5	5 290 375	21.5
Eastern Africa	7 591 799	6 731 752	88.7	860 047	11.3
Middle Africa	3 539 697	2 976 597	84.1	563 100	15.9
Northern Africa	2 410 056	1 194 386	49.6	1 215 670	50.4
Southern Africa	4 338 205	2 419 803	55.8	1 918 402	44.2
Western Africa	6 770 466	6 037 310	89.2	733 156	10.8

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

The absolute number of international migrant stocks reveals the main destinations of migrants in Africa (figure 7). In 2017, the main receiving countries were South Africa (4.0 million), Côte d'Ivoire (2.2 million) and Uganda, Nigeria, Ethiopia and Kenya (each exceeding 1.0 million, in descending order). The main receiving countries of intra-African international migrants were South Africa (2.2 million) and Côte d'Ivoire (2.1 million), highlighting their importance as migration hubs. Uganda, Ethiopia, Nigeria and Kenya (each exceeding 1 million, in descending order) were also major receiving countries of intra-African international migrants.

South Africa and Libya have the highest stock of immigrants in Africa. However, if we return to immigration within the continent, in South Africa, demand for labour in the mining and construction sectors remains an important driver of migration. Demand for domestic work and informal trade have also emerged as significant drivers of migration. Agriculture remains an important driver of migration to Côte

Figure 7
Countries with largest numbers of immigrants, 2017
 (Millions)



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

d'Ivoire. More diversified economies such as Kenya attract labour from other regions. Since the 1980s, Libya has been a major destination for migrants from outside Africa, notably from Indonesia and Iraq, with demand in its oil industry fuelling economic migration. Since 2010, Libya has become a major transit country for migrants heading to Europe, due in large part to its strategic location on the Mediterranean Sea and as a destination for migrants from sub-Saharan Africa.

Immigration has played different roles in countries. The countries in Africa that recorded the highest (exceeding 10 per cent) and lowest (0.5 per cent or lower) shares of international migrant stocks in total population in 1990 and 2017 are shown in table 7. Djibouti and Côte d'Ivoire recorded the highest shares of migrants in total population in 1990. In 2017, Equatorial Guinea recorded the highest share of migrants in total population, due largely to its offshore oil industry, which is driving migration to the country. The countries with the lowest shares of immigrants in both 1990 and 2017 were Egypt, Eritrea, Lesotho, Madagascar, Morocco and Tunisia. Political instability in Eritrea and Somalia likely contributes to the prevalent low levels of immigration.

Table 7

Countries with lowest and highest immigration intensity: International migrant stock as share of total population

(Percentage)

1990				2017			
< 0.5		> 10		< 0.5		> 10	
Madagascar	0.2	Djibouti	20.7	Madagascar	0.1	Equatorial Guinea	17.5
Morocco	0.2	Côte d'Ivoire	14.8	Morocco	0.3	Gabon	13.8
Angola	0.3	Gabon	13.4	Lesotho	0.3	Seychelles	13.6
Egypt	0.3	Gambia	12.9	Somalia	0.3	Libya	12.4
Mauritius	0.3	Malawi	11.9	Eritrea	0.3	Djibouti	12.1
Eritrea	0.4	Libya	10.3	Egypt	0.5		
Tunisia	0.5			Tunisia	0.5		
Nigeria	0.5						
Lesotho	0.5						

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

2.1.4 Key migration corridors

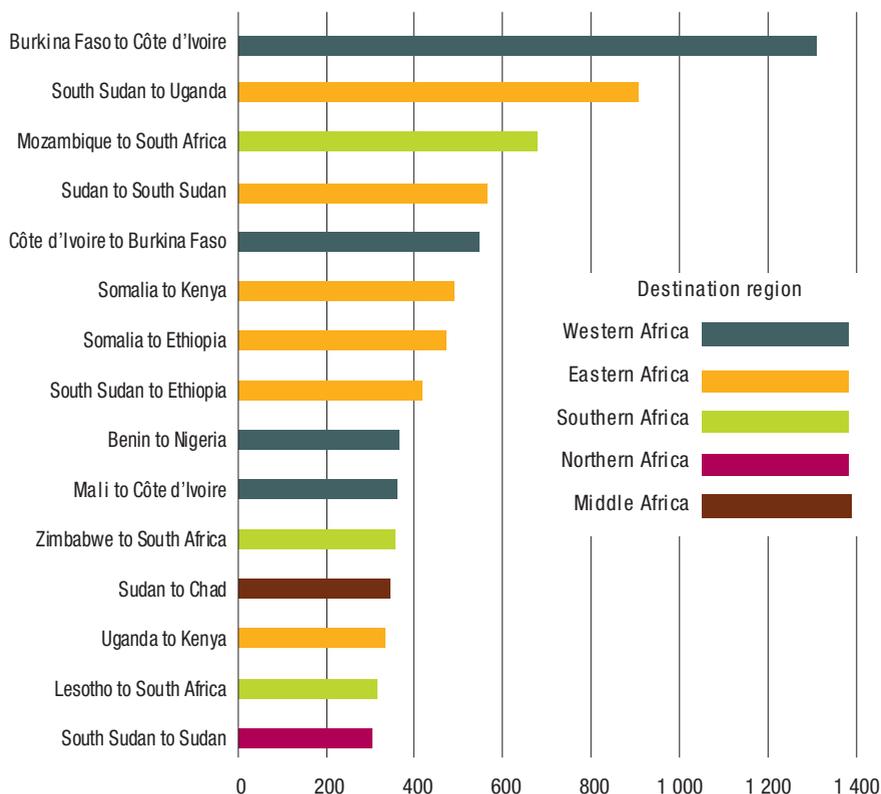
The above data and analysis highlights the main migration corridors within and from Africa. The top intra-African corridors in 2017 were Burkina Faso–Côte d'Ivoire (1.3 million), South Sudan–Uganda (0.9 million), Mozambique–South Africa (0.7 million), the Sudan–South Sudan (0.5 million) and Côte d'Ivoire–Burkina Faso (0.5 million), as shown in figures 8 and 9.

The Côte d'Ivoire–Burkina Faso corridor serves as an important link for commercial agriculture and informal trade (International Centre for Migration Policy Development and IOM, 2015). Other corridors in which the stock of international migrants exceeds 200,000 include the Sudan–South Sudan (563,000), Somalia–Kenya (485,000) and Somalia–Ethiopia (467,000), with political instability and conflict in Eastern Africa driving forced migration in the region (International Centre for Migration Policy Development and IOM, 2015). The Mali–Côte d'Ivoire corridor (359,000; see figure 8) links migrants from Western Africa to resource-rich coastal countries, with demand in mineral extraction and commercial agriculture in Côte d'Ivoire fuelling migration. The Mozambique–South Africa (675,480) and Lesotho–South Africa (312,000) corridors are important for linking migrants to farms and mines and, for Lesotho, to domestic work in Johannesburg, South Africa (Crush et al, 2017). Other important corridors include Benin–Nigeria (362,000), the Sudan–Chad (344,000) and Burundi–United Republic of Tanzania (208,000). The

Figure 8

Stocks in top 15 intra-African migration corridors, 2017

(Thousands)

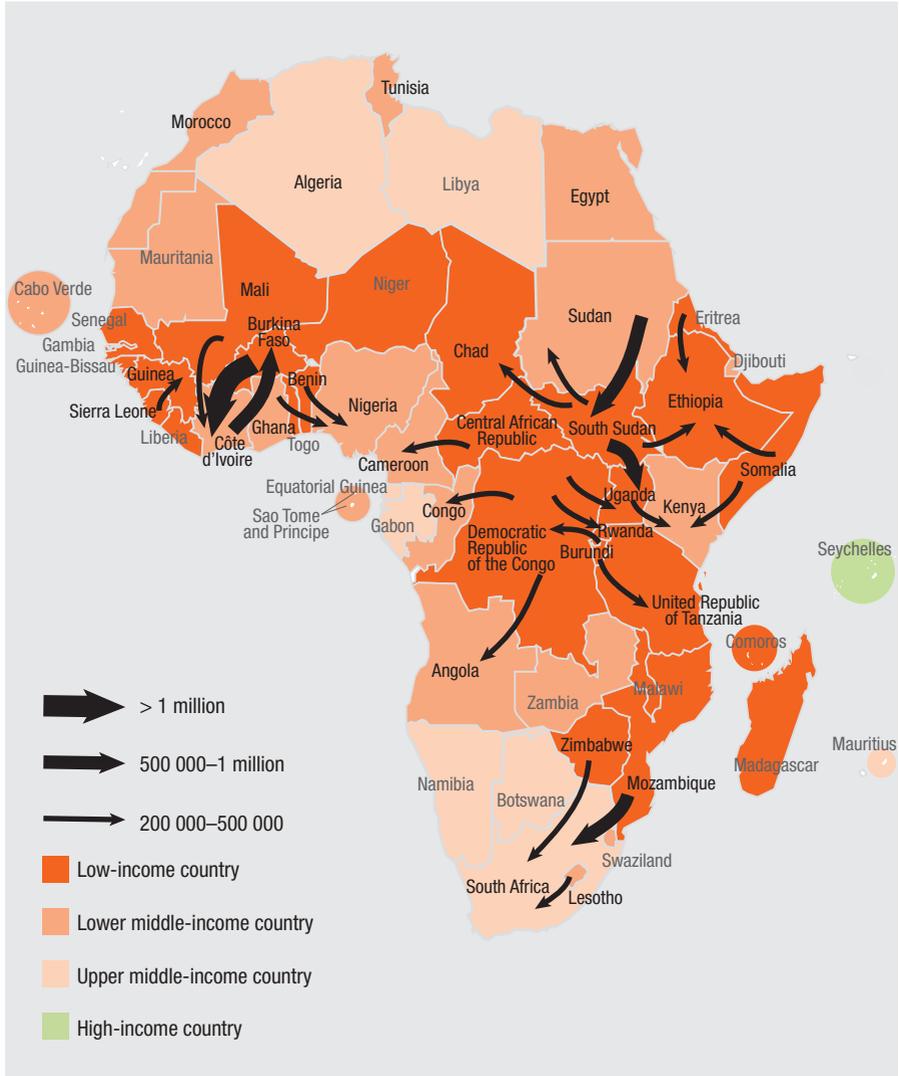


Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

outflow from Somalia is particularly evident, as is the fact that South Africa is a receiving country.

With regard to extra-continental migration, the importance of migration from Africa to Europe, the Middle East and North America is shown in table 8. Colonial, linguistic and cultural ties greatly influence these movements, along with geographical proximity and, increasingly, high levels of youth unemployment, particularly in Northern and Southern Africa, amounting to 31 per cent and 45 per cent in 2017, respectively (see table 5).

Figure 9
Main intra-African migration corridors, stocks in 2017



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

Table 8
Main extra-continental migration corridors, 2017

ORIGIN	DESTINATION	NUMBER OF MIGRANTS
Northern Africa	France	2 824 532
Northern Africa	Saudi Arabia	1 307 431
Northern Africa	United Arab Emirates	999 135
Northern Africa	Spain	771 382
Western Africa	United States	718 372
Northern Africa	Italy	715 371
Eastern Africa	United States	641 744
Eastern Africa	United Kingdom	610 959
Southern Africa	United Kingdom	217 524

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

2.1.5 Migration between regions

Interregional migration, or the movement of people between geographic subregions, is a key feature of migration patterns on the continent. In 2017, Eastern and Western Africa were the regions from which most African migrants originated (see table 3). Middle Africa recorded a strong increase with regard to international migrant stock, as the absolute number doubled, with political instability and conflict driving movements in the region. Eastern and Western Africa are the main destinations, and Southern and Middle Africa have recorded strong increases as destinations for intra-African migrants. Migration in Africa occurs primarily within the same region (table 6). For instance, in Western Africa, in 2017, more than 89 per cent of the international migrant stock originated from within the region. In Northern Africa, however, the international migrant stock originating from within the region was lower, at 49 per cent. The independence of South Sudan and the resulting migration that occurred from the Sudan to South Sudan, along with political unrest following the popular uprisings in Northern Africa and the Middle East in 2011, greatly influenced migration patterns within Northern Africa. Eastern Africa is the most diversified region with regard to the origin of international migrants from Africa, as it receives significant shares of migrants from all other regions except Western Africa. In addition to economic factors driving migration to diversified economies such as Kenya and Rwanda, the latter's visa for foreign workers may attract migrants to the region. In 2000–2017, conflict and political instability were a driver of forced migration from Middle Africa to the United Republic of Tanzania and from Northern Africa, mainly the Sudan, to Uganda.

With regard to regional net migration in 1985–2015, Northern and Western Africa consistently reported negative total net migration, that is, in these regions, emigration exceeded immigration. Eastern, Middle and Southern Africa alternated between being net sending and receiving regions, reflecting ongoing regional dynamics, with political instability in Middle Africa driving migration to Eastern Africa and, in Southern Africa, from Zimbabwe to South Africa.

2.2 Migration policies

Regional economic communities in Africa have frameworks to facilitate movements within regions, with freedom of movement being an important principle for most regional economic communities (table 9). This section examines regulatory frameworks at the continental level and regional economic community protocols on the free movement of persons and assesses their role in influencing migration patterns and trends.

2.2.1 Regulatory frameworks

Given the centrality of the free movement of persons to regional integration, and the aim of establishing a continental free trade area, the African Union has elaborated a draft protocol on the free movement of persons, right of residence and right of establishment, which foresees right of entry and the abolition of visa requirements, an African common passport, the free movement of border communities, the harmonization of national laws and policies on immigration, the free movement of students, researchers and workers, the mutual recognition of skills, right of residence, portability of social security, protection of property, remittances and right of establishment. The first 10-year implementation plan (2014–2023) of Agenda 2063 of the African Union emphasized, among others, the following: (a) the need to domesticate all free movement of person protocols; (b) that visa requirements for intra-African travel should be waived by 2018; (c) that opportunities offered to regional economic community citizens should be extended to non-community citizens; and (d) that legal frameworks for the issuance of an African common passport should be adopted by 2023 (African Union Commission, 2015).

However, the free movement of persons is only one aspect of migration frameworks and policies. In 2006, the African Union adopted the Migration Policy Framework for Africa, which provided comprehensive and integrated policy guidelines for consideration by its member States and regional economic communities in their efforts to promote migration and development and address migration challenges on the continent (see chapter 1). A series of other migration policies and frameworks followed that aimed to promote the better use of labour through greater liberalization and by ensuring safer conditions, such

Table 9

Ratification and implementation of protocols on the free movement of persons in regional economic communities

	RATIFICATION RATE	CURRENT ENTRY AND VISA REQUIREMENTS FOR FELLOW REGIONAL ECONOMIC COMMUNITY NATIONALS	DEVELOPMENTS CONCERNING THE RIGHT OF RESIDENCE AND RIGHT OF ESTABLISHMENT FOR FELLOW REGIONAL ECONOMIC COMMUNITY NATIONALS	COMMON PASSPORT	LABOUR MOBILITY
AMU	Three of five member States have ratified the respective protocol on the free movement of persons	Nationals do not require a visa for entry in 53 per cent of member States; nationals are issued a visa upon arrival in 20 per cent of member States	Mauritania has not ratified the protocol, but is the only member State that guarantees freedom of establishment and equal treatment of nationals of Mauritania and foreign persons and legal entities	No	Visa reciprocity agreements for short-term mobility
CEN-SAD	In development: Draft agreement on free movement and establishment of persons within the territory of member States of CEN-SAD; protocol on free movement	Nationals do not require a visa for entry in 51 per cent of member States; nationals are issued a visa upon arrival in 22 per cent of member States; holders of diplomatic passports do not require a visa and plans ongoing to extend this privilege to students, business people, athletes and academics	No	No	No
COMESA	Two of 20 member States have ratified the Protocol on the Free Movement of Persons, Labour, Services, Right of Establishment and Residence; 17 of 20 member States have ratified the Protocol on the Gradual Relaxation and Eventual Elimination of Visa Requirements	Nationals do not require a visa for entry in 26 per cent of member States; nationals are issued a visa upon arrival in 30 per cent of member States	No	No	Labour mobility is envisaged in the treaty; limited progress on implementation
EAC	All five member States have ratified the Protocol on the Establishment of the EAC Common Market	Nationals do not require a visa for entry in 80 per cent of member States; nationals are issued a visa upon arrival in 20 per cent of member States	Free movement of labour provisions for certain categories of professionals in member States; right to social security benefits and right of establishment; harmonization of employment policies and labour legislations is envisaged and mutual recognition agreements allow for cross-border practices among professionals and entitle professionals of member States to the same treatment as nationals	Yes; national identification is also used for entry in member States	Kenya, Rwanda and Uganda have abolished work permit fees for their respective nationals; Rwanda has a temporary work permit for semi-skilled workers

Table 9

Ratification and implementation of protocols on the free movement of persons in regional economic communities (*continued*)

	RATIFICATION RATE	CURRENT ENTRY AND VISA REQUIREMENTS FOR FELLOW REGIONAL ECONOMIC COMMUNITY NATIONALS	DEVELOPMENTS CONCERNING THE RIGHT OF RESIDENCE AND RIGHT OF ESTABLISHMENT FOR FELLOW REGIONAL ECONOMIC COMMUNITY NATIONALS	COMMON PASSPORT	LABOUR MOBILITY
ECCAS	Four of 11 member States have ratified the respective protocol on the free movement of persons	Nationals do not require a visa for entry in 45 per cent of member States; nationals are issued a visa upon arrival in 9 per cent of member States	The four member States that have ratified the protocol have also implemented the right of establishment	Yes; travel books and/or cards	Article 3 of the protocol addresses labour mobility
ECOWAS	All 15 member States have ratified the Protocol on the Free Movement of Persons, Residence and Establishment	Visa-free entry for all ECOWAS citizens	The Common Approach on Migration (2008) provides the overall framework for mobility within the region; residence cards; right of establishment granted; progress made towards harmonizing education certificates, but equal treatment of migrant workers and nationals still a challenge in areas such as security of employment, job loss, re-employment and training	Yes; travel certificates	Labour and Employment Policy (2009) addresses labour migration
IGAD	In development: Protocol on the free movement of persons	Nationals do not require a visa for entry in 50 per cent of member States; nationals are issued a visa upon arrival in 50 per cent of member States	Regional Migration Policy Framework (2012) envisages facilitation of labour mobility within the region	No	Migration Action Plan (2015–2020) identifies priority actions to better manage labour migration
SADC	Seven of 15 member States have ratified the Protocol on the Facilitation of Movement of Persons (2005) but it is not yet operational as it requires ratification by at least 10 member States	Nationals do not require a visa for entry in 65 per cent of member States; nationals are issued a visa upon arrival in 15 per cent of member States; provisions for member States to conclude bilateral agreements for visa exemptions	In line with the Protocol on Employment and Labour, member States are encouraged to ensure that fundamental rights (labour, employment and social protection) are granted to migrant workers and their families; Qualifications Framework aims to standardize recognition of training and qualifications within SADC	South Africa grants permanent and temporary work permits; border passes allow circulatory migration among cross-border traders	Botswana and South Africa grant work permits for certain workers; South Africa has bilateral labour agreements with several member States

Sources: International Centre for Migration Policy Development and IOM, 2015; UNCTAD, 2017a. See <https://www.uneca.org/oria/pages/regional-economic-communities> and <http://migration.igad.int/>.

as the Ouagadougou Action Plan to Combat Trafficking in Human Beings, Especially Women and Children (2006); the African Union Social Policy Framework (2008), which sought collaboration between social security schemes to ensure benefits from labour circulation; the Declaration of the Global African Diaspora Summit (2012); the African Union Youth and Employment Pact (2013), which aimed to develop an African Union and regional economic community labour migration plan; the African Union Horn of Africa initiative on human trafficking and the smuggling of migrants (2014); and the African Union Commission Strategic Plan (2014–2017), which contained a strategy to promote labour migration. In the Declaration on Migration (2015), member States committed to undertaking the speed up of the implementation of continent-wide visa free regimes, the expeditious operationalization of the African common passport, the mutual recognition of qualifications and skills, a mechanism for the empowerment of African women and youth in education and strengthened efforts to combat human trafficking.

Services trade through the temporary movement of natural persons, or mode 4 of the General Agreement on Trade in Services, is the supply of a service by a service supplier of one member, through the presence of natural persons of a member in the territory of any other member, and this is closely related to regional and international migration, with regard to temporary migration. However, mode 4 is likely ill-equipped for managing labour migration, which is increasingly driven by the interaction of migration-related agreements at the following three levels: multilateral opening up of labour markets via mode 4 and similar African Union and regional economic community initiatives; European Union mobility partnerships; and bilateral migration management agreements. It may be argued that the latter represent the most comprehensive regulation of migration currently available in treaty law. Such regulations and treaties on migration divide horizontally by skill levels. For example, non-trade, bilateral migration agreements are the main channels for recruiting low-skilled migrants, whereas trade agreements, including under mode 4, tend to address highly skilled segments of the labour market.

Finally, the African Union Commission, ILO, IOM and the United Nations Economic Commission for Africa are implementing the Joint Labour Migration Programme for Africa, which was formally adopted in 2015 by African Heads of State and Government as a comprehensive programme on labour migration governance for the region. Some processes regarding facilitating migration and making it more secure are therefore already under way.

2.2.2 Regional economic community protocols on the free movement of persons: Ratification and implementation

Right to work and establish

Since gaining independence, most African countries have embraced regionalism as a framework to increase intra-African trade (UNCTAD, 2013). Africa, in comparison with other regions, has therefore had a unique experience in terms of nation building and regional integration, as both processes occurred almost in parallel (Agadjanian, 2008).

As countries developed national frameworks for trade and labour movements, regional organizations established frameworks aimed at facilitating the flow of goods, services, labour and capital across borders.

The free movement of persons is fundamental to facilitating labour mobility to areas where it can be more productive. However, with the exception of those in EAC and ECOWAS, regional integration agendas in Africa have progressed slowly. All regional economic communities except CEN-SAD and IGAD have adopted such protocols, yet the rate of ratification of the protocols has been highly uneven (see table 9). EAC and ECOWAS member States have ratified the respective protocols; only two members of COMESA have ratified the respective protocol. Each member State of ECOWAS grants visa-free entry for ECOWAS citizens, and all EAC and IGAD nationals can travel to member States without a visa or can obtain a visa upon arrival. EAC and ECOWAS also issue common passports, and ECCAS issues travel books and/or cards. Entry into several regional economic communities is facilitated through special immigration counters. In most regional economic communities, however, visa regimes remain far from the African Union target of the abolishment of visa requirements for all African citizens in all African countries by 2018. Progress has been made in eliminating restrictions related to visa regimes, yet progress in the implementation of provisions on the right to reside and establish are often restricted to highly skilled professionals. Lack of progress in the mutual recognition of skills and certificates not only discourages the cross-border movement of labour but constrains labour mobility (United Nations Economic Commission for Africa, African Union and African Development Bank Group). EAC has made progress towards the mutual recognition of professions for accountants and architects and ECOWAS has made progress towards the harmonization of education certificates. Provisions on the right to reside and establish do not apply to low-skilled and semi-skilled migrants, as regional economic community member States differ greatly with regard to economic development, and high unemployment rates in countries often raise concerns about foreign workers competing with nationals for similar positions. In

some regions, migration is regulated through bilateral agreements. For example, in SADC, several member States regulate economic migration through bilateral labour agreements. Botswana grants work permits for certain workers and South Africa has bilateral labour agreements with several member States.

Migration within regional economic communities

The above section discussed the relevance of regional integration for migration within regional economic communities. The trajectory in intraregional migration in regional economic communities has been upward, with a notable increase in 2000–2010. In 2017, the share of migrant stocks within regional economic communities was substantially higher, when compared with interregional shares, with the exception of AMU and the EAC (table 10). In EAC, deepening integration, with the implementation of the EAC Common Market regulations on the free movement of workers, eased mobility barriers in the region. The recent upsurge in immigration can also be linked to the growing influx of migrants from Asia, including to Eastern, Southern and Western Africa.

Table 10

Shares of international migrant stock within and between regional economic communities, 2017
(Percentage)

ORIGIN	DESTINATION							
	AMU	CEN-SAD	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC
AMU	16.8	45.2	5.8	0.0	1.4	29.2	0.5	0.9
CEN-SAD	1.6	33.4	14.3	3.5	7.3	25.8	11.9	2.2
COMESA	0.4	8.8	30.5	16.7	8.1	0.1	22.8	12.7
EAC	0.0	7.7	29.4	23.4	9.3	0.1	15.9	14.3
ECCAS	0.1	5.7	22.4	16.0	26.0	2.1	7.8	20.0
ECOWAS	1.2	46.7	0.3	0.0	3.6	47.1	0.2	1.0
IGAD	1.0	15.0	33.7	15.0	2.7	0.0	31.7	1.0
SADC	0.0	1.0	22.0	13.0	12.3	0.0	6.2	45.5

Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

2.3 Patterns with regard to duration and status

The duration of migration varies considerably. While some migrants move for a definitive period, others migrate without prior knowledge as to when they might return. Migration in Africa is predominantly circular in nature and characterized by an emigration-diaspora-return continuum or origin-destination continuum (Adepoju, 2008; Oucho, 1990). Demand for labour has been a driver of circular migration in some regions. For example, contract migration for the mining sector in South Africa, which until recently relied on the large-scale recruitment of migrants from neighbouring countries, has been a driver of circulatory labour mobility.

The household surveys under the Africa Migration Project show that the share of returning migrants is low, ranging from 2 per cent in Uganda to 25 per cent in Burkina Faso (table 11; World Bank, 2013). Most migrants who return do so in less than five years, except in Senegal, where most migrants stayed abroad for more than 15 years, suggesting that trans-border migration, in particular its temporary and circular pattern, is largely influenced by immediate and specific economic needs to relieve households of economic pressures (Agadjanian, 2008).

Table 11
Returning migrants and distribution of duration of stay abroad, 2009–2010
 (Percentage)

	MIGRANTS WHO RETURNED	MIGRANTS WHO RETURNED IN < 5 YEARS	MIGRANTS WHO RETURNED IN 5–15 YEARS	MIGRANTS WHO RETURNED IN > 15 YEARS
Burkina Faso	25	67	16	16
Kenya	3	57	31	12
Nigeria	4	63	28	9
Senegal	9	32	2	66
South Africa	19	68	28	5
Uganda	2	77	23	

Sources: Shimeles, 2010 (data for Burkina Faso and Senegal); World Bank, 2013.

Note: Return rates are based on internal and international migrants.

2.4 Irregular migration

The migration data in the previous sections are based on regular migration. Irregular migration, a feature of movements in Africa, is defined as movement that takes place outside the regulatory norms of origin, transit and destination countries (IOM, 2013; see Glossary). Immigration in large parts of the continent is irregular (Lucas, 2006). Owing to its widespread nature, irregular migration is difficult to quantify.

Globally, the magnitude of irregular migration is estimated at 10–15 per cent of international migration flows (IOM, 2010). Estimates of irregular migration are often based on arrest records in the receiving country and/or country from which a migrant has been deported. Estimates on the magnitude of irregular migration in Africa are few and vary widely (Karagueuzian and Verdier-Chouchane, 2014).

The main intra-African flow of irregular migration is trans-Saharan migration in the Agadez, the Niger–Sabha, Libya corridor, with an estimated 90 per cent of migrants on the route planning to migrate to Europe (Karagueuzian and Verdier-Chouchane, 2014). Irregular migration flows and stocks in Northern Africa are on the rise (Fargues, 2009; IOM, 2008). Studies find that within Northern Africa, the main irregular migrant receiving country is Libya, mainly because of its long border along the Sahara and its pan-African migration policy.¹¹ Côte d'Ivoire, Nigeria and South Africa are also major destinations for irregular migrants in Africa.

2.5 Gender component of migration

Men migrants dominate, yet women's migration is growing in importance in Africa and is reflected in the growing number of women migrating for work and education and to pursue other economic opportunities. Women migrants are concentrated in particular niches (International Centre for Migration Policy Development and IOM, 2015). For example, in Southern Africa, the growing number of women migrants from Zimbabwe in cross-border trade and other migratory niches is due in large part to ongoing dynamics in socioeconomic structures, the decline in traditional, men-centred forms of livelihood and a rise in women-headed households, in response to structural adjustment policies (Andall, forthcoming; Muzvidziwa, 2001). At the same time, women are increasingly

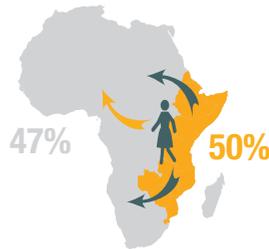
¹¹ Karagueuzian and Verdier-Chouchane (2014) define the pan-African migration policy of Libya from the 1990s to the mid-2000s as “a diplomatic move consisting at first of official declarations, as a response to the international embargo against Libya (1992–1999) and the rapprochement with the Organization of African Unity (former African Union), and subsequently friendly laws towards sub-Saharan migrants”.

engaging in formal contract migration, for example women from Lesotho in contract agricultural employment in South Africa. Other evidence points to changes in labour market dynamics in developed countries, arising from ageing populations, with demand for highly skilled labour from the developing world, including from Africa, creating new opportunities for women doctors, nurses, teachers and other professionals (BBC News, 2002; Katseli et al, 2006).

Some recent studies refer to a feminization of migration (see Pfeiffer et al, 2007), defined as an increase in the number of women migrants, including as a proportion of the total, yet this is not as evident in Africa compared with developed regions. United Nations Department of Economic and Social Affairs data shows that the feminization of migration based on the share of women migrants in the total international migrant stock has only been observed in developed countries. The stock of women migrants increased slightly and stood above 50 per cent in 1990–2017, as shown in figure 10.

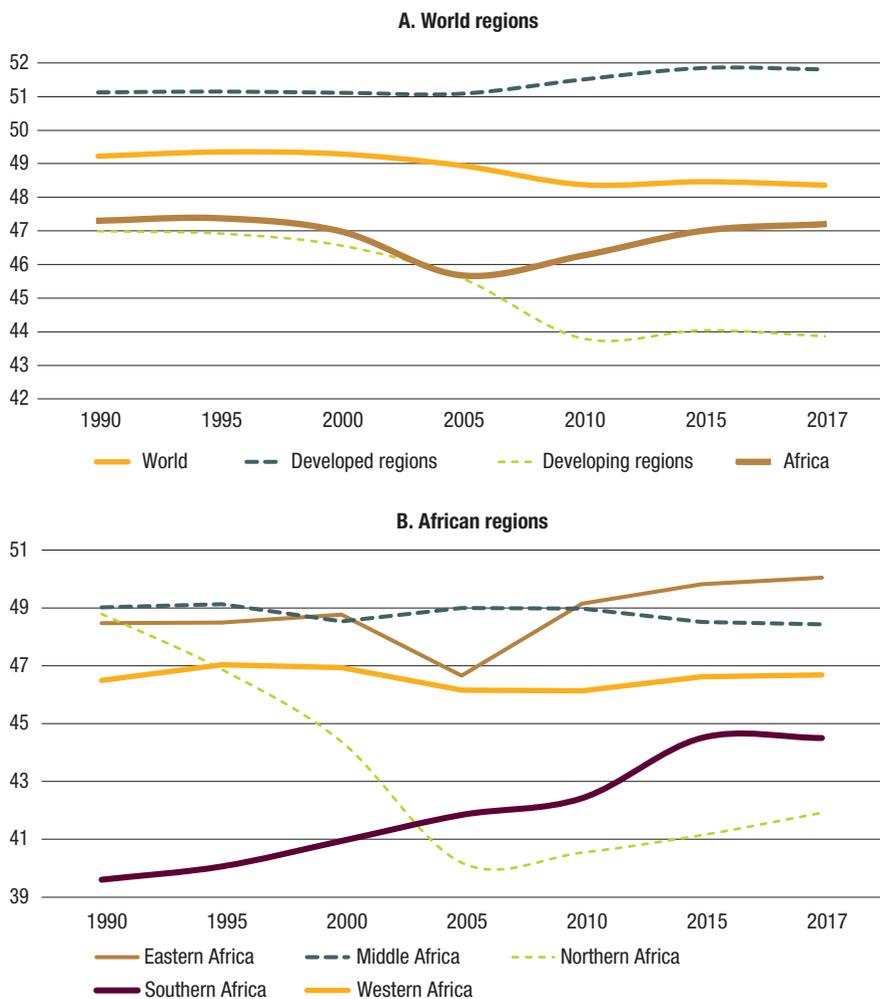
At the global level, however, there has been a slight decline, as women constituted 49 per cent of the total international migrant stock in 1990 and 48.4 per cent in 2017. A similar trend has been observed in developing countries, as the share of women migrants in the total international migrant stock declined in 2005–2015. Africa recorded a slight decrease, from 47.2 per cent in 1990 to 45 per cent in 2005, recovering to 47 per cent in 2017. However, the data are based on the gender distribution of international migrant stocks in countries in Africa and do not reflect the gender distribution of migrants that have left the continent. In addition, comparatively, Southern Africa has consistently reported a much lower share and Northern Africa experienced a significant decline in women’s migration in 1990–2005. The data suggest that although there have been increasing numbers of African women migrating, the share of migrants has not increased at the continental level.

In 2017, share of international
women migrants
in **Eastern Africa**
exceeded
continental **average**



Chapter 3 explores the dynamics of men’s and women’s migration in selected countries in Africa in more detail, to better understand these trends and what has triggered these developments.

Figure 10
Women migrants as share of international migrant stock in
(a) world regions and (b) African regions
 (Percentage)



Source: UNCTAD calculations, based on United Nations Department of Economic and Social Affairs, 2017a.

2.6 Conclusions

Migration is integral to Africa. With regard to the magnitude of migration, international migrant stocks have increased since 1990 and remain primarily intra-African.

Youth unemployment levels on the continent are high and there is therefore a higher propensity to migrate among youth, as evidenced by the fact that Africa has the lowest median age of migrants in the world. Without accessible opportunities for decent work at home, youth will continue to move, seeking job opportunities wherever they can reasonably access them (see chapter 3).

Distinct patterns have emerged between regions. Migration in Northern Africa is distinctly extra-continental, as reflected in its relatively higher level of extra-continental emigration in comparison with all other regions. Rising levels of migration in Western and Southern Africa may be linked to demand for labour in major economic hubs in the two regions. Intra-African migration in Eastern Africa is comparatively more diversified with regard to the origins of international migrants from Africa, with economic factors, as well as conflict and political instability, being key drivers of migration to the region.

Women's migration is growing in importance in Africa, yet gender-related data show that migration in Africa is men-dominated, with the trends suggesting that the feminization of migration is not as evident in Africa as in other regions.

The potential implications of the observed patterns for future migration in Africa are as follows:

- (a) Intra-African migration is expected to increase with the deepening of regional and continental integration and the facilitated movement of people. Economic development and increased trade and transportation will enable more people to migrate, for shorter periods of time. This could facilitate greater migration both within and outside Africa.
- (b) Given historically well-established migration zones and increasingly integrated regional economies, sending countries can potentially harness established networks and diasporas for growth and investment. Such networks are also important facilitators of migration.
- (c) If conflicts continue and the negative impacts of climate change are not addressed through climate change adaptation and mitigation financing, it is likely that some distress-push migration will continue.
- (d) With regard to extra-continental migration, long-term demand for migration from Africa may rise in line with ageing populations in Europe. Owing to a combination

of low fertility rates and a large informal sector in Southern Europe that typically employs many migrants, demand for low-skilled and skilled migrants, including from Africa, may increase.

- (e) Migration to Africa has recently reverted to growth and it is expected that economic growth and opportunities in Africa will continue to attract migrants from outside the continent.

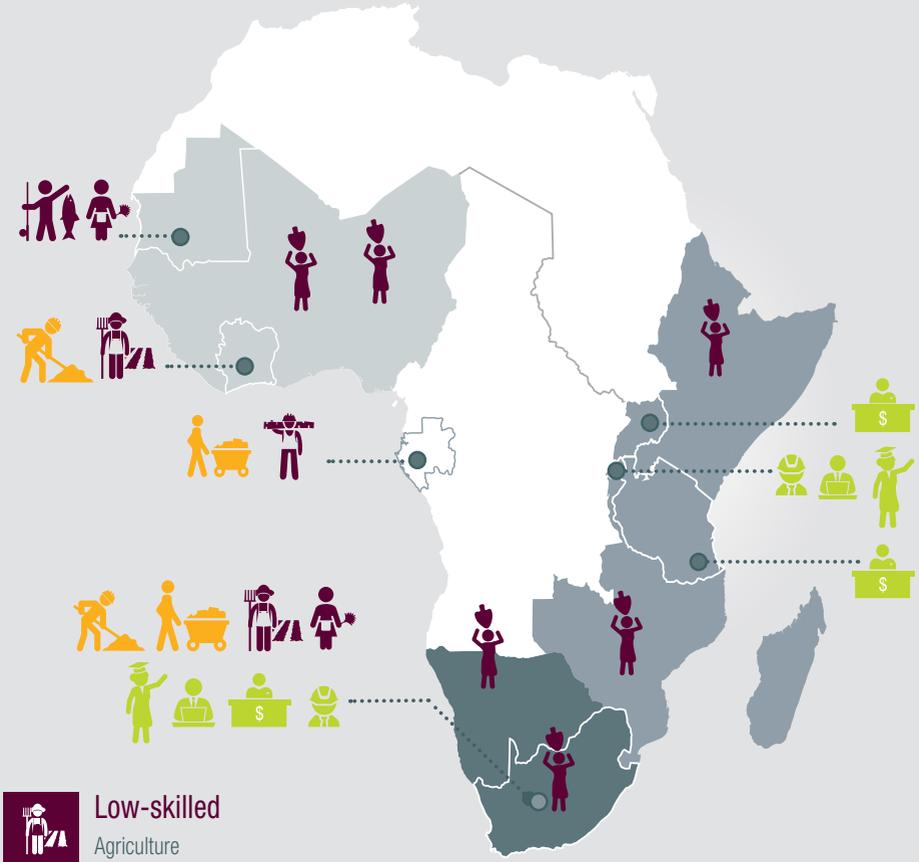
This chapter provided an overview of contemporary migration patterns and trends in Africa. The following chapters further explore the characteristics and motivations of African migrants and the impact that migration has had on economies in Africa.

CHAPTER 3

Contemporary labour migration

This chapter examines contemporary migrants, including low-skilled, semi-skilled or highly skilled migrants, and education levels, as well as seasonal and/or short-term migrant workers. In addition, this chapter explores the factors that drive persons to migrate, by drawing on data detailing household-level characteristics in a sample of countries in Africa. Finally, this chapter highlights the sectors in which migrants engage in regional labour markets in Africa and how economic migration can contribute to socioeconomic development in Africa.

MIGRANT OCCUPATIONS



- Low-skilled**
- Agriculture
 - Domestic services
 - Lumber
 - Fishing
 - Informal cross-border trade

- Semi-skilled**
- Construction
 - Mining

- Highly skilled**
- Information technology
 - Education
 - Engineering
 - Financial services

Migration can contribute to upskilling



Economic migration is a key feature of movements in Africa, characterized by relocations to key economic hubs for employment and other economic opportunities. Demand in sectors such as agriculture, mining and construction, which historically influenced such movements, remains an important driver of economic migration on the continent. Growing demand in domestic work, retail and hospitality, as well as in skill-intensive sectors such as finance, information technology and engineering, among others, is also an important driver of labour movements. Consequently, the migration of skills, whether low-skilled, semi-skilled or highly skilled migrants, has become a salient feature of contemporary intra-African economic migration. The growing importance of women's economic migration, with increasing volumes of women migrants, is also reflected in contemporary economic migration on the continent.

The first section provides an overview of the personal and household characteristics of contemporary economic migrants, drawing on microlevel data from two sets of comparable household surveys, those of the World Bank Africa Migration Project and of the Migrating Out of Poverty household surveys (see chapter 1), and examining the socioeconomic characteristics of migrants, including demographic profiles, education levels, ages and gender, in nine countries and highlighting key migration trends within and across regions on the continent. The second section provides an overview of the key corridors for economic migrants from these nine countries, along with key features of and trends in contemporary intra-African economic migration. It also examines the types of economic migration on the continent, including low-skilled, semi-skilled or highly skilled migrants, highlighting the sectors in which economic migrants in Africa engage. The role of migration recruitment agencies, which broker migrant employment, is also discussed. The concluding section discusses how economic migration can contribute to socioeconomic development and structural transformation both at home and abroad.

3.1 Economic migrants

In characterizing contemporary economic migrants in Africa, this section uses data from household surveys undertaken as part of the World Bank Africa Migration Project in 2009 in Burkina Faso, Kenya, Nigeria, Senegal, South Africa and Uganda and from the surveys undertaken as part of the Migrating Out of Poverty project in 2013–2015 in Ethiopia, Ghana and Zimbabwe. The datasets of

the latter focus on rural households, yet the two sets of surveys are comparable to the extent that they explore the diversity of migration patterns, both internal, or within a person's origin country, and international, or beyond the borders of a person's origin country, including neighbouring countries, other countries in Africa and extra-continental destinations, and also explore the reliance of households on migration to generate incomes and support livelihoods (see chapter 1). The results of the surveys provide useful insights on economic migrants and the nature of contemporary economic migration on the continent. However, owing to the small sample sizes in some countries, the findings presented are illustrative of the samples.

The nine countries vary considerably in their levels of economic development. Burkina Faso, Ethiopia, Senegal, Uganda and Zimbabwe are low-income economies; Ghana, Kenya and Nigeria are lower middle-income economies; and South Africa is an upper middle-income economy. With regard to migration-related characteristics, Burkina Faso and Nigeria are among the top sending and receiving countries in Africa, respectively, and South Africa is the top migration destination in Africa (see chapter 2). Ethiopia and Kenya are also receiving countries, and the latter is host to a large refugee population. The geographical proximity of Senegal to Europe influences its outflows to the region. Uganda is a top receiving country and, as a landlocked country, its geographical location is an important determinant of migration to and from other countries in the region. Zimbabwe is a sending country and South Africa is a key destination for a large share of its outflows.

3.1.1 Economic migrant characteristics

Contemporary economic migration in Africa is men-dominated. The multivariate analysis of the factors associated with being a migrant generally suggests that women are less likely to migrate than men (see figures 12 and 13). Economic migrants in Africa in the nine countries under discussion are disproportionately men, yet there is a considerable gender divide in some countries with regard to internal migration (table 12). More than three quarters of internal migrants in Ethiopia, Ghana, South Africa and Uganda are men, roughly half of international migrants from Burkina Faso, Senegal and Zimbabwe are men, and almost half of international migrants from Burkina Faso, Ethiopia, Kenya and Senegal are women.

Table 12
Migrant destinations by gender
 (Percentage)

	MEN	WOMEN	SHARE OF HOUSEHOLD SAMPLE SIZE	HOUSEHOLD SAMPLE SIZE
Burkina Faso (2010)				
Internal	40	57	42	909
International	60	43	58	1 244
				Total: 2 153
Ethiopia (2014)				
Internal	82	59	71	1 086
International	18	41	29	444
				Total: 1 517
Ghana (2013)				
Internal	93	97	94	1 191
International	7	3	6	71
				Total: 1 262
Ghana (2015)				
Internal	91	97	93	714
International	7	3	7	52
				Total: 766
Kenya (2010)				
Internal	56	52	55	1 203
International	44	48	45	1 002
				Total: 2 205
Nigeria (2009)				
Internal	72	81	75	2 486
International	28	19	25	815
				Total: 3 301
Senegal (2009)				
Internal	46	56	48	1 070
International	54	44	52	1 137
				Total: 2 207
South Africa (2009)				
Internal	84	83	84	302
International	16	17	16	58
				Total: 360
Uganda (2010)				
Internal	76	83	79	1 305
International	24	17	21	340
				Total: 1 645
Zimbabwe (2015)				
Internal	44	41	43	657
International	56	59	57	860
				Total: 1 530

Source: UNCTAD calculations, based on University of Sussex, 2018, and World Bank, 2013.

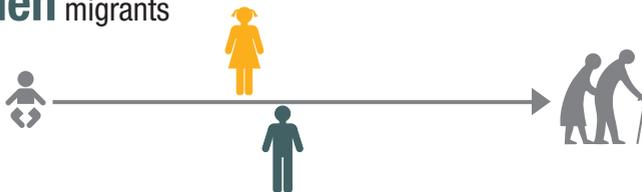
Notes: The surveys in Ghana captured few international migrants (see section 1.6.2). The figures on international migrants are therefore highly underestimated and cannot be used to infer the proportions of internal compared with international migrants.

With regard to marital status, a large share (65 per cent) of migrants from Ethiopia are single, including children, and migrants in the other eight countries are primarily married or cohabiting. The share of separated, divorced or widowed migrants is higher among women migrants compared with men, except for in Burkina Faso, and almost one quarter (23 per cent) of women migrants from Zimbabwe are separated, divorced or widowed (University of Sussex, 2018, and World Bank, 2013).

3.1.2 Migrant age and duration of migration

The United Nations and ILO define youth as persons aged 15–24. Young people under 35 comprise a large share of the population of Africa, a characteristic reflected in migration patterns on the continent, and youth in sub-Saharan Africa have the largest share of those willing to migrate, at an estimated 38 per cent (ILO, 2016). This chapter adopts the national conventions of the countries under consideration. Contemporary economic migrants in Africa are primarily young people, who comprise large groups of the continent’s labour market entrants. The median age of migrants from Africa, at 31 years in 2017, is lower than the global median of 39 years. In the nine countries under discussion, migrants comprise young people aged 18–35 who move within their countries, to other destinations in Africa and to extra-continental destinations for work and other economic opportunities, including for education. The high level of youth unemployment in Africa is a key driver of youth movements on the continent. In Northern Africa, youth unemployment, which peaked at 29.3 per cent in 2016, is a driver of extra-continental migration from AMU to Europe, and youth unemployment in sub-Saharan Africa, which reached 10.9 per cent in 2016, is a driver of intra-African and extra-continental migration (ILO, 2016).

Surveys reveal **women migrants** are **younger** than **men** migrants



With regard to demographic profiles, men migrants in the nine countries are, on average, older at the time of migration than women migrants, except for women migrants from South Africa, who are slightly older than men migrants at the time of migration (table 13). Women migrants from Burkina Faso, Ethiopia, Nigeria and Uganda are, on average, aged 18–21 at the time of migration. The multivariate

Table 13

Age of migrants at times of survey and of departure and duration of migration

	MEN			WOMEN		
	AGE AT SURVEY (YEARS)	AGE AT DEPARTURE (YEARS)	DURATION OF MIGRATION (MONTHS)	AGE AT SURVEY (YEARS)	AGE AT DEPARTURE (YEARS)	DURATION OF MIGRATION (MONTHS)
Burkina Faso (2010)	31.5	23.4	97	25.9	18.5	88
Ethiopia (2014)	26.6	23.3	40	23.7	20.7	36
Ghana (2013)	32	28.3	56	28.7	25.9	55
Ghana (2015)	28.6	27.2	36	26.4	24.5	32
Kenya (2010)	32.7	26.3	77	30.7	24.2	78
Nigeria (2009)	29.6	23.7	70	26.3	21.2	61
Senegal (2009)	35.2	27.8	88	30.8	23.5	87
South Africa (2009)	32.9	26.9	72	33.6	27.6	72
Uganda (2010)	29.5	23.5	71	27.2	20.9	76
Zimbabwe (2015)	36.6	33.1	42	33.6	30.9	39

Source: UNCTAD calculations, based on University of Sussex, 2018, and World Bank, 2013.

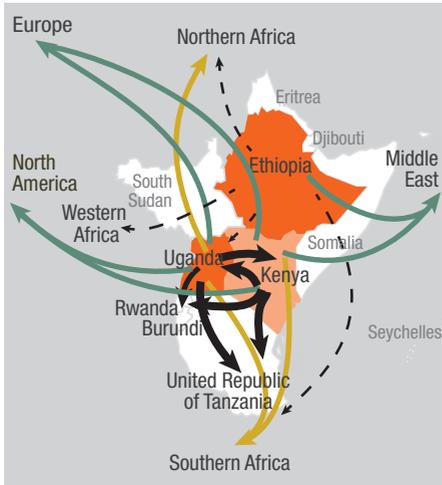
analysis of the factors associated with being a migrant suggests that younger people are generally more likely to migrate, possibly reflecting the transferability of skills that are less specific to location or sector.

Child labour migration remains a feature of contemporary economic migration on the continent. The Convention on The Rights of the Child defines a child as a person under 18. Child labour migration is reflected in the nine countries, yet its incidence in most of the countries is low. In the countries in which its share is relatively higher, it is characterized by children under 18 engaging in low-skilled and semi-skilled occupations in agriculture and domestic work and in the informal sector, with limited education opportunities and poverty levels in these countries may be possible drivers of migration. Africa has the highest incidence of child labour globally, at 19.6 per cent, compared with 9.6 per cent worldwide (ILO, 2017a).

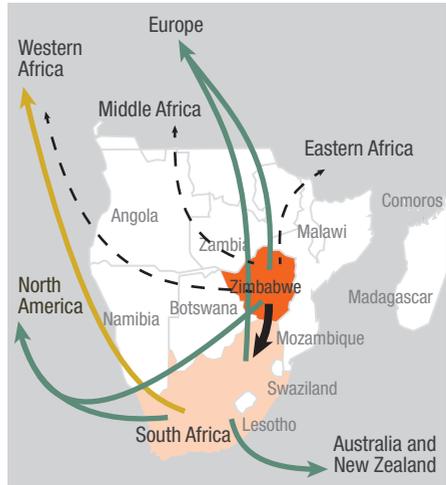
With regard to duration of stay, the Migrating Out of Poverty surveys show that women migrants remain in destinations for a shorter duration, of 3–4 years, compared with men migrants, at 5–6 years. In contrast, the Africa Migration Project results show that, overall, migrants remain in destinations for longer durations, of 5–7 years, on average, with considerable variation in the duration of stay among women and men migrants. At the same time, there were notable changes in the migration dynamics in Ghana from 2013 to 2015, reflected in the increase in the number of households with a migrant in 2015, compared with 2013, which suggests that unemployment is a driver of migration to and from destination countries.

Figure 11
International migration corridors in selected regions

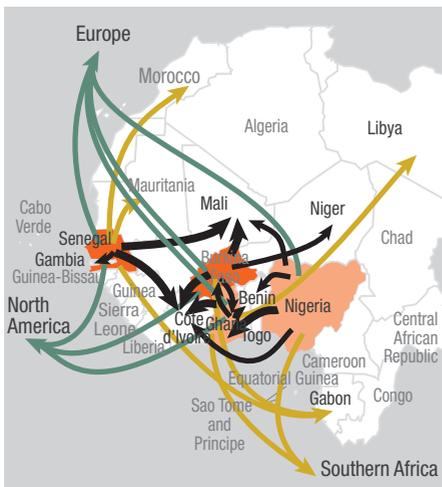
(a) Eastern Africa



(b) Southern Africa



(c) Western Africa



- Low-income country
- Lower middle-income country
- Upper middle-income country
- Intraregional corridor
- Interregional corridor
- Extra-continental corridor
- Unspecified intraregional and interregional corridors

Source: UNCTAD elaboration, based on University of Sussex, 2018, and World Bank, 2013.

3.1.3 Economic migration destinations

The key economic migration corridors from the nine countries under discussion are shown in figure 11, highlighting the heterogeneity in patterns, trends and dynamics. Besides internal movements to destinations within national borders, economic migration is also characterized by intraregional movements to destinations within regional economic communities, interregional movements to other regional economic communities and movements to extra-continental destinations.

Economic growth has significantly influenced migration flows within countries and to intra-African destinations. Internal migration is the dominant pattern of contemporary economic migration on the continent, yet intraregional and interregional migration are also important features of intra-African economic movements. Intra-African migration is primarily intraregional but also has regional economic community-level dimensions (see chapter 2). In 2017, the share of migrant stocks in regional economic communities in which the nine countries had membership were substantially higher than their interregional shares. Ethiopia and Uganda have relatively high shares of migrant stocks in CEN-SAD, possibly due to their geographical proximity to other countries in CEN-SAD (table 14).

Table 14
Shares of international migrant stock in regional economic communities, 2013
 (Percentage)

ORIGIN	DESTINATION							
	AMU	CEN-SAD	COMESA	EAC	ECCAS	ECOWAS	IGAD	SADC
Burkina Faso	0.0	99.6	0.0	0.0	0.3	99.7	0.0	0.0
Ethiopia	1.2	87.5	87.9	24.2	0.0	0.0	94.6	3.4
Ghana	0.2	96.0	0.2	0.0	1.0	95.9	0.0	2.8
Kenya	0.2	2.7	55.7	68.3	0.7	1.4	52.1	43.6
Nigeria	0.7	67.0	5.0	0.0	26.8	62.3	4.2	5.9
Senegal	8.9	72.7	0.7	0.0	15.7	72.6	0.0	2.0
South Africa	0.4	0.9	30.2	0.6	28.6	1.0	0.2	98.2
Uganda	0.0	56.1	97.3	72.1	1.3	0.0	80.5	3.9
Zimbabwe	0.0	0.1	11.5	0.2	0.0	0.0	0.1	99.9

Source: UNCTAD calculations based on United Nations Department of Economic and Social Affairs, 2017a.

Note: Countries may have membership in more than one regional economic community.

In Western Africa, robust labour demand in agriculture and construction continues to fuel movements from Burkina Faso to Côte d'Ivoire, a significant economic corridor, and from Senegal to Côte d'Ivoire. In addition, trade is an important driver of migration from Nigeria to neighbouring Benin, Ghana and Togo, as well as to Côte d'Ivoire and Mali (table 15). The ECOWAS protocol related to free movement of persons, residence and establishment has facilitated migrant mobility within the region's labour markets.

Table 15
Intraregional and interregional migration destinations (for selected countries)

ORIGIN	INTRAREGIONAL DESTINATIONS	INTERREGIONAL DESTINATIONS
Burkina Faso	Côte d'Ivoire; Ghana; Mali; Niger; Togo (ECOWAS)	Gabon
Ethiopia	Unspecified (within IGAD)	Unspecified
Ghana	Burkina Faso; Côte d'Ivoire; Togo (ECOWAS)	Libya; South Africa; Zambia
Kenya	Rwanda; Uganda; United Republic of Tanzania (EAC)	Congo; South Africa; Sudan; Zimbabwe
Nigeria	Benin; Côte d'Ivoire; Ghana; Mali; Togo (ECOWAS)	South Africa; other unspecified destinations in Africa
Senegal	Côte d'Ivoire; Gambia; Mali (ECOWAS)	Gabon; Mauritania; Morocco
South Africa	Unspecified	Nigeria
Uganda	Burundi; Kenya; Rwanda; United Republic of Tanzania (EAC)	Sudan; South Africa
Zimbabwe	South Africa (SADC)	Unspecified

Source: UNCTAD, based on University of Sussex, 2018, and World Bank, 2013.

Note: Data covers selected regional economic communities, as most States belong to more than one regional economic community, which affects the classification of movement as intraregional or interregional.

In Eastern Africa, growing labour demand in the region's diversified economies, notably in Kenya and increasingly in Rwanda, has been a driver of intraregional migration. Demand in services and trade has fuelled migration from Uganda to EAC partner States, in particular, Kenya, Rwanda and the United Republic of Tanzania, and from Kenya to Burundi, Rwanda, Uganda and the United Republic of Tanzania. The EAC protocol on the common market, with regard to the free movement of persons, along with the abolition of work permits by some EAC partner States, has facilitated mobility within regional labour markets.

In Southern Africa, contemporary economic migration has been influenced by multiple factors. Labour demand in the region's diversified economies, in particular Botswana and South Africa, remains an important driver of economic migration in SADC. Demand in commercial agriculture, mining, construction and, increasingly, services are significant

drivers of most economic migration, including from Zimbabwe to South Africa, which is a significant corridor.

In the Horn of Africa, informal trade has been an important driver of economic migration, and demand in domestic services and construction in the Middle East continues to be a significant driver of extra-continental movements to the region.

Demand for labour in various sectors a **key driver** of intra-African **migration**



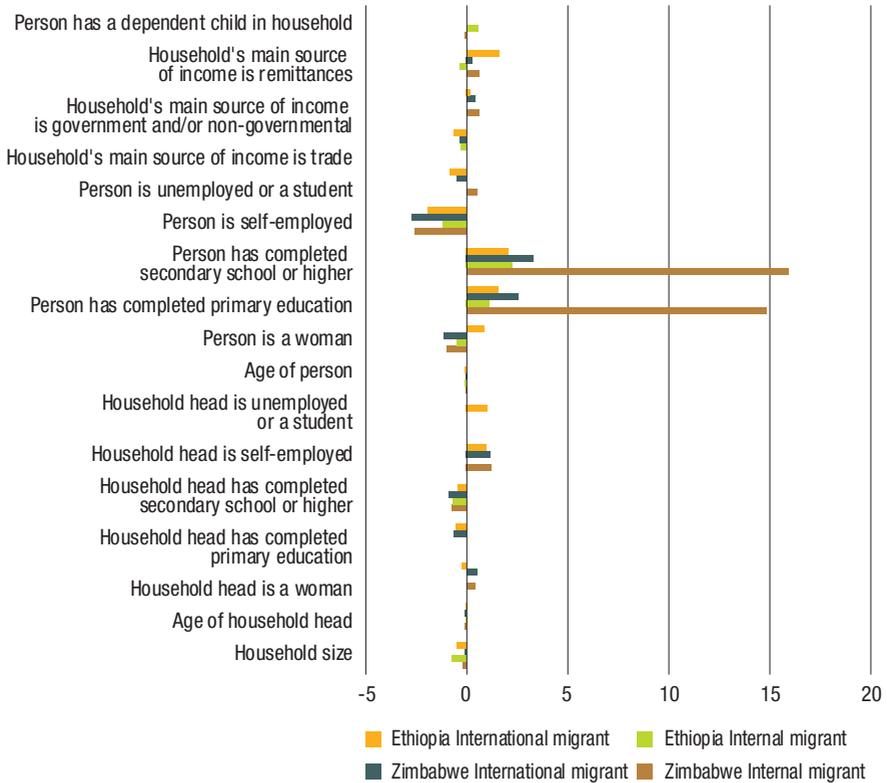
Contemporary interregional economic migration on the continent has been to economic growth hubs. Demand in the skill-intensive finance, education and information technology sectors and other sectors in South Africa has fuelled migration along the eastern corridor from Kenya and Uganda, and trade has been a driver of interregional migration from Eastern Africa to the Congo and the Sudan. Labour shortages in the agriculture and lumber sectors have fuelled interregional migration from Burkina Faso to Gabon, a key migration destination, as has demand in labour and skill-intensive sectors in South Africa, which has influenced low-skilled and highly skilled migration from Nigeria. In addition, in Western Africa, demand in agriculture, construction, fishing and mining has been a driver of interregional migration from Senegal to Gabon and Mauritania.

3.2 Migration, education and labour market outcomes in origin and destination countries

Skills are a salient feature of contemporary economic migration in Africa, are determined by education levels and significantly influence the prospects of migrants in the labour market. Higher levels of education allow for skills transferability to different sectors and increase a person's potential to earn higher incomes. Education level is an important determinant of a person's propensity to migrate, except when the head of household is well-educated, and also influences the mobility of migrants in destination countries (figure 12; box 1).

Figure 12

Ethiopia and Zimbabwe: Determinants of migration based on personal and household characteristics



Source: Litchfield et al, 2018.

Notes: The figure shows the logistic regression odds ratios of the probability of being an internal or international migrant compared with being a non-migrant. Positive or negative log odds ratios suggest that a given factor is associated with a greater or lower probability, respectively, of being an internal or international migrant compared with not being a migrant (see box 1).

This section examines the education levels of migrants in the nine countries under discussion and the deployment of various skills categories within regional labour markets in Africa, as well as key trends in skills categories and sectors of the economy that provide economic opportunities for migrants within and across regions.

Box 1 Modelling migration-related outcomes

The multivariate analysis presented in figures 12 and 13 explores the factors associated with the probability of whether a person is a migrant, modelling migration outcomes at the personal level. The analysis models the likelihood of a person's being a migrant with the following probit model, in which outcome variable is binary, equal to 1 if the person is a migrant and 0 if the person is not a migrant:

$$\Pr(M = 1)_{ihd} = \alpha + \gamma_1 X_{ih} + \gamma_2 H_h + \gamma_3 D_d$$

Where X_{ih} is the set of characteristics of person i in household h in district d , H is the set of household characteristics and D is the set of regional or district controls. The model specification includes the age, gender and education level of the migrant and a set of household characteristics. The correlations of migration type, that is, distinguishing between internal and international migrants, are also explored for Ethiopia and Zimbabwe with a multinomial logistic regression model with three possible outcomes, namely not a migrant, internal migrant and international migrant. The analysis clusters the models at the household level, to capture unobserved correlations across persons who belong to the same household, such as risk-taking attitudes.

Source: Litchfield et al (2018).

3.2.1 Migrant education levels

Migrant education levels vary considerably in the nine countries surveyed. Migrants in the three countries surveyed under the Migrating Out of Poverty project are slightly better educated and have higher levels of educational attainment than non-migrants (table 16). In Ethiopia, migrants are likely to have completed secondary school and tertiary-level education, compared with a higher share of non-migrants without formal education. In Zimbabwe, most migrants have completed secondary school.

Table 16
Ethiopia, Ghana and Zimbabwe: Migrant education levels
(Percentage of total migrant sample)

	NONE	SOME PRIMARY	COMPLETED PRIMARY	SOME SECONDARY	COMPLETED SECONDARY	HIGHER EDUCATION	OTHER
Ethiopia (2014)							
Non-migrants	36.2	16.3	24.9	14.0	2.6	1.7	4.3
Migrants	8.9	12.0	30.9	24.0	6.3	13.3	4.6
Ghana (2015)							
Non-migrants	31.6	14.5	5.7	20.2	14.0	4.6	9.4
Migrants	24.2	12.2	3.8	23.1	18.2	7.5	11.0
Zimbabwe (2015)							
Non-migrants	17.8	36.0	-	33.7	1.6	0.2	10.7
Migrants	0.7	4.0	-	20.0	64.3	2.8	8.1

Source: Litchfield et al, 2018.

Among migrants in the six countries surveyed under the Africa Migration Project, a large share of migrants in Burkina Faso and Senegal have low levels of education, with 63 and 60 per cent, respectively, having no formal education, and 25 and 18 per cent, respectively, having a limited education, of up to primary school level. Conversely, about two thirds of migrants from Nigeria (67 per cent) and South Africa (62 per cent) have higher levels of educational attainment, of at least secondary or tertiary school level.

Education levels among migrants in the nine countries correlate with the types of employment or economic activities undertaken. In Burkina Faso, for example, migrants with low levels of education are primarily engaged in agriculture or animal breeding, and migrants in Nigeria with higher levels of education are engaged in highly skilled occupations.

3.2.2 Highly skilled migrants

Highly skilled migration is a characteristic feature of contemporary economic migration in Africa and is a feature of economies in Africa irrespective of economic development level. The share of migrants in highly skilled occupations is shown in table 17. Small and low-income countries, as well as countries experiencing conflict and small island developing States, have higher rates of skilled emigration (Ratha, Mohapatra, Özden et al, 2011).

Table 17

Share of migrants in highly skilled occupations (managers, professionals and technicians and associate professionals) in origin and destination countries

(Percentage)

	IN ORIGIN COUNTRY	IN DESTINATION COUNTRY
Burkina Faso (2010)	2.2	3.2
Ethiopia (2014)	6.3	11.9
Ghana (2013)	9.4	8.5
Senegal (2010)	7.8	11.9
South Africa (2010)	25.2	29.9
Zimbabwe (2015)	16.1	14.7

Source: UNCTAD calculations, based on University of Sussex, 2018, and World Bank, 2013.

Highly skilled migrants in Africa have a tertiary-level education and/or professional qualifications, and work as managers, professionals and technicians. Demand in skill-intensive sectors such as education, engineering, finance, management and information

technology have been drivers of highly skilled migration in regional markets on the continent. In Southern Africa, labour shortages in finance, the largest sector in South Africa in terms of value added, have fuelled highly skilled migration from SADC partner States, in particular from Zimbabwe, and interregional migration from Kenya, Nigeria and Uganda. South Africa has historically granted work permits aimed at attracting highly skilled professionals from SADC partner States, as well as interregional migration, to address labour shortages in the highly skilled category, and has recently adopted a policy to raise immigration levels of highly skilled workers (United Nations Department of Economic and Social Affairs, 2013a; see box 6).

Similar labour shortages in information technology, engineering, finance, hospitality and management in some regional markets in Eastern Africa have fuelled highly skilled migration from the region, including among young highly skilled professionals. Rwanda is a major destination for migrants from Kenya and Uganda and has attracted highly skilled professionals. Its burgeoning information technology sector has driven labour mobility among young highly skilled migrants from Kenya, who have taken advantage of economic opportunities in the sector, and demand in financial services and other skill-intensive sectors in Uganda and the United Republic of Tanzania has also fuelled mobility among professionals from Kenya (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013a; IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013b). Mutual recognition agreements between various professional bodies within EAC allow for cross-border practices among professionals and entitle professionals from partner States in accounting, architecture, dentistry, medicine and engineering to the same treatment as nationals. Such agreements, along with the abolition of work permits by some EAC partner States, have been vital in facilitating labour mobility among highly skilled professionals within the region. Regional investment in economic sectors, besides creating labour demand in specific sectors, has also become an important driver of intraregional economic migration (box 2).

Besides generating employment and other economic opportunities, intraregional migration has contributed to economic growth in countries, while boosting regional economic development. The policy of Rwanda to attract investment from EAC partner States, which led to significant investments by Kenya in its financial services sector, has served as a catalyst for labour mobility from Eastern Africa (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013b). Intraregional economic migration to Rwanda has increased its labour supply in sectors with shortages, while contributing to the development of education, engineering, finance, hospitality and financial services through the exchange of skills (IOM and African, Caribbean and Pacific

Box 2 Kenya and Rwanda: Cross-border investment and economic migration

The abolition of work permit fees in 2013 for nationals of Kenya and Rwanda has allowed for labour mobility between the two countries. Labour legislation in Rwanda, which has provisions that allow citizens from EAC partner States to work in the country, and for granting work permits to foreign workers, along with the establishment of a temporary resident permit for semi-skilled workers, have been vital in facilitating labour migration, including among semi-skilled migrants. In addition, cross-border investment has been a catalyst for intraregional migration. The strategy of Rwanda to attract investment from EAC partner States and highly skilled workers, both of which are elements of its national migration policy framework, has helped to stimulate intraregional economic migration. Significant private investment by EAC partner States has contributed to business growth, generated employment and helped drive intraregional labour migration. Investment by Kenya in 2000–2014 in banking, construction, education, information and communications technologies and insurance and in the retail sector, contributed to the registration of 1,302 Kenyan businesses and the employment of almost 250,000 Rwandan and more than 2,000 Kenyan workers by 2014.

Significant investment by financial institutions from Kenya such as Equity Bank and KCB, which have established subsidiaries in Rwanda, has contributed to growth in financial services while fuelling highly skilled migration to the country, and the abolition by Rwanda of work permits for workers from Kenya has facilitated labour mobility among accountants and auditors. Investment by the retail franchise Nakumatt of Kenya, which opened stores in Rwanda in 2008, has helped to drive regional trade while generating employment in both countries. Similarly, investment by cross-border small and medium-sized enterprises in various sectors, including the automotive and construction sectors, as well as in services such as hospitality, has generated employment for Rwanda nationals while attracting semi-skilled migrants from the region. In the education sector, the establishment in Rwanda of branch campuses of Jomo Kenyatta University of Agriculture and Technology and Mount Kenya University has fuelled the migration of highly skilled professionals, including academics and students from the region. The strategy of Rwanda to scale up the use of English as the language of instruction has provided an impetus for teacher recruitment from EAC partner States.

The strategy of Rwanda to boost cross-border investment, along with an enabling business environment, and comprehensive policies aimed at encouraging labour migration across skills categories, have thus been important drivers of intraregional economic migration.

Sources: Trade Mark East Africa (2014); The East African (2012).

Group of States Observatory on Migration, 2013a; IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013b). In addition to promoting intraregional trade and sectors, regional investment can serve as a vehicle for fostering greater regional integration.

Wage differentials between origin and destination countries within and across regions have been a key driver of highly skilled mobility to South Africa, with substantial income disparities between South Africa and Zambia, for example, fuelling the migration of

health professionals to South Africa (see Vujicic et al, 2004). Similarly, the prospect of earning higher incomes has been a significant driver of highly skilled interregional migration from Nigeria to South Africa (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013c).

Migrants in highly skilled occupations in selected destinations can readily transfer and use their professional skills in countries of destination. There is limited evidence of de-skilling, whereby due to a lack of recognition of professional qualifications in destination countries, migrants cannot find jobs commensurate with their skill levels. Highly skilled migrants tend to earn relatively high incomes in destinations. For example, skilled Nigerian migrants in Ghana and South Africa have household incomes that exceed the average professional household income in the two countries (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013c). Similarly, young professionals from Kenya in Rwanda, South Africa and the United Republic of Tanzania earn incomes that are relatively high by African standards (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013a).

There is some evidence that highly skilled women migrants have generally fared well in the labour market in South Africa, especially in managerial and professional positions (Migrating for Work Research Consortium, 2013), suggesting that career development has enabled some women to engage effectively and achieve positive outcomes in regional labour markets. Similar observations that highly skilled youth fare well in regional labour markets imply that with the requisite education and skills, and measures enabling some free movement to regions with labour shortages, migrants can achieve positive outcomes in regional labour markets.

As highly skilled migrants engage in skill-intensive sectors that boost economic productivity, harnessing their potential through well-managed migration mobility can be critical for economic development. Highly skilled migrants in sectors such as information and communications technologies, for instance, could play a role in fostering innovation. New economic activities generated within the sector through the development of start-ups and other knowledge-based activities could create additional employment in the local economy. Besides enabling entrepreneurship and stimulating job growth, such activities could generate knowledge and skills transfers and support the development of skill-intensive sectors. Other positive externalities for origin countries include technology flows.

However, there is some evidence of de-skilling. For example, 27 per cent of highly skilled migrants in Uganda work in semi-skilled positions in other countries in Africa (World Bank, 2013). Similarly, 16 per cent of young highly skilled migrants from Kenya with qualifications in management and tourism, among others, are unable to find

employment in their professions in regional labour markets, suggesting a possible skills mismatch (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013a).

Negative externalities associated with highly skilled migration in Africa include brain drain, or the outflow of skilled human resources, with critical skills shortages in some sectors, along with the loss of investment in education and training, adversely affecting origin countries (UNCTAD, 2012). Some countries have taken steps to restrict highly skilled migration in sectors in which critical skills shortages as a result of emigration can adversely affect origin countries (Mwaniki and Dulo, 2008). The National Department of Health of South Africa, for example, prohibits the recruitment of foreign health-care professionals from developing countries, including from SADC partner States (Segatti, 2014). Highly skilled migration, however, can have a net positive impact on the demand for skills accumulation through higher education in origin countries, resulting in brain gain (Kone and Özden, 2017). In turn, the demand for skills accumulation can stimulate increased investment in education and contribute to a better educated domestic workforce (Docquier and Rapoport, 2012).

To reap benefits from migration, countries should address the constraints faced by highly skilled professionals. On the demand side, the lack of policy frameworks that recognize academic and professional qualifications in destination countries can hinder the ability of migrants to enter and effectively engage in regional labour markets, possibly contributing to de-skilling. Measures to harmonize skills, competencies and qualifications, implemented in EAC, ECOWAS and SADC, can allow highly skilled migrants to take advantage of economic opportunities in regional labour markets by addressing underlying issues of skills mismatches. In addition, the lack of portability of pensions and other benefits, as well as the retention in employment of highly skilled professionals in destinations, can constrain the engagement of migrants in the labour markets of destination countries. On the supply side, high costs associated with obtaining work permits, a constraint in some regions, can hinder the mobility of migrants in regional labour markets.

3.2.3 Semi-skilled migrants

Semi-skilled migration is a characteristic feature of contemporary economic migration in Africa. Sectors such as construction, mining and services, which have some barriers to entry with regard to education and the skills required to engage in the sector, attract semi-skilled persons, most of whom have a secondary school level of education and/or vocational training.

In Southern Africa, demand in labour-intensive sectors such as mining, construction and services, has been a key driver of semi-skilled migration. Despite its decline, mining in South Africa remains an important sector for semi-skilled migrants in SADC, although the share of international migrants from the region declined from 32 per cent of the workforce in 2006 to 22 per cent in 2012 (Migrating for Work Research Consortium (2013). Similarly, construction remains an important sector in South Africa for men migrants, with SADC partner States, in particular, Lesotho, Mozambique, Swaziland and Zimbabwe supplying much of the labour. Bilateral labour agreements between South Africa and SADC partner States have facilitated the mobility of miners and construction workers to these sectors, while work permits granted to construction workers from Lesotho have facilitated access to employment in the construction sector in South Africa.

In the Horn of Africa, demand in manufacturing has been an important migration driver, with the development of the Eastern and the Bole Lemi industrial zones in Ethiopia fuelling internal migration among women who work in footwear, textile and garment production firms in special economic zones. Similarly, demand in construction generated by infrastructure projects in Ethiopia and in the Middle East has been an important driver of men's internal migration and extra-continental migration to the Middle East.

In Eastern Africa, services have become an important driver of semi-skilled migration. Semi-skilled migrants from Uganda, for example, have gained access to labour markets in Rwanda and the United Republic of Tanzania and fuelled interregional migration to South Africa and the Sudan. Demand in trades has been a significant driver of intraregional semi-skilled migration. For example, the temporary resident permit of Rwanda for semi-skilled workers enables such workers from countries in Eastern Africa to take advantage of opportunities in labour markets, including in small and medium-sized enterprises in Rwanda, and to find employment as motor vehicle mechanics, restaurant workers and beauty salon attendants (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2013b).

With regard to the experiences of semi-skilled migrants in regional labour markets, positive outcomes include possible skills upgrading, as reflected for example in the decline in the share of semi-skilled migrants from Senegal and South Africa (table 18) and the corresponding increase in the share of migrants from these countries in highly skilled occupations (see table 17). Similarly, the corresponding increase in the share of semi-skilled migrants from Burkina Faso in destination countries, most of whom were concentrated in low-skilled occupations prior to migration, implies upskilling and underscores the potentially positive effects of migration.

Table 18

Share of migrants in semi-skilled occupations (in skilled agriculture and fisheries, clerical work, crafts and related trades and as plant and machine operators and assemblers) in origin and destination countries

(Percentage)

	IN ORIGIN COUNTRY	IN DESTINATION COUNTRY
Burkina Faso (2010)	6.2	31.3
Ethiopia (2014)	3.8	10
Ghana (2013)	19.5	23.2
Senegal (2010)	77.8	59.7
South Africa (2010)	43.0	40.5
Zimbabwe (2015)	23.6	33.9

Source: UNCTAD calculations, based on University of Sussex, 2018, and World Bank, 2013.

Semi-skilled migrants, who comprise a large share of international migrants in some countries, face constraints that hinder their mobility in regional labour markets. On the demand side, the lack of recognition of skills, competencies and academic and/or professional qualifications across regional labour markets can pose barriers to mobility, possibly resulting in de-skilling. In addition, restrictive immigration policies and the lack of work permits and visas targeting semi-skilled migrants can hinder regional mobility. The lack of legal protection for semi-skilled migrants in temporary unregulated employment, as casual labourers in construction and mining, can make workers vulnerable to exploitation and push them into illegal status in destination countries. On the supply side, costs associated with migration to regional destinations can be prohibitive and pose challenges for semi-skilled workers. Reducing barriers to mobility, including by extending the recognition and harmonization of skills, competencies and qualifications, including in vocational training, could substantially improve outcomes for semi-skilled migrants and allow them to take advantage of economic opportunities in regional labour markets.

3.2.4 Low-skilled migrants

Contemporary economic migration in Africa predominantly involves low-skilled migrants and is largely concentrated in sectors such as agriculture, domestic service and informal trade.

With regard to Western Africa, for example, a large share of low-skilled migrants from Burkina Faso, including children, work in agriculture in the region, in particular in Côte d'Ivoire. Similarly, a large share of migrants from Ghana, most of whom are internal migrants, are concentrated in agriculture, domestic service and informal cross-border trade, with women migrants dominating in the latter two categories. Multiple drivers

influence low-skilled migration in the region. Demand in agriculture and domestic work drives internal and intra-African migration from the region, and porous borders between countries, a key feature of economies in the region, influence migration to the region. Domestic service has been an important driver of rural–urban migration among low-skilled women in Ghana, for example, and has also fuelled intraregional child labour migration among young girls aged 8–14 from Togo to Ghana and from Senegal and the Gambia to Mauritania (IOM and African, Caribbean and Pacific Group of States Observatory on Migration, 2012). Similarly, women migrants that trade informally across national borders often buy and sell a variety of goods, including clothes and beauty products, such as women migrants from Ghana and Nigeria who sell cosmetics in Senegal (Andall, forthcoming).

In Southern Africa, low-skilled migrants from Zimbabwe have gained access to labour markets in SADC partner States. Commercial agriculture in South Africa, which has historically absorbed low-skilled migrants from SADC partner States, remains an important sector for such migrants. Despite the decline of the sector in recent years, commercial agriculture employs a large number of workers, many of them seasonal migrants from Lesotho, Mozambique, Swaziland and Zimbabwe (Munakamwe J and Jinnah Z, 2015). Increasingly, demand in services has been an important driver of intra-African labour mobility among low-skilled migrants. Domestic work, for instance, has generated economic opportunities for low-skilled women from Lesotho who work in South Africa, while demand in other services has become a significant driver of interregional low-skilled migration. With regard to informal cross-border trade in Southern Africa, 70 per cent is undertaken by women migrants and accounts for as much as 30–40 per cent of SADC trade (United Nations Entity for Gender Equality and the Empowerment of Women, 2010). The interregional pattern of informal trade is characterized by informal traders from Eastern Africa, namely Ethiopia and Somalia, as well as from Middle and Western Africa, who have moved to the region to take advantage of opportunities in the services sector.

In the Horn of Africa, the high level of women's migration from Ethiopia to the Middle East is linked to the growing demand in domestic work, which has created economic opportunities for low-skilled workers. The multivariate analysis of migration suggests that women are generally less likely to be migrants and that women from Ethiopia, for example, when they migrate, are more likely to choose international destinations, reflecting the high demand for their labour in the domestic service sector in the Middle East (Litchfield et al, 2018). Similarly, in Eastern Africa, demand in domestic services and retail in the Middle East has become a significant driver of women's migration from Kenya and Uganda to the Middle East. Unlike other low-skilled migrants who tend to

have low levels of education, women migrants from Ethiopia, Kenya and Uganda to the Middle East are often better educated. This trend is reflected in informal trade in EAC, which is increasingly absorbing young, relatively well-educated persons, including some with professional qualifications (Ogalo, 2010), reflecting a lack of economic opportunities in origin countries.

Migration can raise productivity, while offering low-skilled migrants opportunities for skills acquisition and upgrading. For example, the decline in the share of low-skilled migrants from Burkina Faso, Ghana and South Africa and the corresponding increase in the share of semi-skilled migrants from Burkina Faso and Ghana suggest possible skills upgrading (table 19). The transition of migrants from Burkina Faso, from low-productivity activities in agriculture to higher productivity occupations in plant and machine operations, which implies skills upgrading, underscores the positive effects of migration. At the same time, the transition of low-skilled migrants to other low-productivity sectors that presumably have higher returns to labour reflects positive outcomes in labour markets. For example, low-skilled migrants from Ghana may transition from agriculture to other low-skilled occupations in destination countries where they earn higher returns. Similarly, in some countries in Africa, child labour migrants transition from a low-productivity sector such as agriculture to other low-productivity activities in the informal economy, which presumably have higher returns to labour (Hashim and Thorsen, 2011).

Table 19
Share of migrants in low-skilled occupations (agriculture, domestic service and informal trade) in origin and destination countries
(Percentage)

	IN ORIGIN COUNTRY	IN DESTINATION COUNTRY
Burkina Faso (2010)	90.6	52.9
Ethiopia (2014)	40	57
Ghana (2013)	59.5	49
Senegal (2010)	6.7	11.2
South Africa (2010)	20.3	17.8
Zimbabwe (2015)	41.2	40.8

Source: UNCTAD calculations, based on University of Sussex, 2018, and World Bank, 2013.

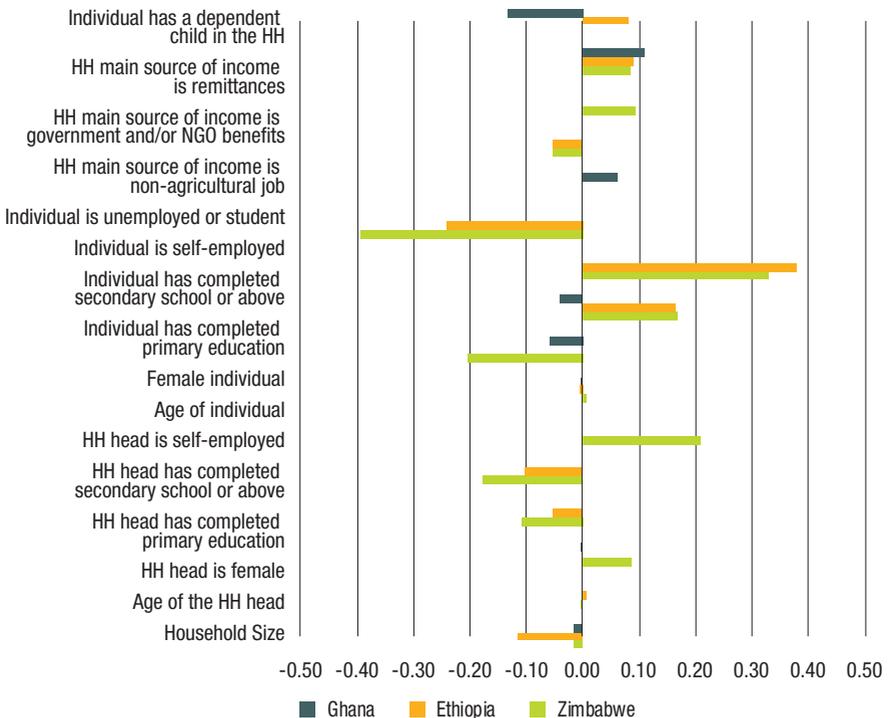
Gender-related barriers create significant competitive disadvantages for low-skilled women migrants and can negatively impact their outcomes in regional labour markets. Family and care responsibilities in origin countries that are not always easily reconciled with employment options in destination countries, in addition to required logistical and care arrangements for children while providing financially for households, pose additional challenges to women migrants (Andall, forthcoming). The multivariate analysis suggests

that care responsibilities are a deterrent to migration from Ghana, for example, but that when the prospects of significant remittances are high, for example for international migrants from Ethiopia, then migration levels may be higher for those with dependent children. Aspirations for children may therefore be an important factor in determining who migrates and to where they migrate (see figures 12 and 13).

Figure 13

Ethiopia and Zimbabwe: Change in probability of being a migrant based on personal and household characteristics

(Percentage)



Source: Litchfield et al, 2018.

Notes: The figure shows the marginal effects based on a probit model. Positive or negative values show the increase or decrease, respectively, in the probability of being a migrant (see box 1).

Addressing constraints for low-skilled migrants, most of whom work in labour-intensive sectors, can allow them to take advantage of economic opportunities in regional markets and contribute to regional economic development. On the demand side, a lack of formal contracts, decent working conditions and adequate social security and other benefits, which are pervasive in unregulated employment in commercial agriculture, domestic service, hospitality and the informal sector, can have detrimental outcomes for low-skilled migrants. Women migrants, who are disproportionately represented in domestic service and the informal sector in some countries, experience a lack of legal protection, and the informal nature of employment, often without benefits such as social security, pensions and worker's compensation can amplify vulnerabilities in destination countries (box 3). At the same time, poor trade facilitation, which increases transaction costs for informal cross-border traders, creates incentives for traders to circumvent non-tariff barriers such as time-consuming and inefficient customs formalities and complex technical requirements. In addition, due to a lack of mechanisms to safeguard the safety of migrants in destination countries, they often risk facing xenophobia and hostility from nationals.

Box 3 Women migrants in the domestic services sector: Challenges and opportunities

Domestic service is an important sector for migrants in Africa, with growing demand in the sector driving intra-African and, increasingly, extra-continental migration. With regard to regional distribution, Northern Africa has a higher share of migrant domestic workers as a share of all migrant workers (9.3 per cent), compared with sub-Saharan Africa (7.3 per cent), and Northern Africa also relies more on migrant domestic workers than sub-Saharan Africa. In Southern Africa, domestic work is largely dominated by women who migrate primarily from Lesotho to work in South Africa, and Lesotho–South Africa is a key corridor in this sector. Demand in domestic service in urban areas is a significant driver of rural–urban migration. In addition, adults comprise a large share of domestic workers, yet the widespread use of child labour, in particular of young girls, is a key feature of the sector. Besides its internal dimension, domestic service has an intraregional dimension that is dominant in Southern and Western Africa. In Southern Africa, low-skilled young women migrants, primarily from SADC partner States, dominate the domestic service sector in South Africa. In Western Africa, domestic service includes intraregional child labour migration among young girls aged 8–14, who migrate from Togo to Ghana. In recent years, the extra-continental dimension has grown in importance, with robust demand in domestic service in the Middle East driving women's migration from Eastern Africa, namely Ethiopia, Kenya and Uganda.

The migration of low-skilled women in domestic service reflects growing poverty and a lack of economic opportunities in regions on the continent. In South Africa, the decline in mining and the corresponding decrease in men's migration, primarily from SADC partner States, resulting in a loss of incomes for households, has prompted the internal and intraregional migration of women from rural areas in search of wage employment, primarily in domestic service. Conversely, the fact that relatively well-educated migrants in Eastern Africa seek opportunities in domestic service in extra-continental destinations such as the Middle East may reflect the lack of economic opportunities in origin countries.

Box 3 (continued)

Social networks play an important role in facilitating mobility, yet formal recruitment agencies have become increasingly important in brokering employment in Africa and to extra-continental destinations (see section 3.2.5). In Africa, formal recruitment agencies that broker employment in domestic service provide a range of services, including training in child care, the care of the elderly, food preparation and housework, to prospective domestic workers prior to placing them with families. Formal, well-regulated migrant recruitment agencies provide pre-departure training and medical screening for domestic migrants seeking work in extra-continental destinations, to prepare them for work. Well-regulated agencies can reduce the uncertainties of migration and improve outcomes for migrants, yet unregulated migrant recruitment agencies, in particular, can be a source of exploitation of prospective migrants, through debt-financed migration and/or deception on the nature of work at the destination.

Challenges for domestic service workers include precarious employment characterized by a lack of formal contracts, as well as low wages, long working hours and a lack of benefits such as social security, pensions and worker's compensation. In South Africa, for example, the sector absorbs many international women migrants who often work without a contract, earn low wages (ranging from approximately \$36 to \$220 per month) and work long hours and without benefits. The lack of work permits for employment in private households in South Africa poses obstacles to international migrant workers in domestic service, who may be forced to work illegally, subject to deportation due to their unauthorized status. Immigration status, a key concern, in particular in countries where deportation is strictly enforced, has the potential to jeopardize the ability of women migrants to support their families and may lead to sexual exploitation by officials in return for preventing detention and deportation. Moreover, owing to their family and care responsibilities, women migrant heads of households often engage in complicated transnational arrangements to arrange for family care while they engage in domestic services.

Actions that have been taken to address the rights of domestic workers include the adoption of a code of conduct for domestic service employers by the Zambia Federation of Employers, which aims to ensure that employers assume a key role in the protection of workers. South Africa has ratified the ILO Domestic Workers Convention, 2011 (No. 189), which identifies the rights of domestic workers, including entitlement to a minimum wage, daily and weekly rest hours and employment conditions. In addition, Sectoral Determination 7 (2002) of the Basic Conditions of Employment Act, on the domestic work sector, addresses employment rights. However, barriers to realizing better working conditions for domestic workers in South Africa remain, with key obstacles including a lack of institutional capacity to enforce labour laws and low levels of participation by international domestic workers in unions.

Recent developments, in particular recent bilateral labour agreements between Governments in Africa and the Middle East, including between Kenya and the United Arab Emirates (2015) and between Ethiopia and Saudi Arabia (2017), which aim to facilitate the recruitment of domestic workers to work in the Middle East, highlight the growing demand in the sector outside of Africa.

Sources: Andall (2000); Andall (forthcoming); Awumbila et al (2017); Crush et al (2010); ILO (2015); ILO (2017b); IOM and African, Caribbean and Pacific Group of States Observatory on Migration (2012); Kiwanuka et al (2015); Lefko-Everett (2007).

On the supply side, costs associated with migration can be prohibitive for low-skilled workers (ILO, 2017b), posing challenges for migrants, including for low-skilled women seeking opportunities in domestic service in extra-continental destinations. Migrants may offset such costs by raising funds through gifts from family and friends, savings and loans and by selling off assets, as suggested by the findings of the surveys undertaken as part of the Migrating Out of Poverty project. A lack of work permits and visas targeting low-skilled migrants not only hinders their mobility in regional labour markets, but is likely to push them into irregular status. Moreover, while demand in low-skilled sectors creates employment opportunities for men and women migrants, women are less likely to migrate than men. Gender-related barriers that create significant competitive disadvantages for women migrants, lower levels of education and higher levels of risk aversion, as well as difficulty in balancing family and care responsibilities, contribute to their lower propensity to migrate (Andall, forthcoming; Litchfield et al, 2018; see figure 13).

Harnessing the potential of semi-skilled and low-skilled migrants through well-managed migration mobility can be critical for regional economic development. Besides generating significant economic benefits in local communities in terms of incomes earned and other revenues accrued from economic activities, other positive externalities include the potential to generate revenues for Governments through taxes derived from migrant incomes and from other revenues. Moreover, the transition of migrants from low-value sectors and activities to higher value-added sectors in the economy, beyond increasing their productivity through skills upgrading, could boost economic growth. In addition, as poverty is a driver of migration from poor households, remittances from low-skilled migrants, on which their households depend, are critical to spreading risk and offsetting income shocks, and can have a substantial impact on alleviating poverty.

3.2.5 Migration recruitment agencies

Recruitment agencies play an important role in facilitating migration. Besides brokering the recruitment and placement in employment of prospective migrants, such entities also provide information and, in some cases, employment-related training and pre-departure training and medical screening for international migrants, with the aim of preparing them for work in destination countries. In Zambia, for example, as part of employment placement, recruitment agencies place prospective domestic workers in centres that are strategically located next to childcare centres, to enable them to acquire employment-related skills. However, this can also lead to exploitation, if workers are induced to provide free labour under the guise of training (Andall, forthcoming).

Labour brokerage is a key feature of migration, including in Africa, yet its precise nature and scope on the continent are unknown. In Ghana, for example, recruitment agencies

in domestic service range from formally registered entities, with a licence to operate, to formally registered unlicensed agencies and unregistered and unlicensed informal brokers and subagents (Awumbila et al, 2017). In Kenya, recruitment agencies, most of which broker employment in international destinations, have proliferated as a result of growing demand in domestic work, security, logistics and retail in the Middle East (ILO, 2017b). In South Africa, recruitment agencies that broker permanent or temporary employment in the country, as well as to international destinations, are widespread.

Well-regulated recruitment agencies can help prospective migrants negotiate better pay or working conditions and reduce information asymmetries and other risks associated with migration, thereby improving migrant outcomes in destination countries. Yet if migration recruitment is loosely regulated, recruitment agencies can be a source of exploitation of prospective migrants. Common unethical practices include deception on the nature and conditions of work at the destination and illegal wage deductions and debt bondage linked to high processing fees often charged to prospective migrants (ILO, 2017b).

The regulation of recruitment agencies is critical not only to ensure the ethical and fair recruitment of migrants, but also to improve their welfare in destination countries. Stipulating employment conditions and earnings in formal contracts can be critical in safeguarding migrant welfare and as part of achieving a decent work agenda. Recent efforts have been made by Governments in Eastern Africa to regulate international labour recruitment, including by temporarily banning the recruitment of migrant domestic workers. Strengthening the role of national trade unions, such as the Ghana Trades Union Congress in order to support the local Domestic Services Workers Union, as well as deploying labour attachés in international missions, can be vital in safeguarding migrant rights. In addition, ratification of the ILO Domestic Workers Convention, 2011 (No. 189), which identifies the rights of domestic workers, and has not yet been ratified by countries in Africa except for South Africa, could contribute to improving outcomes for migrants.

3.3 Conclusions

This chapter shows that contemporary migrants in Africa include men, women and youth, as well as children, who move primarily within the continent, except for migrants from Northern Africa, for work and to seek economic opportunities. Contemporary migrants are predominantly men, yet women migrants have increasingly become important participants in economic migration on the continent. With regard to skill levels, contemporary migrants comprise low-skilled, semi-skilled and highly skilled labour, and most of their movements are intraregional and interregional, in response to labour demand in various economic sectors.

The average international African migrant is a young man of 31 years of age, for whom limited economic opportunity in the origin country is a key driver of migration, and who seeks economic opportunities in other countries in Africa, and in extra-continental destinations.

Regional policy frameworks address underlying issues that hinder the mobility of highly skilled migrants in regional markets, such as the recognition of skills and academic qualifications, yet the lack of comparable measures and of visas and work permits aimed at low-skilled and semi-skilled migrants constrains their mobility in regional labour markets.

Well-managed migration could more effectively allocate labour from areas with excess supply to those with shortages and can play a vital role in promoting economic growth and driving structural transformation on the continent. Besides allowing migrants with varying skills to take advantage of economic opportunities in regional labour markets, well-managed migration can also help alleviate youth unemployment. In addition, well-managed migration can foster social inclusion by ensuring that women, most of whom are concentrated in low-skilled occupations, can earn incomes that improve their livelihoods and lift them out of poverty.

Economic growth in Africa is crucial in order to generate demand for labour for migrants. Growth in labour-intensive sectors such as agriculture and services, which have strong absorptive capacities for low-skilled migrants with limited levels of education, can create significant employment paths out of poverty. With rapid urbanization in Africa fuelling demand in housing and other infrastructure, prospects for growth in the construction sector appear promising. Growing demand in this sector could generate employment for semi-skilled and highly skilled migrants, while demand in services subsectors such as agriprocessing and light manufacturing could also create employment for semi-skilled persons. With the relatively high barriers to entry with regard to the technical skills demanded in these sectors, secondary-level education and/or vocational training at post-secondary levels is critical for semi-skilled occupations.

Demand in finance, engineering and information technology, in addition to generating employment for highly skilled migrants, including youth, if met, can promote innovation and yield positive spillovers in other productive sectors in local economies. Given the high barriers to entry in skill-intensive sectors, tertiary-level education and/or other professional qualifications are a prerequisite for occupations requiring high skill levels. Investment in human capital development in vocational training and in tertiary education in origin countries is critical in ensuring adequate skills development that can meet the needs of regional labour markets.

The next chapter focuses on intra-African migration and structural transformation.

CHAPTER 4

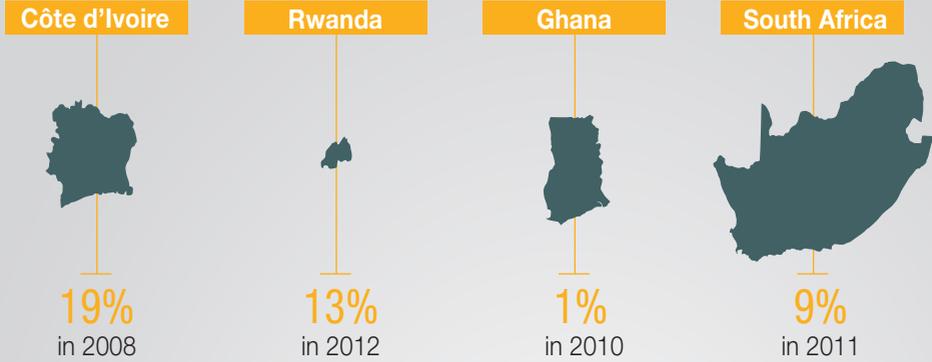
Intra-African migration and structural transformation

This chapter aims to contribute to a better understanding of the economic, trade and social dimensions of the relationship between migration and structural transformation in Africa. The first three sections highlight that migration is associated with primarily positive but also negative economic effects in sending and receiving countries in many regions of the world. With regard to Africa, differing stages of regional integration on the continent, coupled with limited and localized progress in structural transformation, warrant a closer examination of how migration can generate greater development benefits. Insights are provided on where opportunities exist in different sectors in Africa.

The fourth section uses findings from the previous chapters to make the case for evidence-based migration management, providing a preliminary identification of policy levers at the national, regional and continental levels that can contribute to an optimal distribution of the benefits of intra-continental migration in origin and destination countries. The conclusion notes that for Africa to achieve the 2030 Agenda for Sustainable Development and set a path for achieving the objectives laid out in Agenda 2063, such policy levers should be integrated with measures that aim to influence the perceptions of persons and households of labour market opportunities and expectations of higher earnings abroad.

MIGRATION'S ECONOMIC CONTRIBUTION TO AFRICA

International migrant's contribution to GDP



Migration stimulates intra-African trade



There are ongoing efforts to advance the migration agenda at the continental level in Africa, and progress has recently been made on defining a continental-level migration action plan. Prior to this, the African Common Position on Migration and Development and the Migration Policy Framework for Africa, both adopted by the Executive Council of the African Union in 2006, provided the most comprehensive policy vision for regional migration on the continent. The Migration Policy Framework states that “it is clearly known that well-managed migration has the potential to yield significant benefits to origin and destination States” (African Union, 2006). Yet little is known of how such benefits may be distributed across countries and how, if at all, they can contribute to the structural transformation of countries. Furthermore, media reports of mounting xenophobia in some destination countries and discouraging prospects for growth in others have raised concerns of potential setbacks associated with the liberalization of labour mobility. Such incidents cast a shadow over the many other successful migration stories in Africa.

Afwerki met Mamadou, one evening in Johannesburg, at a gathering organized by a pro-immigration civil society group run by an acquaintance of his. He was struck by Mamadou’s explanation about the plight of immigrants like him. Meeting at the end of the evening, Afwerki told Mamadou that he studied IT in Kenya thanks to the money that his uncle, Feiven, who lives in America, sent for his schooling. He did internships in the Nairobi’s “Silicon Valley”, moved to Rwanda, worked hard and some years later, landed funding from a venture capital firm to create his own company. He is now at the helm of a successful Pan-African digital media company, and is proud to be counted among the country’s most successful entrepreneurs. “Had my uncle not fled Ethiopia during the troubled times of the 1970s, his and my path might not be what they are today”, Afwerki said. He now delves into philanthropy and because of his own story, is particularly sensitive to the plight of immigrants.

This Pan-African journey serves as a backdrop to explaining the relationship between migration and structural transformation.

4.1 International migration and structural transformation: For better or for worse?

Contemporary evidence of the economic impact of international migration shows that in receiving countries, the evidence of net gains of GDP per capita is mixed in the short term and positive in the long term, as income per person and living standards improve (Alesina et al, 2016; Jaumotte et al, 2016; Ortega and Peri, 2009). Organization for

Economic Cooperation and Development (OECD) data indicate that migration is neither a burden nor a panacea (OECD, 2017). The impact of cumulative waves of migration over 50 years in OECD countries is estimated to be close to zero on average. Cross-country evidence shows that it rarely exceeds 0.5 per cent of GDP in either positive or negative terms, except in Luxembourg and Switzerland, where the net benefit of migration is shown to be about 2 per cent of GDP (Liebig and Mo, 2013). With regard to potential fiscal impact, overall, the integration of migrants into formal job markets increases their net contributions in taxes compared to the amount they receive in benefits. Furthermore, the fiscal contributions of migrants are not negatively correlated with educational levels, that is, lower educated migrants also contribute more than they receive in benefits.

In 2013, there were over 59 million migrants in the Asia and Pacific region, who were predominantly temporary labour migrants. Migration is generally found to be economically beneficial to both sending and receiving countries in the region, contributing to higher GDP growth in receiving countries and benefits in terms of remittances in sending countries (United Nations Economic and Social Commission for Asia and the Pacific, 2014). With regard to the impact of migration on sending countries, evidence from Africa, Latin America, South Asia and other regions suggests that remittances reduce the depth and severity of poverty and indirectly stimulate economic activity (Adams, 1991; Adams, 2009; Ajayi et al, 2009; Anyanwu and Erhijakpor, 2010; Fajnzylber and Lopez, 2008; Gupta et al, 2007; Lachaud, 1999). Similarly, the evidence of the impact of international migration on global poverty is generally positive (Ndiaye et al, 2011; World Bank, 2006).

With regard to the interface between migration and regional integration, there are similarities and differences between trends in regions worldwide. For example, in developed economies, the European Union enlargements in 2004 and 2007 led to greater scope for labour mobility within the European Union and the European Free Trade Association and to improvements in the adjustment capacity of labour markets. It is estimated that as much as one quarter of asymmetric labour market shocks of varying intensities over time and across countries may be absorbed by migration within one year (Jauer et al, 2014). In 2002–2012, migrants accounted for 70 per cent of the increase in the workforce in Europe (Stuchlik and Poptcheva, 2015).

As in most regional economic communities in Africa, migrants from countries in the Association of Southeast Asian Nations are mostly low-skilled workers, and account for about 80 per cent of the total migrant stock in the region. The share of migrants from within the Association increased from 60 per cent in 1990 to 70 per cent in 2013, and 88 per cent of migrants travelled between five corridors out of 57 identified for intra-Association migration (United Nations Department of Economic and Social Affairs, 2013b). As a

result, 97 per cent of intra-Association migrants travelled to only three countries, namely Malaysia, Singapore and Thailand. As in Africa, countries in the Association of Southeast Asian Nations are in the process of defining a regional-level migration policy. It is therefore likely that the Association is not harnessing the full potential of the free flow of labour.

Such variations in regional experiences make it difficult to draw firm conclusions on a constant and predictable relationship between migration, regional integration and economic gains.

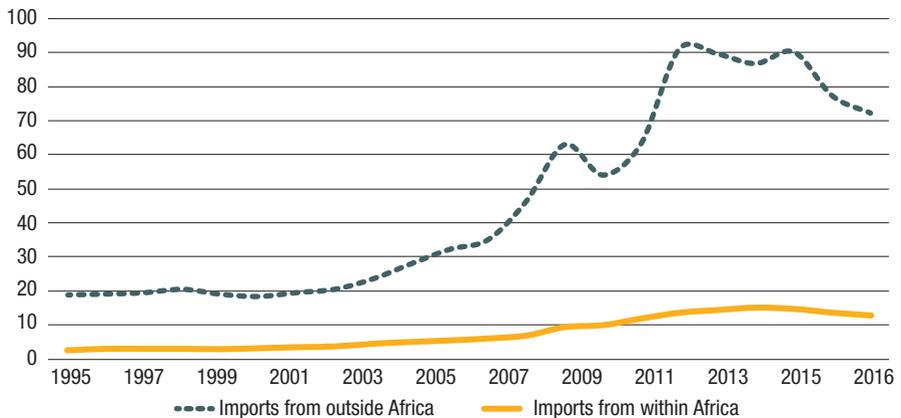
4.1.1 Investigating a pro-trade effect: Trends in migration and regional food trade

Trade can improve food security by increasing access to more affordable and diversified food items. In particular, under the right conditions, regional trade helps enhance the better functioning of commodity markets (UNCTAD, 2015a). In addition, increasing imports from a regional market can contribute to overcoming periodic food shortages and thereby reduce food insecurity. However, despite a slight increase in 1995–2012, regional food trade remains low compared with the volume of trade between Africa and the rest of the world (figure 14).

Regional food imports have been on the rise in all regional economic communities, with the largest increases observed in SADC, CEN-SAD and COMESA (figure 15). Intra-African food imports have experienced the same upward trajectory as migration levels.

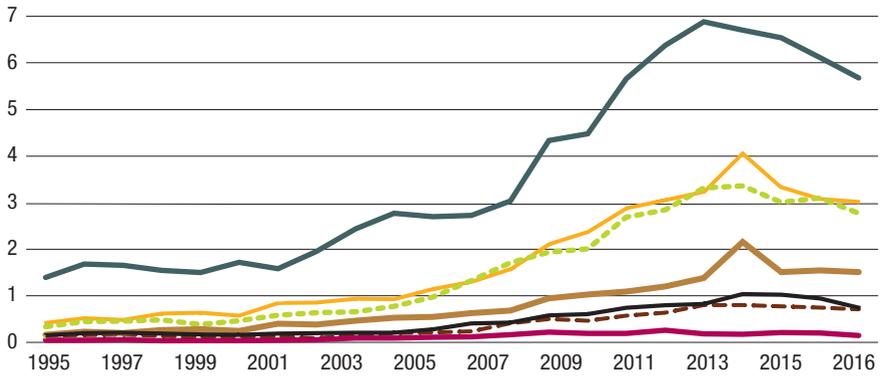
Figure 14

Three-year average food imports from outside Africa and within Africa (Billions of dollars)



Source: UNCTAD calculations, based on the UNCTADstat database.

Figure 15
Three-year average bilateral food imports by regional economic community
 (Billions of dollars)

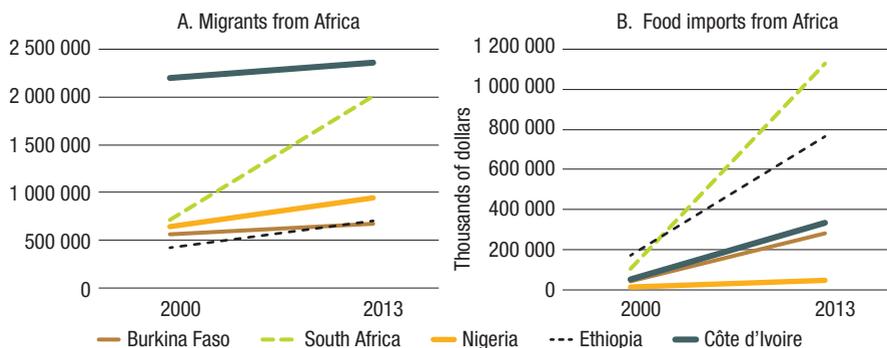


Source: UNCTAD calculations, based on the UNCTADstat database.

Beyond the possible positive association with food security, this trend also indicates that increased migration happens concomitantly with a pro-trade boost (see section 4.2).

An examination of the patterns of food trade on the continent also constitutes a test of the pro-trade effect of migration. Diaspora networks in receiving countries are likely to boost demand for products produced at home, such as specific food items. Given the assumption that emigrants have a higher income in receiving countries, the amount of exports from sending countries will increase and, thereby, financial flows to the sending country will also increase. Food imports from within Africa have increased in the main receiving countries, at times at much faster rates than the rate of immigration from other countries in Africa (figure 16).

Figure 16

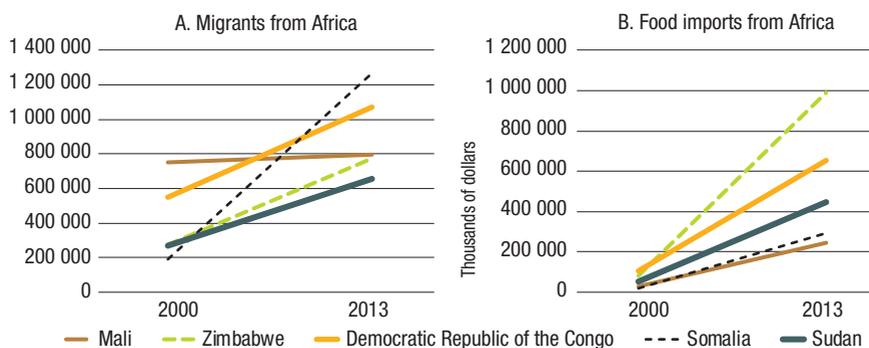
Top receiving countries by (a) migrants from Africa and (b) food imports from Africa

Source: UNCTAD calculations, based on the UNCTADstat database.

Note: Top receiving countries based on the classification in World Bank, 2013, and the World Bank Global Bilateral Migration database.

In contrast, sending countries have experienced a much smaller growth rate of intra-African food imports, a difference that likely reflects existing disparities in agricultural productivity levels between some sending and receiving countries (figure 17). In Zimbabwe, for example, agricultural value added per worker is only 4 per cent of agricultural value added in South Africa.

Figure 17

Top sending countries by (a) migrants from Africa and (b) food imports from Africa

Source: UNCTAD calculations, based on the UNCTADstat database.

Note: Top sending countries based on the classification in World Bank, 2013, and the World Bank Global Bilateral Migration database.

4.2 Intra-African migration and structural transformation: Testing the relationship

The survey of the wide-ranging literature on structural transformation processes in chapter 1 highlights three key features, namely productivity gains, a shift of labour from agriculture to manufacturing to services and rising GDP per capita. In Africa, varied patterns and trends in countries make it difficult to characterize structural transformation

Box 4 Testing the relationship between migration and structural transformation: Empirical approach

The aim of the empirical analysis is to explore the linkages of intra-African migration with the economy, using different measures of structural transformation.

First, the migration effect on the share of manufacturing and services value added in the share of GDP, on per capita GDP and on the employment share of manufacturing and services are examined. The analysis is limited to the availability of migration data and employs a panel data model using country-level intra-African migrant stock data and 10-year intervals, starting in 1970. Standard fixed effects and system-generalized method of moment estimations are applied, together with various control variables such as investment share, intra-African trade, education and conflict. In order to examine transmission channels, the interaction with education and differences in manufacturing and political instability are controlled for.

Second, intra-sectoral productivity changes in structural transformation are examined, and the results show that the bulk of structural transformation in countries in Africa comes from intra-sectoral productivity growth rather than intersectoral productivity growth. In order to measure intra-sectoral productivity growth, the analysis follows McMillan et al (2014) and Timmer et al (2014) and decomposes growth in average labour productivity over 10 years into intra-sectoral productivity gains and gains from the intersectoral reallocation of resources. The obtained contribution of intra-sectoral productivity growth is used as a dependent variable in the regression models (see Trenzcek, 2016). The analogy to classical growth regression is retained and factors of labour mobility or migration, investment rates and trade variables are included. The model estimates a linear-log and tests the impact of migration on various sectors, with attention to migration-receiving sectors such as agriculture, construction, mining, manufacturing and services. Data on sectoral productivity is based on the Groningen Growth and Development Centre, 10-Sector database, which provides estimates based on national statistics for 11 countries, namely Botswana, Ethiopia, Ghana, Kenya, Malawi, Mauritius, Nigeria, Senegal, South Africa, the United Republic of Tanzania and Zambia, starting in 1965. Sectoral productivity growth at the start of each decade is regressed on migrant stock and additional variables. Testing for sources of endogeneity and providing several robustness checks gives evidence of a positive link in various dimensions between migration and structural transformation is provided.

Sources: Groningen Growth and Development Centre 10-Sector database; McMillan et al (2014); Timmer et al (2014); Trenzcek (2016).

from a continent-wide perspective. In addition, the declining share of employment in agriculture has often been to the benefit of the services sector (UNCTAD, 2015b). Notwithstanding this diversity, some standard patterns may be expected. As the relative importance of different sectors and activities of an economy changes over time, the shares of low-productivity agriculture and the low value-added extractive sector should decline, while those of manufacturing and high-productivity services increase.

Recent findings suggest that the year 2000 was a turning point for Africa, as structural transformation has since contributed positively to overall productivity growth on the continent (McMillan et al, 2014). Structural transformation is not automatic, however, and three factors determine whether it will contribute to overall productivity growth. First, commodity-dependent economies are at a disadvantage, as the larger the share of natural resources in exports, the less opportunity there is for productivity-enhancing structural transformation. High productivity minerals and natural resources remain enclave sectors that cannot absorb the surplus labour from agriculture. Second, in theory, with an appropriate policy framework in place, currency undervaluation may remain a tool for promoting tradable industries. Third, the facilitation of an easy flow of labour across firms and sectors accelerates the process of structural transformation (McMillan et al, 2014).

There are various ways of empirically asserting that structural transformation is under way. The empirical investigation on which this section draws makes use of the following measures of structural transformation: GDP per capita; share of manufacturing value added and employment shares in manufacturing and services; and intra-sectoral productivity



growth. It singles out specific measures of migration and addresses limitations in estimation methods that challenge the robustness of the findings. Such challenges include the bidirectional relationship between migration and economic upgrading. On the one hand, migration should positively influence changes in the economic structure. On the other hand, better economic prospects also trigger immigration. Similarly, a prolonged recession may encourage increased emigration. Box 4 presents a summary of the empirical approach to migration and structural transformation. Details on the data, econometric strategy, estimation methods and results are provided in Belaid and Slany (forthcoming).

Estimation results indicate that intra-African migration positively impacts structural transformation in destination countries. The results show that a 1 per cent increase in the number of immigrants may be associated with a 0.26–0.43 per cent increase in manufacturing value added. In addition, the investigation of transmission channels of migration indicates that there is an additional effect on structural transformation from educated immigration, that is, a higher level of education in the origin country rather than in the destination country. The estimated elasticity coefficients of migration variables imply reaching GDP per capita of \$3,249 in 2030, with a compound annual growth rate of 3.5 per cent from 2016. In 2016, in Africa, average GDP per capita was \$2,008.

Additional analysis of the relationship between migration and labour productivity indicates that immigration is positively associated with productivity increases. An increase of 1 per cent in the number of immigrants leads to intra-sectoral productivity growth of 0.07–0.17 percentage points over 10 years. This positive effect increases in magnitude and significance when the model includes only sectors that have experienced relatively high migration in the past, namely agriculture, construction, mining, manufacturing, trade in services and other services. Given the estimated elasticities, if immigration continues to grow by a 10-year average of 54 per cent, or the average growth rate in 1990–2000 and 2000–2010, then, in the coming decades, average intra-sectoral productivity growth will accelerate by an additional 0.5 per cent. This implies a growth take off for countries with the lowest labour productivity.

In contrast, if emigration continues to grow without linkages to local economies, that is, other economic sectors, including manufacturing and construction, then countries with high levels of emigration risk experiencing a downward trend in productivity. It is therefore essential for migration policies that target immigration and emigration to be complementary. Migration policies that directly complement the requirements of economies in Africa are central to meeting the needs of job markets.

Intra-African emigration has a weaker and less definite effect on structural transformation in origin countries. The effect is positive in manufacturing value added in most specifications,

Migration could boost
productivity growth in
agriculture, construction,
mining and services



yet there is a negative correlation between the share of labour in manufacturing and services and intra-sectoral productivity growth. This may be driven by the net receiving countries, namely Ethiopia, Ghana, Kenya, Nigeria, South Africa and the United Republic of Tanzania. The main sending countries in the sample, namely Botswana and Zambia, show relatively low absolute numbers of emigration (see box 4). The estimates are therefore not representative for the continent. In addition, the estimate of emigration becomes smaller and/or insignificant when the analysis is restricted to sectors with high migration intensity. Immigration and emigration show a positive correlation and should not be examined separately. This is also relevant with regard to migration policies. The preliminary results are indicative of the complex dynamics between migration and productivity in Africa, yet should be refined through additional research. In addition, with regard to effects on origin countries, trade and economic channels may not be the most prominent transmission mechanisms, yet there is some evidence that return migration brings knowledge and skills that can spur productivity. For example, migration, if utilized productively, may facilitate investments in new activities for farmers due to increased liquidity through remittances and income security (Wouterse and Taylor, 2008).

The results on the positive effects of migration on destination countries are in line with other studies on the economic impact of migration (see, for example, Bove and Elia, 2017). For example, OECD and ILO (2018) estimate that migrant contribution to GDP was 19 per cent in Côte d'Ivoire in 2008; 13 per cent in Rwanda in 2012; 9 per cent in South Africa in 2011; and 1 per cent in Ghana in 2010. The contribution of immigrants to value added exceeds their population share in employment in Côte d'Ivoire and Rwanda. Overall, immigration is unlikely to depress GDP per capita (OECD and ILO, 2018).

However, despite findings of a positive effect of immigration on structural transformation, given the complex nature of migration realities, challenges in isolating the causal relationship likely remain. Section 4.3 details how the limited impact of productivity enhancements on job creation may be related to the relative scarcity of good-quality skilled manufacturing jobs in most countries in Africa.

4.3 Escaping a lack of choice: Locating opportunities for intra-African migration

4.3.1 Switching narratives: Africans on the move

In 2011, the “Africa rising” narrative in global business circles culminated in the publication of an oft-discussed report entitled “Lions on the move” (McKinsey and Company, 2011). More recent research shows that although there have been setbacks

in oil-based economies, the continent is still very much open to trade, investment and enterprise development opportunities. One survey showed, however, that when business audiences were asked to guess the number of companies with revenues above \$1 billion operating in Africa, answers ranged from 50 to 100, and were far from the correct number of 400, with a combined annual income of \$1.2 trillion (Leke et al, 2016), among 700 companies with annual revenues of more than \$500 million listed in Africa. In addition, in most sectors, these companies are growing more quickly and becoming more profitable than their global peers. Only 30 per cent of revenues are earned by companies that operate in the natural resources sector, and around two fifths of the 400 companies are publicly listed, and less than 30 per cent are multinational corporations (Leke et al, 2016).

Intra-African migration based on inter-State differences in skills endowments is gaining prominence. For example, within EAC, Kenya remains the leading receiving country, with migrants originating mostly from outside Eastern Africa, yet it is also the main sending country to Eastern and Southern Africa. Chapter 3 emphasizes the migration of highly skilled labour from Kenya to Rwanda and the United Republic of Tanzania, supported by the national migration policy framework of Rwanda (see box 2).

Africa is the only region with a growing share of the world's youth, and this lends urgency to the need to locate opportunities for labour absorption (see chapter 1). The capacity to harness the benefits of increased economic growth in Africa is based on the demographic dividend, as seen in economies in East Asia and South-East Asia (Bloom and Williamson, 1998; Mason, 2001; Mason, 2007), rests upon a sustainable and job-intensive path of structural transformation. Imperfect flows of information and little use of evidence from private sector consulting firms by development stakeholders in the public sphere in Africa make it difficult for migrants to locate job opportunities. For example, Cape Town, South Africa, has an unemployment rate of 23 per cent in its formal labour force, and is one of six cities in a study of 22 in which the growing rate of unemployment is an ongoing challenge (World Economic Forum, 2017).

Sections 4.3.2–4.3.5 provide an overview of business opportunities on and for the continent and identify the scope to change the continent's narrative from lions on the move to Africans on the move.

4.3.2 Competitive advantages in agriculture

Agriculture in Africa has historically attracted large flows of foreign workers in countries such as Côte d'Ivoire (see chapter 2). The sector's pull factor remains strong overall, leading investment promotion agencies to rank agriculture as the sector likely to attract

the highest levels of foreign direct investment, followed by food and beverages and utilities (UNCTAD, 2017b). However, despite ongoing emphasis on its potential and amid concerns with regard to land acquisition in the order of millions of hectares of arable land by large investors in some countries, agriculture continues to suffer from underinvestment. In addition, only a small proportion of existing foreign direct investment projects in the sector are under implementation (UNCTAD, 2017b). Furthermore, agriculture in Africa remains a low-productivity sector.

Constraints to agricultural growth and to the development of related value chains in Africa range from low yields to poor infrastructure, low levels of access to finance for agricultural production and processing and difficulties in abiding by international standards (UNCTAD, 2015a). In addition, overvalued exchange rates in gas and oil-exporting countries have harmed the development of the agriculture sector in Africa. In the late 2000s, some countries, such as Nigeria, began to undertake a reversal of the neglect of agriculture. Other countries, such as Ghana, continue to deal with the impact of the exploitation of oil discoveries on the agriculture sector.

Notwithstanding such constraints, the agriculture sector in Africa remains an area with a high potential for job creation and, possibly, the absorption of foreign labour. To create jobs and build vibrant regional value chains, Africa should seize opportunities in becoming a key player in the global agriculture sector. The global population is expected to grow from 7.3 billion people in 2015 to about 8.5 billion in 2030. Estimates from a study by the Food and Agriculture Organization of the United Nations show that net land under crops may need to increase by some 70 million hectares by 2050, and that some 80 per cent of the projected growth in crop production in developing countries will come from intensification in the form of yield increases, at 73 per cent, and higher cropping intensities, at 6 per cent (Alexandratos and Bruinsma, 2012). However, the expansion of arable land will remain an important factor in the growth of crop production in many countries in Latin America and sub-Saharan Africa (Alexandratos and Bruinsma, 2012).

Locating opportunities on the continent is important, as projections show that there is great diversity of land availability and quality among countries and subregions. In sub-Saharan Africa, countries constrained by land scarcity or minimal capacity to expand food production, yet with growing populations, are likely to turn to either trade or migration. In particular, countries in which agricultural resources are limited due to predominantly semi-arid conditions and little irrigation potential, and in which the population is expected to greatly increase by 2030, are likely to be among those from which emigration will be highest in the future. The population of the Niger, for instance,

is projected to grow from 14 million in 2006 to 58 million in 2050, an increase of over fourfold, and is therefore likely to be subject to incompatibilities between its population growth and agricultural potential (Alexandratos and Bruinsma, 2012). Similarly, although the socioeconomic profiles of countries in Northern Africa are generally more advanced than those in sub-Saharan Africa, they have limited potential for further job creation in the agriculture sector as there is little prime arable land. Of the 13 countries that account for 60 per cent of the 1.4 million hectares with the best quality land, five are in sub-Saharan Africa, namely Angola, the Democratic Republic of the Congo, Madagascar, Mozambique and the Sudan (Alexandratos and Bruinsma, 2012). The remaining countries are unevenly distributed across different regions.

Producers in Africa are favourably positioned to serve regional markets and displace imports from outside the continent. The labour absorption capacity of the agriculture sector cuts across different farm sizes. Smallholding farmers are essential for the continent's food security and prove to be competitive when provided with an enabling environment (UNCTAD, 2015a). Without discounting the potential benefits from large-scale farming models, there is no evidence that such models are either necessary or particularly promising for Africa; instead, making agriculture in Africa competitive requires the right mix of policies, strong institutions and a significant rise in good quality investments (World Bank, 2009).

In line with these findings, several private sector-led efforts have identified agriculture as a leading sector in the attractiveness of Africa for investment. It is recognized as a forefront sector for smart development and as one of the areas in which innovation is most needed on the continent. One review of the potential of agricultural value chains in Angola, Ghana, Kenya, Mozambique, Nigeria, Sierra Leone, the United Republic of Tanzania, Zambia and Zimbabwe highlights their potential for agricultural development and uncovers the diversity in their profiles in many crops and associated value chains (PricewaterhouseCoopers, 2015). Similarly, potential exists in cassava, cotton, maize, rice, soybeans and sugar in the Guinea Savannah zone in sub-Saharan Africa, which encompasses approximately 600 million hectares of land, and has strong agricultural development potential, despite poor soil quality. Less than 10 per cent of this zone is in agricultural use, yet nearly 400 million hectares can be used for agriculture. The region cuts across many countries and underpins the livelihoods of more than one quarter of all farmers in Africa. Much of the untapped potential lies in Mozambique, Nigeria and Zambia (World Bank, 2009).

The importance of the agriculture sector in job creation is well-recognized by many Governments in Africa. For example, the agricultural transformation agenda of Nigeria

aimed to create 3.5 million jobs in 2012–2015 in the cassava, cocoa, cotton, rice and sorghum value chains and to increase farmer incomes by \$2 billion. The agenda is credited with leading to the creation of some 2.7 million jobs within its first year and to a decline in the country's annual food import bill by \$5.3 billion (PricewaterhouseCoopers, 2015). The country has recently committed to prioritizing economic diversification away from oil. If the sector and its value chains continue to grow at similar speeds or faster, and if it concurrently fulfils its potential as a strong and vibrant economy, with dynamic manufacturing and services sectors, there may be scope to absorb its large labour force. Countries with different demographic endowments, that is, with similar potential but with risks of labour shortages given smaller populations, such as the Congo, may attract foreign labour.

4.3.3 Optimizing opportunities in manufacturing requires well-coordinated regional-level industrial policies

Industrialization remains a central element in bringing about productivity gains and other benefits such as democratization processes through a well-organized workforce (Rodrik, 2015). The neglect of policies aimed at developing the manufacturing sector in Africa partly explains the delay in structural transformation on the continent (UNCTAD and United Nations Industrial Development Organization, 2011). Recent findings have further highlighted the sector's potential and high propensity for productivity enhancement, a central element in structural transformation. For example, data on formal enterprises, regardless of whether products are exported, shows that manufacturing is characterized by a propensity for the convergence of labour productivity levels (Rodrik, 2015). In other words, possibilities for convergence in labour productivity in manufacturing industries are independent from the vagaries of the global economy.

Competitive threats from companies from abroad and a strong ability in technology upgrading enable manufacturing firms in the formal sector to operate efficiently, thereby facilitating their integration into global production networks. The small share of employment in the sector in sub-Saharan Africa explains why convergence in productivity levels has not expanded to the rest of the economy in low-income countries. Furthermore, as most manufacturing activities that employ advanced technologies do not employ as much labour, the positive effects from productivity enhancements in the sector on the rest of the economy remain limited (Rodrik, 2013). This major limitation partly explains why changes in other parts of the economy remain necessary to set countries on a sharper upward path of structural transformation (McMillan and Rodrik, 2011). Many countries in Africa appear to have skipped manufacturing development in their economic development processes, yet projections of the move away from

low-technology manufacturing in China have revived ambitions to increase the sector's attractiveness. The move up the technology ladder in China has shown the possibility of creating about 100 million labour-intensive manufacturing jobs in low-income countries.

Competition for investment attraction is strong. At the global level, only a few countries in Africa are seen as cost competitive, compared with countries in South-East Asia (Hallward-Driemeier and Nayyar, 2017). In addition, only a few countries in Africa have managed to position themselves as key players across a sample of value chains, including Ethiopia, Lesotho and Kenya. However, disparities in labour costs between these countries are likely to result in differing levels of attractiveness. More generally, a few countries have made

Box 5 Manufacturing below the radar: Profit maximization, locals and foreign labour in Nigeria

Opportunities for manufacturing in Africa are not necessarily evident. They are however arising more and more often, in sometimes unexpected ways. The following account, originally reported in the Harvard Business Review, gives a taste of what can happen when investments are made by Chinese companies:

Sun is from Wenzhou, a midsized city in south-eastern China. Nearly 4,000 years ago, the lustrous, pale green glaze called celadon was invented in Wenzhou, which became the birthplace of Chinese ceramics. In the 1970s, however, times there were tough. After elementary school, Sun dropped out and started working. In 1978, Wenzhou was the first city in China to establish private enterprises. Sun worked his way up through several leather-processing factories and eventually saved enough to start his own leather manufacturing business. But by the late 2000s, costs were climbing at an alarming pace, and he knew he needed to move out of China. A friend suggested he think of Nigeria.

He went for a five-day visit. "Immediately all these poor people were asking for money," he told me. "But then I realized there are a lot of rich people, too, and although it's hard to make it in this market, it's just as hard for everyone else as it is for me." Back in China he called an acquaintance at the customs authority and asked him what was the heaviest, most expensive product to ship being exported in large quantities to Nigeria. The answer? Ceramics.

After that single visit, Sun devoted about \$40 million to building a ceramic tile factory in Nigeria. It runs around the clock and employs nearly 1,100 workers, a thousand of them locals. Electricity is unreliable and costly, but business is good. Nigeria, with its relative lack of competition and booming demand, allows Sun to earn a 7 per cent profit margin, compared with the 5 per cent he earned in China. In manufacturing, margins are often razor thin, and a 2 per cent bump is substantial.

Sun's story is not unusual. According to data from the Ministry of Commerce of China, privately owned Chinese companies are making more than 150 investments a year in the manufacturing sector in Africa, up from only two in 2000. The real figure is probably two or three times as large. Scholars doing fieldwork on the topic routinely encounter Chinese companies that have not been captured by government data.

Source: Excerpted from Sun (2017).

substantial progress in recent years in improving their business environments. Only three sub-Saharan Africa countries are among the top 100 in the World Bank ease of doing business ranking for 2018, namely Mauritius, 25; Rwanda, 41; and Kenya, 80 (World Bank, 2018). Furthermore, only three countries were among the top reformers, namely Malawi, Nigeria and Zambia. Finally, many reform activities pertain to the construction sector (Dinh et al, 2012; Hallward-Driemeier and Nayyar, 2017).

The difficulties that countries in Africa face in competing in global manufacturing are compounded by concerns related to the impact of artificial intelligence and automation on supply chains worldwide. New and fast developments have amplified the perceived risk of premature de-industrialization in Africa. Recent findings show that low-income countries are not immune from the risk of a loss of competitiveness in manufacturing associated with the changes related to the fourth industrial revolution (Rodrik, 2013; United Nations Department of Economic and Social Affairs, 2017b). UNCTAD (2017c) notes that, to date, robotization has had a relatively small direct effect in most developing countries and that, given their lack of diversification and technological upgrading, this is unlikely to change in the near future. The distributional effects of robotics are likely to be diverse and depend on a country's stage in structural transformation, position in the international division of labour, demographic developments and economic and social policies. In studies evaluating the future of manufacturing in developing countries, textiles, transport equipment and electronics are identified as the best-performing sectors based on the following criteria: scope to employ low-skilled workers; share in the overall economy; labour productivity; trade levels; and scope for innovation and diffusion (Hallward-Driemeier and Nayyar, 2017). Such studies state that despite the growth of new technology, opportunities in the low-technology, labour-intensive production of goods for regional trade remain high in low-cost locations.

Manufacturing opportunities in Africa lie primarily in serving the growing domestic market and regional markets. Estimates show that Africa could nearly double its output from \$500 billion in 2011 to \$930 billion in 2025, three quarters of which could come from meeting domestic demand, mostly in food, beverages and similar processed goods (Leke et al, 2016). Considering the pro-trade effect of bilateral migration flows and the channels through which migration can increase trade and wealth, Africa should accelerate regional integration commitments, including provisions on labour, to make the most of such opportunities.

Finally, locating opportunities for attracting foreign labour is difficult, as the size of the informal sector is such that insights on the actual size, scope for growth and areas of

skills shortages need to be the focus of dedicated studies. For example, an analysis of investment by China in Nigeria suggests that workers from abroad may account for about 10 per cent of over 1,000 employees in small-scale factories on the continent (box 5).

4.3.4 Services sector: Strong growth potential

Low-income countries in Africa are among those affected by early de-industrialization due to fewer opportunities for industrialization than experienced by early industrializers (Rodrik, 2015). Other reasons for this trend include the squeezing out of manufacturing in such countries, in the face of competition from imported goods, and exposure to the decline in the relative prices of manufacturing goods. This trend has contributed to services becoming the lead sector in many countries in Africa (UNCTAD, 2015b).

Wholesale and retail, financial and health-care services are among the sectors identified as having a strong growth potential in most countries in Africa (Leke et al, 2016). Such developments include a burgeoning technology sector. More than 100 technology hubs have been set up in Africa in the past decade, and there is potential to deepen their growth in centres such as Cape Town, South Africa, and Kenya, referred to as the silicon savannah of Eastern Africa. Technology has also been transforming teaching and training in Africa through the delivery of educational content via mobile and online channels. New fields of growth continuously emerge in the technology industry. For instance, successive technology conferences in recent years have highlighted shortages in data science at the global level. Countries with an existing lead in technology and the digital economy could invest in public-private training in these fields. To embrace such potential, technology hubs in Africa require investments in improving access to the Internet, power and roads. Furthermore, start-ups in Africa should have greater exposure to technical expertise and benefit from more regulatory support from Governments.

The growth of services sectors in Africa in recent years has shed light on the potential for intersectoral linkages. Services play a central role as a connecting point between different industries. This role can be further developed at national and regional levels and can, in turn, help make commodity-based industrialization services a new trigger for intra-African migration. Finally, services sectors offer scope for inclusive job creation. In the tourism sector, services are credited with a strong multiplier effect in creating jobs for women and youth (UNCTAD, 2017a; UNCTAD 2017b). The continent possesses few centres of excellence for training the required labour, and the services and tourism sectors can offer scope for the intra-African migration of skilled workers and for pooling resources for regional-level internationally competitive training centres. Prospects for the greater development of financial services are good, as it was the top sector with regard to foreign direct investment project numbers in Africa in 2015 (fDi Intelligence, 2016).

Table 20
Immigration patterns and dynamics of change in structural transformation variables

Level of immigration	Agricultural value added per worker (constant 2010 dollars)		Manufacturing value added (percentage of gross domestic product)		Services value added (percentage of gross domestic product)	
	Past 10 years	Present	Past 10 years	Present	Past 10 years	Present
High (> 300 000)						
Côte d'Ivoire		High		Medium		Medium
South Africa		High		Medium		High
Nigeria		High		Medium		Medium
Ethiopia		Low		Low		Medium
Burkina Faso		Low		Medium		Medium
Kenya		Medium		Medium		Medium
Cameroon		Medium		Medium		Medium
Uganda		Low		Medium		Medium
United Republic of Tanzania		Low		Medium		Low
Chad		High		High		Low
Sudan		High		Medium		Medium
Congo		Medium		High		Low
Ghana		Medium		Medium		Medium
Rwanda		Low		Low		Medium
Guinea		Low		High		Medium
Gabon		High		High		Medium
Democratic Republic of the Congo		Low		High		Low
Zimbabwe		Low		High		Medium
Medium (> 100 000)						
Burundi		Low		Medium		Medium
Liberia		Low		Low		Low
Benin		Medium		Medium		Medium
Mali		Medium		Medium		Medium
Libya		High		Low
Senegal		Low		Medium		High
Gambia		Low		Low		High
Malawi		Low		Medium		Medium
Mozambique		Low		Medium		Medium
Togo		Medium		Medium		High
Central African Republic		Low		Medium		Medium
Niger		Low		Medium		Medium
Djibouti		Low		High
Low (< 100 000)						
Botswana		Medium		High		High
Mauritania		Medium		High		Low
Sierra Leone		Medium		Medium		Low
Zambia		Low		Medium		Medium
Egypt		High		High		Medium
Angola		High		Medium
Algeria		High		High		Medium
Namibia		High		Medium		High
Morocco		High		Medium		Medium
Tunisia		High		Medium		Medium
Swaziland		High		High		Medium
Guinea-Bissau		Medium		Medium		Medium
Eritrea		Low		Medium
Comoros		Medium		Low		High
Cabo Verde		High		Low		High
Madagascar		Low		Medium		Medium
Sao Tome and Principe		Low		Low		High
Equatorial Guinea		Medium		High		Low
Mauritius		High		Medium		High
Seychelles		Medium		Low		High
Somalia		Low		Low
Lesotho		Low		Medium		High

Source: UNCTAD calculations, based on the UNCTADstat database and the Agricultural Market Information System database of the Food and Agriculture Organization of the United Nations.

Notes: Categories are as follows:

Agricultural value added per worker: > \$2,000, High; > \$800, Medium; < \$800, Low; Manufacturing value added: > 25 per cent of GDP, High; > 10 per cent of GDP, Medium; < 10 per cent of GDP, Low; Services value added: > 60 per cent of GDP, High; > 40 per cent of GDP, Medium; < 40 per cent of GDP, Low.

Business services are experiencing the same upward trend; the number of foreign direct investment projects in this sector in Africa grew by 80 per cent in 2016 (fDi Intelligence, 2016). Ghana and Kenya are among the top performers. Other sectors such as logistics have also experienced growth. For example, Mozambique attracted the largest number of foreign direct investment projects in 2016. Such emerging different competitive advantages in countries offer scope for opportunities in cross-border movements of skilled labour, as other countries on the continent enter similar fields in the future.

4.3.5 Innovation and entrepreneurship should be at the centre of all national and regional initiatives

Increasing evidence of the disruptive effect of artificial intelligence and automation fundamentally question the static assumptions on which many empirical models are based and alter the predictive power of projections on job and wage gains and losses of twentieth-century industries. More than ever, as elsewhere in the world, innovation will play a central role in shaping the ability of countries in Africa to adapt to the kind of structural transformation needed for sustainable development in the twenty-first century. Many economies in Africa have skipped the traditional step of manufacturing to embrace opportunities in services as the main contributor to GDP. However, services alone are not enough to absorb the growing working age population in Africa. Rather, countries should make the most of gearing investments towards green, technology-intensive yet labour-generating industries in agriculture, manufacturing and services. Immigration patterns and dynamics of change in structural transformation variables are shown in table 20.

As emphasized in numerous studies and reports, priority cross-cutting conditions related to access to affordable and reliable energy, infrastructure and social development need to be met before the continent can unleash its full potential in agricultural development, manufacturing and services. In addition, low, albeit growing, rates of research and development in countries in Africa underline the scale of efforts required to embark on multisectoral industrial development. On the one hand, the lack of appropriate policy frameworks on the continent is a constraint for business. On the other hand, the limited legacy of legal and regulatory frameworks requiring high levels of compliance can be an opportunity for entrepreneurs to be frontrunners in investing in innovative and agile companies.

4.4 What needs to be done and who needs to do what?

The African Common Position on Migration and Development (2006) should be integrated into the new generation of national migration policies. Migration is an issue that warrants action and collaboration at the national, regional and continental levels. The Migration Policy Framework for Africa cites the Abuja Treaty (1991) that, in founding the African Economic Community, urged member States to adopt employment policies that allowed the free movement of persons, including workers, within the Community, which entailed “strengthening and establishing labour exchanges aimed at facilitating the employment of available skilled manpower of one member State in other member States where there are shortages of skilled manpower” (African Union Executive Council, 2006). Over 10 years after the adoption of the Migration Policy Framework, it is time to define concrete actions for the facilitation of managed migration on the continent and determine who should do what.

Box 6 South Africa: Incorporating the integration agenda of Africa into a national migration framework

Analysis of historical and contemporary trends in South Africa shows that most migrants work in mining, agriculture, hospitality, construction and domestic services, and that motivation to immigrate to South Africa includes consideration of its status as an upper middle-income country, with wages averaging about five times higher than in SADC partner countries. There have been growing concerns that economic migrants may apply for asylum, thereby creating delays for refugees and burdening public resources. Acknowledging that the discourse on migration in South Africa has been heated, with “strong emotions, stereotypes and contested statistics”, the white paper on international migration aims to address gaps in the legislation, catalyse efforts by the Government and society at large to manage international migration to achieve the development goals set out in the national development plan and refers to the regional integration agenda in its aim to be Africa-oriented. Policy areas include the management of international migration within the African context to ease cross-border movements for African citizens, to provide a legal route for economic migrants originating from SADC and to address the migration of highly skilled professionals and those with capital.

The white paper emphasizes that a well-managed international migration policy will enable the development of South Africa as well as that of the region. It explicitly positions the international migration policy of South Africa within the African development agenda. In this regard, it gives due consideration to Agenda 2063, the establishment of the continental free trade area and negotiations for a continent-wide visa-free regime. Policies and strategic interventions include international best practice measures such as a points-based system and a residence visa for international students.

Box 6 (continued)

With regard to institutional arrangements, the white paper acknowledges that the effective implementation of an international migration policy depends on the establishment of an intergovernmental and intersectoral institutional machinery, with strong coordination and accountability mechanisms. This would steer proactive recruitment approaches based on a list of the skills and businesses required for national and sectoral priorities, strategies and plans. Specific elements are as follows:

- Portability of social benefits: The white paper recommends that provisions be made for the delivery of social security and the portability of social benefits for qualifying international migrants.
- Time-bound special work visas for SADC nationals: Based on bilateral agreements between States, SADC nationals would be given a work visa for a prescribed period. The political decision on the number of visas to be offered would be informed by empirical evidence of labour market dynamics. To this end, the white paper recommends investigating the feasibility of a sector-based approach, whereby visas would be granted to work only in a specific sector.
- Multiple entry long-term visas for SADC traders: The positive role of cross-border traders in promoting intra-African trade would be supported through the granting of such visas.
- Harmonization of regional-level governance frameworks on refugees: The white paper suggests that a bilateral and multilateral approach should be taken with origin countries of asylum seekers, as well as with transit countries and countries that could accommodate refugees for resettlement. Options in this regard include voluntary repatriation, resettlement to a third country and the integration of refugees into communities in South Africa.

Such elements provide avenues for better qualifications management at the continental level. For example, the proposed residence visa for international students could generate positive effects for both the economy of South Africa and origin countries. The tertiary education system in South Africa is internationally recognized as including centres for excellence. Gaining education and work experience in South Africa could lead to a possible win-win outcome. In a virtuous scenario, graduates would contribute to the destination country, send remittances to origin countries and return to benefit origin economies, equipped with know-how, contacts and capital. In addition, if graduates are recruited by multinational companies, this policy measure could act as an incentive for employers to invest in the capacity-building of African staff graduating in South Africa. Such companies could then reap the benefits from training such staff members and by facilitating their movement in Africa, rather than having to recruit skilled workers from outside Africa.

Source: South Africa Department of Home Affairs (2017).

Most regional economic communities have established a migration policy framework (see chapter 2). Others are recognizing the need to do so, which requires substantial organizational resources and consultations and a supportive political environment. South Africa has become the primary destination for migrants in all categories from Eastern and Southern Africa and is one of the main destination countries on the continent. To address challenges linked to this status, the Government of South Africa has recently concluded the reform of its migration policy, and insights from the resulting white paper on international migration, adopted in March 2017, the final version of which was published in July 2017, may be useful for countries embarking on the same journey (box 6). Established in a context of soaring unemployment rates, the national policy framework in the white paper situates migration within broader regional and continental contexts by issuing policies that aim to help facilitate the development of markets and industries and the skills base in South Africa, Southern Africa and Africa as a whole. The Government of South Africa has expressed its will to integrate human rights principles in its approach, a markedly different approach from the history of labour migration in the subregion. A thriving labour-intensive mining industry in the twentieth century led South Africa to become the leading destination for workers from adjacent countries and from across Southern Africa. These labour movements were managed through stringent bilateral agreements that ensured a constant supply of low-cost migrant labour, mostly from Botswana, Lesotho, Malawi, Mozambique, Swaziland and Zimbabwe (Wilson, 1976). In 2017, most migrants from these countries remained low-skilled, and the white paper accordingly notes that the promotion of objectives related to economic growth requires the granting of business, critical skill, study and visitor and/or tourist visas, as these categories of migrants are more likely to start businesses and contribute to a knowledge economy and job creation (South Africa Department of Home Affairs, 2017).

The fact that the white paper devotes comparatively less attention to facilitating the movement of low-skilled migrant workers from the continent raises concerns. In addition, analysts of migration to South Africa have questioned the cost effectiveness of some of the proposals on asylum seekers (Jinnah, 2016; Nshimbi and Fioramonti, 2013). The white paper states that asylum seekers will not automatically acquire the right to work, study or conduct business while their status is being determined, since their basic needs will be met in processing centres, and highlights the difficulties in addressing irregular migration given a lack of return agreements with neighbouring countries on the deportation process (South Africa Department of Home Affairs, 2017). Finally, with regard to institutions, the white paper recognizes that a policy and regulatory framework that ensures effective coordination between sectors and government spheres is lacking, and states that “well-managed international migration will reduce the social costs and public

expenditure associated with illegal migration” (South Africa Department of Home Affairs, 2017). This lack of coordination is partly attributed to some governance and administrative capacity deficiencies in the current institutional framework for migration management (Jinnah, 2016).

4.4.1 Skills and lead value chains

There is little information on skills mapping on the continent. Decision-making therefore relies mainly on personal and household perceptions of labour needs and on those of prospective recruiters. In contrast to the historical tradition of bilateral agreements between South Africa and other countries in Southern Africa, such agreements are few in the rest of Africa (see chapter 2). As a result, choices of migration destinations vary, and are not always reflective of actual labour market needs. For example, Côte d’Ivoire has benefited from low-skilled migration by bridging labour gaps in construction and agriculture, which has also contributed to export-led growth; in contrast, in Burkina Faso, immigrants are found to be overqualified, with little use made of their skills to spur structural transformation (OECD, 2017).

The findings in this chapter and a review of the literature highlight the limited stages of industrial development in Africa and the slow progress in productivity gains. In addition, this chapter notes the geographical distribution of opportunities across different sectors on the continent, and highlights the need for better information on the patterns of labour flows. If designed with due recognition for the varying needs of countries, regional migration policies can set the stage for coordinated industrial policies at the regional level. Examples of related measures include the facilitation of labour flows based on the specific needs of different countries specialized in different segments of the lead value chains identified in the previous sections. The trade creation effect of regional integration in Africa can be further boosted by addressing the management of labour flows at the continental level. This would enable partner States of regional economic communities to benefit from the diversity of their specializations. For example, the cotton-to-textiles industry in Africa is characterized by much higher levels of cotton yields in Western Africa than in Eastern and Southern Africa. In contrast, Eastern and Southern Africa have some dynamic and internationally competitive textile companies. Building on these differences in existing competitive advantages, in the context of a scarcity of public funds, Governments could pool resources and raise private financing for regional centres of excellence that can train creative technology and innovation-oriented workforces.

The findings in this chapter on the positive impact of migration on labour productivity and manufacturing value added, and thereby on structural transformation, reinforce the

Table 21

Growth rate prospects for immigration levels

Level of immigration	Immigration growth rate, 2000–2013	Trend in net migration rate after latest observable value	Projection of net migration, 2050
High (> 300 000)			
Côte d'Ivoire	Low	↘	0
South Africa	High	↘	1.5
Nigeria	Low	→	0
Ethiopia	Low	→	0
Burkina Faso	Low	↗	-1.25
Kenya	Low	→	0
Cameroon	High	↗	-1
Uganda	Low	↗	0
United Republic of Tanzania	Low	↗	0
Chad	High	→	-0.1
Sudan	Negative	→	0
Congo	High	→	0
Ghana	High	→	-1
Rwanda	Low	→	0
Guinea	Low	→	0
Gabon	Low	↘	1.5
Democratic Republic of the Congo	High	→	0
Zimbabwe	Negative	↗	-1.5
Medium (> 100 000)			
Burundi	High	↘	-2.5
Liberia	High	→	0
Benin	Low	→	-0.1
Mali	Low	→	-3
Libya	Negative	↗	-3.5
Senegal	Negative	↗	-1.25
Gambia	Negative	→	0
Malawi	Negative	→	0
Mozambique	Negative	→	-0.5
Togo	Negative	→	-1
Central African Republic	High	→	0
Niger	Negative	↘	-1
Djibouti	Low	→	0
Low (< 100 000)			
Botswana	High	→	0.5
Mauritania	Low	↗	-1
Sierra Leone	Low	↗	0
Zambia	Negative	↗	0
Egypt	High	↗	-1
Angola	High	→	-0.5
Algeria	Negative	↗	-1.25
Namibia	Negative	→	-0.5
Morocco	Low	↗	-3
Tunisia	Negative	→	-1.5
Swaziland	Negative	→	-2.5
Guinea-Bissau	Low	↗	-3
Eritrea	Low	↗	-1
Comoros	Negative	↗	-2.5
Cabo Verde	Low	↗	-0.1
Madagascar	Negative	→	-0.2
Sao Tome and Principe	Low	↗	-2.5
Equatorial Guinea	Negative	↘	0
Mauritius	Negative	↘	-2.5
Seychelles	Low	↗	-2
Somalia	Negative	→	0
Lesotho	Negative	↗	-3

Source: UNCTAD calculations, based on Azose et al, 2016; United Nations Department of Economic and Social Affairs, 2017c; and World Bank Global Bilateral Migration database.

Notes: Due to the lack of available data, South Sudan is not included in this sample. Azose et al (2016), in estimating population growth projections, consider uncertainty in projecting international migration, and model migration as an autoregressive process, given difficulties in predicting long-term push and pull factors.

need to discuss and address intra-African migration in multilateral negotiations. They provide grounds for alternative structural-level solutions beyond the currently dominant project-based approach. From a long-term perspective, prioritizing support for policies and actions for structural transformation should result in more sustainable impacts on drivers of migration to destinations outside the continent.

However, lessons learned from the impacts of trade liberalization on the unequal growth of productive resources in different countries warrant the need for caution on the potential impacts of the full liberalization of labour flows. The international migration of labour is likely to influence the allocation of productive resources such as skills, entrepreneurial abilities and the ability to undertake research and development. Contemporary evidence on growing intrastate and inter-State disparities shows that without accompanying measures to level the playing field, liberalization measures may reinforce initial states of unequal resource endowment. The free movement of labour may result in the perpetuation of existing inter-State inequalities, as the pull factors in countries depend on the current distribution of resource endowments and perceived labour market opportunities. Skills upgrading and productivity enhancements are key factors for structural transformation, and labour liberalization should not result in locking countries that are abundant in low-skilled labour into corresponding sectoral specializations.

Multilateral intergovernmental negotiations such as those leading to the global compact for migration should acknowledge such challenges and opportunities. From a policy perspective, the challenge is to ensure that cooperation on migration policies at the regional, continental and multilateral levels allows for dynamic changes in the temporal and spatial allocation of skilled and low-skilled labour in countries. Equal opportunities in achieving progress on structural transformation in origin and destination countries in Africa depend on how such allocations evolve over time. To achieve an egalitarian objective, labour, trade and investment agreements should be coherent with national and regional development goals. Investment agreements and investment promotion efforts should be aligned with the respective positions of signatory countries with regard to the labour needs of their target sectors. Furthermore, under the right policy environment, accompanying measures such as mandatory training for local employees and local procurement obligations in foreign direct investment projects may contribute to the better management of the migration of skilled workers.

The findings in this chapter show that there are not enough opportunities in different sectors and countries in Africa in the short to medium terms to absorb the continent's growing labour force. Remittances from extra-continental migrants will continue to play

a role in the achievement of the 2030 Agenda for Sustainable Development in many countries. Emigration rises with income levels, before falling beyond a certain point that corresponds to roughly \$7,500 per capita (Clemens, 2014). Most countries in Africa are below this point, regardless of their migration status, yet are on an upward trend with regard to economic and social development. Emigration from Africa is therefore likely to continue for some years.

4.5 Conclusions: Positioning migrants at the centre of migration policies

Persons and households make migration decisions in response to a wide range of factors that include perceptions of labour market opportunities and expectations of higher earnings and a better future abroad (see chapter 3). Such decisions are the outcome of the interaction between structural forces, proximate circumstances linked to business cycles and household characteristics. Growth rate prospects for immigration levels are shown in table 21. At the aggregate level, uncertainties and shocks at the household and community levels have led to changing patterns of migration in Africa, with rising rates of extra-continental migration. Yet intra-African migration predominates.

Africa has great potential in many sectors, including a global competitive advantage in agriculture and its value chains. However, challenges linked to unemployment and underemployment, as well as a large youth population, make it difficult to identify economies that have ample opportunities for large-scale job creation and capable of absorbing flows of foreign labour. In addition, a prominent share of migrants in Africa move within their own countries, thereby underlining the primacy of creating jobs domestically.

With regard to inter-African migration, the potential for job creation in agricultural value chains, manufacturing and services highlights the need for regional and continental migration policies to be integrated into regional planning and cooperation in industrial development. Such cooperation is necessary in order to harness the demographic dividend from the continent's young workforce. As illustrated by the example of South Africa, migration policies raise questions about the treatment of different types of migrants, from economic migrants to asylum seekers and international students as temporary workers. Similarly, domestic migration policies face tensions with regard to favouring the attraction of skilled rather than low-skilled labour. Governments should coordinate with the private sector to develop policies and initiatives on aiding

the emergence of a talent-driven workforce capable of thriving in an innovation and technology-led world.

The findings in this chapter show that progress on social indicators has continued its upward trend in countries with varying patterns of migration. Optimal policy and regulatory frameworks should be established for migration to fulfil its potential in contributing to economic and social development. This chapter also highlights areas with potential for job creation in different sectors. To make the most of this potential, economies in Africa should accelerate the implementation rates of existing policies and legal frameworks to benefit from the gains of greater regional integration and the free movement of labour at the continental level. Demographic variables accounted for up to one quarter of economic growth in East Asia, yet the outcome from demographic change, rather than being deterministic, was policy dependent. Enabling conditions included successful export-oriented growth strategies, supported by favourable macroeconomic policies (Mason, 2001; Mason, 2007).

The potential of Africa to attract foreign direct investment remains largely untapped. As international businesses emphasize the need to obtain a first-hand understanding of local and regional markets, skilled migrants from Africa should be well-positioned to increase their numbers among the ranks of expatriates across the continent. Increasing the contribution of migration to structural transformation on the continent depends on translating existing migration policy frameworks and protocols into evidence-based migration management tools at the national and regional levels.

With 12 years remaining before 2030, the next chapter shows the central role that remittances from intra-African and extra-continental migrants play in setting countries on a path towards achieving the Sustainable Development Goals and sustainable structural transformation by 2063.

And finally, it is impossible to fully convey the emotional hurdles that people like Mamadou and Ramatoulaye experience in the face of precipitating circumstances for migration such as the loss of a much-needed source of income. To leave or to stay put. To go as a family, as a couple, or alone. To move to a neighbouring country or farther afield, even across the seas. If gone, to stay away or to come back. As African countries grapple with the challenge of creating 55,000 jobs a day to absorb new job market entrants by 2030, much like Mamadou and Ramatoulaye, would-be migrants spend sleepless nights gambling their lives away. This needs to change. African policies and measures by public and private sector partners in the multilateral system must do their utmost to better inform the decision-making of candidate migrants.

If the global compact for migration leads to the design and implementation of the right migration management policies and tools, there is a chance that Ramatoulaye's dream of celebrating her fiftieth wedding anniversary in style will happen. She dreams that her family reunion back on African soil will coincide with the celebrations of a prosperous African Union as predicted in its Agenda 2063. Her hope is that by then, she and her husband will be able to retire from the family run agro-business that they will have opened in Dakar with savings from their time living abroad. She is adamant that her staff will reflect the diversity of the African countries where their goods will be sent for trading. She plans that Binetou, their first born who by then would live in South Africa, will send them an invitation to a resort in East Africa as a present for their wedding anniversary. Thanks to the benefits of the free movement of persons across the continent and the long-standing effects of the new 2017 Migration Policy of South Africa, Binetou will be luckier than her father had been, all those years ago. Mamadou and Ramatoulaye dream that all their family will live in the Africa that they want.

Migration and trade are two sides of the same coin: globalization. Migration preceded trade in the history of humanity, but trade preceded migration in the history of multilateralism. The world has proved its capacity to liberalize trade. And yet, trade is not a human right. As preparations for the global compact for migration are under way, the world now stands to be tested on its ability to embrace freedom of movement for all.

CHAPTER 5

Migration and structural transformation: The long-term view

The economic history of the world shows that development is a long-haul and constantly evolving journey marked by specific milestones. The development path of countries in Africa is no exception. This chapter complements the analysis of the trade and sector-level dimensions of the relationship between migration and structural transformation (see chapter 4).

The first section takes as the point of departure the notion that sustainable economic development relies on sustainable social development. It examines changes in a series of socioeconomic indicators and their potential association with migration patterns, investigating concerns with regard to declining education levels and performances in health in receiving countries. The section then compares data on changes in migration patterns with data on changes in socioeconomic indicators in sending countries. The second section provides an overview of the extent of remittances at the aggregate level and uses household-level data to analyse the spectrum of its use by recipients in sending countries. The final section briefly considers other potential benefits of migration.

DIASPORA'S IMPACT ON AFRICAN DEVELOPMENT



Female migrants
contribute as much as
male migrants
in remittances



=

Investment



Heritage trade



Community projects



Tourism



The diaspora
contributes to
development



Philanthropy



Knowledge transfer



Technology transfer



Afwerki had talked to Mamadou some weeks ago about his uncle's letters in which he shared stories about some of his African friends in their struggle for living the American dream. The existential upheavals of one in particular, a fellow Ethiopian called Sepha, had an effect on Afwerki. It was his uncle's accounts of these other facets of migration that motivated him to stay in Africa. He vowed to contribute to making the continent a land of opportunities. He said that he was involved in some social investment ventures back home. He wanted the children, the nieces and nephews of women who now work abroad as domestic workers to have the same opportunities as his own children. "These women make so many sacrifices" he said, "so the least we can do is to make sure that these remittances are spent on studies that would equip the children in their families back home with the right skills to succeed in today's world." As they parted ways that evening, Afwerki said to Mamadou: "Don't worry my friend. Our descendants will turn the continent's narrative upside down. Foreigners will want to come to the continent and live the African dream. Trust me. Let's talk again in 2063".

5.1 Migration does not stifle social development in sending and receiving countries

Growing cities in the face of increased migration bear most of the burden on public services, from housing to education, utilities and transport infrastructure. In most instances, such strains reflect existing challenges in public funds allocations, which may or may not be exacerbated by the influx of foreign-born inhabitants. For instance, almost all of the cities included in a study on the impact of migration reported a need for more affordable and social housing for both existing populations and migrants (World Economic Forum, 2017). There is no evidence of a predominant share of foreign-born migrants in destination cities in Africa and elsewhere, yet media narratives often associate the presence of foreign-born inhabitants with delays in social progress. In the light of this context, this section investigates the dynamics of migration and social development trends in sending and receiving countries in Africa.

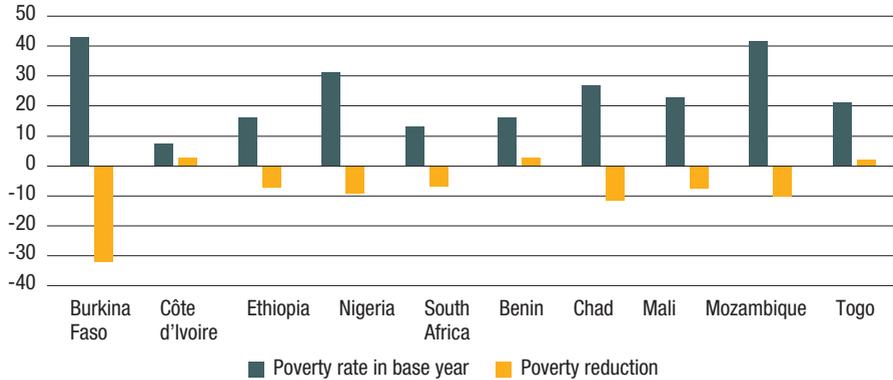
5.1.1 Migration patterns have not stopped progress on poverty reduction

An examination of the parallel changes in recent poverty headcounts and migration patterns reveals that there is little difference between the top receiving and top sending countries (figure 18). For example, Burkina Faso, which started at the highest poverty level, at 40 per cent in 1998, experienced the greatest reduction. Among receiving countries, Côte d'Ivoire is the only country in which poverty has slightly increased since 2000.

Figure 18

Top receiving and sending countries: Change of poverty headcount ratio at \$1.90 per day, between 1996 and latest observation

(Percentage)



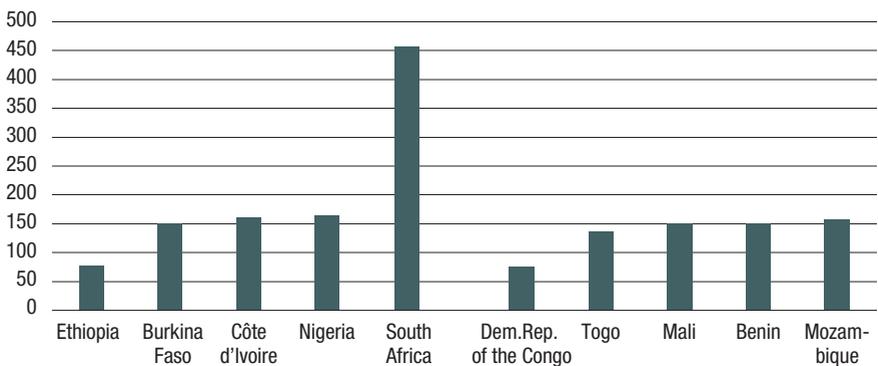
Source: UNCTAD calculations, based on the World Development Indicators database of the World Bank.

Notes: Calculated for top sending and receiving countries for which at least two data points are available. Observation years for top receiving countries are as follows: Burkina Faso, 1998; Côte d'Ivoire, 1998; Ethiopia, 1999; Nigeria, 1996; and South Africa, 1996. Base years for top sending countries are as follows: Benin, 2003; Chad, 2006; Mali, 2001; Mozambique, 2002; and Togo, 2003.

Figure 19

Top receiving and sending countries: Nominal gross monthly minimum wage at constant 2011 purchasing power parity, 2010

(Dollars)



Source: UNCTAD calculations, based on the ILOstat database.

5.1.2 Wage differentials remain small across countries with varying migration trends

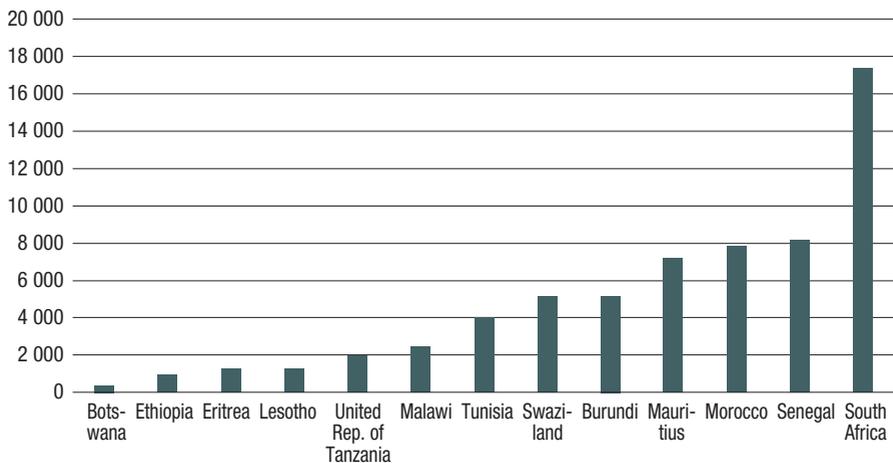
In 2010, there were no clear differences between sending and receiving countries with regard to the monthly minimum wage, with the exception of South Africa (figure 19).

An analysis of national minimum wages and salaries paid to employees in the manufacturing sector that captures variations over time is shown in figure 20. Both datasets used in the analysis indicate that there are no clear differences between sending and receiving countries with regard to wage levels. Receiving countries do not appear to be more prone to lower wages than sending countries. Wage differentials in Africa are generally smaller due to the relative homogeneity of economies.

Figure 20

Three-year average manufacturing wage paid per employee, 2009–2011

(Dollars)

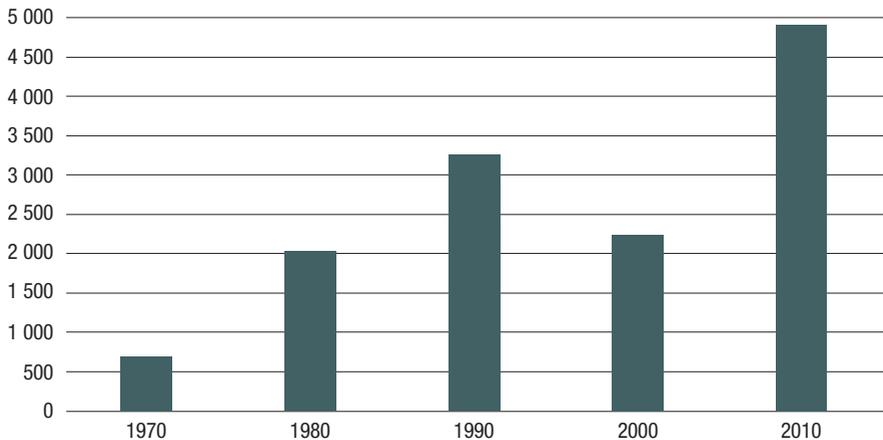


Source: UNCTAD calculations, based on the ILOstat database (national minimum wages) and the United Nations Industrial Development Organization Industrial Statistics database, arranged at 3-digit and 4-digit level of the International Standard Industrial Classification of All Economic Activities, revision 3 (wages and salaries in manufacturing sector).

In 1970–2010, in parallel with the increase in migration stocks, wage differentials also rose, except for a decline in 2000 (figure 21). A bivariate analysis of the relationship between migration and wages suggests that bilateral migration reduces wage differentials, but that the effect is small, with an elasticity of 0.02 per cent, and not

significant in different specifications. This finding is supported by the fact that wage differentials between sending and receiving countries are small, as is the expected wage-depressing effect in the receiving country. The analysis does not aim to ascertain a causality link between migration and wages, but provides insights on the variations in bilateral migration and wage data over time in origin and destination countries.

Figure 21
Average bilateral wage differential between countries in Africa
 (Dollars)



Source: UNCTAD calculations, based on the United Nations Industrial Development Organization Industrial Statistics database, arranged at 3-digit and 4-digit level of the International Standard Industrial Classification of All Economic Activities, revision 3.

5.1.3 The increase in migration happens in parallel with improvements in education and health, especially for women

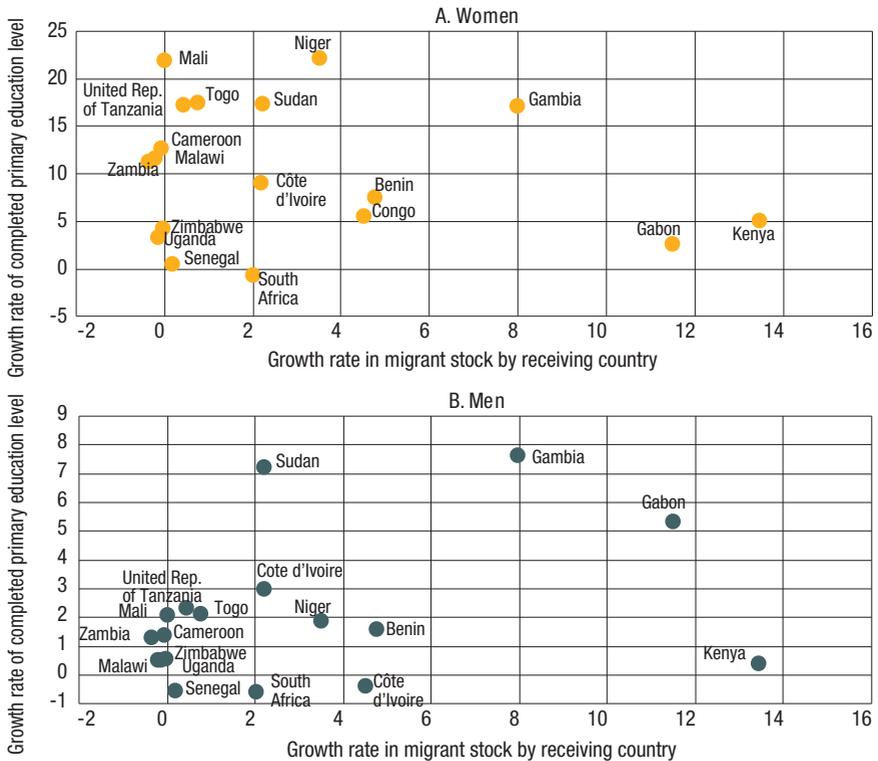
Migration and education

On the one hand, migration can help to increase education in a sending country through remittances and the consequent ability to send more children within a household to school. However, spending on education in sending countries may decline owing to lower public revenues resulting from labour emigration. On the other hand, migration can put more pressure on a receiving country by increasing the strain on corresponding public services, captured by higher expenditures on education. In receiving countries, educational attainment at the primary level has consistently grown

faster than migrant stocks, women's educational attainment has improved at faster rates, at above 5 per cent, than the growth of migrant stocks (figure 22a), and the growth rate of men's educational attainment has been below 4 per cent in many countries (figure 22b). In sending countries, the patterns of change of both men's and women's educational achievement are less marked than in receiving countries (figure 23(a) and (b)).

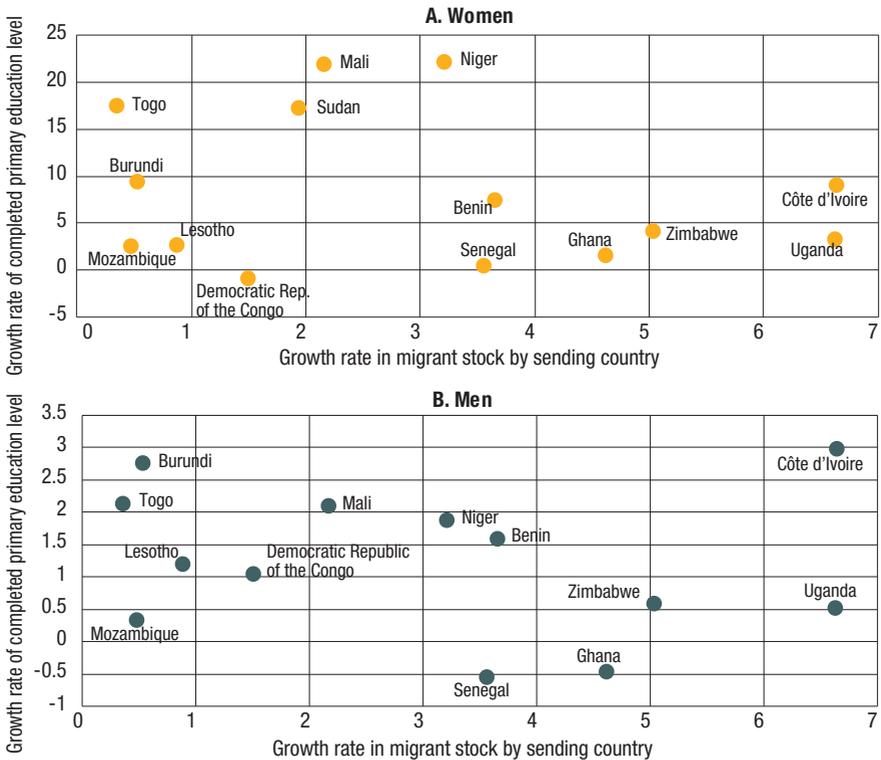
Figure 22
Growth rate of completed primary education level by gender and growth rate in migrant stock by receiving country, 1960–2010

(Percentage)



Source: UNCTAD calculations, based on the Barro-Lee Educational Attainment dataset.

Figure 23
Growth rate of completed primary education level by gender and growth rate in migrant stock by sending country, 1960–2010
 (Percentage)



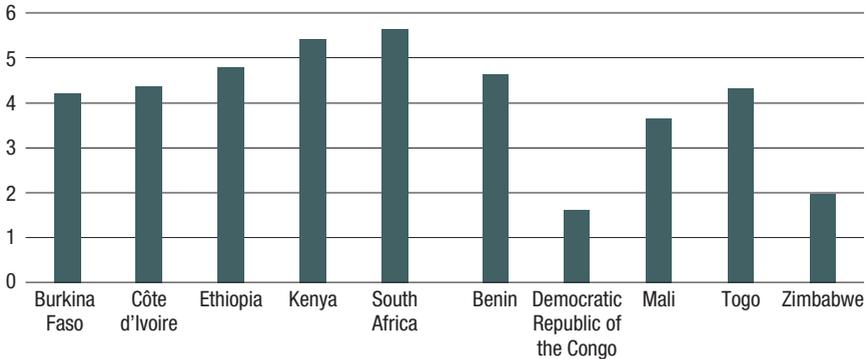
Source: UNCTAD calculations, based on the Barro-Lee Educational Attainment dataset.

Rising immigration levels can put more pressure on social expenditures in receiving countries. Government expenditure on education is on average higher in receiving countries than in sending countries (figure 24), yet there appears to be a negative relationship between an increase in immigration and changes in expenditure on education.

Figure 24

Government expenditure on education as share of gross domestic product by top receiving and sending countries, 2010

(Percentage)



Source: UNCTAD calculations, based on the World Development Indicators database of the World Bank.

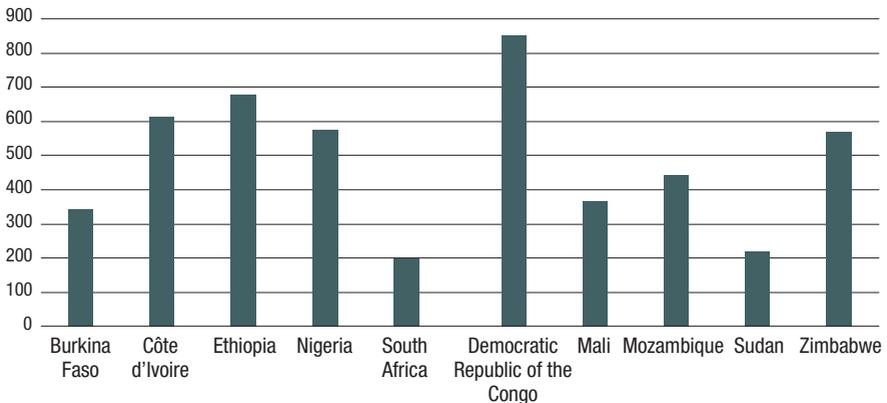
Migration and health status

There appear to be no major differences between sending and receiving countries on the maternal mortality ratio and immunization rates (figures 25 and 26).

Figure 25

Maternal mortality ratio by top receiving and sending countries, various years, 2009–2014

(National estimates per 100,000 live births)

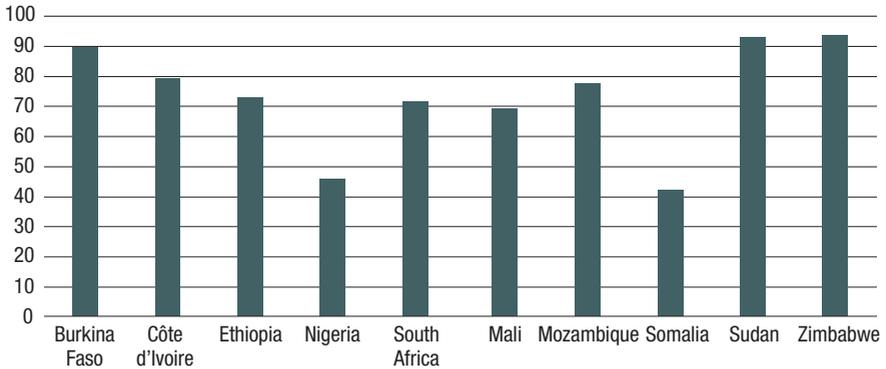


Source: UNCTAD calculations, based on the World Development Indicators database of the World Bank.

Figure 26

Immunization of children aged 12–23 months against diphtheria, pertussis and tetanus by top receiving and sending countries, 2010

(Percentage)



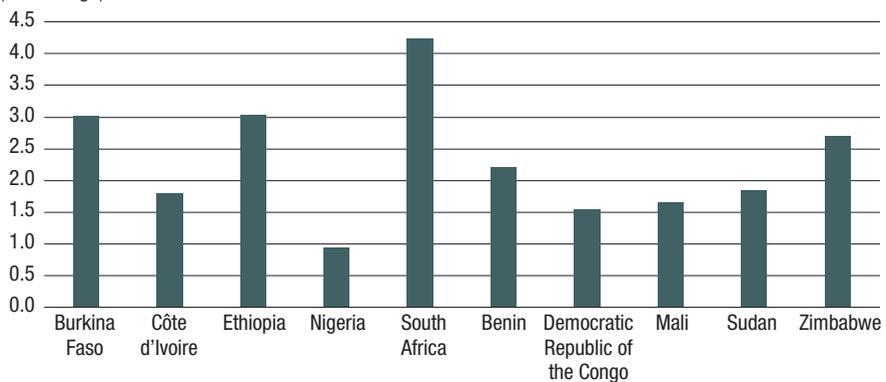
Source: UNCTAD calculations, based on the World Development Indicators database of the World Bank.

The fear that rising levels of immigration will require greater government expenditures on health in a receiving country is not corroborated by the data on Africa (figure 27). On average, when measured as a share of GDP, differences in expenditures seem relatively low between sending and receiving countries.

Figure 27

Health expenditure as share of gross domestic product by top receiving and sending countries, 2010

(Percentage)



Source: UNCTAD calculations, based on the World Development Indicators database of the World Bank.

There seems to be no correlation or a negative correlation with regard to changes in health expenditures and immigration over time, which suggests that immigration does not put a strain on public expenditures on health that may halt progress on health-related development goals. In contrast, the results show that migrants are likely to cover their own health expenditures. The limited fiscal implications may be due to many migrants not being eligible for social benefits in most receiving countries. Similarly, as other studies have shown, whether positive or negative, the net fiscal impacts of immigration are not likely to be large (United Nations Development Programme, 2009).

5.1.4 Under current circumstances, migration is neither a burden nor a panacea in achieving the Sustainable Development Goals

The analysis in this section suggests that migration plays a minor role in influencing trends in social development-related indicators in both sending and receiving countries. In addition, although more rigorous analysis and projections of likely trends are beyond the scope of this report, and a formal analysis of the causality between migration and social indicators was not conducted, the results of the analysis conducted suggest that migrants should not be blamed for any unsatisfactory public services in receiving countries. The burden of achieving transformative social development in sending countries should not rest on emigrants. In other words, as found in earlier studies, under current circumstances in Africa, migration is neither a burden nor a panacea. However, an examination of the possible prospects of many countries in achieving the health and education-related Sustainable Development Goals by 2030 indicate relatively good scoring overall (table 22). Yet these prospects could be better. The findings suggest that more needs to be done to improve the enabling policy and regulatory environment, which would enable countries in Africa to maximize the benefits of migration and establish the right conditions for sustainable structural transformation.

5.2 Remittances contribute to building the foundations of structural transformation in sending countries

Remittances are not a substitute for other forms of development finance, but are a critical financial flow for many developing countries. Remittances constitute one of the main mechanisms through which emigration leads to improvements in welfare in families and communities in sending countries. They can take many forms, whether cash, in-kind and social, all of which potentially enable family members to improve their diets,

Table 22

Immigration patterns and prospects for achieving health and education objectives

Level of immigration	Prevalence of undernourishment (percentage of population; three-year average)			Maternal mortality ratio (national estimate per 100,000 live births)			Primary education (net enrollment rate); Women			Secondary education (net enrollment rate); Women		
	Future: 2030			Future: 2063			Future: 2030			Future: 2063		
	Present	Past 10 years	Future: 2030	Present	Past 10 years	Future: 2030	Present	Past 10 years	Future: 2030	Present	Past 10 years	Future: 2030
High (> 300 000)	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Medium	Good	Good
Côte d'Ivoire	Good	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Medium	Good	Good
South Africa	Good	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Medium	Good	Good
Ethiopia	Poor	Poor	Poor	Poor	Poor	Poor	Medium	Good	Good	Poor	Poor	Good
Burkina Faso	Poor	Medium	Medium	Poor	Poor	Medium	Medium	Good	Good	Poor	Poor	Good
Kenya	Poor	Good	Good	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Cameroon	Poor	Poor	Poor	Poor	Poor	Poor	Medium	Good	Good	Poor	Poor	Good
Uganda	Poor	Poor	Poor	Poor	Poor	Poor	Medium	Good	Good	Poor	Poor	Good
Republic of Tanzania	Poor	Poor	Poor	Poor	Poor	Medium	Medium	Good	Good	Poor	Poor	Good
Chad	Poor	Poor	Poor	Poor	Poor	Poor	Medium	Good	Good	Poor	Poor	Good
Sudan	Poor	Poor	Poor	Poor	Poor	Poor	Medium	Good	Good	Poor	Poor	Good
Congo	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Ghana	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Rwanda	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Burundi	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Central African Republic	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Niger	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Djibouti	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Low (< 100 000)	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Burundi	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Benin	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Mali	Good	Medium	Medium	Good	Good	Good	Medium	Good	Good	Poor	Poor	Good
Libya	Good	Good	Good	Good	Good	Good	Medium	Good	Good	Poor	Poor	Good
Senegal	Medium	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Gambia	Medium	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Zambia	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Mozambique	Poor	Good	Good	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Top	Medium	Good	Good	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Central African Republic	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Niger	Medium	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Djibouti	Medium	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Low (< 100 000)	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Mauritania	Medium	Good	Good	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Sierra Leone	Poor	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Zambia	Poor	Poor	Poor	Medium	Medium	Good	Medium	Good	Good	Poor	Poor	Good
Egypt	Good	Good	Good	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Algeria	Medium	Medium	Medium	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Namibia	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Medium	Good	Good
Morocco	Good	Good	Good	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Tunisia	Medium	Good	Good	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Swaziland	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Ghana-Bissau	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Comoros	Good	Good	Good	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Cabo Verde	Medium	Medium	Medium	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Madagascar	Poor	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Sao Tome and Principe	Medium	Medium	Medium	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Equatorial Guinea	Medium	Medium	Medium	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good
Senegal	Medium	Medium	Medium	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Somalia	Good	Good	Good	Good	Good	Good	Medium	Good	Good	Good	Good	Good
Lesotho	Medium	Poor	Poor	Poor	Poor	Good	Medium	Good	Good	Poor	Poor	Good

Source: UNCTAD calculations, based on the databases of resources on education of the United Nations Educational, Scientific and Cultural Organization Food, the security indicators database of the Food and Agriculture Organization of the United Nations and the World Development Indicators database of the World Bank
 Notes: Future projections assume that the average annual growth rate in the past 10 years will be maintained. Categories are as follows: **Undernourishment**: <5; **Good**: <15; **Medium**: >15; **Poor**: **Maternal mortality ratio**: <70; **Good**: <300; **Medium**: >300; **Poor**: **Primary education rate**: >90; **Good**: >70; **Medium**: <70; **Poor**: **Secondary education rate**: >80; **Good**: >50; **Medium**: <50; **Poor**.

access education and health care, make investments in family and farm businesses and improve the quality of their lives. The role of each form is examined in this section.

5.2.1 Cash remittances

Cash remittances are commonly understood as flows of money in physical currency or via banking and finance systems between migrants and their families. Aggregate estimates of international migrant remittance flows show that cash remittances are greater than official development assistance and also more stable than foreign direct investment and are thus a critical and stable source of external finance for Africa.¹² Remittance flows have grown strongly since 2000, accounting for 51 per cent of private capital flows to Africa in 2016, up from 42 per cent in 2010. Such flows are generally much less volatile than foreign direct investment and official development assistance, and provide an important source of revenue for households in Africa in helping to smooth consumption. Cash flows to Africa rose from \$38.4 billion on average in 2005–2007 to \$64.9 billion in 2014–2016, accounting for 2.8 per cent of GDP and 14.8 per cent of total exports in 2014–2016. The prominence of remittances is particularly evident in a number of countries ranging from those with a high dependence on remittance flows as a share of GDP, such as Liberia (26.7 per cent) and Lesotho (18.2 per cent), to those where they greatly exceed export earnings, such as Cabo Verde, the Comoros, the Gambia and Liberia. Since 2015, remittances have accounted for the bulk of total external flows to Africa, as official development assistance declined from 37 per cent in 2001–2003 to 28 per cent in 2012–2016. Remittance flows are unevenly distributed between countries, partly reflecting the varying size and location of each country's stock of emigrants. In 2017, Nigeria (\$22.3 billion) and Egypt (\$18.1 billion) accounted for 60 per cent of total remittance flows to Africa. Other countries obtaining sizeable sums through remittances include, in 2017, Morocco (\$7.1 billion), Senegal (\$2.3 billion), Ghana (\$2.2 billion) and Algeria (\$2.1 billion) (UNCTADstat database).

However, Africa has the highest costs of sending remittances in the world, averaging 8.9 per cent to send \$200, almost double the cost of sending money to South Asia, against a global average of 7.3 per cent of the amount sent (figure 28). The transaction costs of sending remittances to Africa are significantly higher than the target in the

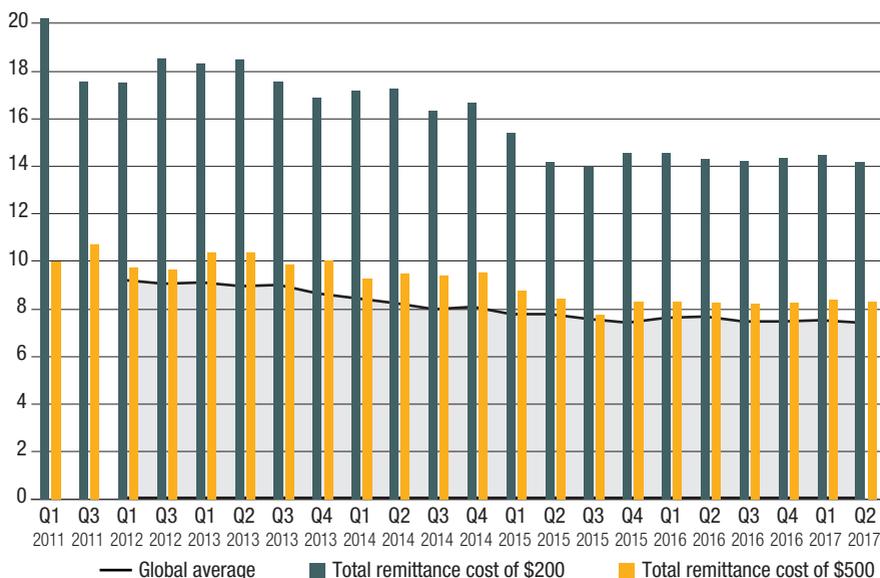
¹² Such estimates are compiled by the Global Knowledge Partnership on Migration and Development, typically coming from the Balance of Payments database of the International Monetary Fund, supplemented with information from country central banks and statistics agencies. The data is comprehensive, yet underestimates volumes of remittance flows between migrants and families. In part, this is related to problems of definition and how each country implements the definitions set out in International Monetary Fund protocols (for a full discussion, see World Bank, 2016). In addition, remittances are likely to be underestimated in official figures due to the diversity of the types of remittances migrants send and the chosen method of sending them.

Remittances at 51% in 2016 of private capital flows to Africa



Sustainable Development Goals of less than 3 per cent. The high costs are partly due to stronger anti-money laundering and counter-terrorism financing regulations in the global financial system and partly due to a concentration of market power in banks and money transfer organizations. Banks may enter into exclusive agreements with money transfer organizations, which has the potential to limit competition among national remittance service providers and increase the cost of sending money.

Figure 28
Average total cost of remitting \$200 or \$500 from sub-Saharan Africa
 (Percentage)



Source: UNCTAD calculations, based on the World Bank Remittance Prices Worldwide database.

Cash remittances are likely to be underestimated, as migrants may choose to send money via informal means to avoid paying punitive transaction costs. According to World Bank and Global Knowledge Partnership on Migration and Development (2017b) estimates, the costs of sending remittances along many corridors in Africa are above 8.9 per cent, due to a combination of low volumes and the slow uptake of technology in fairly underdeveloped financial markets. The average cost of remitting \$500 from sub-Saharan Africa is below 10 per cent (figure 28). To circumvent such charges, most migrants send cash via travelling friends and family members or via bus and truck drivers or trust-based networks of brokers. Goods sent home to families are similarly sent via informal means, avoiding formal trade channels and charges. The amounts of such informal means of remittance sending are nearly impossible to estimate without comprehensive, comparable and representative surveys of households and migrants.

Analyses of the uses of cash remittances and likely impacts on the welfare of recipient households should consider the fungibility of income. It is plausible that income received from migrants may appear to be used for a particular purpose, such as food, but in practice also free up household budgets for other purposes such as investing in human or physical capital. It is also possible that households may adopt a mental accounting approach to household financial decisions, allocating virtual budgets to specific areas of expenditure. This argument draws on mental accounting ideas first developed by Thaler (1999) that challenge the assumption that money is fungible and suggest instead that persons mentally divide income into specific groups for different purposes. The existing evidence in the literature that seeks to show the impact of remittances on expenditure at the margin on a range of budget items is mixed. However, a systematic review of studies suggests that the balance of the evidence shows that migrant remittances are mainly used for productive purposes (Housen et al, 2013).

Remittances of Ethiopian international migrants,



Evidence from the Migrating Out of Poverty surveys tends to confirm existing assertions on the use of remittances, from addressing the basic needs of households to spending on health and education and productive investments, for example in Ethiopia. Where remittances are low in frequency or value, notably in Zimbabwe and among internal

migrants in Ethiopia, the primary use of remittances is for everyday consumption, principally food and clothing, in particular when remittances are from an internal migrant. Other than food, health and education, including school supplies, is an important category of expenditure funded by remittances (table 23).

In Ethiopia, compared with households with internal migrants, remittances received in households with international migrants are more likely to be used for farm or family business investments and development. Such households report a range of purchases, from seeds, inputs, farm machinery and land to other business equipment. This may be due to the behavioural response of households to the value of remittances. Ethiopia is a high remittance-receiving country, with higher amounts than reported in Zimbabwe. Such higher amounts lend themselves to savings or investments whereas, in contexts where the financial infrastructure is weak, it is harder to make small deposits and small amounts are therefore more likely to be spent as part of regular expenditure, leaving less income for investment. The data from Ethiopia and Zimbabwe further show that 55–60 per cent of migrant cash transfers are made via a

Table 23
Ethiopia and Zimbabwe: Main uses of cash remittances received by households
(Percentage)

	INTERNAL MIGRANTS	INTERNATIONAL MIGRANTS	TOTAL
Ethiopia			
Everyday consumption	70.8	33	53.8
Education and health	6.7	5.1	5.5
Paying off debt	2.9	8.5	5.4
Farm and/or business investment	16.8	35.3	24.8
Social and religious occasions	1.9	5.1	3.1
Household goods	0.5	1.7	1.4
Savings	0	8	4.1
Other	0.5	3.4	1.6
Total	100	100	100
Zimbabwe			
Everyday consumption	75.9	74.3	74.3
Education and health	14.8	20.7	17.3
Paying off debt	0.5	0	0.2
Farm and/or business investment	7.9	5	7.8
Other	1	0	0.4
Total	100	100	100

Source: Litchfield et al, 2018.

Note: The Migrating Out of Poverty household surveys in Ghana did not ask respondents about the use of remittances.

formal financial institution, including banks, post offices and branches of the Western Union Company, in comparison with transfers in Ghana, where less than 30 per cent are made via formal banking methods. This may be because the data from Ghana is weighted towards internal migrants, who bring money home on visits or rely heavily on friends and family to carry or collect money for their families. Migrants from Ethiopia and Zimbabwe also rely on friends and family, and a number of international migrants from Zimbabwe rely on bus and truck drivers to deliver remittances yet, as more of them are international, in particular migrants from Ethiopia in the Middle East, they are less likely to travel home often.

5.2.2 In-kind remittances

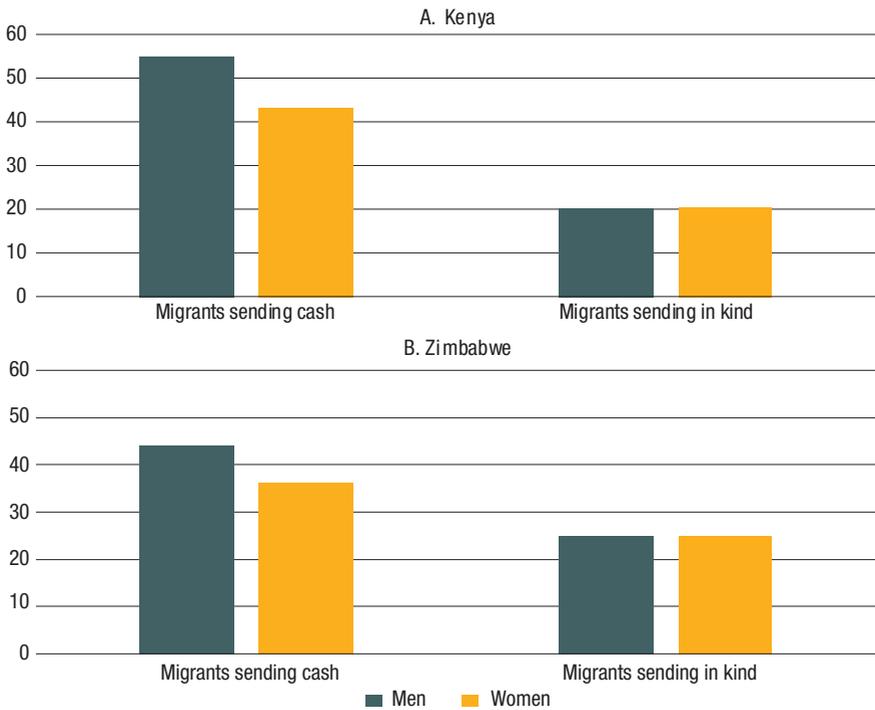
In-kind remittances are goods that migrants send home, ranging from regular parcels of food and personal items to medicine, clothing, consumer durables, business equipment and other large items. In-kind remittances may help receiving households satisfy their consumption of certain items that may be difficult to obtain, particularly in rural areas, enabling households to widen their diets or acquire medicine or educational supplies. Certain in-kind remittances such as branded goods or consumer durables may also confer an additional social value for both migrants and recipients, and may also be traded locally. Sending goods rather than money may help ensure that migrants have control over the use of the funds and that the goods are used for their intended purposes. Women are less likely than men to send cash remittances and send less on average in cash, yet the value of goods sent by women nearly reduces the gap. For example, in Zimbabwe, a high percentage of women migrants send goods, mostly food and clothes, and the gap in the value of remittances between men and women is largely closed once the value of such goods is taken into account (Litchfield et al, 2018). In Kenya, a large proportion of men and women send cash remittances, while fewer migrants send in-kind remittances (figure 29). The Migrating Out of Poverty surveys present a similar picture for Burkina Faso, South Africa and Zimbabwe (Litchfield et al, 2018).¹³ Focusing on cash remittances thus raises the possibility of underestimating the contribution that women migrants make to the economies of their households and communities.

There are significant variations between countries with regard to the share of migrants sending remittances, ranging from a low of 39 per cent among men migrants in Ethiopia to a high of 66 per cent of men migrants in Ghana. There is no obvious

¹³ The Africa Migration Project collected data on goods sent home by migrants mostly with regard to large and/or expensive items, including household appliances, business equipment, tractors and agricultural equipment and transport vehicles. The surveys suggest that in-kind remittances of this kind are important, in particular for women migrants.

gender-based pattern. For example, women from Ethiopia have higher remittance rates than men, perhaps reflecting their greater international migration employment opportunities.

Figure 29
Cash and in-kind remittances by gender of migrant in (a) Kenya, 2009, and in (b) Zimbabwe, 2015
 (Percentage)



Source: UNCTAD calculations, based on University of Sussex, 2018.

5.2.3 Social remittances

Social remittances refer to the ideas, know-how, practices and skills, as well as the norms, beliefs, practices and attitudes to which migrants may be exposed during their migration and that they bring home on return or share with their families while away (Levitt, 2001). As they are intangible, they cannot be measured directly via household surveys, but their effects may be measurable, and may be positive or negative, depending at least in part on the ideas to which migrants have been exposed and

the context in which this has taken place. For example, migration to countries with strong democratic institutions is found to influence attitudes on voting and democracy at home. A comparison of attitudes to political institutions in Mali between non-migrants and migrants living in Côte d'Ivoire and France found that non-migrants had different perceptions of democratic institutions than migrants, yet perceptions also differed based on where migrants had lived, as those who had lived in France were less interested in politics in Mali and more sceptical, while those who had lived in Côte d'Ivoire seemed less sceptical of political institutions in Mali, depending on education level (Chauvet et al, 2016). Similarly, international migration impacts fertility decisions at home, with migration to countries with lower or higher fertility rates associated with a reduction or increase, respectively, in fertility in the origin population (Beine et al, 2013).

5.3 How the diaspora can contribute to development

Members of the diaspora, defined as those who have migrated and their descendants, who maintain a connection to their homeland, are actively engaged in trade promotion activities through their network of business contacts and knowledge of their origin countries. They are increasingly part of sophisticated investment ventures and the target of state-of-the-art investment products (Terrazas, 2010). In addition, there is growing evidence supporting the narrative of brain gain (Docquier and Rapoport, 2012). Diaspora members are a valuable source of expertise, know-how and technology transfer for origin countries. As part of a global trend in diaspora policies, several initiatives have emerged to involve the diaspora with the development paths of origin countries in Africa. Practical solutions include programmes based on diaspora skills mapping databases that match the diaspora with development projects (Ndiaye et al, 2011). For example, the Ghana Health Project of the Migration for Development in Africa initiative of IOM aimed to address the country's exodus of health workers by facilitating periodic and circular or temporary returns of qualified health personnel from among the diaspora living in the European Union to hospitals and medical training institutions in Ghana, and also offered health-care training opportunities for the capacity-building of medical personnel based in Ghana. Other examples include projects that allow for technology transfer in the form of medical equipment offered to hospitals in origin countries (Ndiaye et al, 2011). Given the spread of the use of new communications technology, there are also initiatives based on the virtual transfer of knowledge to university students in origin countries. The significant role of the diaspora is seen in the fact that many origin countries have established diaspora engagement strategies and have included them in their development plans.

Origin countries in Africa need to develop effective policies to better harness the economic potential of their diaspora, by encouraging the engagement of the diaspora in investment and knowledge networks, to enhance national development prospects (Anyanwu and Erhijakpor, 2010; Ndiaye et al, 2011; Ratha, Mohapatra and Scheja, 2011). This can be done through the active involvement of embassies in key destination countries, as improved engagement with the diaspora could enable better integration into global production networks by domestic suppliers of potential goods and services from origin to destination countries. Similarly, knowledge and know-how accumulated by the diaspora could help domestic firms acquire new capabilities and technologies and improve their capacity for knowledge acquisition. The latter is conditional on the capacity of the diaspora to organize itself into networks. Origin-country Governments should actively support such networks by involving their members in national development strategies and domestic industrial policymaking. The diaspora could also be a source of entrepreneurship in origin countries, either from abroad or as return migrants (Plaza and Ratha, 2011; UNCTAD, 2012). Policies could encourage joint-venture enterprise and investment programmes between diaspora members that wish to remain abroad and local firms in origin countries.

Policies should also aim to encourage the permanent return of return migrants as they can contribute to the building of productive capacities in origin countries with accumulated knowledge, experience and networks. However, to harness the benefits of return migrants requires favourable institutional environments in origin countries that target productive financing facilities via, for example, a national development bank that provides special lines of credit to complement investments and technical and managerial support to entrepreneurs to make their firms viable in the long term. Origin countries should also consider the creation of special incentives, such as lower import duties on equipment and intermediate inputs supplied or acquired for productive use by return migrants.

A year after meeting Mamadou, Afwerki, as a successful diaspora entrepreneur based in Rwanda, decided he was ready to act on his aspiration of investing productively in his ancestral village in the Highlands of Ethiopia. Following extensive consultations with his cousin and other relatives from the village, Afwerki decided to support local efforts to diversify agricultural production and to enhance the production of dried peppers for local, regional and international trade. Afwerki is convinced that the diaspora of Ethiopia in Kenya, North America and the United Kingdom could be a viable and suitable market for the produce. With increasing demand for healthy, low-cost natural foods and the need for sustainable incomes back home, Afwerki thinks

heritage trade could be a win–win opportunity to be tapped successfully by his ancestral community. In the past year, his home community has formed a cooperative of 40 local farmers who have agreed to set aside land to produce peppers and to adopt organic standards. Afwerki was pleased when three cooperative leaders embarked on a week-long training programme in Addis Ababa on the application of organic agricultural production techniques. Their enthusiasm motivated him to fund the construction of box-type low-cost solar dryers for use at home and by village artisans, as traditional techniques of sun drying are less efficient. He also provided additional funding to setup a small vacuum sealing product storage facility for the peppers (and eventually other crops and related food products). Afwerki is now using his network of fellow entrepreneurs across the continent and marketing skills to promote the dried peppers with retailers in Kenya, Rwanda and Uganda. The cooperative members have big dreams for the future of their produce. It has been an eventful journey filled with unplanned obstacles along the way. And yet, Afwerki is confident that his community will benefit in the long-term through increased incomes, greater financial security and viable job opportunities for the youth.

5.4 Conclusions

This chapter provides evidence on the relationship between migration and social development indicators in origin and destination countries. On the one hand, immigration has not halted progress towards achieving the Sustainable Development Goals in the former. On the other hand, via remittances, emigration is likely to contribute to accelerating the achievement of the Goals in the latter. Such impacts could be amplified if the costs of transfers were lower. Constraints in unlocking the potential for remittances to contribute to development include a lack of competition due to the dominance of a selected number of international money transfer organizations. Lack of financial infrastructure to support the development of local money transfer organizations, along with limited access to banking, hinder services provision and keep costs high for senders. Improving access to formal banking transfers and mobile banking reduces the costs of transfers and may enable recipients to make more measured decisions about how to use remittances, including their use for productive investments.

The developmental impact of remittances, with regard to enhancing productivity, investment, productive capacities and structural transformation in origin countries, depends on the synergy of complementary policies, including policy design, local conditions, the interaction between local and international institutions, growth

dynamics and the nature of linkages. Remittances have taken place largely as a private sector-led phenomenon, and evidence indicates that their development potential has barely been tapped in most countries in Africa (Plaza and Ratha, 2011). As with other private capital flows, remittances pose costs and risks as well as provide benefits. However, given their importance, and as they already take place on a significant scale, it is necessary to deploy them for the purposes of development and to carry out public policies to enhance their developmental impact in origin countries. For example, agricultural policies may be used to influence emigration flows, such as the Return to Agriculture Plan (2006) in Senegal, which incentivizes youth job creation and diaspora investment and aims to reduce food insecurity, unemployment, illegal emigration and rural exodus.

Policy coherence and integrated approaches are particularly important. There are existing policies and mechanisms available to facilitate migration and remittances within the continent (see chapter 2), yet there remains scope to strengthen cooperation and coordination nationally and internationally, including among origin, transit and destination countries, and including for the sharing of experiences.

Similarly, in addition to a growing range of sophisticated diaspora investment ventures, a number of initiatives countering the negative impact of migration through brain drain in origin countries can also contribute to making migration work for long-term development. The evidence presented in this chapter shows that, overall, migration plays a central role in creating the conditions for structural transformation in Africa, in both low-income origin countries and in destination countries. Under current circumstances, migration appears to be neither a burden nor a panacea in achieving the Sustainable Development Goals in countries in Africa. It is likely that with better policies and regulatory frameworks, migration could accelerate progress towards achieving the 2030 Agenda for Sustainable Development and the 2063 Agenda.

CHAPTER 6

Recommendations and conclusions



“Intra-African migration has huge potential that can be leveraged for sustainable development and poverty reduction.

This report provides much needed evidence on how Africa’s economic growth and structural transformation could generate demand for labour migrants and create significant pathways out of poverty for African migrants and their dependents.

It is an essential resource for migration and development stakeholders and for ongoing consultations on the global compact for migration.”

Professor Mariama Awumbila,
Centre for Migration Studies, University of Ghana, Legon

Introduction

The African Union is equipped with a number of policy frameworks, guidelines and institutions geared towards facilitating labour mobility throughout the continent. Furthermore, the 30th ordinary session of the Assembly of the African Union held in January 2018 concluded with landmark decisions on three flagship projects of Agenda 2063 that are of relevance to intra-African migration: the launch of the Single African Air Transport Market initiative, the agreement to hold an extraordinary Summit in 2018 to sign the African Continental Free Trade Area, and the adoption of the Protocol relating to Free Movement of Persons, Residence and Establishment. However, many of these frameworks and institutions are either still to be put into operation or are at very early stages of implementation. In addition, while an increasing number of African countries are developing national migration policies, more needs to be done to situate these within the context of regional integration. Furthermore, though the analysis in previous chapters reveals that many African countries are both origin and destination countries, very few of them explicitly integrate this status in their migration policy framework. The experience of Morocco features prominently among such exceptions and provides insights for many countries to learn from.

6.1 Main findings

Migration in Africa is primarily intracontinental

More than half (53 per cent) of Africa's international migrants in 2017 remained on the continent. With the exception of Northern Africa, the share of intra-African migration was much higher, as more than 80 per cent of international migrants from the continent resided in each of the following regions: Eastern, Middle and Western Africa.

Intra-African migration is a catalyst for economic growth

The report findings show that intra-African migration can positively impact structural transformation in destination countries. UNCTAD forecasts based on existing migration scenarios indicate that immigration flows could lead to a substantial increase in GDP per capita for Africa by 2030. In economic terms, this implies reaching a GDP per capita of \$3,249 in 2030, growing at a compound annual growth rate of 3.5 per cent from 2016. The average value of GDP per capita in Africa was \$2,008 in 2016.

Remittance inflows to Africa account for half of all private capital flows into the continent and have risen from \$38.4 billion on average in 2005–2007, to \$64.9 billion in 2014–2016. However, empirical analysis finds that, despite being recipients of relatively large

amounts of remittances, sending countries experienced a weaker (indefinite) effect of migration on structural transformation. Reasons for the relatively low impact included the impact of a loss of skilled labour and lower tax revenues, structural constraints to economic development as well as regulatory hurdles such as the high costs of remittances and of recruitment services. Removing these barriers and improving policy and regulatory conditions are necessary requirements for maximizing the benefits of migration on sustainable structural transformation in these countries.

The report finds that migration can contribute to improved labour productivity in destination countries. An increase in the stock of immigration leads to a higher within-sector productivity growth rate. This effect increases in magnitude for sectors that experienced relatively high migration in the past (agriculture, manufacturing, mining, construction and services). The report finds that an increase in immigration is associated with a rise in manufacturing value added, but notes the limited impact of productivity enhancements on job creation. This could be related to the relative scarcity of good quality, skilled manufacturing jobs in most African countries.

Migration generates durable growth and development benefits

The report's findings on the positive impact of migration to growth and socioeconomic development in both destination and origin countries are in line with other studies that show that the estimated contribution of immigrants to GDP ranges from about 1 per cent in Ghana, to 19 per cent in Côte d'Ivoire (OECD and ILO, 2018). Migration also contributes to destination countries' development through taxes and consumption, with migrants spending approximately 85 per cent of their incomes in their destination country (International Fund for Agricultural Development, 2017, p. 56). Thus, besides contributing to current output, immigrants provide a demographic boost to the existing and future labour force in destination countries. UNCTAD research into economic transmission channels of migration indicates that there is an additional positive effect of educated immigration (with higher education mostly in origin countries rather than destination countries) on structural transformation. There is also some evidence that return migration to origin countries brings knowledge and skills that can spur productivity.

Migration boosts trade

The report's examination of food trade patterns within the continent highlights the pro-trade effect of migration. Assuming emigrants have a higher income in their new home countries, the amount of exports will increase and with that, financial inflows to the origin country. Similarly, it appears that food imports from within the continent have increased for main receiving countries, often at much faster rates than the rate of immigration from other African countries.

Migration fosters inclusive growth and wider livelihood opportunities for women migrants

Migration by women is not only growing in importance in Africa, but women migrants are contributing to inclusive growth in both origin countries and destination countries. However, women migrants in Africa face significant challenges (care and family responsibilities and competitive disadvantages in labour markets) that not only impact their migration experiences, but also their attainment outcomes in labour markets in destination countries.

Both semi- and low-skilled immigrants contribute to growth in destination countries

Well-managed labour migration (i.e. among other measures, through flexible labour policies that target low- and semi-skilled migrants) can facilitate labour mobility while addressing gaps in regional labour markets with short supply. These workers fill labour gaps which could in theory enable indigenous workers in destination countries to take on higher value work. The report finds evidence of some upskilling among low- and semi-skilled migrants, which can have a positive impact on productivity. However, low- and semi-skilled migrants are sometimes disadvantaged in regional labour markets. There is clearly a need to expedite implementation of the African passport to facilitate the mobility of Africans on the continent.

Migration is neither a burden nor a panacea for achieving the Sustainable Development Goals

As policy frameworks are not fully appropriate in catalysing the impact of migration on socioeconomic development, migration cannot be seen as a burden nor a panacea for achieving the Sustainable Development Goals. The report finds that migration plays a minor role in influencing the trends of social development-related indicators in both sending and receiving countries. Increased immigration does not appear to alter wage differentials or lead to increased public spending on health. However, in destination countries, immigration leads to both higher expenditures on education and better attainment outcomes. An examination of possible prospects of many countries in achieving the health- and education-related Sustainable Development Goals by 2030 and 2063 indicates relatively good scoring overall (table 22), though these prospects could be better. An increase in migration takes place in parallel with improvements in education and health, especially for women.

Align migration, trade and investment policies with long-term development objectives

Results of the analysis in this report also imply that, to avoid replicating some of the pitfalls associated with trade liberalization, the conditions for enabling dynamic changes in the temporal and spatial allocation of skilled and low-skilled labour across countries should be satisfied. To this end, countries need to align migration, trade and investment

policies with their long-term development objectives. In other words, Africa's migration policy and regulatory framework should enable a country with a large degree of emigration of low-skilled labour in 2017 to aim towards becoming a destination country of skilled labour in the future. The report's analysis identified opportunities in agriculture, services and manufacturing across the continent's different regions. Coherent migration policies at the national, regional and continental levels will be key to reaping the benefits associated with the relevant different value chains.

6.2 Main policy recommendations

Specific policy implications of the report's various findings are addressed in each chapter. Each chapter also showcases African good practices of relevance to the thematic areas discussed. The present chapter therefore highlights cross-cutting recommendations – of relevance to African economic and trade policymakers at the national, regional and continental levels – on what needs to be done to increase the impact of migration on Africa's structural transformation. It also offers key messages addressed to the global community.

The cross-cutting policy recommendations in this chapter are based on a three-step approach. First, specific attention was given to deriving policy conclusions emanating from the report's findings. Second, a desk review of good practices in African countries was conducted. Third, the first two steps of the approach were complemented by insights derived from interviews with government officials, development partners and participant observation during high-level meetings on migration. Ultimately, this approach revealed a strong desire among African policymakers to learn from existing best practices on the continent. This would also contribute to acceleration of policy harmonization processes in relation to pillars of migration policies shared within regional economic communities and eventually within the continent. The remainder of this chapter responds to that call. It builds on examples of African good practices in other parts of the report. It highlights key recommendations stemming from the overall analysis and provides additional insights from some of Africa's best practices. As established in the report, countries generally function as both origins and destinations for migrants, with varying degrees of immigration and emigration intensity. While acknowledging this fact, for the sake of clarity, recommendations are sometimes provided specifically for origin or destination countries.

In the spirit of West African tradition, against the sound of a drum in the background that calls African leaders of origin and destination countries, world leaders in multilateral

initiatives, private corporations, business associations, trade unions and civil society groups to gather around, the griot¹⁴ begins his narrative.

6.2.1 Build coherence in migration, trade, investment and technology policies in creating the conditions for structural transformation

In most cases, people move in search of a better life. They move because they want to find decent employment. A fast-growing services sector is setting the course for an unconventional path to the continent's structural transformation. However, development of the labour-intensive agriculture and manufacturing sectors remains necessary. With the right infrastructure, an enabling policy and regulatory environment and a skilled workforce, Africa can become a world leader in a number of commodity-based industrial value chains. This report has identified countries and sectors with such potential. There should be collective efforts to gather public and private sector actors to conduct a skills-mapping exercise across these leading sectors. Such an assessment should then serve as the basis for planning human capital development, including in vocational training and in tertiary education, and contribute to the design of regional and continental operational migration plans.

Lack of coherence across macroeconomic, trade, investment and technology policies feature prominently among the many reasons for the continent's limited progress on industrialization. Managed migration for structural transformation could be a unifying element and an impetus in efforts to achieve greater coherence across these fields. With this in mind, ongoing reforms of international investment agreements should be aligned with the priorities of Africa's industrialization and regional integration agendas.

African Governments should be mindful of maintaining policy and regulatory space to allow catering to the needs of their individual industrialization strategies. Such regulatory space could include the prioritization of pan-African labour mobility and the transfer of skills and technology. The exact design of priority lists and sector-specific policies is likely to differ across countries, but the common thread should be the development of a competitive and innovative African labour force.

6.2.2 Implement existing policy, legal and regulatory frameworks on the free movement of persons at the continental level

The free movement of persons and labour migration constitute central elements of the African Union's objective of a united and integrated Africa. In addition to migration policies and protocols, the Declaration and Plan of Action on Employment, Poverty Eradication and Inclusive Development (Ouagadougou+10) adopted by the African

¹⁴ Also, *jeli*, *jali* or *gewel*.

Union in 2015 situates labour migration as a key priority area. Similarly, the Strategic Plan 2014–2017 of the African Union Commission included the promotion of labour migration as a specific strategy. In addition, efforts to operationalize the 2006 African Union Migration Policy Framework for Africa and to strengthen the effective governance and regulation of labour migration and mobility in Africa, led to the adoption of the Labour Migration Governance for Development and Integration by the 24th Assembly of the African Union in January 2015 and, in 2017, of the African Union Revised Migration Policy Framework for Africa and Plan of Action (2018–2027). The African Union has also established institutions specifically tasked with addressing diaspora and remittances matters. These include the African Union Commission’s Centre for Citizens and Diaspora Directorate and African Institute of Remittances. Reasons for the slow pace in the effective implementation of existing frameworks include limited information on the distribution of gains and losses stemming from the liberalization of labour flows. The findings of this report contribute to filling the information gap on thematic areas associated with regional integration processes.

The report’s findings also indicate a need for thematic action plans at the continental level. With regard to labour mobility, for instance, the implementation of continental-level migration frameworks should be accompanied by the design of mechanisms for optimal adjustment to skills shortages between the continent’s various subregions. On this point, specific measures include the harmonization of qualifications at the continental level. Additional measures should be established to enable private investors to circumvent variations in labour mobility protocols across African regional economic communities due to different dynamics that reflect the diverse interests of its member countries.

6.2.3 Establish regional and continental mechanisms for harnessing the benefits of intra-African migration for structural transformation

To member States

Regional economic communities could integrate migration and the principle of co-development into their policy frameworks. The principle of co-development considers migrants central partners in development cooperation projects and programmes and, as a policy approach, seeks to maximize the benefits of migration for origin and destination country stakeholders. In this regard, national migration policies could be informed by this report’s findings on economic and trade implications of migration. These findings take into account a typology of countries based on their levels of immigration (high, medium and low) and how these relate to their varying stages of progress with regard to the Sustainable Development Goals and to Agenda 2063. Countries could also draw lessons from the integration of the principle of co-development in relation to origin,

transit and destination countries in the migration strategy of Morocco (box 7). Co-development initiatives include capacity-building for migrant associations and incentives for skills transfers, investments in productive sectors in origin countries and facilitation of circular migration.

To regional integration organizations

The rise of mixed migration, a combination of regular and irregular migration, underscores the essential role that coordination at regional level could play in informing the decisions of national coordination committees. A managed migration policy also requires a good understanding of how irregular migration, human trafficking and smuggling negatively interfere with the optimization of the development impact of migration. To this end, in the Horn of Africa, for example, countries should align the design and the implementation of their national policies with existing regional initiatives, such as the 2006 Ouagadougou Action Plan to Combat Trafficking in Human Beings, Especially Women and Children, as well as the African Union Horn of Africa initiative on human trafficking and the smuggling of migrants. In addition, recommendations laid out in the 2014 Khartoum Declaration on human trafficking and smuggling, also associated with a rise in the number of refugees, should be implemented.

Drawing on support from a range of development partners, the IGAD regional migration framework offers a number of good practices that could be replicated elsewhere. The regional migration framework is a non-binding reference document that strives to offer member States a coherent and common approach to migration management. It promotes the development potential of migration and offers guidelines and principles to assist Governments in the formulation and implementation of their own national migration policies in line with their own priorities and resources. Its ultimate objective is the protection of migrants in all IGAD Member States. IGAD also boasts a regional consultative process, a regional dialogue platform whose decisions are yet to be fully implemented. Its Regional Migration Coordination Committee is also a forum for exchange. However, the Migration Action Plan 2015–2020 developed subsequently has yet to translate into relevant national level results and timebound actions and measures. To that end, greater resources should be devoted to building the capacity of policymakers and migration-related institutions in member countries.

Regional economic communities and the African Union should join forces in promoting platforms for public–private sector dialogue and information sharing. At present, the imperfect flow of information leads to inefficiencies both in individual and policy-level decision-making processes. Many private sector platforms gather recruiters,

employers and students and migrants from African countries such as Carrefour Africain. Such initiatives could for example be expanded to include other actors and be carried out at the regional and continental levels. Establishing links between private- and public-sector stakeholders in the migration industry is key to effective migration policies for the continent's structural transformation. Efforts should be based on effective collaboration between sending and receiving countries, continental-level organizations and business associations. These platforms should also integrate policymaking actors from receiving countries outside the continent to address contrasting views on migration. There is ample evidence showing that, at the global level, the private sector is aware of the commercial benefits to be derived from Africa's greater integration and migration flows. In contrast, the political rhetoric of destination countries in some developed countries is increasingly dominated by restrictive and negative measures against migration. Bringing the two sets of stakeholders together could benefit job creation schemes, while also contributing to changing negative perceptions of migration.

To destination countries

Regularization of working migrants should be made a priority. Existing examples of such initiatives show that, as a result, contributions to national economies of migrants are more fully acknowledged and incorporated into a country's GDP. They offer better protection to migrants, including through facilitation of payment of national insurance contributions and taxes. Regularization campaigns can highlight the extent of missed opportunities in contributions to the real economy. In Morocco, for instance, a second phase of regularization was conducted between December 2016 and the end of 2017. There were 26,860 requests filed in 70 provinces and districts across the country.

Managed migration policy frameworks in destination countries tend to focus on attracting highly skilled migrants. Though more needs to be done to acknowledge the role of lower-skilled labour in the strategy and subsequently in its development trajectory, the mix of measures that target both ends of the skills scale in the migration strategy of Morocco is an example of African good practice. Key non-discriminatory measures in favour of migrants in the migration strategy are as follows: removal of national preference in the private sector for migrants who benefitted from the exceptional regularization operations, reduction of the processing time for certificates of proofs of activity from 30 days to 48 hours for migrants with sought-after skills and of managerial level; establishment of an online platform to facilitate visa requests for Moroccan foreign workers, with a maximum processing time of 10 days; removal of preferences for Moroccan citizens in specific areas of activities, including nurses and midwives; and removal of restrictions on the creation of cooperatives by foreigners.

However, harmonizing the labour code with the migration strategy is in progress. Morocco is now officially engaged in the fight against abusive labour conditions and the promotion of migrant workers' rights as ratified in the ILO Convention No. 143 in 2016. Similarly, equality of social security conditions compliant with the 1964 ILO Convention concerning Equality of Treatment of Nationals and Non-Nationals in Social Security (No. 118) is yet to be adopted. The 2017 monitoring report led to identification of areas for improvement (see box 7). These recommendations constitute opportunities for learning lessons on the design and implementation of other countries' migration policies.

Box 7 Integrating migrants into the Moroccan job market

The migration strategy of Morocco aims at addressing specific labour needs of the country's economy, removes legal and regulatory constraints on migrants' access to the Moroccan job market and related institutions and promotes entrepreneurship. Implementation of the migration strategy was carried out through collaborative initiatives between government agencies, civil society organizations and development partners. A 2017 monitoring report showcases positive results of the strategy's rigorous implementation, including the successful integration into the job market of 41 out of 130 women migrants who benefited from targeted training programmes as salaried workers and entrepreneurs. Despite the multiplicity of actions in favour of professional insertion of migrants since the first phase of regularization of migrants in 2014, the report revealed that outcomes were below expectations and made a number of recommendations for improvement, including the following:

- Greater efforts should be pursued to align training conditions more with the specific needs of migrants, including consideration of their mobility and financial vulnerability. Regarding the latter, there are plans for increasing opportunities for paid apprenticeships.
- Communication campaigns on the availability of training opportunities should be better adapted to the specificities of targeting migrants and refugees.
- More partnerships are needed to diversify the supply of professional training.
- More resources should be devoted to the regulation of civil society organizations involved in supporting the training and professional integration of migrants and refugees to ensure better quality control.
- Specific training should be given to civil society organizations to assist them in evaluating possibilities for the recognition of migrants' qualifications.
- Resources should be devoted to a preliminary survey of migrants' qualifications with a view to better evaluating their training needs.

Source: Morocco (2017). National Policy on Immigration and Asylum. 2017 Report. Rabat.

To origin countries

Building on its findings on remittances and considering potential pro-trade effects of bilateral migration, this report agrees that there is a need to promote greater engagement of diaspora on development of their origin countries. The potential of contributions of the African diaspora in this area is now widely acknowledged. It has led to the popularity of diaspora policies at the national, regional and continental levels. Since the inaugural Global African Diaspora Summit took place in South Africa in 2012, the diaspora is recognized as a sixth region of Africa, which has led to the creation of specific diaspora directorates at the country and continental levels. The case of Ethiopia stands out among countries where such institutional frameworks have emerged in recent years (IOM, 2017d). Other countries at a similar level of institutional capacity development could derive insights from the country's experience. More efforts are needed on moving towards one-stop facilities, such as in Mauritius, and on establishing stronger coordination mechanisms. Moreover, many donors are supporting diaspora-related initiatives and investment funds. In all these initiatives, adapting engagement of the diaspora to the specific needs of origin countries for structural transformation should be given priority.

6.2.4 Adopt gendered perspectives in migration policy and regulatory frameworks

To all parties

In designing gender-sensitive migration policy measures, attention should be given to anchoring the specifics of the approach in a rights-based framework, as outlined by the Beijing Platform for Action of the 1995 Fourth World Conference on Women. This implies considering three rights dimensions. First, women's rights to legal migration opportunities should be guaranteed. Women should have access to and participate in safe and legal employment opportunities. Second, women's rights should be guaranteed during the migration process, by striving for the provision of safe and secure recruitment, equal pay, decent working conditions, access to legal services and a right to family life. And third, migration in itself should lead to the realization of women's rights, encompassing increased autonomy and power to negotiate the terms of work in the destination country so that migration works for women and their families.

To regional integration organizations

Incorporating a gender perspective into migration frameworks can help to address the unique challenges that women migrants face. Given the growing importance of women's economic migration in Africa, regional economic communities can play a role in optimizing outcomes for women migrants by developing policy frameworks on labour

migration that integrate gender-specific elements and address the underlying challenges that women migrants face in respective regional labour markets.

To origin countries

Today, women migrants contribute to the future of tomorrow's citizens. Their migration experiences and the remittances they send to their origin countries play a role in shaping the conditions of the continent's structural transformation. While many women are aware of the working conditions they will encounter in the destination country, occasionally the risks are beyond expectations. Nonetheless, hearing their voices implies moving from moral judgments, especially in cases of existing bilateral agreements, to the design of policies and measures that would optimize their contributions to the socioeconomic development path of their origin countries.

Engendering migration policies should include recognition of the value of women migrants' experience. This could be done, for example, through certification schemes for former domestic workers in order to support their integration into higher levels of the care economy value chain. At a more general level, national policies tend to discriminate against women migrants through generalized conceptions of the migrant as a male, full-time worker and in some countries, more explicitly through outright bans on women's migration. In addition, the work that women migrants do can be disregarded as "not real work" and thus excluded from policy attention. The report's findings underline the need to reverse the trend in gender-blind migration policy and regulatory frameworks.

To destination countries

Normative references to workers as male can restrict the rights of women migrants. The historical legacy in many States of men's migration unaccompanied by family members, for example, fails to consider new trends in women's migration. More often than not, legislation does not make provisions on the status of family members. National laws should be adjusted and account for the diversity in migrants' gendered experiences. Legal and regulatory frameworks should also be able to cater to the complex realities of the multiple activities of women migrants at the lower end of the informal economy.

Furthermore, amnesty or regularization should be gender sensitive in design and application. Employers of domestic workers may be reluctant to provide sworn affidavits regarding employment, especially if they are non-compliant with the law in terms of minimum wages and are seeking to benefit from employing unauthorized workers. Support from civil society groups acting as an intermediary in the regularization of female migrants has often proved effective.

An influx of migrants or refugees increases the vulnerability of host communities in transit and destination countries with lower development. Women often bear the largest burden of the impact of increased population in their communities. Thus, migration projects and programmes should also devote specific attention to supporting the livelihoods of women in host communities. For example, an agreement signed by Italy and IOM in July 2017 to foster economic opportunities for Eritrean women refugees and potential Ethiopian women migrants in host communities is a good practice.

To trade unions and employers' associations

Established norms and practices in trade unions can implicitly limit the participation of women. Trade unions may be more familiar with male-centred, full-time work. They may not have established experience in dealing with the type of work that women migrants typically perform in the informal sector. They may also display gender bias in their leadership which limits women's representation and ability to influence strategy and objectives. Similar issues apply to employers' associations. Considering the heavy presence of women migrants in subsectors of the care economy, employers' associations should assist their members in protecting the rights of domestic workers and other migrants in vulnerable subsectors of the services industry. Good practices in this area include issuance of a code of conduct as a first step towards greater monitoring of practices.

6.2.5 Create public–private initiatives to facilitate labour mobility at the regional economic community and continental levels

An optimal flow of labour depends on access to reliable information on migration patterns and the characteristics of migrants. More resources should be devoted to data collection on migration-related topics. In this regard, plans for standardization, comparability and coordination of migration-related data collection at the national and regional levels, as stated in the IGAD regional migration framework, should be implemented and replicated elsewhere.

ECOWAS is the only regional economic community currently implementing a job-matching platform, an online job gateway, that links jobseekers to national and international employment opportunities. The platform is used by jobseekers in Benin, Cabo Verde, Ghana, Mali, Mauritania and Senegal. This experience could be replicated in other regional economic communities, as well as at the continental level, through a public–private initiative to gather national, regional and continental actors. Funding could come from a mix of public and private capital. Such a platform could draw on the format of leading career-management platforms.

6.2.6 Investigate financing mechanisms for leveraging the impact of remittances and diaspora savings

Remittances are larger and more stable than many other types of capital flows. These characteristics have led some rating agencies to use them in assessments of sovereign credit ratings. Remittances are also included in the joint Debt Sustainability Framework of the World Bank and the International Monetary Fund. They contribute to a better evaluation of the ability of countries to repay external obligations, including non-concessional borrowing from other private creditors.

African countries are increasingly advised to explore mechanisms for tapping into the potential to use diaspora savings as collateral in international borrowing schemes. According to the World Bank (2015), diaspora savings of migrants from developing countries amounted to \$497 billion in 2013. Under the right governance and macroeconomic conditions, a diaspora bond provides a stable, longer-term financing instrument. It can lead to a win–win strategy for both migrants and Governments of origin countries when associated with a lower risk spread. With a 3–4 per cent interest rate and a five-year maturity date, for example, bonds could be attractive to migrant workers who earn near-zero interest on deposits held in destination-country banks. Countries with a large diaspora stock in richer destination countries stand a higher chance of successful outcomes. Diaspora bonds have been used to finance infrastructure, housing, health and education projects. The degree of success varies across countries as the experiences of Ethiopia (box 8), Ghana, Kenya, Nepal, the Philippines and Sri Lanka reveal.

Box 8 Ethiopia: Diaspora investment and engagement

Diaspora investors in Ethiopia, for instance, have participated in 2,967 projects in the manufacturing, agriculture and service sectors. About 90 per cent of these projects are still in a pre-implementation phase. The 234 operational projects have generated 4,493 permanent jobs and 13,211 temporary jobs, with a total of some \$106 million in invested capital. Diaspora investors benefited from preferential treatment, specifically, tax-free importation of capital goods, period-bound tax exemption linked to particular investment areas and access to special foreign currency accounts and to dedicated diaspora bonds. Though remittances and diaspora investments induced by migration are substantial, migration is not included in the country's major development plans and sectoral policies.

Source: IOM (2017d). National Labour Migration Management Assessment: Ethiopia. Addis Ababa.

Increasing policy attention given to return migrants is a welcome development that should be grounded in specific policy and programme targeting mechanisms. Return migrants often come back with skills that could be capitalized upon in established companies. To this end, for example, when equipped with the necessary initial prerequisites, return

migrants could benefit from specifically earmarked training and recruitment possibilities through local content measures.

6.2.7 Leverage partnerships at the multilateral level to address structural drivers of extra-continental migration

On migration and environmental drivers, access environmental and climate funds

Natural hazards and harsh or deteriorating environmental conditions are global drivers of migration. In Africa, the connection between the cumulative impact of drought, poverty and sociopolitical factors makes it difficult to isolate and estimate the specific impact of climate-related factors on individual migration decisions. And yet, shocks related to environmental degradation and climate change can result in unplanned internal population displacements that can, in time, lead to international migration. In extreme circumstances, such shocks can result in the worst form of collective failure of all: famines. Recognition of the increasing importance of the climate change, agriculture and migration nexus in determining population displacements has led to a recent partnership between IOM and the Food and Agriculture Organization of the United Nations. This collaborative partnership is to be operationalized through projects and coordinated policy efforts to address root causes of migration associated with climate change and agriculture.

Therefore, countries with a critical share of their population living in vulnerable areas should be able to request support from existing environmental or climate change funds for allocation to the design of socioeconomic development programmes and if needed, to foresee, the design of a planned migration policy. In this regard, the initiative for the Adaptation of African Agriculture in support of the agricultural sector in sub-Saharan African countries is an example of action that targets structural determinants of migration.

On emigration, peace and security and structural transformation, make the links

Insecurity in some parts of Africa, including the Sahel/Sahara region and in particular the region's Lake Chad Basin, is a driver of emigration. Current efforts to address drivers of migration in the region are focused on military interventions and project-based job creation and entrepreneurship activities. Most of these initiatives adopt a piecemeal approach that is insufficient for tackling the root causes of migration. More strategic solutions anchored in a longer-term perspective are needed.

In light of this report's analysis of demographic trends, and of socioeconomic development and prospects for future growth and sustainable development, addressing

structural drivers of emigration in the region warrants greater attention from the international community. Measures in this regard should include providing the right enabling conditions for the development of competitive regional value chains whose operational segments would be spread across different countries.

6.2.8 To the Global Compact on Migration: What the world must hear

Africa wants to take its own migration narrative to the global stage

In the lead up to the global compact for migration, the African Union designated King Mohamed VI to champion migration for the continent, in light of the best practices of Morocco in the design and implementation of a rights-based, progressive migration strategy. The global compact for migration provides an opportunity for a new impetus in Africa's resolve to impose its own narrative in the global migration agenda.

The migration narrative could also be better framed within the continent by devoting more resources to funding a carefully designed communications campaign that highlights the economic and trade dimensions of migration.

Good practices include amplifying the voices of members of the diaspora who provide testimonials of their migration journeys. The IOM community conversations initiative, which engages elders and younger members of a community in conversations on the reality of migration, has also proved useful. In such initiatives, adaptation to specific contextual circumstances should be mandatory, as in some communities young people migrate due to pressure from elders. And finally, framing a new migration narrative in a less bleak and more positive light could contribute to a new era of promoting multilateral development aid in support of stories of resilience.

Strengthen the commitment to safe, orderly and regular international migration

The global compact for migration is an opportunity to stress the need for stronger protection of migrant workers, including by promoting labour rights and safe and secure working conditions for international workers. Measures should include ensuring benefits, social security and insurance to foreign workers. Particular attention should be given to women migrants and those in precarious situations.

Invest in innovative data collection: from fear of the "other" to better information

This report underscores the centrality of reaching a better understanding of decision-making at the individual and household levels for optimal policy targeting. Such an understanding relies on the use of household and individual datasets. Better and more frequent data collection should lead to improved information on migration patterns and

migrants. Unpacking these realities will help reduce the primacy of preconceived ideas, most notably in populist accounts of migration.

The increase in mixed migration should also stimulate addressing the need to capture different nuances in the definition of migrants. Similarly, global and regional datasets should include multiple dimensions of migration that allow for consideration of economic and trade variables. However, data collection is a resource-intensive endeavour. The shared need for insights on African migration from all parties in Africa and beyond should justify joining forces in financing data collection efforts. Such initiatives can be leveraged if they are seen as constituting a first step in long-lasting dialogue and collaboration in designing and implementing win-win, managed migration policies in Africa and in extra-continental destination countries.

6.3 Conclusions

Recognition of the benefits of managed migration for socioeconomic development led to the inclusion of migration in the 2030 Agenda for Sustainable Development. This report has thus strived to unearth global, mesolevel and microlevel data and built on existing knowledge to gain new insights on the role of intra-African migration in Africa's development journey. Gender-based analysis led to findings that challenge some of the current understanding on migration trends and to probe established myths about migration's socioeconomic impact. The report makes a plea for applying development resources to addressing structural factors for a longer-term impact on the structural transformation of Africa.

Acknowledging the complex reality of migration trends and drivers, the report calls for a new strategic vision for the operationalization of migration management in Africa. Such a vision considers migration beyond labour mobility to encompass relevant elements in the spheres of investment, trade and technology. It is in addressing migration drivers and migration's impact through trade, investment, and technology policies that the report contributes fresh recommendations on harnessing the benefits for structural transformation. It makes a distinction between the principle of free movement of persons and evidence-based policies for labour mobility. It situates migration within a confluence of policies that address fundamental and persistent challenges hampering the continent's development journey.

Managed migration policies can be a powerful tool for structural transformation in Africa. The immediate next step is therefore to use the report's analytical insights to support

African countries and African continental and regional bodies in designing tailor-made actions that span the thematic areas covered in the report.

6.4 Epilogue

The news on the radio about Libya goes on. Mamadou listens again. The news report is about migrants who make it to Libya – only to get trapped into slavery.

His mind goes back to the sounds of the radio at his parents' modest home one fateful day in early August 1999. Two Guinean boys, Yaguine Koïta and Fodé Tounkara, from Conakry had been found in the undercarriage of a plane in Brussels. They were dead. Lying next to them, in a plastic bag, were their birth certificates and a letter. Mamadou can still hear the voices of despair, commenting on the fate of those boys who had written of their hopes and of their anguish living in Africa in that letter.

*“Excellencies, members and officials of Europe,
We have the honour, the pleasure and great confidence in writing this letter to tell you about the objective of our trip, and about our suffering, we, the children, the youth of Africa.*

But first of all, we offer to you the most delightful salutations, the most loving and respectful greetings in life.”

The letter was written in the best French the two friends could manage. It went on, two full pages of candid and vibrant words. The boys concluded with:

“And do not forget that it is to you that we must complain of the weakness of the strength of Africa.”

Like Yaguine, Mamadou was 15 then. He remembers many sleepless nights, wondering about what the boys had meant with that last sentence. So many years have passed since then. In that time, he learned that the vast mineral wealth of Guinea includes the world's largest recorded reserves of bauxite and billions of tons of its best reserves of iron ore. Aluminium is made from refined bauxite. Aluminium, one of the most vital metals in the global economy, with uses from kitchen foils and drink cans in the homes of the rich world, to aircrafts. Such as the one in which Yaguine and Fodé were found. As for iron ore, without it, and without steel, most of the world's industries would not exist.

Mamadou's vocation for welding came from his fascination with stories about the almost mythical Simandou iron deposits in the mountainous eastern territory of Guinea, just across the border from Senegal. That is what got him interested in doing metalwork. Mamadou loves working as a welder. In the last year in Johannesburg, he

has managed to get some small jobs welding, but it has been very difficult. He thinks back, remembering the first time he read about Simandou on the cover of newspapers at the stand at the corner of his street in Ouagadougou. That was some 20 years ago. And the deposits are still untapped.

He thinks bitterly about how unfair it was to have to leave his family and risk his life to go so far away, when steel could be produced in his home region. Steel constitutes the basis for vibrant industries. He knows that successive Governments, regional and continental organizations and many other bodies are advocating policies to try to create the conditions for setting his region on a sustainable path to industrialization. Somehow, that path has remained elusive. Years ago, Ramatoulaye had told him about the role of actors far away who perpetuate the reality of “the weakness of the strength of Africa”. Those distant actors operate from the comfort of commodity trading hubs and offshore paradises. Then there are buyers of industrial products who are too busy consuming to hear about the realities of Africa that allow them to enjoy their luxury goods. It is complicated, the older Ramatoulaye would say, if she were by his side today. It may very well be, he would answer. Someone has to be accountable. Who? How many deaths like those of Yaguine and Fodé do we have to bear before the world hears and acts?

Back in Ouagadougou, Ramatoulaye has also heard the news from Libya. It was hard to listen to. She has been wide awake since the early morning hours, listening to the dogs barking in her neighbourhood. She remembers how one day, she met Mamadou in front of the newspaper stand at the corner of the street where she lived. They were part of a small group who could not afford to buy newspapers and stood there reading the news on the cover pages. She had come later than usual that morning, when Mamadou came to read that day.

Finally, she stands up and makes a few phone calls, repeating a simple message to the different brokers for her trip: she is no longer considering leaving for Libya. She opens the small notebook where she records joyful moments and sad ones. She crosses out “Migrating to Europe” from her list of dreams, as she realizes that she will never be a leading female historian from Africa.

In the year Mamadou has been away, Ramatoulaye has slowly managed to become the owner of a market stall of agricultural produce transformed lightly into products she can sell. Her fellow market traders appreciate her informed commentary of African and world affairs. She just wishes she had a larger audience. It reminds her she had wanted to write books and articles based on an African narrative of the continent’s vital role in the world.

At breakfast that morning, Ramatoulaye tells Binetou and her younger siblings about the origins of the world, about the journey of humans. “It is established,” she explains, “that all human beings evolved from a common ancestor in equatorial Africa. These ancestors crossed the Red Sea into Southern Arabia many, many years ago. Over time, many of their descendants never stopped walking. They moved, sometimes to improve their lives, other times because they had to flee for their lives and security.” Binetou raises the index finger of her right hand. She pauses and in her distinctive way asks, “But mother, can’t one move simply because one wants to? Isn’t that a basic freedom that one should have?”

Ramatoulaye smiles as she looks at her daughter. Binetou will be 19 in 2030. She will be one of almost 250 million young people on the continent demanding to see how their countries have fared in achieving the 2030 Agenda for Sustainable Development. Growing up at the time of greater United Nations communications efforts on the Sustainable Development Goals, Binetou and her peers will want to level the playing field in fulfilling their dreams. They will understand the development potential of their continent and will expect to contribute in efforts to make it great. Ramatoulaye often worries that 12 years might be too short a time to fulfil such expectations. She too, was young once, and hopeful. She expects Binetou and her peers will be more impatient in their quest for fairness. In the digital age, they are more exposed to global lifestyles. They will want to find their rightful place in the world and enjoy the freedom to choose where to call home. Whether in Africa or elsewhere.

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Intra-African migration is a catalyst for economic growth and structural transformation. It contributes to gross domestic product, employment, trade, poverty reduction and inclusive growth. The *Economic Development in Africa Report 2018: Migration for Structural Transformation* examines how well-managed migration can help to address Africa's development challenges. The Report identifies key actions that can be taken at national, regional and continental levels to overcome barriers to intra-African mobility. Safe and orderly migration, besides contributing to economic growth, can provide the impetus for structural transformation in Africa, and unlock the potential of migration to contribute to the achievement of Agenda 2030 for Sustainable Development and Africa's Agenda 2063.

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“As Governments across the world work towards a Global Compact for Migration, this report offers important economic and development insights into the dynamics of intra-African migration. It reinforces what we know to be true of international migration more broadly: that migrants make a significant contribution to countries of both origin and destination. Offering clear policy guidance on how African countries can harness migration for transformative and sustainable growth, it is an invaluable guide for African policymakers, academics, and the broader development community.”

**Mr. António Guterres,
Secretary-General of the United Nations**

“Addressing the challenge of migration requires an innovative approach that allows for assessing causes, impact and identifying solutions, particularly by building synergies between development and migration policies. We must work together to develop an African agenda on the topic that would articulate a common vision of ways and means of dealing with the question of migration within our continent and in international forums.”

King Mohammed VI of Morocco

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