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Snapshot of Recent Migration Trends in OECD Countries

The OECD's 2015 *International Migration Outlook* finds that permanent migration flows returned to their pre-crisis levels in 2014, reaching 4.3 million migrants – a 6% increase compared to 2013. With one million new permanent residents, the United States was the prime destination for migrants, followed by Germany. Several smaller countries experienced significant increases in permanent migration: for example, permanent inflows to Korea increased by 12%, outnumbering new permanent arrivals in Japan for the first time on record. Family migration and free movement each accounted for around one third of permanent migration to OECD countries in 2013. The total foreign-born population in OECD countries stood at 117 million people in 2013, corresponding to 35 million (40%) more than in 2000.

Intra-regional migration has also risen sharply. The recent waves of enlargement of the EU in 2004, 2007 and 2013 help explain this trend: the OECD estimates that about 18 million people have moved within the region, 50% more than in 2004. Similar trends are observed across the world where regional agreements facilitate cross-border mobility, including Latin America (MERCOSUR), Southeast Asia (ASEAN) and Africa (ECOWAS). In Africa, about 90% of international migrants move within the continent.

Migrants are becoming increasingly skilled, reflecting both selective migration policies and the rising educational attainment of the global population. According to recent data collected jointly by the OECD and the World Bank (Database on Immigrants in OECD and non-OECD Countries and *Connecting with Emigrants: A Global Profile of Diasporas*), the number of tertiary educated immigrants aged 15 and older living in the OECD increased by 70% to 31 million over the past decade, compared with a rise of just 10% among the low educated. This growth was largely driven by migrants coming from Asia.

How Migration Benefits Development

The Addis Ababa Action Agenda and the 2030 Agenda for Sustainable Development recognize that migration supports the economic and social development of developing countries. Financial remittances sent by migrants to developing countries – USD 441 billion in 2015 – represent more than three times the global flows of official development assistance (ODA). Such financial remittances can help reduce poverty, spur consumption, foster entrepreneurship and increase households' investments in education and health. Diasporas may also send collective remittances to finance local development projects or help rebuild countries after natural disasters. To reduce the costs of remittances and channel them towards productive investment, policymakers in developing countries can implement diaspora bonds, financial education programmes or websites to compare remittance costs.

Sectoral policies have a significant influence on the way financial remittances affect development in the countries of origin, as highlighted by the ongoing OECD project on the *Interrelations Between Public Policies, Migration and Development*. For example, social protection or education programmes,

such as conditional cash transfers and scholarships to finance children's education, can relax households' credit constraints and allow them to redirect financial remittances towards productive investments.

Highly educated diasporas can become an important asset for development if countries of origin engage with them and effectively mobilise their skills. The emigration of tertiary educated individuals can have a "brain-gain" effect by encouraging those left behind to study longer, increasing the stock of human capital.¹ Policymakers can foster brain circulation by promoting the temporary or permanent return of high-skilled migrants and consolidating scientific diasporas.

Beyond financial remittances, developing countries also benefit from social remittances. When returning home or communicating with their families, migrants often transfer positive values, behaviours and expectations observed in their host countries, including women's empowerment and accountable institutions.

The Humanitarian-Development Nexus

Many countries are facing an unprecedented refugee crisis. In OECD countries, requests for asylum reached 1.5 million in 2015, reflecting the deteriorating security situation in Syria and Libya that prompted significant refugee flows to Europe. The number of people expected to be granted refugee or similar status in Europe alone will likely exceed any previous crisis since World War II. Asylum seekers are very diverse in terms of country of origin, profile and motivation, particularly when compared to previous refugee crises. This increases the pressure on asylum systems in destination countries.

Looking forward, a range of risk factors could fuel further flows within existing migration routes (e.g. further deterioration of security in Syria, Iraq and Ukraine, instability in Lebanon). Demographic and economic factors in Sub-Saharan African countries will continue to generate a push for outmigration, as will high poverty and unemployment rates in the Western Balkans, especially among Roma.

The refugee crisis requires a bold, comprehensive and global response – with financing and programming solutions that address both the international and domestic components of the crisis. Internationally, solutions must address the issues facing developing countries that are sources of refugees and migrants, transit countries and/or countries hosting significant refugee populations. Domestically, host countries must meet the immediate needs of refugees and address the longer-term challenge of their integration.

The OECD is building closer ties with the UNHCR – which has offered protection and assistance to millions of refugees for decades – to find lasting solutions to the current crisis. For example, in January 2016, the OECD-UNHCR High-Level Conference on Integration brought together officials from over 30 OECD and non-OECD countries to share their experience in hosting, welcoming and integrating refugees and discuss new, ambitious, proactive and coordinated integration policies.

Policy Responses to Address the Current Crisis in Developing Countries

Although the refugee crisis is global, it often has its roots in developing countries. According to UNHCR, developing countries host 86% of the world's refugees, compounding the prevailing economic, environmental, social and, at times, political difficulties in these countries.

¹ Brain drain is a concern for small countries and island states, although emigration rates of the highly educated tend to be very low.

The refugee crisis calls for specific policy responses in developing countries.

- **First, development efforts must target the drivers of conflict, particularly in fragile states, wherever they exist.** The international community must help actors in crisis or at-risk states to improve development–security–humanitarian efforts and ensure that risks to the full range of Sustainable Development Goals are analysed, by leveraging existing tools including the OECD’s resilience systems analysis. The OECD is broadening the range of actors that are involved in this analysis, including the private sector and disaster and climate change experts, to ensure that the results feed into relevant programming.
- **Second, political solutions to the root causes of the crisis must be encouraged, alongside national and international support for livelihood and social protection and measures to address basic needs in water, electricity, schooling, health, livelihoods and other services.**
- **Third, the consistency, comparability, and transparency of reporting practices for in-donor costs must be improved to ensure ODA resources earmarked for developing country needs are maintained throughout the crisis.** At its February 2016 High Level Meeting, the DAC agreed to establish a clear, transparent, and inclusive process to address this issue. While ODA from Development Assistance Committee (DAC) members reached an all-time high, in real terms, of USD 131.6 billion in 2015 – an increase of 6.9% over 2014² – ODA directed to the management of refugee flows is rising. Preliminary ODA figures for 2015 show that ODA for in-donor refugee costs more than doubled in real terms compared to 2014 to USD 12 billion. However, the rise in refugee costs in 2015 did not significantly impact development programmes: excluding these costs, ODA still rose by 1.7% in real terms.

Looking Beyond the Current Crisis: The Importance of Migrant Integration in Host Countries

Migration has become a polarising issue, with extreme views reinforcing barriers between residents and contributing to the radicalisation of individuals, communities and the electorate. Extremist views on migration are often reinforced by preconceived ideas and ignorance, notably regarding integration issues and the fiscal impact of migration. There is an urgent need to close knowledge gaps on migration, ensuring that relevant evidence on the potential benefits and costs is generated and clearly disseminated to the public.

Looking beyond the immediate humanitarian aspects of the current crisis, empowering migrants and their children to integrate successfully in host countries will be essential. The active participation of migrants and their children in the labour market and, more generally, in public life is vital for ensuring social cohesion in the host country and the ability of migrants to function as autonomous, productive and successful, self-realised citizens. This is also critical for facilitating their acceptance by the host-country population. Successful integration requires comprehensive, well-tailored measures that consider migrants’ countries of origin, educational background, and family situation.

The OECD’s 2015 report with the European Commission, *Indicators of Immigrant Integration: Settling In*, finds that the global financial crisis has impeded the labour market integration of migrants. Job losses have been greater among migrants than the native-born. While foreign-born men — who widely work in sectors more exposed to cyclical fluctuations — have been more adversely affected than women, migrant women have experienced a more pronounced deterioration in job quality.

² OECD – Development Assistance Committee. (2015). "Final Official Development Assistance Figures in 2015". Available at: www.oecd.org/dac/stats/final-2015-oda.htm . [Accessed 13 April 2016].

Early and intensive efforts to improve literacy and language proficiency, and provide adult education and vocational training, are essential to boosting migrants' chances of employment and supporting labour market integration. Measures to better assess and recognize foreign qualifications and skills are required to make better use of the human capital of migrants and ensure integration pathways meet their individual needs. It is also important to streamline legal processes and administrative procedures to facilitate the timely entry of migrants into the labour market and minimize the risk of skills atrophy. Finally, labour market integration can also be supported by placing migrants in municipalities where jobs are readily available, particularly in countries with wide regional disparities in labour market conditions and skills needs. Placements should consider individual migrant profiles and their integration prospects in local communities.

The successful integration of migrants transcends labour markets. Good health is integral to well-being and affects the degree and manner of engagement between migrants and society as a whole. Healthier migrants are able to work and earn more and can build broader social networks. Many humanitarian migrants have experienced traumatic events prior to their arrival in their host country, and experience associated psychological and mental health issues. Failure to address these issues can impede integration, as they impact many dimensions of life: the ability to enter employment, learn the host country's language, interact with public institutions, and do well in school.³ Host countries should systematically supply migrants with information about local health care services to improve awareness, build trust, and increase health system utilisation.⁴

Unaccompanied minors are a particularly vulnerable group that requires special protection. Many arrive just before or after schooling is no longer compulsory (between 14 and 17 years), but have no or little formal education. They tend to find employment in unstable, low-skilled jobs in preference to pursuing formal education. Integration policies for unaccompanied minors should focus on the provision of safe, stable surroundings that reduce the pressure of finding immediate work and encourage a focus on education.

Finally, policymakers should leverage civil society to help build ties between migrant and host country communities. Civil society actors are well-placed to support integration through service provision, mentorship programmes, training and skills assessments, and local community initiatives.

Conclusion

With the right approach and policies, all countries — origin, transit and host — can harness the benefits of migration and open up new opportunities for economic and social growth at national, regional and international levels. The OECD remains fully committed to advancing an ambitious, comprehensive and coordinated global agenda to help navigate the current refugee crisis and better harness the strengths and skills of migrants. Through successful integration, migration can become a source of hope and progress, rather than fear.

³ Cebulla, A., Daniel, M., and Zurawan, A. (2010). *Spotlight on Refugee Integration: Findings From the Survey of New Refugees in the United Kingdom*. Home Office Research Report No. 37, Home Office.

⁴ Murray, K., Davidson, G. and Schweitzer, R. (2010). ‘Review of Refugee Mental Health Interventions Following Resettlement: Best Practices and Recommendations’, *American Journal of Orthopsychiatry*, Vol. 80, No. 4, pp. 576-585.