

Labour Migration in the Western Balkans:

Mapping Patterns, Addressing Challenges and Reaping Benefits



BOSNIA AND HERZEGOVINA

Key facts



GDP growth
(2021)¹



Unemployment
(2021)¹



Net FDI
(2021)¹



Bosnian migrants
worldwide (2020)²



Emigration rate
worldwide (2020)²



Personal remittances
received (2020)³

7.1%

17.4%
of total labour force

2.1%
of GDP

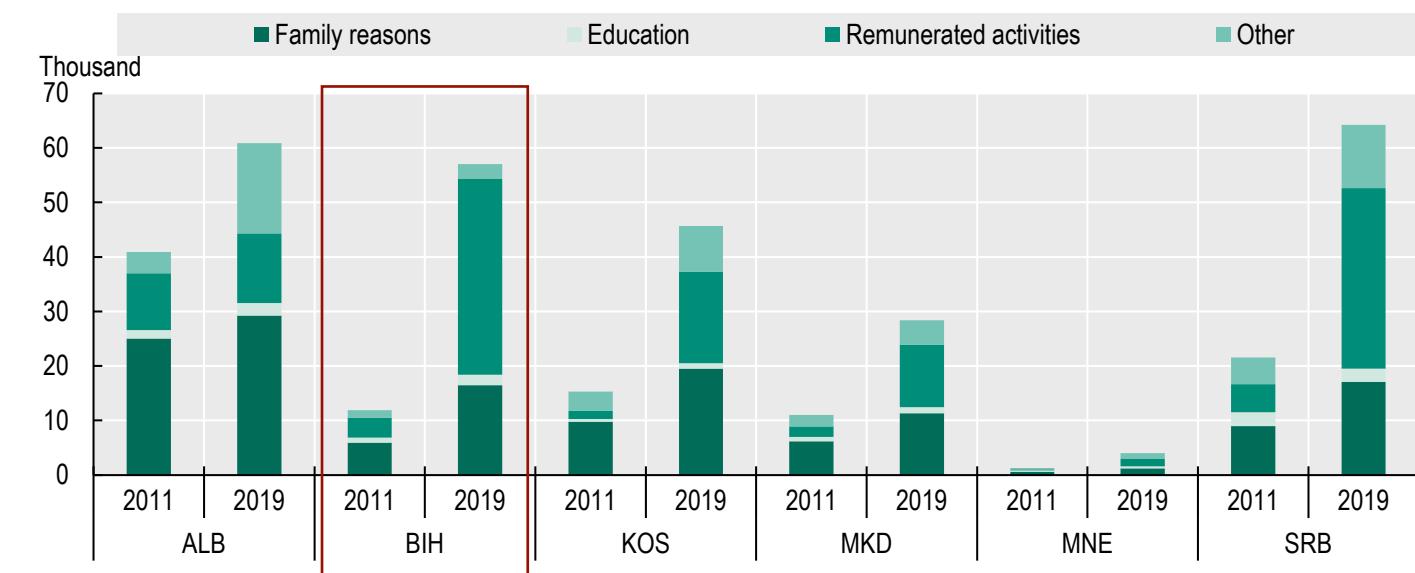
1.69mil

34%

9.2%
of GDP

Sources: ¹European Commission (2022), EU Candidate Countries' & Potential Candidates' Economic Quarterly (CCEQ) – 1st Quarter 2022 ; ²UN DESA (2021), International Migrant Stock 2020; ³World Bank (2022), World Development Indicators

Migration from Bosnia and Herzegovina to the European Economic Area has increased almost fivefold over the last decade



Note: Number of first residence permits attained by WB6 citizens in European destination countries by citizenship and reason. European destination countries include EU Member Countries, European Economic Area non-EU countries (Iceland, Liechtenstein and Norway) and Switzerland. "Other" includes international protection, residence without the right to work (such as pensioners), and people in the intermediate stages of the regularisation process. Data for the United Kingdom are available until 2018.

Source: Eurostat (2021), First permits by reason, length of validity and citizenship [MIGR_RESFIRST].

In 2011, Bosnian citizens predominantly migrated to the European Economic Area (EEA) and Switzerland for family reasons. However, work reasons gained in importance, with the number of first residence permits for remunerated activities issued to Bosnian citizens increasing by more than eight times between 2011 and 2019.

Key findings:

- ❖ **Bosnia and Herzegovina has the second largest stock of migrants in OECD countries among the WB6 economies.** The top OECD destination countries are Germany and Austria, hosting 20% and 19% of the Bosnian migrants in OECD countries, respectively. An important share of Bosnian migrants (23%) also resides in other Wester Balkan Six (WB6) economies.
- ❖ **About two-thirds of Bosnian citizens in the EEA and Switzerland migrated for work purposes,** and the share of labour migrants among the Bosnian migrants has been growing over time. The number of first residence permits for work purposes was more than eight times higher in 2019 than in 2011. In 2020, following the outbreak of the COVID-19 pandemic, the number of first permits decreased by 38% compared to 2019.
- ❖ **The employment rate of Bosnian emigrants (70%) was higher than of other foreign-born migrants in OECD countries (67%).** Bosnian migrants also had the lowest unemployment rate (8%) of all WB6 migrants in OECD countries, slightly below the unemployment rate of all foreign-born migrants in OECD countries (9%) (OECD DIOC 2015/16).
- ❖ **Bosnia and Herzegovina has developed a mechanism for horizontal co-ordination of state authorities in charge of migration management.** A draft strategy on migration management has been prepared and is pending adoption. It strongly relies on donor funding for the achievement of its goals.
- ❖ **There have been some recent developments in entity-level strategic frameworks for diaspora engagement,** but institutional co-ordination and cross-entity co-operation are lacking. Diaspora engagement activities are often led by the non-government sector, with several active NGOs, and supported by international donors.

Main priorities:

- ❖ **Develop the institutional and policy frameworks to support diaspora investment and knowledge transfers.** There is a need for a more systematic government approach and further development of the institutional and policy frameworks to strengthen the links with the diaspora and create opportunities for the diaspora to contribute to national development. The government should work closely with already existing NGOs and other non-state actors to develop the necessary frameworks.
- ❖ **Invest in long-term partnerships with the diaspora to build trust.** Lack of trust is a barrier for diaspora engagement in Bosnia and Herzegovina. The involvement of diaspora NGOs has been key to the success of previous projects, and future policy frameworks should build on the knowledge and experience of the NGO sector.
- ❖ **Create a policy framework to encourage knowledge transfers through collaborations with the professional and scientific diasporas and actively support return migration** of certain diaspora groups. This could target both long-term and short-term return of the diaspora. The lack of tailored services to return migrants is a barrier and more active measures are needed to attract back and support their reintegration.

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This report analyses labour migration patterns of the Western Balkan economies, investigates their root causes as well as potential consequences, and examines the economies' current migration and diaspora policies. It builds on results from an original survey of emigrants from the Western Balkans in addition to a wide range of OECD and international migration data sources as well as regional stakeholder consultations.

The report provides Western Balkan policy-makers with targeted policy recommendations on how to address the structural challenges, which incentivise emigration and maximise the benefits from emigration for the Western Balkan economies' own socio-economic development by strengthening ties with the diaspora and capitalising on its skills and investment resources.

