

Migrants, Markets and Mayors – Rising Above the Employment Challenge in Africa’s Secondary Cities

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Executive summary

Leveraging migration for urban development

In a rapidly urbanizing world, where more than two in three people are expected to live in cities by 2050, internal migration is often feared as source of urban underdevelopment. Over the coming decades, urbanization will be especially fast in Asia and Africa, where the urban share of the population is still substantially lower. Historically, internal migration has been an important driver of urbanization. Despite this, migrants are also commonly perceived to have more difficulties integrating in the urban labor market than urban residents, given their lack of education, social networks, and family support in towns. As a result, they are thought to mainly join the ranks of the un-employed and underemployed in the urban informal sector, and, if they do work, to take scarce jobs from citizens. Furthermore, they are seen to push up rents and housing costs and overburden urban centers' often crippled infrastructure and social services, thus holding back their economic development. Rural-urban migrants are especially seen as culprits in this scenario. Such views, widely shared and shaped by big city slum development, have instigated fears of urban underdevelopment, especially in Africa, where global poverty is increasingly concentrating;¹ it has also shifted policy focus towards interventions to limit migration,² including through institutional neglect of informal settlements.³

Others argue that migrants are not worse off, and that they instead positively contribute to the local economy in many ways. "The opposition between the 'poor, uneducated, informally employed migrant' and the 'better-off, educated, formally employed non-migrant' is, not supported by the facts" (Beauchemin and Bocquier, 2004: 2261). Some argue that the belief that urban migrants do not earn their living in the urban centers is unfounded; they cannot afford not to work, and would otherwise return to their places of origin. Migrants are also often the more dynamic and educated among rural populations because of migratory selectivity.⁴ Internal migrants in francophone West African urban centers in the 1980s and 1990s were not disadvantaged when compared with local residents. Moreover, by increasing the size and population density of the city, migrants may also enable economies of agglomeration, an important force in urban economic growth. Additionally, skilled migrants can also increase the urban skill pool, while unskilled migrants may complement skilled urban workers, in both cases generating positive human capital externalities. Even unskilled urban workers may still gain from migration – as has been carefully documented in China⁵ – by accelerating their occupational transition, or if increased demand for unskilled labor following migration induced agglomeration economies exceeds downward wage pressures and employment loss following migration induced substitution.

¹ Beegle and Christiaensen (2019).

² Todaro (1997). The share of countries with policies to lower rural to urban migration has increased substantially worldwide (from 38 percent in 1996 to 80 percent in 2013) and is especially high in Africa (85 percent) and Asia (84 percent), where urbanization is also fastest (United Nations, 2013, https://esa.un.org/PopPolicy/wpp_datasets.aspx).

³ Fox (2014).

⁴ Young (2013).

⁵ Combes, Démurger, Li and Wang (2020).

What about Africa today? How different economic forces play out (economies and diseconomies of agglomeration, labor complementarity or substitutability) is not clear *a priori*, and their individual effects are hard to identify empirically. The aggregate outcomes will also differ for various population groups (skilled/unskilled; migrant/resident). Other factors likely to affect outcomes include whether the urban destinations are smaller towns or bigger cities, whether their economies are fast-growing or stagnating, how responsive land markets and service provision are to the arrival of newcomers, and whether arriving migrants have been mainly driven by distress at their place of origin or by the buoyancy of the destination.⁶ The circumstances in Africa today are also quite different than in China (or even the Africa of the 1980s and 1990s). Population growth is much faster and rural-urban labor mobility is much less restricted than in China, and per capita GDP growth on the continent has overall been less labor-intensive (relying more on natural resources than labor-intensive manufacturing exports). In fact, when observing Africa today, one mainly sees cities that are crowded, disconnected, and costly,⁷ struggling to play their role as engines of economic growth and poverty reduction. This raises the question of whether migration and urbanization cannot be better leveraged.

The perspective on migration and urban development must be broadened in three dimensions.

Debates about migration and urban development have arguably been somewhat reductionistic and misguided. First, much of the focus has been on larger cities (often only capital cities) and rural-urban migrants only. This leaves the challenges of most of Africa's urban centers and the majority of their population unaddressed. About 97 percent of Africa's urban centers/agglomerations have fewer than 300,000 inhabitants; urban agglomerations of less than 1 million make up 60 percent of Africa's urban population, spread across 7,543 urban centers.⁸ Increasing evidence further suggests that the development of towns and secondary cities may also be better at reducing poverty than the development of big cities.⁹ In addition, a sizeable share of urban migrants comes from other urban areas. Ignoring this leaves out an important part of the migration and urban development dynamics. A more holistic and dynamic perspective, incorporating both migration flows along the full urban hierarchy as well as urban-urban migrants, is needed to better understand and leverage migration for urban development.

Second, the policy focus in addressing Africa's employment challenges has often been on urban youth employment programs, with variable success at best and a lack of differentiation between the needs of migrants and urban natives.¹⁰ If migrants generally integrate well into urban labor markets, a broader and more differentiated policy package is needed to increase labor market outcomes for all urban citizens, migrants, and natives alike. This should go beyond labor market policies and include urban policy instruments to address institutional and regulatory constraints that misallocate land and labor within cities, fragment physical development, and limit productivity.

Third, the focus on the rate of urbanization (a key policy indicator from the national perspective) at the expense of urban population growth (the key concern for urban governments) has led governments to see migration as the major contributor to urban population growth. While migration has historically

⁶ Busso, Chauvin and Herrera (2021).

⁷ Lall, Henderson and Venables (2017).

⁸ OECD/SWAC (2020).

⁹ Christiaensen and Kanbur (2018).

¹⁰ Kluge et al. (2016).

been important for urban growth in developed countries, in Africa, urban natural increase has been much more important for urban growth than migration, with migration expected to become even less important in the future. This creates opportunities to go beyond migration, using urban (and rural) population interventions to manage the rate of urban growth and foster urban development.

This report reviews how secondary towns and cities in Africa can better prepare for and manage the internal economic migration of workers to the mutual benefit of cities and migrants alike. This study, funded under the Cities Alliance “Cities and Migration” Program, focuses on economic migration and urban labor market integration.¹¹ Under the program, four secondary case cities were selected in three African case countries, each representing significantly different settings: Jijiga in Ethiopia, Jinja in Uganda, and Jendouba and Kairouan in Tunisia (Box E.1). Jijiga is the regional capital of Ethiopia’s Somali Region, a thriving trading center on the trade corridor between Ethiopia, Somalia, and Djibouti. It has been growing rapidly mainly due to the migration of people in search of better opportunities, with access to urban services governed by a residency permit system as in the rest of Ethiopia. Jinja, recently elevated to city status and situated at 80 km from the capital of Kampala, also has high economic potential and is said to be a commuting city. Jendouba and Kairouan in Tunisia are two intermediate cities in the two poorest internal regions of Tunisia; they are both challenged to ensure economic and social inclusion for their citizens, including rural migrants, and often act as a steppingstone to the thriving coastal cities.

The migrant, the market, and the mayor. Three perspectives are taken: these of the migrant, the market, and the mayor, broadly referring to how migrants fare in the urban labor market, how they affect aggregate urban productivity, and how mayors can leverage their potential to the benefit of all. Insights from national household survey data analysis are combined with those from the case cities to address the first question. A more indirect approach is taken to examine the second question. As speedy urban population growth challenges mayors to maintain the urban infrastructure and services needed for economic buoyancy and the general welfare of citizens, the report explores how migration in Africa affects the rate of urban population growth, as well as the size and composition of its labor force, drawing on demographic data and the literature, complemented with insights from key informant interviews in the case cities.¹² Finally, the report reviews the policy options mayors can take to better leverage migration for everyone in the city and the challenges they face in implementing them, again informed by the literature as well as lessons from World Bank operations and interviews with case city officials.

Box E.1: Different cities, different settings

Jijiga, Ethiopia.

Jijiga, the regional capital of Ethiopia’s Somali Region, has been growing fast, both in population and built-up area, driven by migrants in search of better opportunities. Jijiga is strategically located on the trade corridor between Ethiopia, Somalia, and Djibouti, and vibrant trade and commerce dominate economic activity in the city (see Figure E.1a). Like many other cities in Ethiopia, Jijiga has been growing fast, in built-up area (Figure E.1b) and population, which was estimated at 221,000 in 2020, making it the 10th largest city in Ethiopia. With the country

¹¹ Another component of the Cities Alliance “Cities and Migration” Program explores the challenges and policy options of forced displacement.

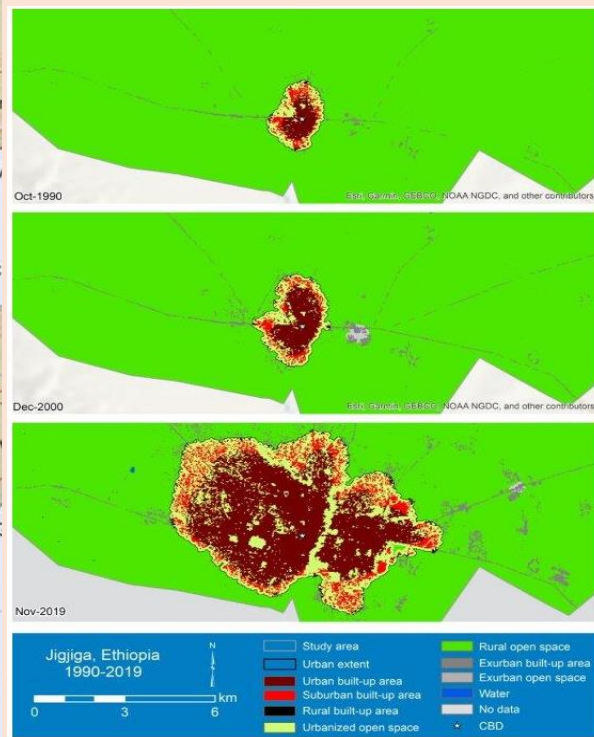
¹² Comparable cross-country urban panel data with consistent disaggregation of the urban population by their origin (migrant/resident) are needed to quantitatively estimate the effects of migration on aggregate urban productivity. Such data is not yet systematically available for Africa.

traditionally seeing low mobility, the largest share of flows are rural to urban, representing 33 percent of migrants in 2013. The region surrounding Jijiga is largely arid, sparsely populated, and most of its population are semi-nomadic livestock herders. However, migrants have been coming from across Ethiopia, despite the Somali Region being culturally and linguistically different from the core of Ethiopia, speaking the Somali language and adhering to Islam rather than Orthodox Christianity. At approximately 20 percent in 2018, the unemployment rate in Jijiga is similar to that of urban Ethiopia, but women fare worse, with female unemployment rates in Jijiga much higher than in the rest of urban Ethiopia (31 percent as compared to 26 percent).

Figure E.1a: Jijiga is strategically located on trade routes with Somalia and Djibouti



Figure E.1b: Jijiga has grown fast since 2000
(Evolution of built-up area, Jijiga)



Source: <https://www.geographicguide.com/africa-maps/horn-africa.htm> (Fig E.1a); Lamson-Hall, 2021 (Fig E1.b).

Jinja, Uganda

Jinja is a secondary city with high economic potential, whose growth is mainly driven by natural increase, but allegedly also by substantial commuting. Located along the corridor of major trading routes on Lake Victoria, at 80 km from the capital of Kampala, Jinja was recently identified as a city with high economic potential, ranking fourth among 32 cities analyzed (Wadie, 2019). While 31 percent of the growth in Kampala is due to migration, this falls to 13% for the rest of urban areas in the country. Secondary cities have been mostly growing due to natural growth (60 percent), and much less from migration (16 percent) or reclassification (14 percent). Among these secondary cities, the municipality of Jinja was recently elevated to city status (July 2020). Jinja has a history of hosting manufacturing activities and is said to be a commuting city that harbors five times the people during the day than at night (City Alliance, 2016). As such, it also provides an interesting backdrop for the study of spatial settlement and working patterns.

Jendouba and Kairouan, Tunisia

Located in the two poorest internal regions of Tunisia, the intermediate cities of Jendouba and Kairouan essentially act as steppingstones for rural migrants to the thriving coastal cities. Without an industrial base and with their hinterlands still heavily reliant on agriculture, both cities struggle with persistent high unemployment.

Nonetheless, they have continued to grow and attract migrants from inland regions, while also seeing part of their population (often the more entrepreneurial and successful among them) move to the more prosperous coastal regions and cities. Cities like Jendouba and Kairouan hence emerge as steppingstones into moves along the urban portfolio. More broadly, with almost two thirds of its population already living in urban areas and an overall population growth rate of just above 1%, population flows in Tunisian cities are bi-directional, with cities facing both immigration and outmigration

The migrant perspective: How well do migrants fare?

Migrants make up a sizeable part of the urban labor force, with rural-urban migrants somewhat more prevalent and short- and long-term migrants contributing about equally. A person is considered a migrant if they moved into an urban area less than 10 years ago (irrespective of their place of birth). Migrants account for at least a third of the urban labor force in five of the seven African countries examined.¹³ On average, slightly less than 50 percent have arrived recently (less than three years ago), while the others relocated between three and ten years ago. Depending on the country, anywhere from one half to one third of urban migrants come from other urban areas. When looking along the urban hierarchy, migrants are more frequent in big cities on average (> 1 million inhabitants), comprising 39 percent of city populations on average, as compared to 31 percent of the population of secondary cities (100,000-1 million) and about 25 percent of the population of towns (<100,000). They tend to come more frequently to secondary cities from other urban areas, while being slightly more rural and staying for a shorter period in towns.

Urban migrants are younger, have fewer dependents, and are more educated than urban residents; these gaps are larger for urban-urban migrants and decline as city size increases (Figure E.2). Regression analysis across six Sub-Saharan African (SSA) countries shows that migrants are on average five to six years younger than residents. This holds without differentiation across city size or migrant origin (Figure E.2a). Being younger further translates into having fewer dependents,¹⁴ with this gap being larger for urban-urban migrants than for rural-urban ones (who tend to have higher fertility rates) and declining as city size increases (Figure E.2b). Migrants are also more educated than residents. The education advantage migrants enjoy over urban residents is, however, largely confined to urban-urban migrants. In fact, rural-urban migrants face a growing education deficit as they move to larger urban centers (from similar education levels to small-town residents to more than a 1-year average gap in big cities) (Figure E.2c).

Somewhat surprisingly, agriculture remains a significant sector of employment in towns and secondary cities of Sub-Saharan Africa. About one in four non-migrant residents is still employed in agriculture in small towns (<20,000 inhabitants) and about one in seven in large towns and secondary cities combined (20,000-1 million inhabitants).¹⁵ This is partly a reflection of *in situ* urbanization and related definitional issues;¹⁶ it also highlights Africa's lack of industrialization. Small town migrants are 11 percent less likely to be employed in agriculture than small town residents on average; this difference

¹³ Ethiopia (2013), Tanzania (2010), Uganda (2016), Ghana (2010), Kenya (2009), Mali (2009), and Sudan (2008).

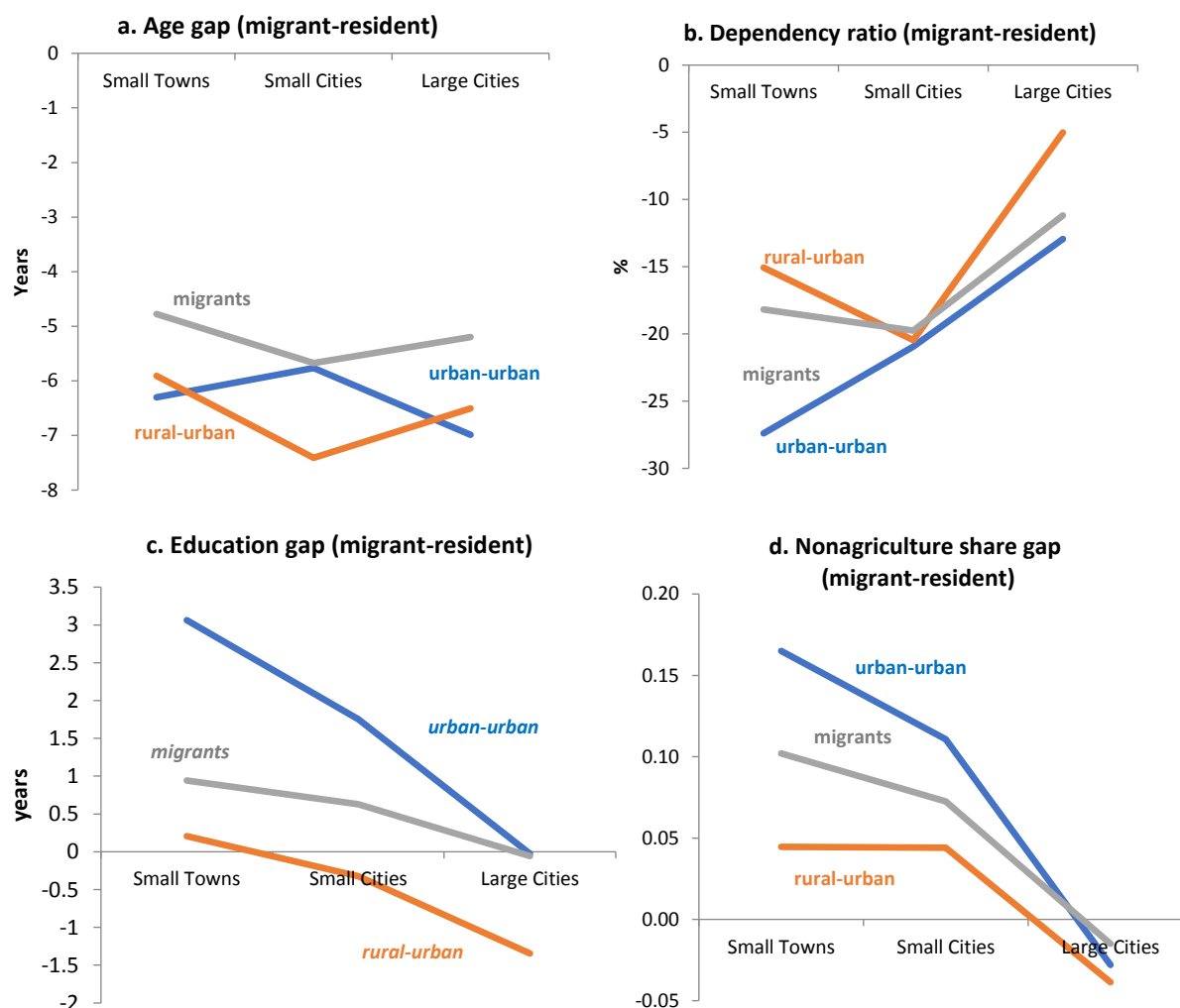
¹⁴ Menashe-Oren and Stecklov (2017).

¹⁵ Where possible, towns are further categorized into small (<20,000) and large (20,000-100,000) towns.

¹⁶ Potts (2018).

declines as urban center populations increase, eventually virtually disappearing in large cities, where the share of agricultural employment is only a few percentage points overall (Figure E.2d).

Figure E.2: Urban migrants are younger, have fewer dependents, are more educated, and are more likely to work outside agriculture, with the gaps larger for urban-urban migrants and declining by city size



Note: Definition variables: Dependency ratio = [(non-working age household members) / (working age household members)] * 100; working age population = 15-64 year olds; rural-urban = rural urban migrant; urban-urban = urban-urban migrant. Sample population: Results obtained from OLS regression of $y_{ij} = \alpha + \beta_1 SC + \beta_2 LC + \gamma_1 RU + \delta_1 RU * SC + \delta_2 RU * LC + \gamma_2 UU + \delta_3 UU * SC + \delta_4 UU * \vartheta MigDur + v_j + e_{ij}$ for urban population pooled across 3 select countries (ETH, TZ, UG), whereby y = education, age, dependency ratio, sector of employment (1 = nonagriculture), SC = small city (20,000-1 mil), LC = large city (>1 mil), RU = rural-urban migrant, UU = urban-urban migrant, $MigDur$ = # years in city since migration (0-10), v_j = country indicator; e_{ij} = random error term. Results for all migrants obtained from 6 countries (ETH, GH, KE, MLI, TZ, UG), without distinction by origin of migrant, i.e. $y_{ij} = \alpha + \beta_1 SC + \beta_2 LC + \gamma_1 M + \delta_1 M * SC + \delta_2 M * LC + \vartheta MigDur + v_j + e_{ij}$

Source: Authors' calculations

The national experience from eastern African countries during the 2000s and 2010s suggests that migrants integrate well into urban labor markets overall, enjoying similar levels of welfare to residents, even after controlling for differences in human capital (age, education), occupation, and locational choice, irrespective of their duration of stay. *Migrants to towns and secondary cities*, who are the focus of this report, do at least as well or even better than urban natives. *Migrants to towns and secondary cities from other urban areas – labelled “urban-town migrants”* – are more likely to be employed, work more hours, and enjoy a wage premium relative to residents. Unsurprisingly, they also end up with higher incomes and consumption per adult equivalent. This can be largely explained by their better educational attainments (as well as their choice of more buoyant urban destinations).

Rural-town migrants (those who come to towns and secondary cities from rural areas) also do well and tend to be at least as well off as town residents. They are substantially more likely to be employed and work more hours than urban residents, albeit at a wage discount. Together, this still results in substantially higher incomes at face value, or similar incomes when controlling for differences in socio-economic characteristics, occupation, or location, suggesting that they largely enjoy similar economic opportunities in the towns or secondary cities they settle in.

Migrants from urban areas to cities perform similarly to (though not better than) their fellow city residents. They are more likely to be employed and work more hours than city residents, but their wages are slightly lower on average, offsetting some of the income gains from working longer, eventually resulting in similar incomes and consumption levels as those enjoyed by city residents.¹⁷ Self-sorting of urban migrants by city size is likely at work: the more abled end up in the big cities, where they do well, but not better than city residents; the lesser abled urban migrants end up in towns and secondary cities (or rural areas), where they often outperform locals (especially in towns).

The experience of rural-urban city migrants in eastern Africa might come closest to the popular notion of “migrant dwellers joining the ranks of the unemployed”, but this is not readily generalizable. Rural-city migrants also work longer for lower wages, though in this case resulting in substantially lower incomes than city residents. Even so, this finding from the East African sample countries studied here (Ethiopia, Tanzania, and Uganda) does not carry over to other countries.¹⁸ East Africa is also still the subregion with the highest contribution of migration to urban population (consistent with its lower levels of urbanization). When controlling for human capital, occupation, and location, the lower labor market performance of rural-city migrants does not carry over to consumption. Rural-urban city migrants of similar age and gender and with similar dependency ratios and education levels enjoy similar welfare levels as city residents. As such, the findings resemble those of Beauchemin and Bocquier (2004) for migrants in West African urban centers in the 1980s and 1990s.

Finally, men are more engaged in the labor market at better conditions than women, with male migrants more likely to be employed than male residents. Men are more likely to be employed than women on average; they work more hours and have significantly higher wages. Furthermore, across

¹⁷ In absolute terms, urban-urban migrants to cities are still better off overall than migrants from urban areas who moved to towns or secondary cities, possibly because of the higher city wage premium.

¹⁸ Looking at other welfare indicators such as measures of durables ownership and access to amenities (electricity, tap water), housing quality, and indoor air quality across 12 SSA countries during the 2010s, rural-urban migrant households in the densest population quartile (which covers most of the area in big cities and the centers of secondary cities) do at least as well as residents (Gollin, Kirchberger, and Lagakos, 2021).

countries, male migrants are more likely to work than male residents, though there is no systematic difference in the employment rates of female urban migrants and female residents.

These core findings from the national household survey data are broadly robust to data considerations. If migrants mainly returned because they did not find employment, the integration results presented above, based on urban samples, may be overly optimistic. However, there is no indication that selective return migration is driving the results. Second, while the findings draw heavily on the Eastern African experience, the good labor market integration of migrants in faster-growing urban East Africa arguably supports rather than detracts from the notion that migrants are well integrated into the urban labor market in general. Among Africa's subregions, urban growth is fastest in East Africa, with rural-urban migration still contributing twice as much as urban natural increase. Finally, based on the national cross-sectional data available and after controlling for differences in socio-demographic characteristics, *duration of stay* does not affect migrant welfare levels as compared to residents. Here, further investigation with migrant panel data is warranted to establish the effect of migration duration more reliably, as it cannot be excluded that the characteristics of migrant cohorts have changed over time.

The decent labor market integration of migrants is also observed in the case cities, though the findings also reveal spatial differences within the city, as well as other challenges. Despite the varying characteristics of migrants and settings across the case countries and cities (Box E.1), labor market and welfare outcomes of migrants in the case cities are not consistently worse than those of natives. Regression analysis confirms that *migrants in Jijiga* have higher employment rates and work more hours than locals. Migrants from other urban areas were 20 percentage points more likely to be employed than Jijiga locals, while rural migrants were 30 percentage points more likely to be employed. Rural and urban migrants also worked significantly more hours than locals, possibly at lower wages (especially rural migrants), but this was not statistically significant after controlling for education and age.

Some of the patterns from Jijiga are replicated in Jinja, with urban migrants likely to do better than locals and rural migrants, and people in the city center significantly outperforming those in the outskirts. Importantly, however, contrary to the common perception that migrants mainly settle in the outskirts, many rural-urban migrants (about 50 percent) settled in the city center, where working hours, wages, and earnings are substantially higher and where they earned similar amounts to locals per adult equivalent. Migrants cope with generally higher rents in the center by occupying the affordable segment of housing in this area of the city, which is located in some of the informal settlements of Jinja (like Masese and Mafubira). Similar spatial settlement patterns have been documented in Arusha.¹⁹

As in Jinja and Jijiga, *urban to urban migrants in Jendouba and Kairouan are better educated, younger, and more likely to be employed than urban residents*. But as in other cities, migration is not without its own challenges. In interviews, migrants repeatedly reported harsh working conditions, low salaries, and patchy or non-existent social security coverage. Facing more vulnerable economic conditions, they are more likely to accept any job, regardless of the conditions offered. In Jendouba, migrants are mainly seen as essential to sectors in which non-migrants refuse to work, such as agriculture, leading to a process of "reverse commuting", whereby migrants who now live in the city and have access to better social services travel daily to work in the nearby rural fields (usually in small irrigated farms or olive

¹⁹ Andreasen et al. (2017).

groves). Finally, both men and women indicate the challenge of gender-based violence, which migrant women must endure at work (Box E.2).

Box E.2: Female migrants face a double burden in the workplace

With lower salaries and constant harassment, female migrant workers suffer from double discrimination in the workplace. In Jendouba, women work physically demanding jobs in agriculture and are paid significantly less than male workers for the same work. In fact, agriculture is a feminized sector where employers recruit women because they work longer hours for lower pay. According to female migrant experiences, factories prefer to hire single women unburdened by family. Moreover, sexual harassment of women in the agricultural sector is rampant, while female factory workers are subjected to verbal abuse and harassment from their employers, and sometimes from their male colleagues. Furthermore, limited social networks make it harder for female migrants to attend to their households and children while working long shifts.

Urban market dynamics: Do migrants contribute to the city?

How labor markets and cities fare following migration also depends on how migrants affect the broader urban market dynamic. Thus far, a static view has been taken, focusing on how migrants fare in urban labor markets and their welfare compared to their urban counterparts. However, migrants also affect the broader urban dynamic. Each time a migrant enters (or leaves), s/he increases (decreases) the *size* of the urban center and affects the *speed* of its expansion. Depending on how migrants differ and where they settle, they can also change the *structure* of the urban labor force and the *spatial* build-up of the city. This may open opportunities, such as agglomeration economies associated with larger urban centers and increased population density or following labor complementarity, but it can also bring challenges, especially if the benefits only come with a lag, or if residents are negatively affected (housing shortage, congestion, labor substitution). In many ways, these dynamic effects are likely the greater concern to mayors, with migrants easily becoming scapegoats for all ills.

Africa's urban growth is increasingly driven by natural increase, not migration, mitigating migrants' contribution to the speed of urban expansion and thus congestion, especially outside eastern Africa and in towns. At more than four percent, urban population growth remains substantial in SSA.²⁰ However, not only has the contribution of rural-urban migration to urban population growth in Africa been substantially lower than commonly perceived,²¹ it is also declining rapidly, with natural increase now the major driver of urban growth to contend with (Figure E.3). The contribution of rural-urban migrants to population growth also remains largest in big cities at low rates of urbanization, as in East Africa (Figure E.4), but is otherwise grinding to a halt in many of Africa's capitals.²² Net rural-urban migration has been declining in most of Africa, especially among older population groups,²³ while the decline in urban fertility is stagnating, especially in Africa's capitals, but increasingly also in other urban areas, pushing up the rate of urban natural increase. These insights are consistent with the empirical

²⁰ Growth of four percent per year corresponds to doubling in size every 18 years, which would challenge any government, even those with strong institutions and solid finances.

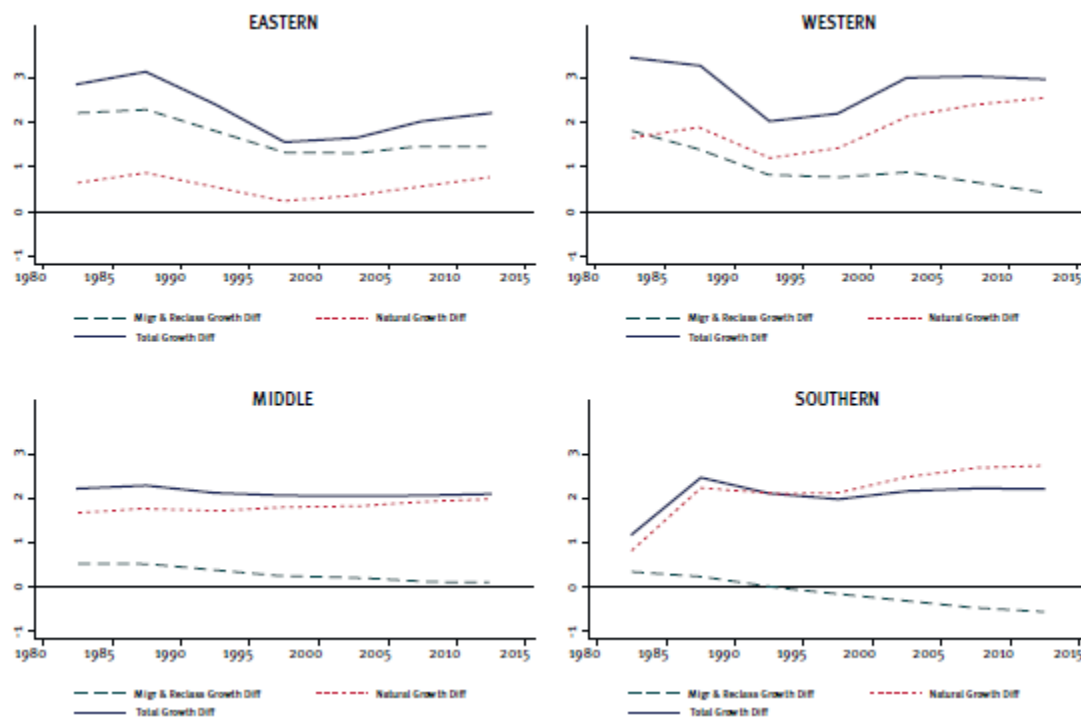
²¹ Contrary to the developed world, where migration accounted for 60 percent of urban growth, natural increase was already the dominant force in urban population growth in developing countries during the second half of the 20th century, accounting for 60 percent, with migration and urban reclassification accounting for the remaining 40 percent (Farrell, 2017).

²² Menashe-Oren and Bocquier (2021).

²³ Menashe-Oren and Stecklov (2017).

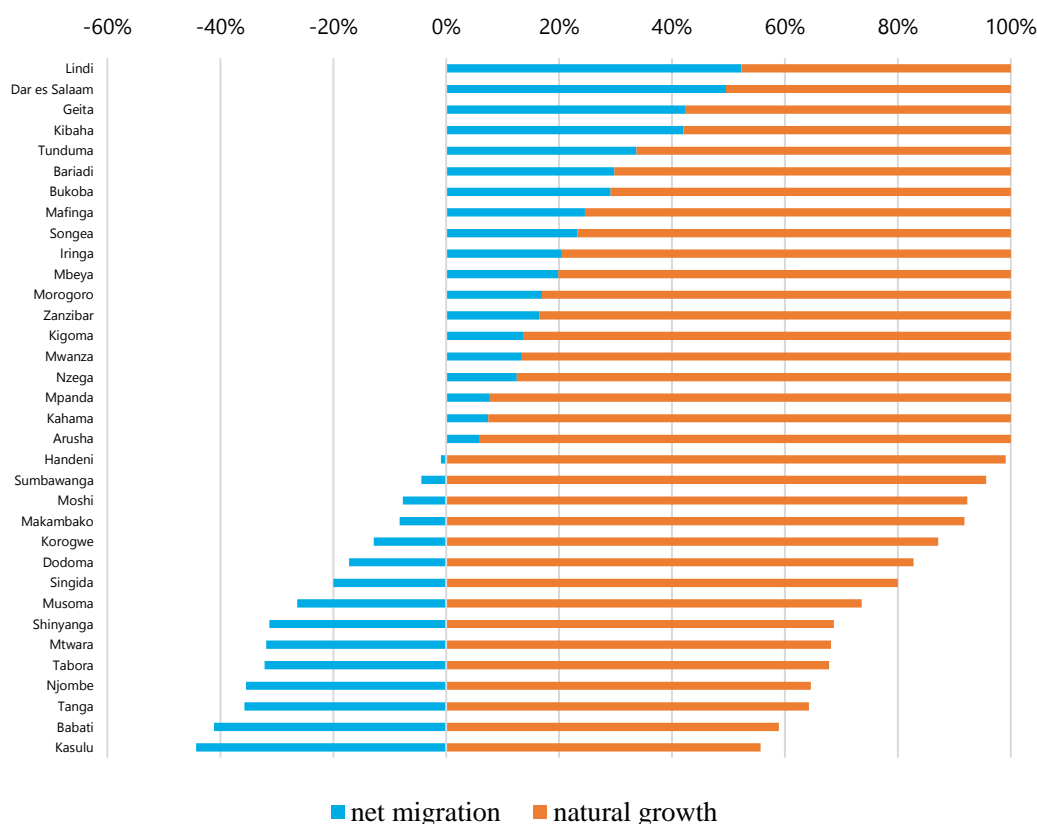
findings that rural-city migrants in East Africa actually struggle the most to integrate into the urban labor market, not migrants from towns or other countries. This also points to urban population policies as an additional policy instrument for urban development.

Figure E.3: Migration's contribution to urban growth is declining, except in East Africa, where the urban share of the population is lowest.



Source: Bocquier and Schoumaker, 2018.

Figure E.4: Natural population growth dominates urban growth across Tanzanian cities, but net migration still contributes almost 50 percent in Dar es Salaam, while also reducing growth in several towns.



Source: World Bank, 2017.

Declining contributions from migration to urban growth in other urban areas also places towns and secondary cities in a good position to leverage migration. Continuing migration pressure on capitals in East Africa suggests a greater role for other urban areas, secondary cities, and small and large towns in absorbing and leveraging migration. Across countries, migration to secondary towns and cities has also been documented to be better at reducing poverty than migration to cities,²⁴ while many of the relevant agglomeration economies for Africa's economies can already be realized at a city size well below the metropolitan scale.¹¹ By enhancing the urban skill pool and reducing the urban dependency ratio, town and urban-urban migrants can further foster urban productivity growth, a fact often overlooked by policy makers and locals alike.²⁵ Moreover, the case city evidence suggests that rural migrants often complement the urban labor market. As in Jendouba, Tunisia, the qualitative research in Jijiga, Ethiopia showed that migrants typically engage at the lower end of the labor market, often taking informal jobs

²⁴ Christiaensen and Kanbur (2018).

²⁵ Urban growth emanating from migration has thus been found to contribute less to urban congestion than urban natural increase, a fact tied to the lower dependency ratio of migrant households (Jedwab, Christiaensen, Gindelsky, 2017).

in the construction sector or as nannies. High levels of unemployment among residents, on the other hand, are more likely the result of limited economy-wide formal sector job creation and queuing, as they aim for permanent formal sector jobs. Rural migrants fill an important labor supply gap in an otherwise dynamic economy, an important reason why Jijiga continues to attract migrants from across the country, despite being cultural and linguistically distinct. This remains, however, little appreciated by residents and city officials.

The potential benefits of migration for the urban economy must however be considered against towns' broader financial and institutional capacity to make the necessary complementary investments. Even if the contribution of migration to urban growth is limited and declining, the pressure to maintain housing, urban services (utilities, education, health), and infrastructure can be substantial at the margins, especially as these services are already in poorer supply in towns than in cities.²⁶ The struggle for decent housing and access to utilities, for both migrants and locals alike, was highlighted during the case city life histories and confirmed in the household survey data in Jinja. Similarly, in Tunisia, the profile of migrants has changed in recent years from family to individual migration, following rising housing prices and rents in urban areas after 2011. Qualitative surveys in Tunisia's case cities confirm that, while migrants see improvements in access to services as the result of migration, they are often forced to settle in areas where municipalities struggle to manage informal urban expansion, and hence remain disconnected from services and the rest of the city (Box E.3). However, towns and secondary cities often lack the financial, technical, and planning capacity to provide the necessary business environment and urban services to build thriving urban centers for all their citizens (old and new alike), maintain an active and performant labor force, and productively absorb new entrants. More broadly, this will also depend on the broader economic context within which these intermediate urban centers find themselves, such as their proximity to markets (domestic, international) and their economic base (natural resources e.g. mining and agriculture, manufacturing, services), however this is a topic for further research.

Box E.3: Voices of Migrants and Mayors in Jendouba and Kairouan

A male migrant suggests there are many challenges to integration in Jendouba: *"the most basic services are absent, there are no roads, electricity, drinking water, none of this infrastructure, there are no opportunities for any leisurely activities, and no jobs."*

Migrants call for the government's attention – In both Kairouan and Jendouba, migrants shared their frustration: *"The Oumda practices a form of clientelism and allowances are not distributed to those who deserve it"; "We need leaders who are close to us, listen to us, and who understand our real problems,"*

Source: a series of eight focus groups organized from December 9 to December 12, 2020 in Jendouba and from December 16 to December 19, 2020 in Kairouan.

²⁶ Henderson et al. (2019).

Mayors, Markets, and Migrants: What can mayors do to build a city for all?

This report brings an important message for mayors: migrants (including rural migrants) are a force that can be leveraged for the economic growth of secondary cities, as they often strengthen the labor supply and economic dynamism of these cities by being younger, better educated, and/or complementary to the existing labor force. *Migrants* can contribute to building stronger urban labor *markets*, and it is also in the *mayor's* remit to facilitate and foster this contribution. Rather than fearing inflows of migrants, which are becoming a less important contributor to urban growth in much of Africa, city leaders can take proactive actions that facilitate their integration into the city and improve the overall quality of life for all urban dwellers.

The work in this report suggests that, to support the integration of migrants, one must look beyond labor market policies and migrants and focus on how cities are planned and managed more broadly. Some actions must be directed towards the way *mayors* interact with their cities. As labor market outcomes for migrants in secondary cities do not seem to be worse than those of natives, supporting the integration of migrants into the socio-economic fiber of cities will require a look beyond labor markets and into the functioning of land and housing *markets*. Successful migrant integration into secondary cities will require good urban management that prepares for growth and benefits everyone, regardless of their origin. Finally, in some cases where divisions between natives and migrants are deep, a focus on *migrants* may be required.²⁷

Support MARKETS through more information, less red tape for businesses, and forward planning to provide better urban infrastructure, services, and jobs

Lifting constraints and red tape in the business environment can help create much-needed new employment opportunities. Especially for cities like Jendouba and Kairouan, where economic activity is limited and labor demand is weak, strengthening local economic development will be key to ensure jobs are available for migrants and natives alike. In secondary cities in lagging areas, an improved understanding of the local absolute advantages can help identify areas/sectors where government investments and efforts may lead to higher returns.¹³ Improvements in the business environment are often also an important step. The need for better functioning urban land markets is especially a recurring concern, as it is in Ethiopia. If insecure property rights or limiting regulations make it difficult to buy or rent land, it becomes much harder to attract new firms, while existing ones have difficulty expanding. This holds especially for larger manufacturing firms, which are an important generator of better wage jobs. However, there are many other constraints to business development. Building partnerships with the private sector can help urban governments identify the most binding constraints for business development in their locality and better plan and coordinate urban investment.

Addressing housing and land affordability and adequate mobility can significantly improve migrant success in integrating into a city's economy and society. The analysis in this report and interviews with migrants have shown that access to housing and land is one of the main challenges faced by migrants as they move into cities. Migrants who moved to Jendouba after 2011 purchased small lots of cheap, undeveloped, privately owned land to build their houses, but this subdivision of land is not planned and

²⁷ While these recommendations are drawn from analysis for secondary cities, they are also broadly relevant to larger cities. However, in larger cities, a deeper focus on labor market integration policies may be required as information asymmetries may run deeper and more upskilling may be required,

lacks services. On the other hand, older waves of migrants to Jendouba settled on state-owned land, and although they are unlikely to be displaced, their tenure has not yet been regularized. With limited access to affordable housing, the only option migrants are often left with is to move to informal settlements with limited access to basic services and work opportunities. This also emphasizes the importance of urban growth management policies as concerns migrant integration into secondary cities. Less complex spatial plans that note current conditions and trends can be used to adjust service delivery to meet current and future demands. A focus on improving property rights, land tenure, and other instruments to facilitate the workings of land markets can go a long way in improving the availability of serviced land for development, thus increasing housing supply.

Better information for forward planning and innovative ways to collect it can enhance the availability of serviced land, supporting the fluidity of land and housing markets. Secondary cities like Jinja, Jijiga, Jendouba, and Kairouan must improve municipal governance, urban planning, and urban management practices in order to generate employment and support the socio-economic integration of migrants and non-migrants into city life and services. For example, improved coordination of land use and infrastructure decisions can help those in the outskirts – who are currently left unconnected to networks and with limited job opportunities – integrate better into the city, regardless of their migrant status. Prioritizing services and investments requires a better understanding of key migration dynamics and how they shape the municipality's growth and development. In interviews, government officials repeatedly highlighted the lack of information they face and the limited set of long-term planning tools at their disposal. Innovative ways of collecting and updating demographic and spatial information can be used. Local governments can partner with community and other local organizations, advocacy groups, and universities to fill their information gaps and save resources (Box E.4). For example, the deep, detailed, accurate, and appropriate datasets gathered by the young Chicoco Maps team in Port Harcourt, Nigeria demonstrate a successful methodological approach to and effective methods of participatory data gathering and sharing in informal settlements. Trade unions and business groups, particularly for informal sectors, are another key group that can be mobilized; these groups often already collate information about their members or users. While seeking out new data sources is important, incorporating questions of migration status into existing survey tools can help leverage well established data collection efforts and processes to better understand migration. Information on the availability of land and land uses can be an important step toward building cadastral information to assist in planning and managing urban growth.

Box E.4: Collecting data through participatory processes.

In Mogadishu, an influx of internally displaced people (IDPs) resulted in a severe housing challenge for local authorities. In response, participatory planning techniques such as housing studios and charettes helped municipalities identify appropriate locations for building shelters and prototyping affordable designs, as well as estimating the costs of implementing this policy. In Lebanon, neighborhood profiles (i.e. collection at the neighborhood level rather than the level of the entire city) helped city-leaders prioritize and direct humanitarian support to the most vulnerable areas. Data collection efforts also included baseline indicators to monitor the effects of these programs. Although both examples concern refugees or IDPs, lessons regarding data collection also apply to local governments devising spatial policies for migrant integration. Participatory approaches and pilot scales, such as the neighborhood level, can save municipalities work and resources. In the Tunisian case, this could mean collecting crowd-sourced data specific to popular neighborhoods.

Source: Authors' compilation based on Local Inclusion of Migrants and Refugees, UN Habitat, 2020.

Build the ability of MAYORS to respond to the needs of urban dwellers through stronger finances and capacities, as well as better citizen engagement

Strengthening fiscal and technical capacities in secondary cities can provide them the needed instruments to generate employment and create cohesive communities. Strengthening fiscal and implementation capacity will be needed to enable secondary cities to provide services and infrastructure to all their citizens. Better linking information, planning, and resources will be important. In Ethiopia, for example, urban local governments have traditionally been financed by a fiscal transfer from the federal level, augmented by the cities own municipal revenues. These resources are meant to finance cities' recurrent expenditures, leaving little to no room for capital expenditures. In response, a special intergovernmental grant was added to finance urban development. Both intergovernmental transfers are based on a formula using population size as a main parameter. As a mobile and unregistered group, migrants are underrepresented in official statistics and are thus not budgeted for, thereby complicating service delivery to migrants. Public-private partnerships could also be used to finance infrastructure and service provision, as in the education sector in Jinja. These could be extended to other sectors, such as the development of roads, parks, housing, or solid waste management facilities. Overall, secondary cities must build effective local leadership and strengthen cooperation with other governmental and non-governmental agencies (Box E.5).

Box E.5 The role of the national government in strengthening local financing and capacities is key.

A first step toward addressing the needs of secondary cities is assessing their needs. Argentina provides an interesting example, where the national government has undertaken a recent effort to identify the capacity of local governments. Starting in 2018, with the support of the World Bank, Argentina's Undersecretariat of Municipal Relations of the Ministry of the Interior, Public Works, and Housing launched a pilot "Municipal Institutional Capacity Assessment (MICA)" exercise for all municipalities in the province of Salta. Since then, the pilot has been extended to all local governments in Argentina with more than 20,000 inhabitants, and the ministry can now inform decisions on where to design programs to strengthen which capacities.

Tanzania provides another example, where the national government has been working through the World Bank-financed Urban Local Government Strengthening Program since 2012 to leverage the inter-governmental fiscal transfer system to strengthen local capacities, build the information needed for long term planning, and improve secondary cities' capacities to respond to challenges. The provision of grants to local governments is accompanied with performance indicators that provide financial incentives for local governments to update local urban plans and improve their local taxing system, among others. These mechanisms are intended to improve urban planning, increase own sourcing of income, improve fiscal efficiency, improve infrastructure, and strengthen capacities at the subnational level. Looking for opportunities for co-financing can also provide opportunities to strengthen local finances and enhance capacity.

Source: World Bank 2020

Strengthening overall citizen engagement can contribute to better migrant integration into city participation mechanisms, increase their voice in the city, and build cohesion with local communities. There is ample evidence²⁸ that becoming actively involved in the host community can facilitate

²⁸ Dixon, Bessaha, and Post (2018).

immigrant's integration, ensuring their voices and concerns are heard, helping them influence local policy, and facilitating exchanges with locals. Expanding and encouraging civic community activities can be an important step toward easing and accelerating the integration of migrants into the city. For example, the EU plan for the inclusion and integration of international migrants brings migrants and local communities together around educational, health, or sports activities, while also ensuring migrants participate in consultative and decision-making processes. Platforms for dialogue between migrants and city authorities would also enable misunderstandings about migrants' position in the labor market to be addressed, as in Ethiopia, where city authorities mainly see migrants as the root cause of urban sprawl, unemployment, and insecurity, while they largely engage in the lower end of the labor market, taking casual jobs in construction, manual labor, and – for women – domestic services.

Target MIGRANTS when divisions are strong, with actions that improve living standards for all

In some cases, divisions between migrants and natives may be strong, reflected through discrimination at work and in the communities where migrants live, or through other barriers to access to services and jobs. In such cases, actions targeted at these places may provide an opportunity to improve living standards for all citizens.

In some cases, a focus on migrant needs through targeted interventions where they live and where they work may be needed to facilitate integration. However, a focus on improving the city must be maintained as a whole. A focus on where migrants live and work can help identify bottlenecks to their successful integration into the city's social and economic activities. Some examples include upgrading interventions in specific neighborhoods or improving markets with a high presence of migrant laborers. However, policies and investments targeted at such places, while informed by migrants' needs, should be designed with a pan-urban approach to ensure that no new barriers are introduced that create segregated spaces populated by migrants alone. Targeted interventions through communication and awareness campaigns may be needed when information asymmetries are present; these can ensure that both migrants and non-migrants are aware of their rights and responsibilities to build a cohesive community.

Better intermediation and support services can fight discrimination and allow cities to leverage the capacities of migrants and maximize return on the human capital of youth. To reduce discrimination against migrants and address sexual harassment issues, cities could strengthen access to and the quality of social protection systems (in coordination with the national level. Coordination with civil society organizations, especially those working on youth or women's themes, could help organize awareness campaigns on sexual harassment prevention in the workplace and on workers' rights, including raising awareness of employers' responsibilities (Box E.6). Municipalities can also partner with industrial and other business establishments. Cities may play an important role in the implementation of adaptive social services to improve the social and economic inclusion of migrants. Because local leaders are closer to citizens than national government, they can be a key player in strengthening coordination to implement a Case Management Information System with the involvement of different stakeholders: social workers, employment offices, labor inspection agencies, NGOs.

Box E.6: Street art raises awareness of gender-based violence in the municipality of Medenine

On March 13, 2021, in celebration of International Women's Day, the municipality of Medenine organized a street art exhibition in collaboration with the Aswat Nissa (Women's Voices) civil society organization to raise

awareness of gender-based violence. In a central street located near Habib Bourguiba Boulevard, in close proximity to a police station and national guard office, who are the first responders to victims of gender-based violence, activists painted the walls with motifs and slogans sensitizing viewers to the brutality, seriousness, and gravity of such incidents. The city of Medinine renamed the street Law 58, after a law intended to eliminate gender-based violence promulgated in February 2018. This kind of intervention, which brings together local governments and civil society organizations and uses various mediums such as street art, helps shift the perception of gender-based discrimination and violence away from that of a private matter that happens behind closed doors, to that of a public issue that must be publicly addressed and discussed.

Source: Authors' compilation from <https://www.citiesalliance.org/newsroom/events/tunisia-street-art-raise-awareness-violence-against-women>

National policies could complement local efforts. In some cities, migrants expressed the desire for training that would allow them to upgrade their skills and eventually target better jobs in different cities, allowing them to move forward with their migration journey. Migrants are often unable to take time off from work in order to enroll in such skill upgrading programs. Subsidizing these programs and providing migrants with a small remuneration to substitute the daily wages they would forgo to attend them can help. Furthermore, because newcomers often have limited social networks, day care support services can help women better integrate into the labor market. Like skill upgrading, facilities such as day care centers should support all residents regardless of their migration status, although they may have a significant effect on migrant women, whose local networks may be weaker. For cities where natural population growth is still high, such as Jinja or Jijiga, national support for effective population policies, including female empowerment and access to contraceptives, can help manage urban population growth.

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1 Introduction

The world is urbanizing, with internal migration historically an important driver. In 1950, about 30 percent of the world's population lived in urban areas; this number had reached 55 percent in 2018, and is projected to rise to 68 percent by 2050 (UNDESA, 2019). Over the coming decades, urbanization is expected to be especially fast in Africa²⁹ and Asia.³⁰ This poses challenges and opportunities for both sustainable development as well as poverty reduction.³¹ Much will depend on whether countries and mayors can turn the increasing spatial concentration of their populations and the expansion of their urban centers into virtuous circles of economic growth and citizen welfare. Well-functioning, inclusive urban labor markets will be a key element of success. With internal migration historically an important force of urbanization,³² this has often directed attention to migration.

Internal migration is also widely feared as source of urban underdevelopment. Incoming migration flows, often motivated by the search for economic opportunities,³³ challenge mayors to maintain the urban capital stock and service delivery for productive employment and citizen welfare; they also affect local labor market dynamics. Fifty years ago, these insights inspired Harris and Todaro to model a link between urbanization, migration, and urban unemployment. Their core prediction that urban wage job creation would in fact increase urban unemployment, as more than one migrant would be attracted for every formal wage job created, has resonated ever since.³⁴ It has led national governments and mayors in many cases to fear the impact of migration flows into their cities,³⁵ and has influenced much of development policy thinking about migration and the location and type of job creation needed (rural-urban; wage employment or self-employment).

Many factors and forces are at play. Migrants and urban labor markets are much more heterogeneous and dynamic than captured in the original Harris-Todaro (H-T) model, and many of the predictions of the H-T model have either not been supported by subsequent empirical studies or have been found to be much more granular.³⁶ Urban areas typically contain multiple labor markets. The potential for

²⁹ While Africa is sometimes often used as shorthand for Sub-Saharan Africa in World Bank documents, here it also encompasses North Africa, including Morocco, Algeria, Tunisia, Libya, Egypt, and Sudan (UN classification).

³⁰ In Africa and Asia, urbanization rates are still lowest, 43 and 50 percent respectively.

³¹ In 2015, 56 percent of the world's extreme poor were living in Sub-Saharan Africa. This was expected to rise to 90 percent by 2030 (Beegle and Christiaensen, 2019). However, the pandemic is estimated to have pushed many back into poverty (more than 100 million people according to recent World Bank estimates, a third of them being in Sub-Saharan Africa) (World Bank, 2021).

³² At early stages of development, much urbanization follows from rural-urban migration. Other drivers of urbanization and urban expansion include rural reclassification (also known as "in situ urbanization") and especially natural urban population growth. The latter is increasingly important as countries develop and in much of Sub-Saharan Africa (Jedwab, Christiaensen, Gindelsky, 2017; Bocquier and Schoumaker, 2018; Menashe-Oren and Bocquier, 2021).

³³ Other reasons for migration include marriage, family reunion, and education. Nonetheless, employment is often a dominant factor, especially for rural-urban migration. It motivated between 37 and 63 percent of movements among youth (aged 25-34) in Nigeria, Tanzania, Ethiopia and Malawi (Mueller and Lee, 2019).

³⁴ Todaro (1976, 1997).

³⁵ The share of countries with policies to lower rural to urban migration has increased substantially worldwide (from 38 percent in 1996 to 80 percent in 2013) and is especially high in Africa (85 percent) and Asia (84 percent), where urbanization is also fastest (United Nations, 2013, https://esa.un.org/PopPolicy/wpp_datasets.aspx).

³⁶ Beauchemin and Bocquier (2004); Busso, Chauvin, and Herrera L. (2021).

remunerative formal wage work is in fact generally limited in Africa's low- and middle-income countries; this holds for their urban areas as well. As most jobs in Africa's urban centers are informal and own-account – especially in Sub-Saharan Africa – migrants are expected to take up mainly informal jobs, at least at first. A fair amount of the available formal wage work will further be in the public sector (50% in Gabon), and thus arguably less accessible to newcomers, especially those coming from rural areas.³⁷ More recent multi-sector urban labor market models, which account for this heterogeneity in urban jobs (including e.g. duality in self-employment – low and high-paying) and in workers' human capital, illustrate how policies can affect the outcomes of low- and high-skilled migrants and urban workers differently.³⁸

Migration also generates a series of externalities that affect urban economic growth, the composition of labor markets, and thus the urban labor market dynamic itself. Three channels can be identified. First, by increasing the size and density of the city, migration enables economies of agglomeration, which have been shown to be an important force in urban economic growth, especially in the developed world, increasing employment opportunities for urban residents and migrants alike (Combes and Gobillon, 2015). Second, migration also adds to urban population growth, which, if too fast, may cause congestion, eroding benefits agglomeration (Jedwab, Christiaensen, Gindelsky, 2017). Finally, to the extent that migrants differ in their socio-economic characteristics from urban residents (age, skills, dependency), they may change the structure of the urban labor force. Skilled migrants can increase the urban skill pool, while unskilled migrants may complement skilled urban workers, in both cases generating positive human capital externalities. However, unskilled migrants may also increase competition and suppress wages for unskilled urban workers (citizens and recent migrants alike).

How these different economic factors and forces play out (heterogeneity of workers and jobs, economies and diseconomies of agglomeration, labor complementarity or substitutability) **is not clear a priori**, and their individual effects are hard to identify empirically. The aggregate outcomes will also differ for different population groups (skilled/unskilled; migrant/resident). Would upward wage pressure for unskilled urban laborers resulting from greater demand for labor following migration and urban agglomeration suffice, for example, to offset downward wage pressures from increased labor supply? Would the effects be different for unskilled urban residents and recent unskilled migrants? Other aspects likely to affect outcomes include whether the urban destinations are smaller towns or bigger cities, whether their economies are fast-growing or stagnating, how responsive land markets and service provision are to the arrival of newcomers, and whether arriving migrants have been mainly driven by distress at their place of origin or by the buoyancy of the destination.

Experience from China shows that all urban citizens can gain from migration, including the unskilled. Combes, Démurger, Li and Wang (2020) empirically attempted to jointly consider and identify how these

³⁷ De Vreyer and Roubaud (2013).

³⁸ Basu et al. (2019) review the literature and develop a much richer model consisting of multiple labor markets, reflecting the larger heterogeneity of work observed in developing countries (including wage as well as low and high-paying self-employment), the different pathways to it (through free entry (low-paying self-employment) or wage employment (high-paying self-employment)), and worker heterogeneity in ability and experience. Establishing equilibrium conditions and applying comparative statistics, they then simulate the labor market outcomes of different policies such as an increase in free-entry self-employment income and wage employment wages, on each of these groups.

local externalities of migration (at both the city and city-industry level) play out in terms of nominal earnings for different groups (urban skilled, urban unskilled, rural-urban migrants). They show how all urban citizens in China in the early 2000s gained from additional migration, even recent rural migrants, despite some substitution effects from incoming migrants at the industry-city level. High-skilled urban workers gained most, followed by low-skilled urban workers, and finally recent rural migrants.³⁹ Based on sophisticated empirical analysis of rich national data, including the urban labor market and industry composition, these findings illustrate the importance of a more dynamic perspective that explicitly accounts for local externalities and acknowledges the heterogeneity among workers and their labor market outcomes when examining the effect of migration on urban labor markets.

Can African cities also leverage migration to the mutual benefit of its citizens and migrants? The circumstances in Africa are quite different. Population growth is much faster, rural-urban labor mobility is much less restricted,⁴⁰ and per capita GDP growth on the continent has been less labor intensive overall (relying more on natural resources than labor-intensive manufacturing exports).⁴¹ In fact, when observing Africa today, one mainly sees cities that are crowded, disconnected, and costly,⁴² struggling to play their role as engines of economic growth and poverty reduction. This raises the question of whether migration and urbanization cannot be leveraged better.

In addressing Africa's employment challenge, policymakers have so far often concentrated on addressing the challenge of urban youth employment, with programs mainly addressing labor supply issues through entrepreneurship and skills development programs, credit provision, or a combination of the two. Success has been varied at best,⁴³ typically neglecting differential needs among incoming migrants (either from rural areas or other urban centers) and non-migrant urban residents. In this report, we ask whether a broader and more differentiated policy package is needed – one that goes beyond labor market policies and includes urban policy instruments that address institutional and regulatory constraints that misallocate land and labor within cities, fragment physical development, and limit productivity.⁴⁴

Much of the focus has also been on larger cities, often capitals.⁴⁵ This leaves the challenges of most of Africa's urban centers and the majority of their population unaddressed. About 97 percent of Africa's urban centers/agglomerations have fewer than 300,000 inhabitants; urban agglomerations of less than

³⁹ At the same time, the uneven spread of gains from migration (and urbanization) are also responsible for a large share of China's wage disparity (Combes et al., 2020).

⁴⁰ With the exception of Ethiopia, African countries do not have a household registration (or hukou) system as in China, which constrains access to public social services to the location where one is registered.

⁴¹ Beegle and Christiaensen (2019).

⁴² Lall, Henderson, and Venables (2017).

⁴³ Beegle and Bundervoet (2019) review the evidence for Sub-Saharan Africa and emphasize the importance of demand side interventions.

⁴⁴ Lall, Henderson, and Venables (2017).

⁴⁵ The focus on larger cities is often motivated by a fear of urban unrest. A good part of concerns about youth employment in Africa stem from the view that underemployed youth are especially prone to anti-government behavior, including public protests and violence. A review of the political participation of youth using historical data on local protests and household surveys from 16 African countries confirms that concerns about unemployment or underemployment are a particularly powerful motivator for protesting among youth, even though youth are only slightly more likely to protest than adults when dissatisfied with government policies (Resnick, 2019).

1 million make up 60 percent of Africa’s urban population, spread across 7,543 urban centers.⁴⁶ In addition, the vast majority of the rural population in Sub-Saharan Africa lives concentrated around small cities and towns and intermediate urban centers;⁴⁷ 82 percent of Sub-Saharan Africa’s poor are rural.⁴⁸ These intermediate centers are often a first stop for rural-urban migrants given their greater proximity; this holds especially true for the poor. By facilitating this first move, these intermediate urban centers also act as a steppingstone for migrants to increase their action space, i.e. the range of destinations they can realistically aim for. As a result, rural moves to intermediate urban centers have been observed to be much more frequent than rural migration to large cities, even though wages and incomes are typically higher in the latter.⁴⁹

This report thus asks how secondary towns and cities in Africa can better prepare for and manage the internal economic migration of workers to the mutual benefit of citizens and migrants alike. This agenda is consistent with the New Urban Agenda adopted by the international community in 2016 (United Nations, 2017), which calls for balanced territorial development policies and plans that strengthen the role of small and intermediate cities and towns in development policy and interventions. It also fits the broader call for greater cooperation and mutual support among cities and human settlements of different scales.

The study is part of the Cities Alliance “Cities and Migration” Program. Under this program, four secondary case cities in three African case countries were selected for this study (Jijiga in Ethiopia; Jinja in Uganda; Kairouan and Jendouba in Tunisia) for an in-depth analysis of how migration affected their development and how it can be leveraged better. Together with the cross-country analysis of national household surveys and censuses, these case cities form the empirical basis for this report, further complemented with conceptual and empirical insights from the urban, migration/regional, and labor economics literature and WB operations. The focus is on economic migration and urban labor market integration.⁵⁰

Three perspectives – the migrant, the mayor, and the market. The report addresses the overarching question of how to better leverage internal migration for urban development, economic growth, and poverty reduction from three perspectives: the urban migrant, the urban labor market, and the mayor,

⁴⁶ OECD/SWAC (2020). The Africapolis project defines an agglomeration as a continuously built-up and developed area with less than 200 meters between buildings, which is considered urban if it has a minimum of 10,000 inhabitants (Moriconi-Ebrard et.al., 2016). Applying this uniform definition across countries outlines the decadal evolution of Africa’s urbanization pattern between 1950 and 2010, with the latest update in 2015 (<https://www.oecd.org/swac/topics/africapolis/>). Here, Africa includes both Sub-Saharan and North Africa.

⁴⁷ While about 15 percent of the rural population in Sub-Saharan Africa lives less than 3 hours from a large city (>1 million), 41 percent lives within one hour of a small city or town (<250,000) and 15 percent less than one hour from an intermediate city (250,000-1 million). In the Middle East and North Africa (numbers not reported for North Africa separately), 36 percent of the rural population lives within 3 hours from a large city, while half of the rural population lives within one hour from a small city or town (Cattaneo, Nelson and McMenomy, 2021; Online supplementary material Fig S2).

⁴⁸ Worldwide, 80 % of the extreme poor are rural. In Sub-Saharan Africa, this rises to 82% (Beegle and Christiaensen, 2019).

⁴⁹ Ingelaere et al. (2018); De Weerd, Christiaensen and Kanbur (2021).

⁵⁰ Another component of the Cities Alliance “Cities and Migration” Program explores the challenges and policy options of forced displacement.

broadly referring to how migrants fare in the urban labor market, how they affect aggregate urban productivity, and how mayors can leverage their potential to the benefit of all. It is organized as follows.

Chapter 2 discusses migrant and market perspectives by examining empirically whether there are any systematic differences in labor market outcomes among urban migrants and residents (the migrant perspective) and assessing how migrants are likely to affect urban development more broadly (the market perspective). In the absence of systematically compiled comparable cross-country data with consistent disaggregation of the urban population by their origin (migrant/resident), the latter question is addressed indirectly only, by assessing how migration affects the speed of urban population growth, the size and density of the city and thus its potential for agglomeration economies, as well as the structure of its labor force, which together drive much of the urban economic dynamic.⁵¹

Chapter 3 presents findings from holistic deep dives into the case cities, including perspectives of migrants and city authorities from representative surveys and visits to the cities. Chapter 4 concludes, focusing on the remit of the city government—the mayor’s wedge, and laying out a policy agenda to leverage migration for the mutual benefit of all concerned, urban migrants and residents as well as the city and its mayor.

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2 Migrants and urban development

This chapter compares and analyzes the socio-economic profiles and labor market and welfare outcomes of urban migrants and residents across countries to address the question whether they fare differently, whether the comparisons differ by urban destination (towns/cities), migrant origin (rural/urban) as well as other individual and location characteristics, and how migration may affect urban economic development more broadly. It looks for broad empirical regularities across countries and settings and factors conditioning these, with a particular focus on differences between cities and towns and different types of migrants (rural/urban).

Care is taken in accounting for differences in underlying data and definitions across countries. Both census data and household welfare surveys from a series of countries are drawn upon. Together they enable us to present a broad picture of the emerging trends, though neither data source contains all the necessary data to construct a fully standardized cross-country comparison across all migrant and urban dimensions. Census data provide a good representation of the different urban settings, but are limited in their coverage of labor market and welfare outcomes. Household welfare surveys are rich in their coverage of labor market and welfare outcomes, but the samples are strictly speaking only representative for the country's urban population as a whole (or for the capital and other urban areas). Definitions of urban and migration may further differ across countries and datasets, a well-known challenge in urban and migration analyses (Potts 2018). For transparency, these differences are carefully considered, documented and commented on in drawing inference.

The chapter proceeds as follows. It first develops workable definitions of migration and urban areas that enable the comparison of urban migrants with urban residents along the urban hierarchy (Section 2.1). The broad emerging features of Africa's urban migration, its urban hierarchy and the appearance of migration within this hierarchy are also presented. Section 2.2 examines how urban migrants fare compare to residents, in the labor market and in terms of welfare, and how these profiles differ depending on city size, migrant origin and migrant duration. The influence of human capital, occupational and location choice is further explored. Section 2.3 considers the robustness of the findings in light of a series of data limitations, including the use of cross-sectional data, which abstract from return migration and assume migrant homogeneity across cohorts, as well as country selectivity. The channels through which migrants are likely to affect the broader urban economic dynamic are commented upon in section 2.4, drawing on the findings from the broader literature.

Overall, migrants appear to integrate well in urban labor markets and present themselves largely as a positive force of change. This especially holds in towns and secondary cities and more so for urban-urban migrants. Rural-city migrants struggle more, especially when countries are less urbanized, as in East Africa. Here, rural-urban migration also remains a larger contributor of urban population growth. Yet, part of the reason why these cities may struggle more with migration (as in the original HT models), links to their lack of openness to the world, following institutional and regulatory constraints that misallocate land and labor, fragment physical development, and limit productivity.⁵² This makes virtuous migration-urbanization dynamics less likely in Africa's big cities today, even though not as a consequence of migration per se. Secondary towns and cities on the other hand tend to be more reliant

⁵² Lall, Henderson and Venables, 2017.

on domestic markets than big cities to begin with; they gain currently more from migration, given migrants' more favorable dependency ratio and education gaps with residents (larger for urban-urban than rural-urban migrants); and their populations grow currently relatively less through migration than big cities.

2.1 Migrants and towns – Definitions and metrics

2.1.1 Who counts as migrant?

A common lay understanding of a migrant is a person who moves away from his or her place of usual residence, whether within a country or across an international border, temporarily or permanently, and this can be for a variety of reasons. This is the broad umbrella notion of migration advanced by the International Organization for Migration.⁵³ The smaller the area considered as area of residence, the quicker one is classified as migrant when moving, and the larger the share of migrants in the overall population. Similarly, the longer one is considered a migrant after moving into the area, the more migrants there will be. This is important to keep in mind when comparing migration rates across countries. In the tables below, an urban person is usually considered a migrant when moving in from another district (or zone).⁵⁴

Migrants differ by duration and origin. Those having moved into the district/zone during the past 0-3 years are considered short-term migrants; those having moved in 3-10 years ago, long-term migrants.⁵⁵ All others are considered urban natives.⁵⁶ Migrants coming to the urban area from rural areas are further distinguished from those coming from other urban areas. Rural migrants are often first-time migrants, less familiar with the more monetary and anonymous way of urban interactions. They may also have different motives to migrate, different skill sets and different labor market experience than migrants from other urban centers. As a result, rural-urban and urban-urban migrants may fare quite differently within the urban labor market.

⁵³ International Organization for Migration. 2019. Glossary on migration. Geneva.

⁵⁴ Depending on the country, data source and year considered, we distinguish between 100 and 200 districts/zones in a country. For Ethiopia (Labor Force Survey 2013) there are 100 zones; for Tanzania (Living Standard Measurement Survey 2010) 169 districts; for Uganda (Uganda National Household Survey 2016/17), 113 districts; for Ghana (2010 Census) 148 districts; for Kenya (2009 Census) 127 districts, for Mali (2009 Census) 27 districts; for Sudan (2008 Census) 86 districts.

⁵⁵ Migrants who moved in 3 years ago are considered short term migrants.

⁵⁶ In the literature, place of birth is sometimes also considered in classifying people as migrant (either on its own or as additional criterion). In the tables and figures presented below, this has been taken into account for Ethiopia and Tanzania, where a migrant is defined as a person born elsewhere who moved in the district over the past 10 years (place of birth used as additional criterion). Consequently, those born in the urban area who lived elsewhere and moved back during the past 10 years, are considered urban natives. However, in the tables below, those born elsewhere who stayed more than 10 years in the urban area considered, are also classified as urban natives.

Table 1: Migrants make up a sizeable part of the urban labor force, with rural-urban migrants somewhat more frequent and short- and long-term migrants contributing about equally

Urban labor force (15-64 year old)	Ethiopia ¹⁾ (2013)	Tanzania ¹⁾ (2010)	Uganda ²⁾ (2016)	Ghana (2010)	Kenya (2009)	Mali (2009)	Sudan ³⁾ (2008)	Average
Share urban population (%)								
Migrant	41	33	15	31	47	35	16	30
Non-migrant	59	67	85	69	53	65	84	70
Share migrant population (%)								
Recent (0-3yrs)	38	52	-	47	53	50	39	46
Long-term (>3-10yrs)	62	48	-	53	47	50	61	54
Rural-urban	58	77	47	-	-	-	-	61
Urban-urban	42	23	53	-	-	-	-	39

Notes: Unless specified otherwise, a person is a migrant if he moved into the area less than 10 years ago. 1) migrant if person moved into a zone (Ethiopia) or district (Tanzania) that is not his birth district less than 10 years ago; 2) migration if person moved into the district less than 5 years ago; 3) Khartoum not included. Data sources: Ethiopia (Labor force survey⁵⁷); Tanzania (Living standard measurement survey⁵⁸); Uganda (National Household Survey⁵⁹); Ghana, Kenya, Sudan, and Mali (Censuses)⁶⁰.

Source: Authors' calculations.

Migrants account for a sizeable part of the urban labor force (about a third on average), about equally distributed between short- and long-term migrants with a sizeable share coming from other urban areas. To compare the welfare and labor market integration of migrants with residents, both censuses and household surveys are used. Migrants are an important part of the urban labor force, across countries.⁶¹ They account for at least a third of the urban labor force in 5 of the 7 countries examined (Table 1). On average, slightly more than 50 percent of the migrants have been living in the area for a longer time (3-10 years). Many (slightly less than 50 percent) have arrived only recently. This suggests a fair amount of return or transit migration. (Otherwise, the ratios would be more proportionate to the duration of stay, i.e. 30 percent short term, 70 percent long term.)

The share of short-term migrants is lowest in Ethiopia (38 percent), but quite similar (~50 percent) in most other countries. Ethiopia actively discourages internal migration through the use of residence permits, which are needed to access public services (akin to China's hukou system). Due to data limitations, only short-term migrants are considered in Uganda (defined as those who moved in over the past 5 years). This partly explains the low migrant share (15 percent) in the urban labor force.

⁵⁷ Ethiopian Central Statistics Agency, 2013

⁵⁸ National Bureau of Statistics, 2015.

⁵⁹ Uganda Bureau of Statistics (UBOS), 2018.

⁶⁰ The original census data is sourced from the Ghana Statistical Services, National Bureau of Statistics (Kenya), Central Bureau of Statistics (Sudan), and National Directorate of Statistics and Informatics (Mali) and accessed through IPUMS (2019).

⁶¹ The focus here is on the urban labor force, i.e. those employed or unemployed. Those outside the 15-64 year old bracket are not considered.

Much of the literature and urban policy dialogue on urban migration typically equates urban migration with rural-urban migration.⁶² Table 1 shows however that a substantial share of the urban migrant population are urban-urban migrants. On average, two in five urban migrants are coming from other urban areas, ranging from 23 percent in Tanzania (where rural-urban migration is more prominent) to 53 percent in Uganda.

2.1.2 The urban gradient

Cross-country comparison requires a standardized definition of urban. Defining urban areas is challenging, with official definitions of urban differing widely across countries and data sources.⁶³ Following rapid population growth, the borders between rural and urban become increasingly blurred⁶⁴ and the official/statistical urban boundaries often no longer overlap well with urban reality. This has resulted in a number of efforts to develop more economically intuitive and standardized definitions of urban areas that are comparable across countries. One such effort is by Africapolis (OECD/SWAC, 2020), which also provides ready linkages of its standardized urban areas to other data sources and variables, such as population size and its evolution over time. It defines urban agglomerations as continuously built up areas with a total population of at least 10,000 inhabitants.⁶⁵ National population statistics and georeferenced satellite images of built areas are used to map out the urban agglomerations across the African continent and classify them by size.⁶⁶

At 5.4 percent per year, Africa's urban population continues to expand rapidly. Africapolis' space-based approach to defining urban areas allows for a continuous and flexible evolution of the urban morphology, including the merger of previously separate urban and rural areas into larger urban entities, i.e. metropolitanization, as well as in situ urbanization of rural areas. It reveals the existence of many de facto urban agglomerations that are still considered as rural in the official statistics. Accordingly, the latest Africapolis data going to 2015 show that Africa's urban population has expanded

⁶² Lagakos (2020); Mueller and Lee (2019).

⁶³ Conceptually, political-administrative, morphological (based on land use) as well as functional boundaries (flow of people/goods) and criteria can be used to distinguish urban from rural areas (OECD/SWAC, 2020). Correspondingly, one speaks of cities, agglomerations and metropolitan regions. In practice, country definitions of urban are based on numerical criteria (for example, a minimum number of inhabitants), on space (administrative boundaries), and on function (provincial capital, local government seat etc.), as well as any combination thereof, in effect combining notions of city, agglomeration and metropolitan region. What people do for a living (for example, a maximum threshold for the share of people employed in agriculture), to reflect the notion that urban stands for a degree of structural transformation and thus a shift away from economic activities directly using primary resources (land, forests, fish) is sometimes further added (Potts, 2018). A wide heterogeneity in national definitions of urban results, with differing effects on the reported speed of urban growth and rate of urbanization. Potts (2018) carefully documents, for example, how reclassification of essentially rural villages when using largely population based criteria of urban (with low/outdated population thresholds to define urban) often leads to larger estimates of urban growth and urbanization in Africa than the observed occupational evolution in these areas would warrant.

⁶⁴ See Cattaneo et al. (2021) for a discussion of the importance of considering the rural-urban continuum differentiated along the urban hierarchy.

⁶⁵ While inevitably somewhat arbitrary, it is found that new activities and services are emerging beyond the 10,000-inhabitant threshold, representing a qualitative change. In Africa, this corresponds to 1000-1500 households (versus 3 500-4000 in Europe) (OECD/SWAC, 2020). The built environment contains no unbuilt spaces greater than 200 meters.

⁶⁶ Most recently, the [UN Statistical Commission](#) has endorsed the [Degree of Urbanization](#) as a recommended method for international comparisons. This definition is based both on population concentration and density.

at a rapid pace, from 27 million in 1950 to 567 million in 2015, a 2000% increase, or 4.8 percent annually (OECD/SWAC, 2020). In 12 countries annual urban population growth exceeded 7 percent, or a doubling of their urban population every 10 years since 1950.⁶⁷ Africa's urban population growth was somewhat lower during 1990-2010 (4.3-4.4 percent), down from 5.1 percent during 1950-1980. More recently (2010-2015), annual urban population growth across the continent has accelerated again to 5.4 percent, reaching 8.9 percent in East and 6.2 percent in Central Africa. Despite higher initial levels of urbanization, urban population growth has also been robust in North Africa, about 4 percent during 1950-1990, dropping to around 3 percent during 1990-2010 and rising again to 3.7 percent more recently (2010-2015).

Urban natural increase, not rural-urban migration, drives urban growth. Whereas rural-urban migration was historically the major contributor to urban population growth⁶⁸, the intensity of natural population increase has become the main force contemporarily (Bocquier and Schoumaker, 2018; Menashe-Oren and Bocquier, 2021), together with in situ urbanization of rural areas as well as their absorption into large urban agglomerations (metropolization) (OECD/SWAC, 2020).⁶⁹ The number of urban agglomerations in Africa rose from 624 in 1950 to 5,142 in 2000, rising by another 2,475 agglomerations since, to 7,617 in 2015, illustrating the importance of in situ urbanization. At the same time, the share of Africa's urban populations living in big cities (> 1 million inhabitants) increased to 40 percent (from 13 percent in 1950), representing only 1 percent of the number of agglomerations (Figure 1).⁷⁰ Growth in big cities' share of the urban population would have been larger still, were it not for the continuous emergence of new urban settlements, which acts as counterbalance.

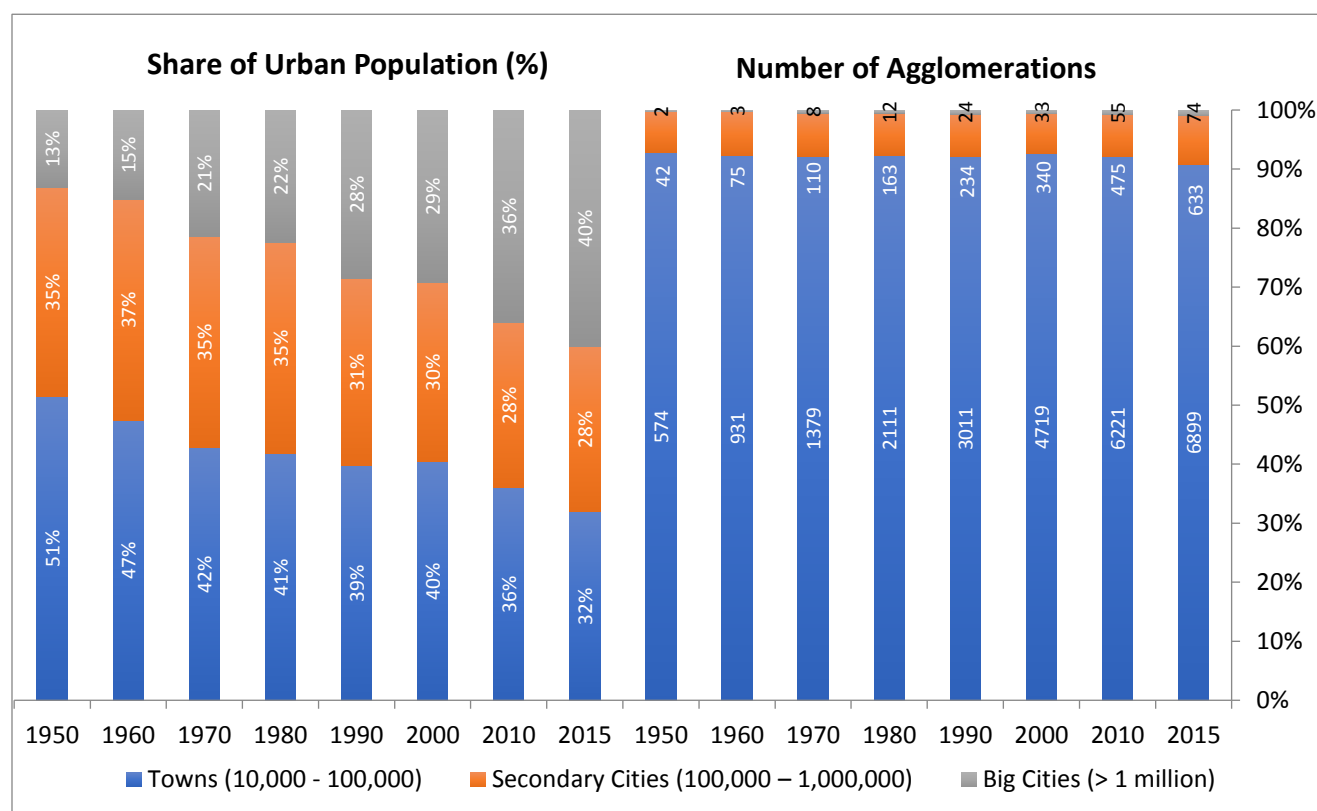
⁶⁷ These include Angola, Burundi, Gabon, Ivory Coast, Kenya, Lesotho, Malawi, Mauritania, Niger, South Sudan, Tanzania, Uganda.

⁶⁸ It is no accident that the Nobel prize winning Harris-Todaro model which examines the effects of rural-urban migration on urban unemployment was developed in the late 1960s when population growth in several African African capitals was exploding. Nairobi more than doubled during the 1950s and expanded by 80 percent during the 1960s. Similarly, Dar es Salaam expanded by 103 and 121 percent during the 1950s and 1960s respectively; Kampala by 322 percent and 152 percent, and Accra by 114 and 85 percent.

⁶⁹ Given the widespread phenomenon of in situ urbanization in Africa over the past decades, it is rather the absence (or weakness) of rural migration (i.e. in situ urbanization) that drives urbanization in many of Africa's current urbanization hotspots, and not rural-urban migration or natural urban population growth, according to the authors of Africa's Urbanisation Dynamics (OECD/SWAC, 2020). The findings by Bocquier and his co-authors are based on the census data and focused on the role of urban natural increase instead. Irrespectively, they concur that rural-urban migration has become much less of a force of urbanization and urban growth in Africa than before, except in East Africa (see further section 2.4.1).

⁷⁰ Similarly, the World Development Indicators (based on the UN World Urbanization Prospects) put the urban share of urban agglomerations of more than 1 million people in Sub-Saharan Africa at 39 percent.

Figure 1: While 9 in 10 African urban agglomerations (SSA and North-Africa) remain towns (10,000-100,000 inhabitants), an increasing share of Africa’s urban populations lives in big cities.



Source: Africapolis, 2021 (<https://africapolis.org/data>, consulted in April 2021)

Three in five urban citizens live outside Sub-Saharan Africa’s big cities, spread across a growing number of towns and secondary cities. The evolution of Africa’s urban growth pattern underscores the importance of a balanced approach to urban development, with sufficient attention to towns and secondary cities. Much policy attention rightly goes to Africa’s large urban agglomerations (>1 million). Their population almost tripled in Sub-Saharan Africa during 2000-2015 (from 55.9 million in 2000 to 166 million in 2015) and more than doubled in North Africa (from 28.1 million in 2000 to 62 million in 2015). But, growth was not confined to the capitals or the countries’ largest cities. Many secondary cities in the 100k – 1 million class also expanded during the 2000-2015 period to pass the 1-million threshold. While Africapolis counted 25 big cities (>1 million) in SSA in 2000, and 8 in North Africa, their number more than doubled to 57 in SSA in 2015, and to 17 respectively in North Africa. At the same time, more than half of Sub-Saharan Africa’s population still lives in large towns (20k-100k) and small cities (100k-1 million) (Table 2), with the number of urban centers in these categories growing rapidly, especially in SSA (from 1302 large towns in 2000 to 2362 in 2015 and from 235 small cities in 2000 to 449 in 2015). It has left many mayors of secondary towns and cities struggling to provide their expanding populations with the necessary urban services and jobs.

Beyond these broad empirical regularities, there remains sizeable variation in the exact distribution of countries’ urban population across their towns and cities. Among the countries in our sample (Table 2), secondary or small cities (100k-1 million) and secondary or large towns (20k-100k) make up more than half of the urban population in Ethiopia, Tanzania and Uganda as well as Sudan, and around 36-37

percent in Kenya, Ghana and Mali, where half or more of the population lives in large cities (> 1 million). Small towns (< 20k) typically house between 10 and 16 percent of the population, but less so in Kenya (2 percent), Tanzania (7 percent) and Uganda (4 percent).

Table 2: The distribution of the urban population by city size varies greatly across countries

Share of Population (%)	Urban	Small Towns: 0-20k	Large Towns: 20k-100k	Small Cities: 100k-1000k	Large cities: >1000k	Total urban population
<i>Survey data</i>						
Ethiopia		16	31	19	34	24,292,230
Tanzania		7	27	37	29	18,567,240
Uganda		4	19	34	43	14,041,120
<i>Census data</i>						
Ghana		12	19	18	51	14,236,200
Kenya		2	10	26	62	28,559,230
Mali		15	19	17	49	5,697,331
Sudan		14	27	27	32	16,335,250
<i>Sample country average</i>		10	22	25	43	17,389,800
<hr/>						
Sub-Saharan Africa		9	23	28	41	408,803,400
North Africa		9	24	27	40	158,311,700

Notes: Countries are grouped based on the source of data that will be used for studying migration (household surveys for Ethiopia, Tanzania, Uganda; censuses for Ghana, Kenya, Mali, Sudan).

Source: Africapolis, 2021 (<https://africapolis.org/data>, consulted in April 2021)

2.1.3 Migration along the urban hierarchy

Practical principles to mapping urban migrants and residents within the urban hierarchy. To study the labor market performance of urban migrants and residents along the urban hierarchy, each individual interviewed in the survey or census would ideally be mapped directly in the corresponding city size classification. Yet, household surveys and censuses usually only indicate whether the person lives in an urban or rural location and the district he lives in.⁷¹ To classify individuals from the survey/census by city size, the study therefore restricts the analysis to the urban individuals in the surveys/censuses, in effect using each country's official definition of urban, and subsequently maps their districts of residence⁷² to the corresponding urban agglomerations from the 2010 Africapolis database. Districts without an agglomeration in the Africapolis database were dropped from the analysis. Urban residents in districts

⁷¹ The residential information of an individual is typically not recorded at the individual level, but at a higher geographical level (enumeration area, sub-district, district). Geo-referenced information of the enumeration areas would normally suffice to classify individuals as urban and by city size, but such information is not publicly available for confidentiality reasons. The lowest geographical level of residence available for each individual is usually the district. This also holds in most of the study's sample of household surveys and censuses.

⁷² In Uganda, where the individual residence was provided at the subdistrict level, subdistricts (instead of districts) were mapped to the urban agglomerations from Africapolis.

that only contained one agglomeration (or numerous agglomerations with the same city size) were assigned the corresponding city size classification. Districts containing agglomerations with mixed city sizes were excluded in Ghana (9 districts), Mali (1), Sudan (13).⁷³ These are the practical principles followed to construct labor market and socio-economic profiles of urban migrants and urban residents and compare them by city size distribution.

Given the focus on within city comparisons, the mapping provides a sufficient empirical base to study differences in labor market outcomes and welfare among urban migrants and residents. Four city size categories are distinguished: small towns (10-20k inhabitants), large (or secondary) towns (20k-100k), small (or secondary cities) (100k-1000k) and big cities (> 1 million). Given definitional differences of urban between Africapolis and the surveys/censuses, the city size distribution thus obtained does not perfectly match the corresponding city size distribution observed in Africapolis. Particularly, in the sample of countries studied here, Africapolis tends to situate a larger share of the urban population in the big cities.⁷⁴ There is a better (even though still imperfect) match with the city size distribution reported in the World Development Indicators (WDI), which are based on official definitions of urban.⁷⁵ The focus in this study is also on the within city comparison of the migrant and resident profiles by city size, and not on the city size distribution per se. In the absence of a universally agreed upon definition of urban and keeping these caveats in mind, the databases and city classification of the survey and census individuals constructed here thus provide a reasonable empirical base to begin to analyze the labor market and socio-economic characteristics of urban migrants and their native counterparts along the urban hierarchy, including in secondary towns and cities.

Migrants are more frequent in big cities, they tend to come more from other urban areas in secondary cities, and are slightly more rural, staying for a shorter period, in towns. Across the countries studied (most of them in East Africa and the Horn) (Table 3), migrants tend to be especially frequent in the big cities (capitals) (where they make up 39 percent of the population on average compared to 33 percent on average across all urban areas), followed by secondary cities (31 percent of the urban population).⁷⁶ They tend to make up a smaller share of the population in towns (about 25 percent). Ethiopia is an exception. There, migrants are a substantially smaller share of the population in the capital than in the secondary cities and towns, consistent with its deliberate policy of limiting migration flows to the capital as well as its recent focus on secondary cities.⁷⁷ Considering the composition of the migration

⁷³ In Kenya, too many districts had agglomerations with mixed city sizes to warrant their omission. Therefore, if 70% of the total agglomeration area from Africapolis in the specific district consisted of one city size classification, then that district was assigned the dominant city size classification. In the end, nine districts were still dropped because the composition of agglomeration city sizes did not satisfy this criterion.

⁷⁴ For the countries examined here, the city size distribution deviates most from the Africapolis city size distribution for Uganda (between 12 and 35 percentage points), but it is almost identical in Ethiopia. In the other countries the difference across the different size categories ranges mostly between 5 and 15 percentage points.

⁷⁵ For Sub-Saharan Africa as a whole, the urban share of the 2015 population living in urban agglomerations of 1 million or more reported in WDI (consulted on April 15, 2021) is very similar to the share reported by Africapolis (39 versus 40 percent respectively). By country, the difference is between 4 and 9 percent (with the exception of Mali for which it is 25 percent). Urban shares of other city size categories are not reported in the WDI.

⁷⁶ The contribution of migration to urbanization and urban growth is higher at lower levels of urbanization, especially in capitals, as in East Africa, but declines thereafter (Bocquier and Schoumaker, 2018).

⁷⁷ The lower share of migrants in the urban population in Uganda is largely definitional. Only people who arrived in the last 5 years could be identified in the Living Standard Measurement Survey. Based on the 2014 census, and

population itself, it tends to be slightly more rural and temporary in towns, than in cities, with secondary cities tending to attract relatively more urban-urban migrants. One reason might be the existence of ladder migration, whereby rural migrants move to more proximate (often also smaller) urban areas at first given lower migration costs. There they gather skills through training and on the job work experience thereby increasing their migration action space to continue their journey to larger urban centers with higher expected wages thereafter. Such step migration is for example observed in Tunisia, one of our case countries (Section 3.3), with the largest proportion of long-distance migration happening between urban areas.

Table 3: Migrants more frequent in cities; rural-urban and temporary migrants slightly more frequent in towns

Working age population (15-64 year old)	Small Towns: 0-20k	Large Towns: 20k-100k	Small Cities: 100k-1000k	Big city (>1 million)	Total
<i>Migrant share of urban population</i>					
Ethiopia ¹ (2013)	0.46	0.45	0.43	0.25	0.40
Tanzania ¹ (2010)	0.20	0.18	0.36	0.53	0.32
Uganda ² (2016)	0.09	0.12	0.17	0.16	0.13
Ghana (2010)	0.26	0.23	0.25	0.40	0.31
Kenya (2009)	0.33	0.29	0.37	0.60	0.47
Mali (2009)	0.28	0.23	0.26	0.42	0.35
Country average	0.27	0.25	0.31	0.39	0.33
<i>Share of migrants that is</i>					
<i>Rural-urban</i>					
Ethiopia	69	57	47	54	58
Tanzania ¹	72	86	72	77	77
Uganda ²	38	54	50	55	47
Country average	60	66	56	62	61
<i>Short term (0-3 years)</i>					
Ethiopia 1 (2013)	39	39	37	35	38
Tanzania 1 (2010)	44	45	48	58	52
Ghana (2010)	49	48	49	46	47
Kenya (2009)	54	56	54	51	53
Mali (2009)	51	51	46	49	50
Country average	53	54	50	5%	51

Notes: Unless specified otherwise, a person is a migrant if he moved into the area less than 10 years ago. ¹ migrant if person moved into a zone (Ethiopia) or district (Tanzania) that is not his birth district less than 10 years ago; ² migration if person moved into the district less than 5 years ago; 3) Khartoum not included. Data sources: Ethiopia (Labor force survey); Tanzania and Uganda (Living standard measurement surveys); Ghana, Kenya, and Mali (Censuses).

Source: Authors' calculations.

considering everyone who moved in the district over the past 10 years as migrant, the migrant share of the urban population in Uganda is 19 percent.

2.2 Urban migrants do not fare worse than residents

Urban migrant labor market assimilation – boon or bane? One, longstanding and still widely shared view sees migrants as a major source of urban underdevelopment (Todaro, 1997). They have more difficulties integrating in the urban labor market than urban residents given lack of education, social networks and family support in town. As a result, they mainly join the ranks of the un- and underemployed in the urban informal sector, and if at work, they take scarce jobs from citizens. Furthermore, they raise rental and housing costs and overburden the centers’ oft crippling infrastructure and social services. Rural-urban migrants are especially seen as the culprit.

Others argue that it is unlikely that urban migrants don’t earn their living in the urban centers. They can’t afford not to work and would return otherwise. They are often also the more dynamic and educated among the rural populations, because of migratory selectivity (Young, 2013). “The opposition between the ‘poor, uneducated, informally employed migrant’ and the ‘better-off, educated, formally employed non-migrant’ is, not supported by the facts”, Beauchemin and Bocquier (2004, p2261) note. Internal migrants in francophone West African urban centers in the 1980s and 1990s, were not disadvantaged when compared with local residents. Migrants adapted quite well to the city, both in terms of employment and housing, the authors find. In this view, urban labor market integration problems do not concern exclusively migrants, but all urban residents.

So, what does the more recent evidence tell us, and do the patterns differ by city size and migrant origin?

2.2.1 Labor market integration and welfare outcomes

Evidence from the 2000s shows that urban migrants are in general at least as likely to be employed as urban residents, irrespective of duration or origin. The finding from francophone West Africa that migrants in the 1980s and 1990s integrated well in urban labor markets (capitals and other urban centers) extends to East and West Africa in the 2000s (Table 4). Across the countries studied, both short and long-term working age urban migrants are on average at least as likely to work as urban residents. More particularly, all long-term migrants are more likely employed than urban residents and only in two countries (Ghana and Kenya) are short-term migrants slightly less employed (by 3 and 1 percentage points respectively). Contrary to popular belief, there is also no systematic difference in employment rates by migrant origin. Both rural-urban and urban-urban migrants are at least as likely to be employed than urban residents (and mostly more). The extent to which they are more employed differs by country.

Table 4: Migrants more likely to be employed than residents, irrespective of duration or origin

Probability migrant is more employed (15-64 year old)	All migrants	urban	short term [0-3 yrs]	long term [3-10 yrs]	Rural-urban	Urban-urban
Ethiopia 2013	0.09	***	0.09	***	0.10	***
Tanzania 2010	0.05	**	0.05	**	0.04	0.04
Uganda 2016	0.02	-	-	-	0.02	0.01
Ghana 2010	0.01	***	-0.03	***	0.06	***
Kenya 2009	0.04	***	-0.01	***	0.07	***
Mali 2009	0.02	***	0.04	***	0.02	***

Probability migrant is more employed (15-64 year old)	All migrants	urban short term [0-3 yrs]	long term (3-10 yrs]	Rural-urban	Urban-urban
Country average	0.04	0.03	0.06	0.05	0.04

Notes: Reported numbers are the coefficients of a linear probability models regressing being employed on a constant and being a migrant (or migrant subgroups). Uganda: migrant if having resided in the area less than 5 years. Information on origin of migrants not available for Ghana, Kenya, Mali. The slight difference in employment rates between those for all urban migrants in Tanzania and their rural-urban and urban-urban subgroups (both lower) follows from the slight difference in the underlying samples. Not all urban migrants in Tanzania could be classified by their origin.

Source: Authors' calculations

Migrants are also more likely at work than residents in towns and cities alike. While employment rates tend to decline as city size increases (not reported here), the difference in employment rate between migrants and residents is on average similar across city size (3 to 4 percent on average across countries), with any differences by city size not systematic across countries (Table 5). In Ghana, the difference in employment rate between migrants and residents is largest in small cities, with migrants 9 percent less likely to be employed. A case study from Techiman, a secondary city in Ghana, shows that especially rural-urban migrants fare worse than residents, which the author relates to their lack of social cohesion (Ofori-Boateng, 2017).

Table 5: No systematic difference in employment patterns between migrants and residents by city size

Probability migrant more employed (15-64 year old)	Small town (0-20k)	Large town (20-100k)	Small city (100-1000k)	Large city (>1 million)	All urban migrants
Ethiopia 2013	0.08 ***	0.06 ***	0.06 ***	0.09 ***	0.09 ***
Tanzania 2010	0.12 **	-0.01	0.22 ***	0.09 ***	0.06 ***
Uganda 2016	-0.01	0.02	-0.01	0.02	0.00
Ghana (2010)	-0.01 ***	-0.00	-0.09 ***	0.02 ***	0.00
Kenya (2009)	0.04 ***	0.08 ***	0.06 ***	0.02 ***	0.03 ***
Mali (2009)	0.03 ***	0.04 ***	-0.03 **	0.02 ***	0.02 **
Country average	0.04	0.03	0.04	0.04	0.03

Notes: Reported numbers are the coefficients of a linear probability models regressing being employed on a constant and being a migrant.

Source: Authors' calculations

Greater inactivity among residents, not unemployment, and greater labor force participation among male migrants are part of the reason why migrants are more likely to be employed. Unemployment rates (the share of the *active* population out of work and looking for work) are similar across migrants and residents. Differences in employment rates (the share of the *working age* population employed) are thus mainly driven by higher inactivity among residents. Furthermore, compared to urban residents, especially male migrants are more likely to be employed (by 8 percentage points on average across countries) (Table 6). Men migrate more in search for work; women more for social reasons (marriage,

joining the family). This does on average, however, not result in lower labor force participation for women than the labor force participation of urban residents in general.⁷⁸

Table 6: Male migrants are systematically more likely to be employed than urban residents.

Probability migrant is more employed (15-64 year old)	All migrants	urban	Male	Female
Ethiopia 2013	0.09	***	0.13 **	0.06 ***
Tanzania 2010	0.05	**	0.12 ***	0.01
Uganda 2016	0.02		0.09 ***	-0.01
Ghana 2010	0.01	***	0.04 ***	-0.01 ***
Kenya 2009	0.04	***	0.07 ***	0.00
Mali 2009	0.02	***	0.00	0.03 ***
Country average	0.04		0.08	0.01

Notes: Uganda: migrant if having resided in the area less than 5 years. Information on origin of migrants not available for Ghana, Kenya, Mali.

Source: Authors' calculations

Higher employment rates cannot be taken as synonymous of equivalent labor market performance or welfare outcomes. Higher employment rates show that migrants are not disproportionately handicapped in finding work in the urban labor markets. But there are still many reasons why this may not translate in equivalent labor market performance or welfare. A common perception is that migrants are more employed because in the absence of a social safety net, they can't afford not to be. This may force them to adopt more temporary jobs, more hazardous or generally lower paying occupations, or to do similar work for lesser pay. Higher employment rates may thus come with fewer hours worked, lower job quality, and lower wages and translate into lower earnings, overall income and welfare. The experience may further differ by migrant origin (rural-urban; urban-urban) and city characteristics (city size and buoyancy).

Looking at the broader labor market experience and welfare beyond employment rates, migrants integrate well overall, with some differentiation depending origin (rural/urban) and destination (other urban/big city). Table 7 represents the experience from Ethiopia, Tanzania and Uganda.⁷⁹ The focus is on describing broad empirical regularities across countries and the data across the three countries are pooled. Given relatively small sample size across city size, towns and secondary cities have been grouped into one category, labeled "other urban" (i.e. centers of less than 1 million inhabitants), of which between 40 (Uganda) and 83 (Ethiopia) percent live in centers of less than 100,000 inhabitants and to be distinguished from "big cities" (>1 million inhabitants). To enable pooling of the data across countries, individual wages, household income and expenditures are normalized by dividing them by their respective country average. The results control for migrant duration (short versus long term) and overall country differences as well as sex in the analysis of individual outcomes (employment, hours

⁷⁸ In Ethiopia, 65 percent of men migrated for employment related reasons compared with 45 percent of women. Similarly, in Uganda, 51 percent of men had migrated to look for work; it motivated 31 percent of female migrants. In Tanzania, the shares were 15 and 5 percent respectively. Joining the family was the most important reported reason for migration in Tanzania (for men and women alike).

⁷⁹ Information on hours worked, wages and income/expenditures is only available in the surveys, not the censuses.

worked, and wage) and household size and dependency ratio in the analysis of household outcomes (income and expenditures per adult equivalent). Following patterns emerge:

- 1) ***Migrants in towns or secondary cities coming from other urban areas (towns or cities) integrate well in the labor market and tend to do even better than the residents.*** Urban-urban town migrants are more likely to be employed, work more hours, and enjoy a wage premium relative to residents. Unsurprisingly, they also end up with higher incomes and consumption⁸⁰ per adult equivalent. It suggests that town and secondary city migrants coming from other urban areas (cities and towns alike) are quite successful in integrating in the towns' and secondary cities' economic and social fabric.
- 2) ***Migrants in towns or secondary cities from rural areas also do well and tend to be at least as well off as town residents.*** They are substantially more likely to be employed and work more hours than urban residents, albeit at a wage discount. Together this still results in substantially higher incomes (and possibly higher consumption, though the latter is not statistically significant).
- 3) ***Migrants from urban areas to cities perform similarly to (though not better than) their fellow city residents.*** Urban-urban city migrants are more likely employed and work more hours than city residents (even though less so than urban-urban migrants into towns),⁸¹ but wages are slightly lower on average, offsetting some of the income gains from working longer, eventually resulting in similar incomes and consumption levels as those enjoyed by city residents. Note, however, that in absolute terms, urban-urban migrants to cities are overall still better off than migrants from urban areas that moved to towns or secondary cities, possibly because of the higher city wage premium⁸².
- 4) ***Rural migrants to cities tend to be least well integrated.*** The substantial wage gap they incur compared to city residents results in substantially lower incomes, despite higher employment rates and longer working weeks.⁸³ Nonetheless, just like urban-urban migrants to big cities, incomes and consumption of rural-urban migrants to big cities are still higher in absolute terms than rural-urban migrants who moved to other urban areas (consistent with what has been documented in detail by Christiaensen, De Weerd and Kanbur (2019) for migrants from the Kagera region in northwestern Tanzania.
- 5) ***Short- and long-term migrants tend to do similarly well when looking at their incomes or consumption patterns,*** despite some slight differences in their labor market performance indicators.

⁸⁰ While expenditures do not account for public good consumption, expenditures and consumption are used interchangeably here.

⁸¹ The sum of the coefficients on the urban-urban migrant variable and the urban-urban migrant – city interaction term is still positive.

⁸² This can be seen from the large, positive and statistically significant coefficient on the big city indicator variable in cols 3-5 in Table 7.

⁸³ The total wage gap for rural-urban city migrants with big city residents is almost 50 percent. To see this, the coefficients on rural-urban migrant and on the rural-urban migrant and city interaction term must be added: $(-0.19 - 0.295) * 100 = -48.5\%$ (Table 7, col 3). To see by how much the income for rural-urban city migrants declines compared to this for city residents one needs to add the coefficients on rural-urban migrant and on the city – rural-urban migrant interaction term $(0.516 - 1.016) = -0.5$, or by about 50 percent.

Particularly, slightly lower employment rates and wages for short term migrants tend to be compensated by their longer working hours, resulting in similar welfare outcomes.

- 6) **Overall, men are more engaged in the labor market, at better conditions, than women.** Men are more likely be employed than women on average; they work more hours and have significantly higher wages. Furthermore, across countries, male migrants are more likely to work than male residents, though there is no systematic difference in the employment rates of female urban migrants and female residents.⁸⁴

Table 7: Migrants do not fare worse than residents, not in the labor market nor in terms of welfare

Working age population (15-64 years old)	Employed (1=yes) (LPM)	Hours worked/ week (TOBIT)	Real individual wage*(OLS)	Real household income* (OLS)	Real household consumption /adult equivalent* (OLS)
	1	2	3	4	5
Big City (1=yes)	-0.100***	-2.740***	0.322***	1.235***	0.649***
Urban-Urban Migrant (1=yes)	0.0567***	5.078***	0.214***	0.642*	0.333**
Rural-Urban Migrant (1=yes)	0.0628***	4.679***	-0.190***	0.516*	0.0889
Urban-Urban Migrant x Big city	0.00823	-0.0407	-0.374**	-0.622	-0.181
Rural-Urban Migrant x Big city	0.0309	8.687***	-0.295***	-1.016***	-0.111
Short-Term Migrant (1=yes)	0.0232*	4.551***	-0.0759	-0.0251	-0.0925
Sex (1=male; 0 female)	0.161***	20.09***	0.630***	-	-
Household Size	-	-	-	-0.133***	-0.0533***
Dependency Ratio	-	-	-	-0.00202***	-0.00219***
Constant	0.559***	-2.717***	0.628***	3.448***	1.644***
R ²	0.0413		0.116	0.106	0.0975
N	91047	81186	26761	4607	4847

Notes: Country coverage: cols (1-3): Ethiopia, Tanzania, Uganda; cols (4-5) Tanzania, Uganda. Cols 1-3 estimated at the individual level; cols 4-5 at the household level. Hours worked refers to the total hours worked in the last week in Ethiopia and Uganda, but only hours worked in wage employment in Tanzania. *Individual wages, household income and consumption are indices, whereby the value of each observation is normalized by its respective country average to make them comparable across countries. Regressions control for country fixed effects; errors are corrected for survey design and regressions estimated with LPM (linear probability model) (1), Tobit (2) and OLS (ordinary least square) (3-5). Coefficients are reported. When multiplied by 100, coefficients for 3-5 can be

⁸⁴ Based on results from running the regressions in Table 7 separately by gender. Results not reported here.

interpreted as the percent increase/decrease compared to the country average. *, **, *** signify statistically significant difference at the 10, 5, and 1% level respectively.

Source: Authors' calculations

In sum, the experience from Ethiopia, Tanzania and Uganda during the 2000s and 2010s does not support the notion that migrants are not well integrated in the urban labor markets. This resembles the findings by Beauchemin and Bocquier (2004) for migrants in western African urban centers during the 1980s and 1990s. Migrants are more likely employed and work more hours, albeit most often at lower wages. Overall, they enjoy similar or higher standards of living than their fellow urban residents, with the possible exception of *rural-urban city* migrants whose experience might come closest to the popular notion of “migrant dwellers joining the ranks of the unemployed”. Though the evidence to support this claim remains tenuous.

Rural-urban city migrants in our sample cities do experience a substantial wage gap, which they do not manage to compensate fully through longer working hours, resulting in a welfare gap with the local population. Yet, the finding from the three East African sample countries studied here, does not carry over to other countries (Gollin, Kirchberger, and Lagakos, 2021). Looking at other welfare indicators such as measures of durables ownership and access to amenities (electricity, tap water), housing quality and indoor air quality across 12 SSA countries during the 2010s, rural-urban migrant households in the densest population quartile (which cover most of the area in the big city and the centers of secondary cities) do at least as well as residents. Moreover, while lower wages may signify concentration of rural-urban migrants in certain segments of the labor market, or even wage discrimination, longer working hours still signify migrants are working and contributing to the economy, and given complementarities, they may even increase the wages for urban workers.⁸⁵ And from the migrants' perspective, cities are where they enjoy the largest wage and income premium, compared with their (rural) place of origin, as documented by Henderson and Kriticos (2018) for Tanzania, Uganda and Nigeria. Similarly, durables ownership and access to amenities, housing quality and indoor air quality in the twelve countries studied by Gollin, Kirchberger and Lagakos (2021) are much better for rural-urban migrants in the densest population quartile than in the lowest population quartile (i.e. the rural areas). Similarly, in North Africa, recent work for Tunisia suggests that on average, rural-to-urban migrants have larger per-capita expenditures than do rural non-migrants. Moreover, young rural-to-urban migrants achieve higher per-capita expenditure than urban youth (Amara et al. , 2019).

Migrants to towns and secondary cities, on the other hand, which form the focus of this report, tend to do at least as well (those coming from rural areas) or better (those coming from other towns or cities) than the locals. The better performance of urban-urban migrants than their fellow residents in towns and secondary cities (and similar or slightly lower performance in big cities) appears akin to the sorting of rural and urban populations advanced by Young (2013) in explaining the rural-urban wage gap. In this view, the more entrepreneurial/educated among the rural populations join the urban areas, and the lesser performing/educated among the urban populations move to rural areas, with each doing better

⁸⁵ Zhao (2020) shows how rural-urban migrants in China increase the wages of urban workers, with the effect larger for the more skilled urban workers. This happens through an acceleration of occupational upgrading of urban workers (especially the low- and medium-skilled workers) and an increase in the demand for labor through the expansion of the number and output of industrial firms which can now rely on a steady supply of low-skilled workers.

than in their area of origin, and urban-rural migrants often joining the upper ranks in their rural destinations. Similarly, the results here seem to suggest that the urban population also sorts itself, with the better able moving into the big cities, where they improve their lives, without outperforming the locals, and the lesser able urban populations (from the city or other urban areas) ending up in the towns or secondary cities, where they also improve their lives, even outperforming the residents.⁸⁶

2.2.2 Human capital, occupational choice and location

Enjoying similar welfare outcomes does not mean that there are no integration challenges. The results thus far do not control for potential differences between migrants and residents in terms of human capital (education/age) or occupational choice (sector of employment, type of job), nor for sorting (return of migrants who fail). While this does not do away with the findings reported above, it may explain why migrants are doing relatively well—they may be better educated. If so, it may also hide potential discrimination (unequal opportunities for equal qualifications and/or lower pay for similar work with similar qualifications). Such discrimination has been the subject of intense study in China, for example,⁸⁷ where migrants are furthermore explicitly excluded from urban social services.⁸⁸ Similarly, migrants that don't succeed may be more likely to leave, hiding churning and temporary pressures on urban housing, infrastructure, and social services, that would challenge urban authorities to keep up services. In short, migrants may differ systematically from non-migrants. As a result, satisfactory labor market integration and good welfare attainments should not be immediately equated with the absence of potential discrimination, or broader integration challenges for city mayors.

Migrants are younger and have less dependents, though welfare gains for migrants remain (except for rural-urban city migrants), also after controlling for dependency ratios. Regression analysis across 6 SSA countries, shows that migrants are on average 5 to 6 years younger than residents. This holds without differentiation across city size or migrant origin (Figure 2a).⁸⁹ Being younger further translates into a lower dependency ratio among migrants than residents,⁹⁰ with the gap larger for urban-urban migrants than for rural-urban ones (who tend to have higher fertility) and declining by city size (Figure 2b). With fewer mouths to feed and children or elderly to take care of, migrants are more likely to work more hours and enjoy higher welfare levels (income, expenditures) per adult equivalent, even if their hourly or monthly wages are lower.⁹¹ But this is only part of the story. Migrant welfare (except for rural-urban city migrants) still tends to be higher even after controlling for household dependency status. This

⁸⁶ Such sorting across the urban hierarchy is for example observed among young college graduates in Colombia. The most talented individuals sort into big cities, primarily because they move for college and remain there afterwards. Individuals moving for work after college to smaller cities are relatively less able than those remaining in the college city, but often become the highest earners in their destinations. College graduates moving to bigger cities after college, typically don't outdo those in the destination city, even though they are relatively more talented in the college city they come from (Bacolod, De la Roca, Ferreyra, 2021).

⁸⁷ Lee, 2012; Gagnon, Xenogiani and Xing, 2014; Pakrashi and Frijers, 2017; Yao et al. 2018.

⁸⁸ Following a similar household registration system, rural-urban migrants in Ethiopia face similar challenges to access urban social services.

⁸⁹ Note that the age gap for rural-urban and urban-urban migrants compared to residents has been calculated for 3 countries, while age gap for all migrants concerns 6 countries, explaining why the latter does not necessarily lie in between the former as in the other panels of Figure 2.

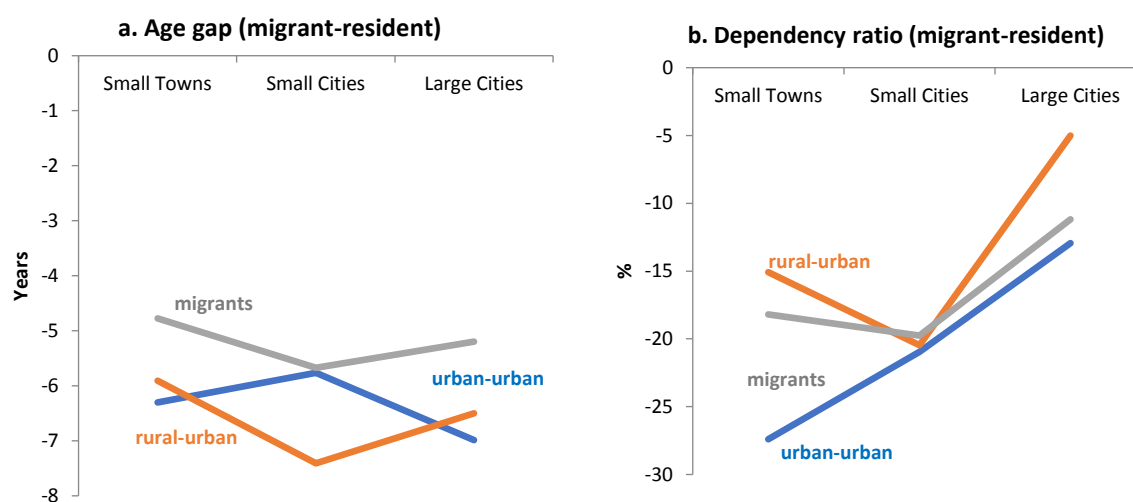
⁹⁰ Menashe-Oren and Stecklov (2017).

⁹¹ Jedwab, Pereira, Roberts (2021).

holds especially for town and small city migrants (Table 7, cols 4 and 5),⁹² even though their dependency gaps with residents are also largest.

Migrants are also more educated than residents, with the difference declining by city size and turning negative for rural-urban city migrants. Overall, educational attainment of the urban labor force increases by city size, with big city dwellers (migrants and residents alike) more educated than those in large towns and small cities, who are in turn more educated than those in small towns.⁹³ Furthermore, across city size, migrants are on average more educated than locals (up to 1 year), with the gap declining as cities become larger (Figure 2c). As they move to larger urban centers, migrants also enter a better educated labor pool explaining why the education gap declines by city size.⁹⁴ The education advantage migrants enjoy over urban residents is, however, largely confined to urban-urban migrants. Rural-urban migrants face in fact a growing education deficit as they move to larger urban centers (from similar education levels as small-town residents to more than a 1-year average gap in big cities).

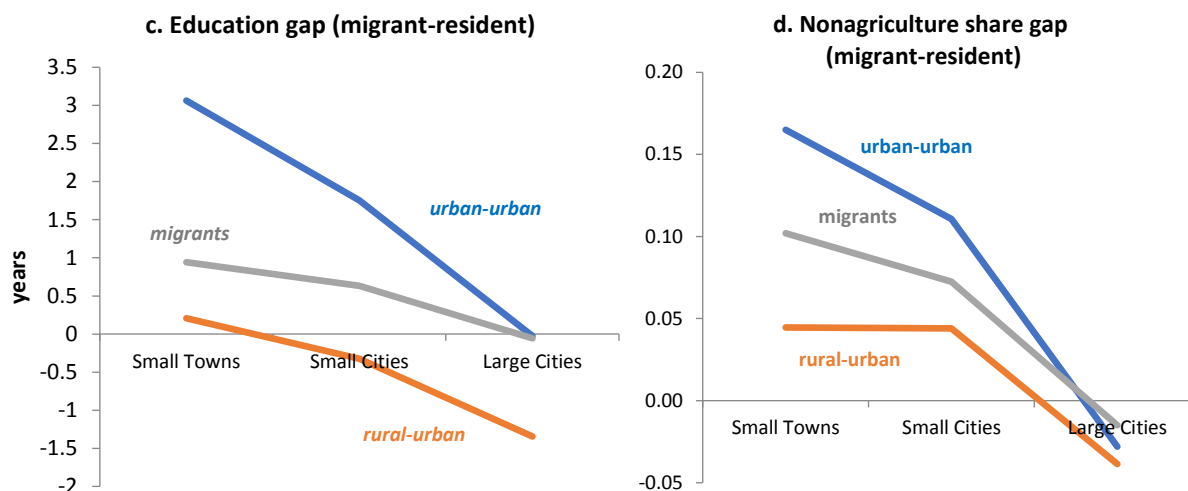
Figure 2: Urban migrants are younger, have fewer dependents, are more educated and are more likely to work outside agriculture, with the gaps larger for urban-urban migrants and declining by city size



⁹² The welfare comparisons between urban migrants and residents reported in Table 7 (cols 4 and 5) control for household dependency status and household size.

⁹³ For example, in the big cities and small cities/large towns in the 6 countries studied, there are 13.9 and 6 percent more urban dwellers, respectively, who completed secondary school or enjoyed some post-secondary education than in the small towns. Correspondingly, there are 11.2 and 4.2 percent fewer citizens without any formal education in big cities and secondary towns/cities respectively than in small towns. Results not reported in Figure 2.

⁹⁴ Potentially better educational attainment among those moving to larger centers does not suffice to offset higher average education levels in these centers.



Notes: Definition variables: Dependency ratio = [(non-working age household members) / (working age household members)] * 100; working age population = 15-64 year olds; rural-urban = rural urban migrant; urban-urban = urban-urban migrant. Sample population: Results obtained from OLS regression of $y_{ij} = \alpha + \beta_1 SC + \beta_2 LC + \gamma_1 RU + \delta_1 RU * SC + \delta_2 RU * LC + \gamma_2 UU + \delta_3 UU * SC + \delta_4 UU * LC + \vartheta MigDur + v_j + e_{ij}$ for urban population pooled across 3 select countries (ETH, TZ, UG), whereby y = education, age, dependency ratio, sector of employment (1 = nonagriculture), SC = small city (20k-1000k), LC = large city (>1000k), RU = rural-urban migrant, UU = urban-urban migrant, MigDur = # years in city since migration (0-10), v_j = country indicator; e_{ij} = random error term. Results for all migrants obtained from 6 countries (ETH, GH, KE, MLI, TZ, UG), without distinction by origin of migrant, i.e. $y_{ij} = \alpha + \beta_1 SC + \beta_2 LC + \gamma_1 M + \delta_1 M * SC + \delta_2 M * LC + \vartheta MigDur + v_j + e_{ij}$

Source: Authors' calculations

Better educational attainment mostly explains the better labor market outcomes for urban-urban town migrants. As documented above, urban-urban town migrants work longer hours and enjoy higher wages than town residents (Table 7, cols 2 and 3). These premia disappear when controlling for age and educational attainment (Table 8, cols 1-2 and 4-5). It is especially their better educational attainment (Figure 2c) which drives the results. Higher premia would have been expected when controlling for age only.⁹⁵ Yet, working hours and wage premia decline strongly for urban-urban town migrants. Put differently, urban-urban town migrants mainly work longer hours and earn higher wages because they are better educated than town residents. Education also helps explain higher working hours among rural-urban town migrants, but much less so.⁹⁶ The education gap with town residents is also much smaller. The wage gap, which was much smaller to begin with, also declines only slightly, and is no longer statistically significant.

But differences in educational achievements can only explain part of the wage gap incurred by rural-urban city migrants. Unlike urban-urban town migrants, rural-urban city migrants are substantially less educated than their city counterparts (by about 1.5 years on average), and, as expected, they work even

⁹⁵ Older persons work and earn more, while migrants are younger (also urban-urban town migrants), which reduces the estimated coefficients in the absence of controls for age (Table 8, cols 1 and 4).

⁹⁶ Only a relatively small decline in the coefficient on working hours is observed when adding age and educational controls. The wage gap also becomes slightly smaller and is no longer statistically significant.

more hours than their city counterparts with similar education and age, while also incurring a wage gap of 31% compared to the country average (Table 8, cols 2 and 5), consistent with the popular notion that migrants are concentrated in lower paying occupations (on which more below).

Table 8: Better education explains better labor market outcomes for urban town migrants, while rural-city migrants face lower wages, irrespective of differences in human capital, work experience, sector of employment or location

Working age pop (16-65)	Hours Worked/week (Tobit) (unconditional on employment)			Real individual wage (OLS) ⁵⁵			
	1	2	3 ⁵	4	5	6	7
Big City (1=yes)	-1.442*	-9.392***	5.589***	0.397***	0.296***	0.285***	0.189***
Urban-Urban Migrant (1=yes)	9.442***	-1.420	0.0384	0.289***	0.0385	0.0487	0.0192
Rural-Urban Migrant (1=yes)	8.769***	6.072***	-0.383	-0.102*	-0.0883	-0.0838	-0.0818*
Urban-Urban Migrant x Big city	-1.383	8.061***	-1.245	-0.392***	-0.183	-0.187	-0.0863
Rural-Urban Migrant x Big city	6.249***	11.81***	4.532**	-0.387***	-0.215**	-0.221**	-0.161*
Short-Term Migrant (0-3 yrs) (1=yes)	4.167***	9.727***	3.107***	-0.137***	0.0993*	0.101**	0.101**
Sex (Male=1)	18.88***	15.38***	4.911***	0.627***	0.543***	0.541***	0.542***
Age	-	5.106***	0.845***	-	0.0689***	0.0689***	0.0686***
Age^2	-	-0.058***	-0.0099***	-	-0.0007***	-0.0007***	-0.0007***
Some Primary	-	5.271***	-0.374	-	-0.0993	-0.115	-0.0685
Primary or any secondary	-	9.760***	2.742**	-	0.0358	0.00807	0.0602
Secondary Complete	-	17.40***	6.376***	-	0.323***	0.288***	0.322***
Any Post-Secondary	-	21.59***	3.787***	-	0.957***	0.889***	0.933***
Manufacturing	-	-	5.854***	-	-	0.322**	0.173
Service	-	-	7.772***	-	-	0.262**	0.119
Constant	-16.60***	-101.3***	6.886***	0.584***	-1.089***	-1.311***	-1.145***
District fixed effect	No	No	No	No	No	No	Yes
R ²	-	-	-	0.120	0.194	0.195	0.258
Observations	110935	109146	47952	27377	27109	27086	27086

Notes: Country coverage: Ethiopia, Tanzania, Uganda; Hours worked refers to the total hours worked in the last week in Ethiopia and Uganda, but only hours worked in wage employment in Tanzania. ⁵ Hours worked regressions include the entire working age population, i.e. unconditional on employment (cols 1-2); when the sector of employment is included, they are confined to those working (col 3); Regressions including Individual wages are indices, whereby the value of each observation is normalized by its respective country average to make them comparable across countries. Regressions control for country fixed effects; errors are corrected for survey design and regressions estimated with Tobit (1-3) and OLS (ordinary least square) (4-6). Coefficients are reported. When

*multiplied by 100, coefficients reported in columns 4-6 can be interpreted as the percent increase/decrease compared to the country average. *, **,*** signify statistically significant difference at the 10, 5, and 1% level respectively.*

Source: Authors' calculations

Agriculture remains a non-negligible sector of urban employment in Sub-Saharan Africa, especially in towns and small cities, and for residents. About one in four non-migrant residents is still employed in agriculture in small towns (<20k inhabitants) and about one in seven in large towns and small cities combined (20k-1,000k). Continuingly high employment in agriculture in Africa's urban centers (also compared to other countries at similar level of development) has been highlighted before. It partly reflects in situ urbanization and related definitional issues as carefully documented by Potts (2018); it also highlights Africa's lack of industrialization (Henderson and Kriticos, 2018) and the centrality of urban-rural linkages for secondary towns and cities (Cattaneo et al., 2021).⁹⁷ Given the role of in situ urbanization, urban agricultural employment unsurprisingly concerns especially urban residents. Small town migrants are on average 11 percent less likely employed in agriculture than small town residents, with the difference declining as urban centers grow, to virtually disappear in large cities, where agricultural employment is much less frequent to begin with (only a few percentage points of overall employment). Urban-urban migrants are even less likely to be employed in agriculture compared to residents than rural-urban migrants (Figure 2d).

The residential wage gap for rural-urban city migrants also persists after controlling for employment in agriculture (in addition to education and age). Laborers in big cities working in agriculture are few, with migrants only slightly more likely to farm than city residents. Unsurprisingly, controlling for the broad sector of employment (agriculture, industry, services) does not explain much of the rural-urban city migrant wage gap. It also does not change the observed absence of a wage difference for other migration groups (once education and age are controlled for) (Table 8, cols 5-6).

Rural-city migrants are frequently employed as casual wage workers in lower paying services, a possible explanation for their persistent wage gap with city residents. Further inspection indicates that migrants are in general more likely employed as wage workers than residents, with the difference declining as they stay longer.⁹⁸ For rural-urban migrants in cities wage employment often involves casual wage work in services, including as domestic worker (Uganda, Ethiopia), which may explain their lower wages (see section 3 for more detail from case cities). Low entry and exit barriers facilitate access to these jobs, especially in cities where rural migrants more often go to try their luck, without pre-arranged access to a job. Urban-urban migrants to towns and small cities, on the other hand, are substantially more employed as public wage employees, for example, partly explaining their better labor market performance compared to local residents, at least in Ethiopia. In contrast, it is rural-urban migrants who tend to be more employed in the public sector in Tanzania. Overall, a more detailed understanding of

⁹⁷ One way through which urban-rural linkages manifest themselves is through urban-rural commuting as documented in the secondary city case studies of Jinja (Uganda) and Kairouan (Tunisia) (section 3.3). The importance of accounting for the rural-urban continuum when designing development policies is reviewed in Cattaneo et al. (2021), who further advocate for considering urban-rural catchment areas delineated by travel time to the nearest urban centers and differentiated by the position of the urban center within the urban hierarchy.

⁹⁸ Wage employment, during which skills and savings are accumulated, often precedes the start-up of a business and entry in the upper tier of self-employment (Basu et al., 2019).

the migrant occupational profiles is needed to better understand the rural-urban city migrant wage penalty.

The findings regarding employment intensity and wages also hold after controlling for other city characteristics, in addition to education and wage (Table 8, col 7). Destination choice is unlikely arbitrary, and migrants may disproportionately opt for thriving urban centers, where they perceive to stand a better chance of finding a job and earning higher wages. As a result, migrants may enjoy an employment and wage benefit because they select themselves disproportionately in more buoyant destinations, compared to residents who don't have that same flexibility to move. This has for example been observed during the historical Age of European Mass Migration in the US (1850-1913) with immigrants more likely than natives to settle in states with a mix of high-paying occupations. It was an important strategy for immigrants to achieve occupational parity with natives (Abramitzky, Boustan, and Eriksson, 2014). Location choice has also been found to play in explaining migrant-resident wage differences in China, though to a much lesser extent (Combes et al., 2020). Inclusion of district indicator variables to control for city characteristics suggests that there are also only minor signs of city characteristics playing a role in explaining migrant-resident wage gaps in the three countries studied here (Table 8, col 7) and only for rural-urban town migrants (the wage gap becomes statistically significant when controlling for city characteristics).⁹⁹

Putting it altogether, migrants end up enjoying welfare levels that are at least as good as those of residents, irrespective of their origin (rural/urban), destination (town/city) or duration (short/long term). The consumption levels of migrants are not statistically different than those for residents, irrespective of the city they move to or their origin (Table 9, col 4). In fact, by choosing more buoyant urban destinations, *migrants to towns and small cities* may even do better than the locals. When city characteristics are not controlled for (Table 9, col 3), migrants to towns and small cities enjoy statistically higher consumption levels than locals, with the gain largest for those coming from other urban areas.¹⁰⁰

Lower wages for *rural-urban city* migrants compared to city residents (controlling for human capital, dependency ratio, sector of employment and location) (Table 8, col 7) *do* carry over to *lower incomes* (Table 9, col 2), despite longer working hours (Table 8, col 3). But they *don't* translate *into lower consumption* (Table 9, cols 3 and 4). Rural-urban city migrants of similar age and gender and with similar dependency ratios and education levels enjoy similar welfare levels as city residents, at least in the two countries and survey years analyzed here (Tanzania 2010 and Uganda 2016).

⁹⁹ If anything, the rural-urban city migrant-resident wage gap becomes smaller instead of bigger when controlling for district variables, though the effect of city characteristics within large cities is somewhat difficult to ascertain in this specification as there are only few districts in the big cities, and the big city effect is already controlled for.

¹⁰⁰ The coefficients on being a town/small city migrant decline when controlling for city characteristics through district fixed effects (compare coefficients in columns 3 and 4). In the absence of district controls and assuming migrants are more likely to go where they stand to enjoy higher consumption levels, higher welfare outcomes related to the location would be loaded on the migrant coefficients, which is what we observe for town migrants. The extent to which location choice matters in explaining welfare differences between migrants and residents in cities is harder to detect, given that there are few districts within large cities; they largely coincide.

Table 9: All migrants enjoy standards of living at least as high as those enjoyed by residents, even after controlling for age, education, sector of employment and city characteristics.

Working age pop (16-65)	Real income per adult equivalent		Real consumption per adult equivalent	
	(1)	(2)	(3)	(4)
Big City (1=yes)	0.877***	0.448	0.523***	-0.293
Urban-Urban Migrant (1=yes)	0.124	-0.0100	0.339*	0.201
Rural-Urban Migrant (1=yes)	0.407	0.321	0.136*	-0.00968
Urban-Urban Migrant x Big City	-0.147	-0.0910	-0.211	-0.0265
Rural-Urban Migrant x Big City	-0.962**	-0.929**	-0.090	0.130
Short-Term Migrant (0-3 yrs) (1=yes)	0.0948	0.118	-0.079	0.125
District fixed effect	No	Yes	No	Yes
R ²	0.167	0.261	0.182	0.220
Observations	4113	4113	4368	4368

*Notes: Country coverage: Tanzania, Uganda; Dependent variables normalized by their respective country average for comparability across countries. When multiplied by 100, coefficients reported in columns 4-6 can be interpreted as the percent increase/decrease compared to the country average. Additional controls include household size and dependency ratio, educational achievement of most educated household member, country controls. Most districts have only one urban center. Regression run at individual level for working age population, with all household members assigned the same household income/consumption. Households with a migrant classified as migrant household of the corresponding migrant type. If migrants are from different origin (rural/urban) or destination (town/small city vs big city) within the same household, they were assigned rural and town. Estimated by OLS controlling for survey design *, **, *** signify statistically significant difference at the 10, 5, and 1% level respectively.*

Source: Authors' calculations

Finally, *duration of stay* does not affect migrant welfare level compared to residents (Table 9, cols 1-4), also after controlling for these differences in socio-demographic characteristics. At face value, more recent migrants are less likely employed than longer term migrants, and also face a small wage penalty, which they compensate through more working hours, resulting in slightly lower, though statistically indifferent incomes and welfare levels (Table 7). When controlling for their socio-demographic characteristics, the difference in welfare level with long term migrants turns positive but remains statistically insignificant. As migrants stay longer, their socio-demographic profiles also start converging to those of urban residents. They become more like urban residents, older, with higher dependency ratios and slightly lower levels of education.

Similar patterns of good migrant integration were observed in francophone Sub-Saharan Africa during the 1990s. Beauchemin and Bocquier (2004, p.2261) conclude that: "Recent research in Francophone west Africa gives a totally different picture from the one generally describing migrants as ill-adapted to city life and engaged in lower-level economic activities." In their view: "Migration could be seen as a qualifier rather than a hindrance in the urban job market. (...) From the point of view of housing and

employment, migrants adapt quite well to the city. Urban integration problems do not concern exclusively migrants but all city-dwellers.”

2.3 How robust are the findings?

Data determine inference – three issues. The analysis thus far has been based on urban samples. These exclude rural-urban migrants who returned. If migrants mainly returned because they did not find employment, the integration results presented above may be overly optimistic. They are based on the experience of those remaining. Second, the findings are derived from cross-sectional data. This limits the ability to make inference about integration dynamics. If migrant profiles change over time, inference regarding the effect of duration on migrant integration will be confounded with the effect of changing migrant characteristics. Finally, while some of the findings (employment, migrant socio-demographics) capture the experience from a broader set of countries, including 2 in West-Africa, others (time worked and wage; income and consumption) mainly reflect the experience from East Africa (Tanzania, Uganda, and partly Ethiopia). Yet, rural-urban migration remains a more important factor in fueling urban population growth in East Africa than in the rest of Africa (Bocquier and Schoumaker 2018). This may affect the speed of urban expansion, the ability of towns and cities to absorb migrants in their labor markets and thus the generalizability of the findings.

There is no indication that selective return migration is driving the results. Urban-rural return migration can be substantial, with the shares typically declining as countries develop. In SSA about a third of male rural-urban migrants and one fifth of female rural-urban migrants are found to return.¹⁰¹ Migrants might return as part of a longer-term welfare maximization strategy; they migrate to find (better-paying) work and save, and return once savings targets are reached. They may also return because they were unsuccessful. If the former pattern dominates, urban samples would underestimate migrant labor market integration; if the latter dominates, it would be overestimated.

The available evidence on the reasons for return migration is scant however, and the available results are mixed. One case study from Tanzania links male returns primarily to poor job-market outcomes, while female returns are mainly motivated by marriage endings, with women returning slightly more frequently than men (20 versus 16 percent)¹⁰². In India, in contrast, where 10 percent of internal migrants are found to return, it is especially richer, older and more educated males who are more likely to return, with several of them becoming self-employed or rentiers/pensioners.¹⁰³ Finally, a study from Burkina Faso, where rural return migration has been particularly high in the past, shows that correcting for possible migrant selectivity, migrants maintain their advantage in accessing urban jobs.¹⁰⁴

¹⁰¹ Estimates are based on return patterns observed in Demographic and Health Surveys from the 1990s and 2000s (Cattaneo and Robinson, 2020). For Ethiopia (2000) and Tanzania (1999), two of the countries studied here, the return shares of male rural-urban migrants are 31 and 15 percent respectively and for female rural-urban migrants 15 and 29 percent respectively.

¹⁰² Hirvonen and Lilleor (2015).

¹⁰³ Dhar and Bhagat (2020). Women are less likely to return, with high returns among those ending marriage (as in Tanzania). Consistently, there is no substantial difference in return rates by their consumption status and many of the returning women are also uneducated.

¹⁰⁴ Zurkaleini and Piché (2003).

In addition to affecting the representativity of the urban migrant population, selection may also affect the representativity of urban residents. One in two male to two in three female *urban-rural* migrants are urban residents (not returnees).¹⁰⁵ If these are more likely the lesser performing finding a better match for their skills in rural areas, as suggested by Young (2013) and Cattaneo and Robinson (2020), the migrant integration gap would in fact be overestimated.

In sum, whether selective outmigration (by migrants and/or residents) leads to an overly optimistic view of migrant labor market integration and welfare compared to urban residents when only studying urban samples, is not clear, especially not when also accounting for selectivity in outmigration of urban resident. If anything, the available evidence might suggest the opposite. The slightly better educational outcomes of more recent migrants compared to longer term ones could also be seen as supportive of the notion that the results are robust to considerations of return migration (i.e. the more educated ones who are more likely to be successful have returned). At the same time, it cannot be fully excluded that urban-rural return migration because of unemployment is part of the integration narrative, especially during periods of economic decline. Yet, then migrant flexibility also plays a particularly important role to help urban labor markets adjust as in Zambia during the 1990s (Crankshaw and Borel-Saladin, 2019).

No difference in welfare outcomes is observed between short- and long-term migrants, though long running panels of migrants are needed to properly understand the effects of migration duration on migrant integration. Short run migrants have more difficulties finding work than long term migrants, but tend to work more hours, albeit it at a lower wage. These differences do not translate into having lower welfare than long term migrants, also not when controlling for differences in age and education. Nonetheless, differences in socio-demographic characteristics among migrant cohorts cannot be excluded, which in turn may affect labor market integration and welfare over time. The slightly better educational attainment observed among more recent migrants in the cross-sectional data (Figure 2) might for example reflect Africa's rapid expansion of primary school enrollment in rural areas since the 1990s, instead of selective outmigration of the more successful and better educated. If so, the possible interpretation of the educational difference between recent and older cohorts as supportive of good labor market integration would no longer hold. Other unobserved changes might further be at work. A differential decline in schooling quality between rural and urban areas (as enrollment rates increased) may have reduced the skills levels of recent compared to past migrant cohorts, possibly affecting their labor market integration. In short, to properly identify how migrants fare over time compared to residents, panel data tracking the same migrants are needed.¹⁰⁶

Good labor market integration of migrants in faster growing urban East Africa arguably supports rather than distracts from the notion of good urban labor market integration of migrants more generally. The migrant integration findings presented thus far heavily draw on the experience from Eastern African countries (Ethiopia, Tanzania, and Uganda). Countries in East Africa are not only the least urbanized in SSA, they also experience the fastest urban population growth, with rural-urban migration (and reclassification) still contributing twice as much as natural population increase (D'Aoust

¹⁰⁵ Cattaneo and Robinson (2020).

¹⁰⁶ The importance of controlling for evolving migrant characteristics in studying their labor market integration has been clearly demonstrated, for example, in studying labor market integration of international migrants in the US (Minns, 2000; Lubotsky, 2007; Abramitzky, Boustan, and Eriksson, 2014).

2021). Rapid urban expansion challenges urban centers to keep up with housing, infrastructure and service provision, which is arguably exacerbated when driven by an influx of people from outside, and adds to the labor market barriers migrants already face when navigating their new labor environments. The achievement of similar labor market and welfare outcomes in such settings would support the notion that urban migrants don't necessarily do worse than their urban counterparts, and would suggest similarly successful (or even better) integration in other settings where urban growth is less pronounced, and less driven by migration as in the rest of Africa (Bocquier and Schoumaker, 2018).

This is consistent with the successful labor market integration of migrants reported by Beauchemin and Bocquier (2004) in francophone Africa during the 1990s and early 2000s (on the heels of the structural adjustment programs of the 1980s and 1990s). Yet, SSA also experienced solid economic growth during the 2000s, with Ethiopia, Tanzania and Uganda performing well above average (also in per capita terms). The findings further hint at differentiated outcomes by city size and migrant origin, with rural-urban city migrants finding it somewhat more challenging to integrate than urban-urban town migrants who often tend to outperform the locals. How national economic performance, urban characteristics (size, demographic structure, population growth) and those of their environment affect migrant labor market absorption deserves further investigation.

2.4 Urban markets at work - A dynamic perspective

How labor markets and cities fare following migration also depends on how migrants affect the broader urban market dynamic. Thus far, a static view has been taken, focused on how migrants fare in the urban labor markets and welfare compared to their urban counterparts. Yet, they also affect the broader urban dynamic. Each time a migrant enters (or leaves), s/he increases (decreases) the *size* of the urban center and affects the *speed* of its expansion. Depending on whether migrants are different and where they settle, they can also change the *structure* of the urban labor force and the *spatial* build-up of the city.

This may open up opportunities, such as agglomeration economies associated with greater urban centers and density or following labor complementarity, but it can also bring challenges, especially if the benefits only come with a lag, or when residents are negatively affected (housing shortage, congestion, labor substitution). Rapid urban expansion, fueled by migration, might for example, lock urban centers in a low-level equilibrium, holding back migrants and citizens alike in the face of lagging complementary infrastructure, housing or services. Alternatively, domestic immigration could also reduce urban poverty following skill complementarity with locals and induce an infrastructure response as in Brazil during the 1990s (Ferré, 2011).

How these dynamics pan out will be conditioned further by countries' level of development and their economic performance. They likely also differ by city size (towns versus big cities). In many ways, these dynamic effects are likely the greater concern to mayors, with migrants easily becoming the culprit of all ills. In what follows, we briefly review how migrants likely affect the urban dynamic in terms of its expansion (size/speed) and by affecting the labor force structure, including an initial exploration of the consequences for urban labor market integration. The implications for urban spatial build up (where migrants arrive and settle) and related issues of urban spatial mismatch (the distance between living and work space), which fall more directly under the mayor's remit, are reviewed in section 4 on urban governance.

2.4.1 Migrants contribute increasingly less to urban population growth

Policy focus on urbanization continues to confound migration as the principal driver of urban growth.

Urban growth is the rate at which the urban population expands. It is determined by the sum of the rate of urban natural population increase, net rural-urban migration and rural-urban reclassification. Urban natural increase thus adds one to one to urban growth; every percentage point increase in urban natural population increases urban growth by one percentage point. The rate of urbanization on the other hand, which is the rate at which the urban share of the population increases, depends also on the rate of rural natural population increase. The latter mitigates the effect of urban natural increase on the rate of urbanization. At the extreme, if the rate of rural and urban natural increase are the same (natural population growth in rural and urban areas is the same), then the rate of urbanization is fully determined by rural-urban migration (and reclassification).¹⁰⁷ This makes rural-urban migration the primary driver of urbanization (in addition to reclassification¹⁰⁸). In practice, however, urbanization and urban growth are often used interchangeably, and given the national policy focus on urbanization, policy attention has been directed increasingly at rural-urban migration in examining challenges of urban governance. This has come at the relative neglect of the demographic drivers of urban change.¹⁰⁹

Yet, similar levels of urbanization can co-exist with high and low rates of urban natural increase. The difference in urban (and rural) natural increase is for example an important factor in understanding why Asia and Africa have been urbanizing at a similar rate during the second half of the 20th century, but with quite different rates of poverty reduction and economic growth. They both started from similarly low levels of development and urbanization and similarly high levels of poverty, and rural-urban migration rates were similar across both continents. Yet, both urban and rural natural population increase were substantially higher in Africa, resulting in much higher urban growth in Africa as well as a pattern of urbanization without economic growth.¹¹⁰

For mayors, the relevant metric is urban growth, not the rate of urbanization; policies should thus focus on the drivers of urban growth. It is urban growth, i.e. the speed at which their city population expands, that mostly concerns urban governments.¹¹¹ It importantly drives the rate at which they need

¹⁰⁷ It is the difference between the rate of urban and rural increase that matters. If both are equal, the rate of urbanization is fully driven by migration (and reclassification). In developing countries today, the rate of rural natural increase usually exceeds the rate of urban natural increase (urban areas tend to be ahead of rural areas in the demographic transition), thereby eliminating some of the effect of migration on the rate of urbanization (Jedwab, Christiaensen, and Gindelsky, 2017).

¹⁰⁸ Migration is often calculated as a rest category after deducting urban natural increase from overall urban growth. The contribution of migration and reclassification are thereby lumped together. This is because systematic data on reclassification as a driver of urban growth is often hard to come by.

¹⁰⁹ While the number of developing countries implementing policies to lower population growth has largely gone unchanged since 1996, the number of countries implementing policies to slow down rural-urban migration tripled (from about 40 to about 120) (Farrell, 2017).

¹¹⁰ Jedwab, Christiaensen, and Gindelsky (2017)

¹¹¹ The concept of urban growth is defined here within the context of urban governments, where governments are primarily concerned with the expansion of their cities, not those of the urban population as a whole. They abstract from the emergence of new urban centers, but are concerned with the reclassification of villages within their urban jurisdiction.

to invest to keep up the city's capital stock and public services. Failure to do so fuels congestion and erodes returns to agglomeration. Urbanization on the other hand, or urban transition, is the change in the share of the population living in urban areas. It concerns especially national governments and guides the spatial allocation of their investments. Given the different underlying processes, despite a number of common components, as highlighted above, failure to distinguish between urbanization and urban growth when studying urban development and designing policies, can be quite misleading.¹¹²

At more than 4 percent, urban population growth remains substantial in SSA, but it is more and more driven by urban natural increase, not migration. Growing at 4 percent per year corresponds to doubling in size every 18 years,¹¹³ which would challenge any government, also those with strong institutions and solid finances. The available evidence from the developing world further suggests that at 60 percent, urban natural increase was already the dominant force of urban population growth in developing countries during the second half of the 20th century (and significantly more than the corresponding estimate of about 40 percent for developed countries) (Farrell, 2017). In addition, recent work by Bocquier and Schoumaker (2018) suggests that the share of urban natural increase stands to increase even further. Net rural-urban migration has been declining in most of Africa, especially among older population groups (Menashe-Oren and Stecklov, 2017), while the decline in urban fertility is stagnating, especially in Africa's capitals, but increasingly also in other urban areas, pushing up the rate of urban natural increase.

The contribution of migration to urban growth remains largest in big cities at low rates of urbanization, as in East Africa (Figure 3), but is otherwise grinding to a halt in many of Africa's capitals. This is consistent with the empirical findings on migrant labor market integration and urban welfare discussed in sections 2.2 and 2.3. While urban migrants in the countries studied (Ethiopia, Uganda and Tanzania) did not fare worse in general than residents in terms of urban labor market integration and welfare, rural-urban city migrants were challenged most to integrate, and more so than observed in francophone cities during the 1980s and 1990s. The latter were also more urbanized already to begin with. Using data from 449 cities in Brazil, Busso, Chauvin and Herrera (2021) similarly conclude that the Harris-Todaro (HT) equilibrium conditions of rural-urban migration contributing to urban unemployment, are larger in larger cities with an archetypically rural catchment area nearby (and stronger among workers with primary, but no high school education). In such circumstances, migration is more likely to compound natural increase and accelerate urban growth, challenging mayors even more to keep up with housing and infrastructure to avoid congestion and maintain agglomeration economies. Nonetheless, while (predicted) net migration into African capitals was high in the 1970s (50 percent of the capital's population) and still positive in 2015 (18 percent),¹¹⁴ the contribution of rural

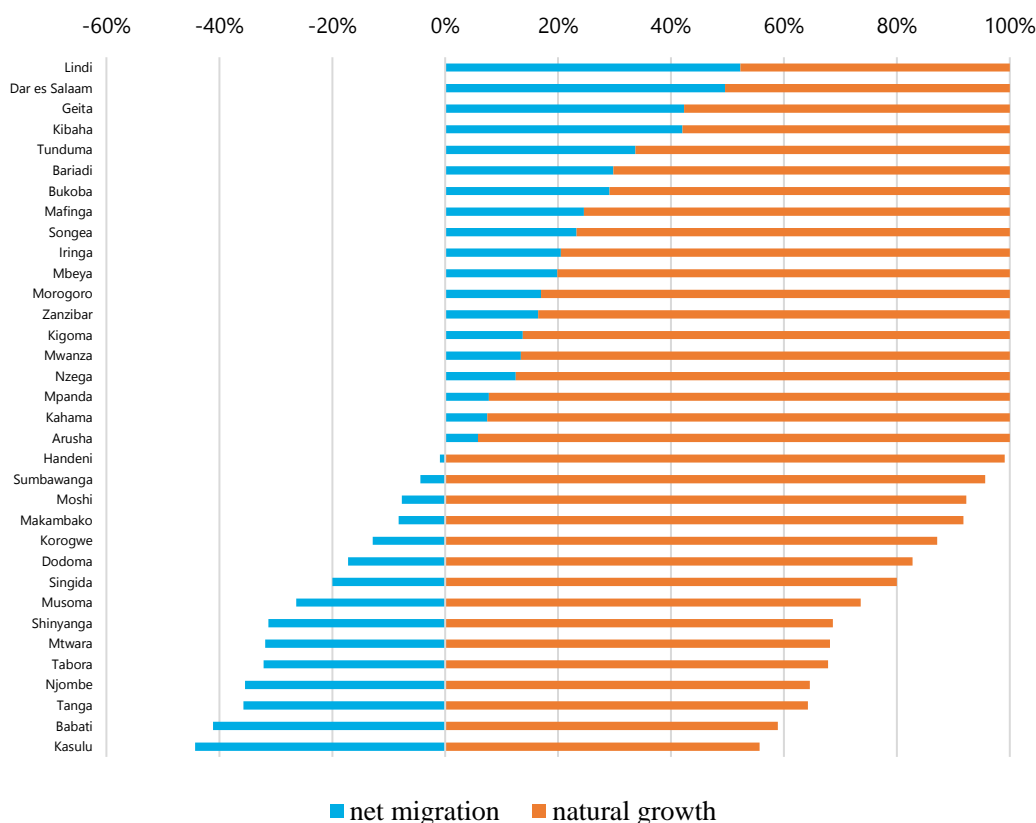
¹¹² Fox (2012), Farrell (2017), Jedwab, Christiaensen, and Gindelsky (2017), D'Aoust (2021).

¹¹³ The actual rate of expansion is somewhat lower as some of Africa's urban growth follows from reclassification (section 2.1.2; Potts, 2018). Reclassification of villages into new towns should be deducted. The absorption of neighboring villages into existing urban centers, on the other hand, is rightly included. It constitutes a real urban management challenge, as highlighted during conversations with the authorities of the case city of Jinja, Uganda (section 3.1).

¹¹⁴ These results are based on 8 countries (Botswana, Burkina Faso, Cameroon, Ghana, Mozambique, Senegal, South Africa, Zambia). Similar findings were obtained when adding 6 more countries from Eastern and Western Africa for which only the in- and outflows of the capital and the rest of the country could be calculated, and not with other

areas is fast declining, from 50 percent (of the capital's population) to a level comparable to that of other urban areas (9 percent of the capital's population) (Bocquier and Schoumaker, 2018). Urban natural increase is increasingly the key driver of urban growth.

Figure 3: Natural population growth dominates urban growth across Tanzanian cities, but net migration still contributes almost 50 percent in Dar es Salaam, while also reducing growth in several towns.



Source: World Bank, 2017.

Similarly, declining contributions from migration to urban growth in other urban areas, positions secondary towns well to leverage migration, provided sufficient complementary investments are made. The continuing migration pressure on capitals in Eastern Africa suggests a greater role for other urban areas, secondary cities, but also small and large towns, in absorbing and leveraging migration. Across countries, migration to the secondary towns and cities has been documented to be more poverty reducing than migration to cities¹¹⁵, while in contrast to the developed world, no positive size effect of large cities is found for developing countries.¹¹⁶ Many agglomeration economies can already be realized

urban and rural separately (i.e. Guinea, Kenya, Mali, Sudan, Tanzania, Uganda). Net migration into the capital then declined from 82 percent of the capital's population in 1975 to 12 percent in 2015. While this partly reflects

¹¹⁵ Christiaensen and Todo (2014); Gibson et al. (2017).

¹¹⁶ A high share of industries that benefit from agglomeration economies, well-developed urban infrastructure and effective governance allow countries to take advantage from agglomeration economies of size. These conditions are

well below the metropole scale.¹¹⁷ More broadly, in other Sub-Saharan African sub regions, other urban areas (especially secondary cities) are now losing population to the capital, while the net inflow from the rural areas has been declining (Bocquier and Schoumaker 2018), resulting into declining net migration. The phenomenon of secondary cities as “transit hubs” also epitomizes the two case cities in Tunisia, which both find themselves in lagging regions.¹¹⁸ Lower migration pressure in secondary towns/cities, combined with overall good absorption of migrants in their labor markets documented above, suggests intermediate urban centers can play an important role in helping rural populations exit agriculture as their countries develop, provided these centers are also sufficiently supported and managed well.

2.4.2 Migrants affect the skill and age structure of the urban workforce

By enhancing the urban skill pool, town and urban-urban migrants can foster urban productivity growth. The importance of human capital for urban economic performance and growth, in addition to economies of agglomeration, has been widely documented.¹¹⁹ Education fosters the development and spread of more productive technologies such that people residing in more educated towns or cities become more productive more rapidly over time. By increasing the average skill level of the urban labor force in towns and secondary cities (even though not in big cities), migrants positively contribute to this process. This holds even more for urban-urban migrants who tend to enjoy a larger education advantage over natives than rural-urban migrants (Figure 2c).

Migrants also reduce the urban dependency ratio, positively affecting urban productivity over time. Migrants are on average younger than residents, resulting in lower dependency ratios.¹²⁰ As with education, the gap is larger in towns and secondary cities and for urban-urban households (Figure 2b). There is little difference in the dependency ratio between rural-city migrants and city residents. Higher dependency ratios directly reduce the share of the urban working age population as well as the share of the working age population that is active in the labor market, given greater needs for caregiving. This results in lower incomes per capita, which in turn may lower human capital accumulation (given lower savings and human capital investment) as well as lower human capital externalities, and thus lower urban economic growth.

Higher urban dependency ratios in developing compared to developed countries have thus been shown to be another important factor in understanding lower performance of urban Africa and the broader phenomenon of “African urbanization without growth”.¹²¹ Similarly, urban growth emanating

not met in most African big cities. As a result, the absence of a positive relationship between city size and economic growth does not surprise (Frick and Rodriguez-Pose, 2016; 2018a,b; Lall, Henderson and Venables, 2017).

¹¹⁷ Rodriguez-Pose and Griffiths (2021).

¹¹⁸ This also makes them more prone to HT type equilibrium conditions (Busso, Chauvin and Herrera, 2021).

¹¹⁹ Moretti (2004); Roca and Puga (2017).

¹²⁰ Migration of young adults (15-29 year olds) comprise the bulk of rural-urban migration flows (career starters, family builders and relatively easily mobilized populations), with young adult rural-urban migration remaining at relatively high rates over the 1980-2015 period and with substantial effects on the urban dependency ratio, larger than either fertility or mortality. Migration for older adults (30-59) while not as strong, has opposite impact on dependency ratios. Their share has declined over the past 20 years and is more often in the opposite direction (urban to rural) or at least closer to zero (Menashe-Oren and Stecklov, 2017).

¹²¹ Jedwab, Pereira, and Roberts, 2021.

from migration has been found to contribute much less to urban congestion than urban natural increase, which was linked to the lower dependency ratios of migrant households.¹²² Indirectly, however, being younger and more fertile, migrants also add to the crude birth rate in the near future, and thus urban natural increase, slowing down the urban demographic transition in the medium run. This is consistent with the recent pattern of stagnation in the decline of the TFR among Africa's urban population, which is especially pronounced in Africa's cities, where the share of migrants is higher, though somewhat less in its other urban centers, where the share of migrants is less pronounced.¹²³

Moreover, despite lower educational achievements, rural-city migrants can still contribute to urban productivity growth, given skill complementarity and/or broader agglomeration economies. While rural-city migrants tend to be less educated than natives (Figure 2c), this does not have to translate into lower economic performance of their destination city. Much depends on whether they will complement the existing workforce, enabling it to leverage itself, for example by moving up the occupational ladder, and thus generating positive externalities, or whether they will substitute for it, with competition typically mostly felt among incumbent low skilled workers. Nonetheless, even with substitution, low-skilled native workers (including recent migrants) may still benefit from migration, if the downward wage pressures, which are often confined to the city-industry level, are offset by the broader agglomeration economies at the city level.

The ratio of rural migrants to low-skilled urban residents was thus found to be the main driver of nominal wage gain among urban citizens in China during the early 2000s (and more important than the effects of location, i.e. other city characteristics such as city size). Gains were largest for high-skilled urban workers, followed by low-skilled urban workers, but still positive for recent rural migrants in the cities as well. While new migrants competed with them for the same jobs (exercising downward wage pressures), the overall positive effects of migration on agglomeration economies at the city level more than compensated, such that those recent rural migrants at the bottom of the occupation ladder still saw their wages increase in the presence of migration, albeit it marginally (Combes, Démurger, Li and Wang, 2020).¹²⁴

Examining the empirical validity of such a scenario in the African context falls outside the scope of this report. Given Africa's cities' lack of openness to the world, unlike China's cities, such a scenario is currently, however, less likely. Institutional and regulatory constraints misallocate cities' land and labor, fragment their physical development, and detract global investors. This closes access to regional and global markets, constrains Africa's cities' production to locally traded goods and services, and limits their economic potential.¹²⁵ From this perspective, migration may compound the effects of ineffective urban policies causing low economic performance, rather than being the cause it.

Overall, taking a more dynamic perspective, migration presents itself as a positive force of change, especially in towns and secondary cities. It augments the skill pool of their labor force and reduces its dependency ratio, with natural increase (and reclassification), not migration, already the driving forces of urban expansion, in the past, and even more so today and the foreseeable future. Yet, these factors

¹²² Jedwab, Christiaensen and Gindelsky, 2017.

¹²³ Farrell (2017), Bocquier and Schoumaker, 2018.

¹²⁴ Results control for individual characteristics .

¹²⁵ Lall, Henderson, and Venables, 2017.

must be considered against their broader financial and institutional capacity to provide the necessary business environment and urban services to build thriving urban centers for all its citizens (old and new alike), maintain an active and performant labor force, and productively absorb new entrants. The next chapter of the report reviews the extent to which this is happening through deep dives into 4 secondary case cities in three countries (Ethiopia, Uganda and Tunisia). More broadly, it will also depend on the broader economic context within which these intermediate urban centers find themselves, such as their proximity to markets (domestic, international) and their economic base (natural resources (mining and agriculture), manufacturing, services), a topic for further research.

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3 Migrating to secondary cities – Insights from three case cities

Three empirical deep dives. This chapter presents three empirical deep dives of four case cities in three case countries, each representing strikingly different settings: Jijiga in Ethiopia, Jinja in Uganda, and Jendouba and Kairouan in Tunisia. Jijiga is the regional capital of the Somali Regional State of Ethiopia, a thriving trading center on the trade corridor between Ethiopia, Somalia, and Djibouti, in an otherwise largely arid, sparsely populated, and culturally and linguistically distinct region. It has seen rapid growth in population and built-up area, mainly due to an influx of people in search of better opportunities. The case of Ethiopia is also specific, given its low urbanization rates and its residency permit system, which requires citizens to hold a permit in order to access urban services. Jinja, situated 80 km from the capital of Kampala, also has high economic potential (ranking 4th among 32 cities analyzed for economic potential in Uganda). It has a history of hosting manufacturing and agro-processing businesses, it is a tourist destination, and it is suitably located along major trading route corridors on Lake Victoria. It was recently upgraded to city status in 2020, and is said to be a commuting city that hosts five times more people during the day than at night (Cities Alliance, 2016). Jendouba and Kairouan in Tunisia are intermediate cities in the two poorest internal regions of Tunisia; each is challenged to ensure economic and social inclusion for its citizens (including rural migrants), while part of its population is also leaving in search for better opportunities in the capital.

Outline. The chapter situates the case city within the broader urbanization and migration dynamic within its respective country, followed by migrant and city perspectives on how migrants integrate into the city and how their quality of life could be improved. To this end, the chapter draws on a mix of qualitative methods (life history interviews, focus group discussions, key informant interviews) and representative quantitative household surveys (Uganda, Tunisia).¹²⁶ The key findings are summarized here. The reader is referred to background papers for more in-depth information.¹²⁷

3.1 The Case of Jijiga, Ethiopia

3.1.1 Urbanization and Internal Migration in Ethiopia

Ethiopia, Africa's second most populous country with a population of approximately 110 million, is urbanizing fast from a low base. Estimated at only 17.3 percent in 2012, Ethiopia's urban population share was one of the lowest in the world, well below the Sub-Saharan African average of 37 percent. However, this is set to change dramatically. According to official figures from the Ethiopian Central Statistics Agency, the urban population is projected to nearly triple from 15.2 million in 2012 to 42.3 million in 2037, growing at 3.8 percent a year. The World Bank's 2016 Urbanization Review estimates a higher urban population growth rate of 5.4 percent, with the urban population tripling by 2034. Natural

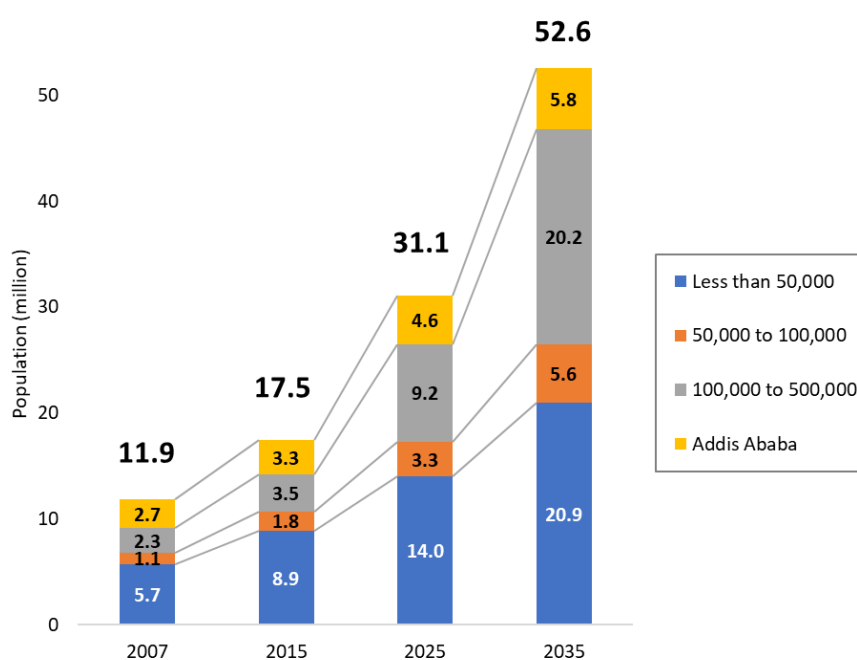
¹²⁶ The survey data for Tunisia has been only partially analyzed, given long delays in data collection following COVID19.

¹²⁷ Background papers and reports for this chapter include: World Bank (2021), Secondary Cities and Migration: the case of Jinja; World Bank (2021), Secondary Cities and Migrants: The Tunisia Case; Frontier (2021), Qualitative Research Study on Rural to Urban Labor Migrants in Jijiga, April, 2021.

increases were the main driver of urban population growth until 2018, while rural-to-urban migration has recently been a more important driver (World Bank, 2016).

Most urban population growth in the coming decades is expected to happen in towns and secondary cities. The population in secondary cities, defined here as cities with 100,000 to 500,000 inhabitants, is expected to increase from 3.5 million in 2015 to over 20 million by 2035 (Figure 4). Similarly, the population of small towns (< 50k) is projected to increase to 21 million by 2035, up from 9 million in 2015. If managed well, this rapid urban population growth presents an opportunity to shift the structure and location of economic activity from rural agriculture to the larger, more diversified urban industrial and service sectors. However, if managed poorly, rapid urban population growth will pose challenges as cities struggle to provide jobs, infrastructure, services, and housing. Infrastructure and service delivery are already stretched thin in many cities due to rapid urban expansion and overextended municipal budgets, while formal labor markets are failing to keep up with the demand for jobs.

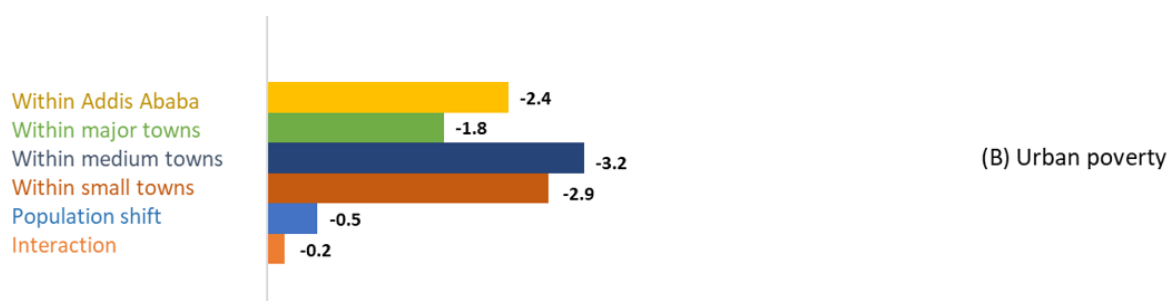
Figure 4: Small towns and secondary cities will account for the bulk of urban population growth
(*Urban population trends and projections, 2007-2035*)



Source: Schmidt et al. (2018)

Cities and towns in Ethiopia have experienced fast poverty reduction in recent years. The urban poverty headcount dropped from 26 percent in 2011 to 15 percent in 2016; this dynamic was strongest in small and medium-sized towns (Figure 5). This reduction in poverty was mainly driven by strong employment growth and increased self-employment (accompanied with higher returns), the main form of employment of the poor. Labor market developments have reversed since 2016, with widespread unrest resulting in a sharp increase in urban unemployment.

Figure 5: Small and medium towns drive much of the reduction in urban poverty
(Contribution to urban poverty reduction (% point reduction) by city size, 2011-2016)

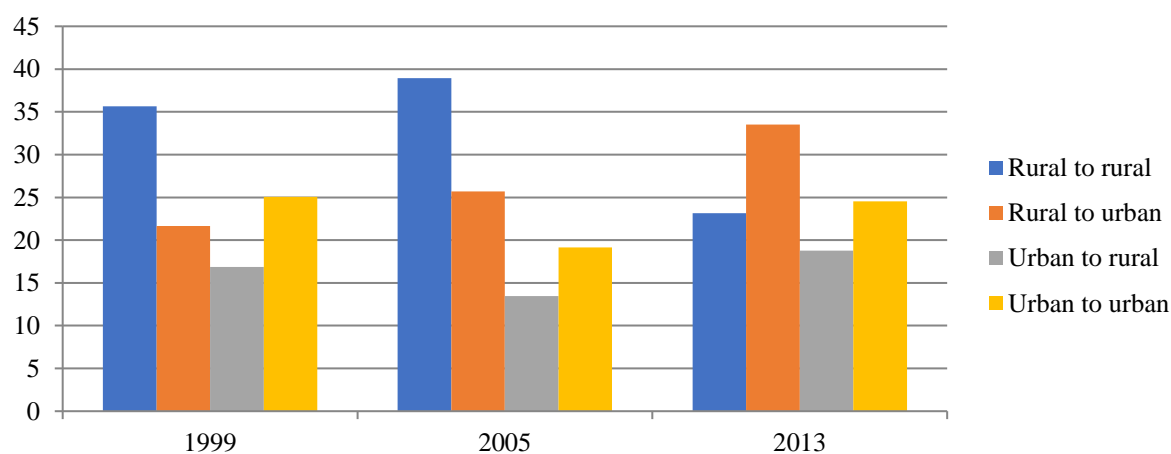


Source: HCES; 2016. World Bank staff calculations.

Ethiopia has traditionally been a low-mobility country; according to the 2013 Labor Force survey (the most recent survey with information on migration), internal migration has remained limited. In the five years prior to the 2013 Labor Force Survey, six percent of Ethiopians changed their zone of residence (Table 10).¹²⁸ Though the scale of internal migration did not increase between 1999 and 2013, its pattern has changed, with rural-urban migration becoming the dominant migration flow between 2008 and 2013 (which has certainly picked up since - Figure 6). While smaller cities and towns attracted the most rural migrants as a share of their population (Table 10), in absolute terms, Addis Ababa has been the main destination, with nearly 40 percent of all rural migrants moving to the capital.

Figure 6: Internal migration remained low until 2013

(Share of migration by type and time period)



Notes: Recent migrants are individuals who moved less than five years prior to survey data collection. Based on the population aged 15 and over.

¹²⁸ There are roughly 100 zones in Ethiopia. Due to data limitations, we cannot detect migration flows within zones. The migration numbers reported here are thus underestimated.

Source: LFS, 1999; 2005; 2013.

Table 10: Internal migrants as a share of the population, recent migrants, and lifetime migrants

Survey year	1999		2005		2013	
	Recent migrants (%)	Lifetime migrants (%)	Recent migrants (%)	Lifetime migrants (%)	Recent migrants (%)	Lifetime migrants (%)
Whole country	5.70	32.34	7.52	28.17	6.49	22.59
Rural areas	3.61	25.88	4.93	20.58	3.49	13.42
Urban areas	16.87	66.51	19.99	64.64	17.25	55.41
<i>City</i>						
Mekele	22.46	66.11	17.26	67.06	15.87	49.19
Adigrat	25.13	82.94	21.26	68.89	12.67	42.86
Gonder	39.73	73.97	22.40	66.54	11.99	52.58
Dessie	-	-	18.15	67.62	14.32	49.61
Bahir Dar	-	-	23.09	69.83	26.17	69.69
Debre Birhan	-	-	26.16	74.18	17.79	53.61
Adama	-	-	16.89	71.72	21.66	69.57
Bishoftu	-	-	13.52	59.39	20.01	58.25
Jimma	-	-	14.62	57.38	18.55	60.41
Nekemte	-	-	15.42	61.31	26.04	73.82
Shashemene	26.72	72.50	15.87	68.93	22.12	62.76
Assela	-	-	25.07	70.99	22.12	69.98
Jijiga	17.26	68.69	13.32	55.95	10.82	37.72
Asosa	38.69	92.46	26.47	80.82	24.88	74.57
Awassa	31.43	78.80	25.66	75.81	22.75	71.63
Sodo	27.78	88.89	30.73	66.96	16.93	54.77
Arba Minch	25.55	82.11	26.23	77.95	19.03	64.73
Gambela	19.05	79.22	22.18	75.33	14.13	54.57
Harar	16.14	63.83	13.63	56.67	12.54	48.41
Addis Ababa	9.00	60.08	7.92	53.33	9.61	46.41
Dire Dawa	14.01	70.29	13.81	68.29	10.63	49.71

Notes: Based on LFS data. Recent migrants are individuals who moved less than five years prior to survey data collection. Based on the population aged 15 and over. Source: World Bank Staff calculations.

Internal migration in Ethiopia is driven by education and demographics. Statistical analysis shows that younger and better-educated rural dwellers are more likely to migrate compared to older or less-educated villagers; this is true both for rural-urban and intra-rural migration. The effect of education is strong, with rural dwellers who obtained at least some secondary education being 26 percentage points more likely to migrate, all else being equal (most rural-urban migrants have only primary school education). Rural to urban migration has a dual nature, with young and relatively less educated women moving to Addis Ababa for domestic work and slightly older and better-educated rural dwellers moving to secondary urban centers to work in commerce, agriculture, and services. The characteristics of their zone of origin also influence their propensity to migrate; people in rural zones with high population densities were more likely to migrate, which is consistent with the potential role of land shortages. Poverty and remoteness inhibited migration, with people in zones with a higher poverty rate and at a

greater distance from an all-weather road being less likely to move. As in other countries, rural-urban migration comes with material benefits; rural-urban migrants in Ethiopia experience substantial gains in real consumption levels (De Brauw, Mueller and Woldehanna, 2017).

While rural migrants tend to be better educated than rural “stayers” (those who stay in their home villages), they are significantly less educated than urban locals and engage in different types of jobs.

According to the 2013 LFS, more than 57 percent of rural migrants in urban areas had not completed primary school (last column of Table 11) as compared to only 35 percent of urban locals. At the other end, 13 percent of migrants had completed secondary education or higher as compared to 25 percent of urban locals. These differences in education translate into different patterns of employment. Rural migrants are less likely to have permanent wage jobs in the public or private sector or to be self-employed in the formal sector, and are instead more likely to work as temporary or casual labor and in informal self-employment. Rural migrants are also less likely to be unemployed or inactive than urban locals, a pattern that can partly be explained by migrants’ readiness to take up any manual labor opportunities while better-educated locals queue for permanent wage jobs (World Bank, 2015). Differences in education and employment structure between migrants and locals are smaller in smaller towns; in small towns, rural migrants actually drive up the skill level of the local labor pool.¹²⁹ On the other hand, urban-urban migrants tend to be better educated than urban locals (tables not reported here), with the education premium declining as city size increases.

Table 11: Characteristics of rural migrants vs. locals in Addis Ababa, major towns, medium towns, and small towns

	Addis Ababa		Major towns		Medium towns		Small towns		All urban centers	
	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant
Sex										
Male	35.1***	49.3	40.8***	49.2	44.6***	49.3	47.6	50.3	43.6***	49.4
Female	64.9	50.7	59.2	50.8	55.4	50.7	52.4	49.7	56.4	50.6
Education		0				0				
No education	20.8***	3.1	19.2***	9.2	22.4***	14.7	26***	20.5	23.1***	11.4
Primary incomplete	44.6***	14.5	37.3***	22.6	32.2**	28.9	30.6	32.8	34.2***	24.3
Primary complete	10.2	9.5	9.7***	11.5	9.5**	11.6	8.8**	10.9	9.3***	10.7
Secondary incomplete	17.5***	30.4	20.1***	29.3	20.6***	27.2	17.7***	22.8	19.1***	27.6
Secondary complete	2.2***	18.6	3.7***	10.8	3.8***	5.4	1.9***	3.4	2.9***	10
Post-secondary	4.7***	23.6	9.5***	16.2	10.8	10.5	12.5***	8.3	10.2***	15
Adult education	0.1	0.2	0.6	0.5	0.7***	1.8	2.5***	1.4	1.2	1
Employment status		0				0				
Public employee	6.4***	24.9	13***	22.6	19.1	20	21.1	20.2	17.1***	21.9
Private employee (permanent)	21.7	23.3	7.7	8.4	5.7***	2.6	2.2	1.4	6.9***	9.5
Private employee (temporary)	39.8***	16	32.2***	13.8	19.6***	8.3	8.3	6.5	20.4***	11.1

¹²⁹ There is also urban to urban migration in Ethiopia, with people moving for work from one city to another within the country. These urban migrants tend to be highly educated – more so than the local urban population – and are more likely to work in the public sector (civil servants who get transferred from one city to another).

	Addis Ababa		Major towns		Medium towns		Small towns		All urban centers	
	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant	Migrant	Non-migrant
Private employee (contract)	5	5.6	4.4	4	2.6**	1.5	2.6	1.6	3.2	3.2
Private employee (casual)	6.7***	2.4	4.9**	3.6	3.8**	2.1	1.7	1	3.6***	2.2
Self-employment (formal)	2.7***	9.1	2.2***	4.1	1.5***	3.4	1.3***	3	1.7***	5.1
Self-employment (informal)	14.3	14.4	27.7**	30.8	34.1*	37.2	38.1	37.2	31.9***	29.4
Other	3.5	4.3	7.9***	12.8	13.6***	25	24.8**	29.3	15.3***	17.6
NEET	23.1**	25.6	20.4***	23.9	19.4	20.4	13***	18.3	17.9***	22.2
Unemployment	20.4***	26.1	17.1***	22.9	14.2***	18.4	7.6***	12.8	13.3***	20.3
Hours worked (main job)	52.7***	47.5	48.1***	44.9	40.2***	36.9	29.9***	34.9	39.2***	40.8
Real wage (Birr) ^a	1411***	2291.5	1052***	1540.4	2213	2001.2	2151.1	2122.2	1841.9	2034.9
Age (mean)	23***	29	24***	28	26***	28	27	28	26***	28
Observations	1850	11829	4077	12196	3235	7752	2022	3622	11,239	35,481
Observations (Employment)	1133	5776	2477	5921	1986	3785	1356	1836	6,985	17,353

Notes: The table compares migrants from rural areas with locals. Based on 2013 LFS data. All individuals aged between 15 and 64 are included. Migrants are only those who moved from rural areas. NEET: Not in Employment, Education, or Training. Mean separation test: *** $p < 0.01$, ** $p < 0.05$ and * $p < 0.1$; ^a Monthly real wage at 2013 prices

Source: World Bank Staff calculations.

Despite the barriers and lack of recent data, the view that rural-urban migration has skyrocketed in recent years is widely accepted. Poor weather, unrest, and conflicts in various parts of the country have led to substantial population movements, and have likely increased the relative attractiveness of urban areas. Increased land fragmentation in certain parts of the highlands means that land cannot be subdivided further, leaving a large cohort of young people functionally landless. Qualitative research suggests that rural migrants face a myriad of difficulties in their destination towns/cities, including finding accommodations and jobs, a lack of familiarity with urban life, harassment by local authorities, limited access to public services and support schemes (because of the kebele ID), and (in some cases) linguistic and cultural differences.

Low migration rates can partly be explained by persistent low education levels in rural Ethiopia, but also by factors related to land and ID policy. Land in Ethiopia is government-owned; leaving one's rural kebele (village) of origin for longer than a pre-defined period means forsaking one's rights to land. In certain regions of Ethiopia (land is a regional mandate), gaining non-farm employment can mean losing access to land, which discourages migration and diversification. In addition, Ethiopia does not have a national ID, instead using a system of local IDs linked to one's kebele of birth. Access to public services or support schemes in kebeles outside one's own kebele is limited, though cities have considerable discretion in setting their own rules.¹³⁰ Obtaining an urban kebele ID card is often a long and cumbersome process for rural migrants.

¹³⁰ In principle, new arrivals to urban areas can apply for an urban kebele ID if they have lived in their new kebele for at least six months, have a guarantor, and if their landlord is willing to sign that the migrant lives in one of

3.1.2 The Case of Jijiga

The Ethiopia case study on rural-urban migration focuses on Jijiga, the capital of the Somali Regional State of Ethiopia. The Somali Region (is one of ten regional states in Ethiopia, bordering Kenya and Somalia. The region is largely arid, sparsely populated, and most of its population are semi-nomadic livestock herders. The Somali Region is culturally and linguistically distinct from the core of Ethiopia, speaking Somali and adhering to Islam rather than Orthodox Christianity. Jijiga is strategically located on the trade corridor between Ethiopia, Somalia, and Djibouti, and vibrant trade and commerce dominate economic activity in the city (

Figure 7). Like many other cities in Ethiopia, Jijiga has been growing fast, both in population and built-up area, mainly due to the migration of people in search of better opportunities (

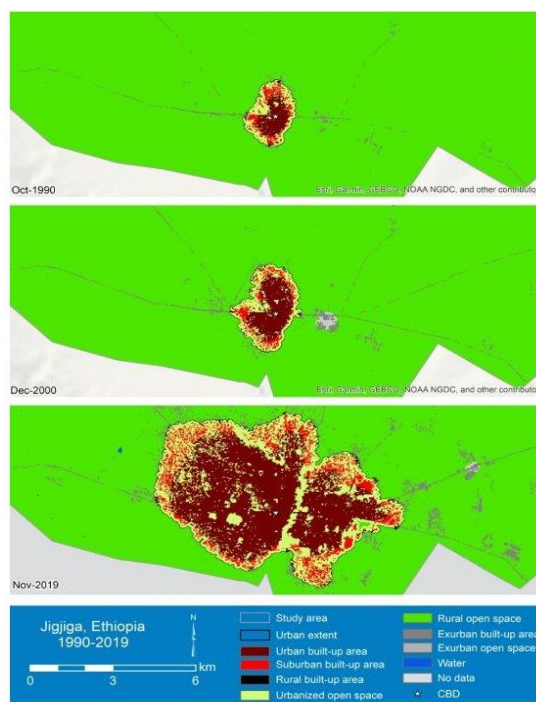
Figure 8). In the absence of a recent census (the last census was carried out in 2007), the population of Jijiga was estimated at 221,000 in 2020, making it the 10th largest city in Ethiopia.

Figure 7: Jijiga is strategically located on trade routes with Somalia and Djibouti



Figure 8: Jijiga has grown fast since 2000

(Evolution of built-up area, Jijiga)

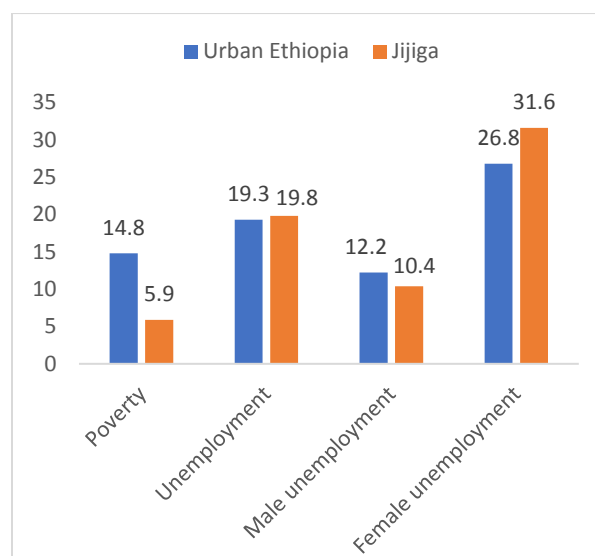


his/her properties. In practice, these conditions are often difficult to meet. Low-income migrants tend to be mobile in search for work and affordable shelter, requiring them to change *kebeles* frequently, even while remaining in the same city. For tax reasons, landlords are reluctant to report that they rent out rooms. Some cities require ownership of property in order to issue an ID card, which is outside the reach of rural migrants and indeed much of the incumbent urban population.

Source: <https://www.geographicguide.com/africa-maps/horn-africa.htm> Source: Lamson-Hall 2021.

At approximately 20 percent in 2018, the unemployment rate in Jijiga is similar to that of urban Ethiopia. However, there is a pronounced gender effect, with male unemployment being lower in Jijiga (as compared to urban Ethiopia) but female unemployment much higher (Figure 9). In line with urban Ethiopia in general, wage employment accounts for the single largest share of employment in Jijiga. In 2018, 56 percent of employed people in Jijiga were engaged in wage employment, as compared to 53 percent for urban Ethiopia as a whole. The higher wage share in Jijiga is especially due to relatively higher employment in the public sector (Figure 10). In 2018, wages were significantly higher in Jijiga than in urban Ethiopia, but this must be interpreted carefully given the limited number of observations from Jijiga. According to official data, poverty rates in Jijiga are the lowest in the country.

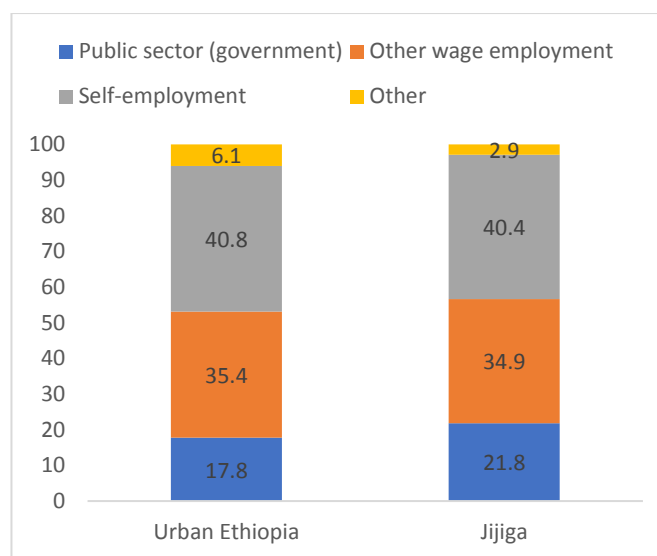
Figure 9: Key indicators, Jijiga and urban Ethiopia



Source: UEUS, 2018.

Figure 10: Jijiga has a largely similar employment structure to urban Ethiopia

(Composition of employment, Jijiga and urban Ethiopia)



In line with the national numbers in Table 12, migrants in Jijiga are more likely to be employed than locals, but they tend to work in different sectors. In the 2013 LFS, 59 percent of migrants in Jijiga (aged 15-64) were employed, as compared to 38 percent of locals (Table 12). Wages for migrants were lower, though this is explained by their younger age and lower education levels, and not by the mere fact of their being migrants. Migrants were more likely than locals to work in manufacturing and in family-oriented services (mainly female migrants working as domestic workers in households). Non-migrants were more likely to work in more skill-intensive sectors, such as financial and business-oriented services and public administration.

Table 12: Profile of employment in Jijiga, migrants and non-migrants

	Migrant	Non-migrant
Employed	59.2	37.9***
Unemployed	7.0	9.0*
Inactive	33.7	53.0**
<i>Observations</i>	<i>693</i>	<i>954</i>
Paid employee	53.4	50.6
Self-employed	45.8	47.6
<i>Observations</i>	<i>407</i>	<i>370</i>
Wage (only for wage employed)	1,990	2,738**
<i>Observations</i>	<i>221</i>	<i>186</i>
Agriculture	3.6	3.5
Manufacturing	8.6	5.3**
Construction	14.4	10.1
Commerce	24.6	28.2
Transport and communications	10.7	12.6
Financial and business-oriented services	4.2	7.9**
Public adm/education/health	15.9	21.4**
Community and family-oriented services	15.7	7.3**
<i>Observations</i>	<i>407</i>	<i>370</i>

*Notes: Based on 2013 LFS data. Migrants are individuals who moved to Jijiga at most 10 years prior to survey data collection. Based on the population aged 15 and over. Means difference test: *** $p < 0.01$, ** $p < 0.05$ and * $p < 0.1$*

Source: World Bank Staff calculations.

Regression analysis confirms that migrants in Jijiga have a higher employment rate and work more hours than locals. Migrants from other urban areas were 20 percentage points more likely to be employed than Jijiga locals, while rural migrants were 30 percentage points more likely to be employed (Column (1) of Table 13). Rural and urban migrants also worked significantly more hours than locals (Column (2) of Table 13). Controlling for other characteristics such as gender and education, migrants do not earn lower wages than locals (as shown by the non-significant coefficients on the migration variables in Column (3) of Table 13).

Table 13: Migrants are more likely to be employed, but possibly at a lower wage,

Variables	(1) Employed	(2) Hours worked	(3) Wage
Urban migrant	0.200*** (0.0548)	26.87*** (6.313)	-534.0 (420.9)
Rural migrant	0.303*** (0.0413)	39.18*** (5.472)	-884.6 (566.6)
Male	0.232*** (0.0254)	31.39*** (4.236)	1,461*** (366.0)
Incomplete primary	0.0386 (0.0331)	2.093 (4.838)	-571.0 (600.0)
Complete primary	0.0741 (0.0598)	7.230 (8.561)	520.6 (1,645)
Secondary	0.0344 (0.0481)	-0.729 (5.620)	-696.0 (624.6)
Post-secondary	0.301*** (0.0419)	22.54*** (5.430)	1,548* (857.4)
Observations	1,632	1,632	403

Notes: Column (1) shows the results, in marginal effects, of a logistical regression. Column (2) shows the results, in marginal effects, of a Tobit estimation of hours worked per week. Column (3) shows the results of a regression of monthly wage. Each regression includes age and marital status. Robust standard errors in parentheses

*** $p < 0.01$, ** $p < 0.05$, * $p < 0.1$

3.1.3 Migration to Jijiga: The Migrant Perspective

Despite its distinct culture, religion, and language, Jijiga attracts migrants from all over Ethiopia. Most of the participants in the qualitative research migrated from rural areas of Amhara and the Southern Nations, Nationalities, and Peoples' Region (SNNPR). Migrants are attracted to Jijiga because of the perceived widespread availability of low-skilled jobs and higher wages as compared to other cities. Most migrants obtained information on employment prospects in Jijiga before migrating, most often from friends, family, and peers from the same home village who had previously migrated to Jijiga. Motivations to migrate in the first place were, without exception, linked to lack of income-generating opportunities and poor living conditions in the rural areas the migrants hailed from.

Box 1: Qualitative research design in Jijiga

To better understand the opportunities and challenges of rural migrants in Jijiga and contrast these with locals, a small-scale qualitative research study was implemented. The study consisted of: 12 Focus Group Discussions (FGDs) with different groups of migrants stratified by migration status (recent migrants, longer-term migrants, and non-migrants) and gender; 24 Life History Interviews with individuals selected from different categories stratified by different type of migration status and gender; and 13 Key Informant Interviews (KIIs) with local authorities, officials, and experts from various sector offices. Overall, 72 young people participated in the FGDs and LHIs, spread between migrants (48) and locals (24), split evenly across gender. Male and female FGDs were conducted separately.

Most of the participants in the study were young and low-skilled, reflecting the general profile of rural migrants. Over 70 percent of participants were between 18-21 years of age; 70 percent had primary education or lower. Most participants were single, though some were already married. Most of the participants were wage-employed, reflecting both the employment structure in Jijiga and the fact that migrants are less likely to be self-employed.

Table 14: Characteristics of participants in the qualitative study.

Characteristics	Category	N	%
Age	18-21	47	73
	22-30	17	27
	Total	64	100
Education	Primary (G1-8)	45	70
	Secondary (G9-12)	15	23
	College/University	4	7
	Total	64	100
Marital Status	Married	18	28
	Single	43	67
	Separated/Divorced	3	5
	Total	64	100
Employment Status	Wage-Employed	38	59
	Self-Employed	24	38
	Unemployed	2	3
	Total	64	100

While entering the city can be challenging for migrants, finding employment is less so. At the city entrance, incoming buses must stop at police checkpoints for security checks. Migrants, who lack

Quote 1 (recent male migrant): When I arrived at Jijiga for the very first time, I feared a lot. The policemen mistreated me up on arrival and asked me for money to pass the check point at town entrance. I paid them 100 Birr bribe to enter the town. I had to also call a friend of mine from Jijiga town to beg them to allow me to enter the town. On that same day, they had sent back three other newly coming migrants at the checkpoint. [LHI_RMM_03].

identification documents issued by the city (the so-called “kebele ID”), are often extorted by police in order to enter the city (see Quote 1). However, once this barrier is passed, finding employment appears to be surprisingly easy. Most migrants managed to find work within two weeks of arrival in Jijiga. The majority of migrants found casual employment in daily labor and construction and, for young women, domestic work. Migrants use informal networks and brokers to make contact with potential employers.

In contrast to migrants, non-migrants found it more difficult to find jobs. This is linked to the different kinds of jobs non-migrants aspire to. While migrants tend to take any available job out of immediate subsistence reasons, non-migrants search for permanent and public service jobs. However, these jobs are relatively scarce, resulting in long spells of unemployment. Most non-migrants are reluctant to engage in activities characterized by manual labor and relatively low, irregular wages. Though migrants and non-migrants clearly operate in different segments of the labor market, non-migrants blamed high in-migration for the challenges they face in finding employment, citing stiffer competition from migrants. Female non-migrants in particular faced difficulties in finding employment, which they ascribed to widespread cultural barriers and stereotypes according to which women should stay at home and handle household chores.¹³¹ Female migrants in contrast found employment easily given the high demand for domestic workers in Jijiga.

Though most migrants are relatively low-skilled (primary education or less), the better-educated migrants typically engaged in similar jobs as the low-skilled ones. There is an understanding, shared by migrants and non-migrants alike, that jobs that require higher levels of schooling or college are the privilege of locals (Quote 2).

Quote 2 (female non-migrant): There is distinction between migrant and non-migrant. For example, if a given migrant has similar credentials and qualification with mine, I would certainly be picked for the job. [LHI_NMF_19].

Though migrants secured jobs easily, the jobs themselves were challenging. Migrants mainly highlighted excessively long working hours and delays or irregularities in payment, which they cannot do

¹³¹ According to the 2018 Urban Employment and Unemployment Survey, unemployment in Jijiga is over 20 percentage points higher for women than for men.

much about given their informal status and their dependence on the job. A majority of female migrants who engaged in domestic work also suffered domestic abuse.

Interactions with and perceptions of local authorities strongly differ between migrants and non-migrants. Migrants expressed frustration about a lack of service provision and support from the Jijiga City and Kebele administrations. There is a complaint and common perception among the majority of migrants that they are not welcome to any kind of service offered by the city and *kebele* administrations. The feeling of exclusion from public services and support was poignantly expressed by one of the experienced female migrants (Quote 3). Migrants reported having access to the public hospital but no access to any employment or livelihood services offered by the city administration due to lack of a city *kebele* ID. Migrants explained that this meant they could not advance to more lucrative activities that require official permits and licenses, for which a *kebele* ID is required (for instance, obtaining a driver’s license requires a *kebele* ID, as does obtaining a business license that would enable formal self-employment). Non-migrants had better access to employment opportunities requiring formal credentials, but also expressed low expectations regarding the city authorities’ capacity in addressing the youth employment challenge, mainly due to excessive bureaucracy and perceived corruption.

Quote 3 (experienced female migrant): I don’t really feel as if I am living in Ethiopia. It does not seem I am living in Ethiopia

Despite difficult relations with local authorities and the police, migrants intended to stay in Jijiga for the foreseeable future. Though their jobs are often hard and insecure, the majority of migrants reported that living conditions in Jijiga are better than in their place of origin; most migrants were content with their decision to migrate to Jijiga. Migrants aspired to have their own business, with male migrants aspiring to obtain a driving license and have their own “Bajaj” (three-wheel motorized vehicle for taxi services) and female migrants wanting to start their own small businesses such as boutiques and restaurants. This, however, would require them to have a *kebele* ID.

3.1.4 Migration to Jijiga: The City’s Perspective

City authorities and Sector Offices interviewed for the study confirmed that the number of labor migrants coming to Jijiga has increased over the years – a trend they describe as alarming. Relatively better job opportunities with attractive payment and high labor demand for construction work and daily labor are considered by city authorities to attract labor migrants to Jijiga. In addition to these “pull” factors, the authorities indicate that various conflicts and ethnic clashes in neighboring regions and several parts of the country have pushed many migrants to Jijiga in the past two or three years.

Quote 4 (Mayor's Office): There are different possibilities and opportunities for migrants. They can at least survive on their own, by working in the town freely. To tell you the truth, greater attention should be given to the local residents. Thus, there are competing priorities we should address first. It is after that we can deal with the situation of migrants. [KII-MAY-1].

In line with earlier research on internal migration in Ethiopia, city authorities expressed a largely negative view on migration. The main reasons cited for this were the increase in the unemployment rate and competition for scarce jobs between locals and migrants, the expansion of informal settlements and illegal trade, escalating rental prices, and security threats such as robbery and theft. City and sector officials stressed that interventions at the national and regional level should aim to support migrants in their places of origin, and that the main policy direction should be restricting migration to the city due to competing priorities (see Quote 4 from the mayor's office).

The city authorities acknowledged the issue of the *kebele* ID and explained that migrants typically cannot meet the criteria required to apply for this ID. Living in the city for at least six months and having a fixed and identified residence are the key requirements for issuance of a *kebele* ID. As migrants typically live together in informal housing and frequently move from one place to another in search of lower rent, they do not meet the criteria. In addition, *kebele* officials stress that they do not give migrants *kebele* IDs due to the lack of comprehensive data on migrants in the town and due to security threats, as the town borders on unstable neighboring areas (for instance, Somalia).

The lack of comprehensive records and data on migrants was frequently mentioned as an obstacle to providing services to migrants. The city authorities and sector offices suggest that there should be a continuous registry of migrants for a predictable and comprehensive intervention such as providing *kebele* IDs and other legal documents and licenses required for access to public services, such as employment services and loans from the Micro- and Small Enterprise Agency. Simultaneously, it was also emphasized that the local capacity to keep data on migrants up to date was insufficient.

3.1.5 Moving Forward: Leveraging migration for the benefit of both the city and the migrant

The qualitative research in Jijiga highlighted the opposing views held by migrants and city authorities. The migrants' point of view is that they are trying to improve their lives by leaving home and migrating to a place with better job opportunities, and that the authorities of the city they have migrated to try to make this harder through the restriction of equal access to services enjoyed by their fellow citizens who were born in the city, as well as through frequent harassment by law enforcement bodies. The view of city authorities and locals is that migrants are the root cause of urban sprawl, unemployment, and insecurity in the city, and that efforts should focus on keeping migrants in their home communities through job opportunity programs in their rural places of origin. City authorities hold that scarce public resources should be invested in improving the living standards of the local city population.

These opposing views seem to arise – at least in part – from a misunderstanding of migrants' position in the local labor market. The qualitative research has shown that rural migrants tend to engage in the lower end of the labor market, taking casual jobs in construction, manual labor, and – for women – domestic services. These are jobs that most local youth in Jijiga, with their relatively higher levels of education, are not interested in, aiming instead for higher-quality permanent jobs and employment in the public sector. High levels of unemployment among residents of Jijiga are more likely to be a

consequence of limited economy-wide formal sector job creation rather than competition from low-skilled rural migrants.

One could make the case that migrants have in fact contributed to the rapid development and growth of Ethiopian cities, including Jijiga, over the past 10 years. High unemployment rates among urban locals, who aim for permanent formal sector jobs, coincide with low unemployment rates among migrants. The finding that migrants find work quickly indicates high demand for casual labor and family services that cannot be satisfied by the local labor force, given the reluctance of locals to engage in these activities. There is a segmented labor market in Jijiga, as in cities in Ethiopia in general, characterized by high demand for casual and low-skilled (and poorly paid) labor provided by migrants and relatively low demand for graduates competing for a limited number of mainly public-sector jobs. In this labor market, competition between migrants and locals is limited, and the physical development of the city depends on migrant labor. Rural migrants seem to complement the skills mix of the local labor pool by supplying labor for highly sought-after tasks that local labor does not supply, much as has been observed in China.

Migrants thus make positive contributions to Jijiga's development, but this comes with extra strains that are highly visible, especially in the housing market. The development of unplanned informal settlements at the outskirts of town are likely partly fueled by migration. Migration can also contribute to crowding in public health facilities and on public transport, stress on water infrastructure, or extra strain on the provision of public services in general. Cities in low-income countries struggle to provide services to rapidly increasing populations under severe resource and capacity constraints. Under such circumstances, having to share limited resources with a growing population of "outsiders" can easily cause frustration among hosting populations and authorities, although migration to cities and towns can be a boon here as well, as it is more cost-effective to provide services to dense urban populations than to scattered rural populations. The key issue is, however, the discrepancy between planning and financing service delivery at the urban local government (ULG) level and fast local urban population growth.

In Ethiopia, urban local governments have traditionally been financed by a fiscal transfer from the federal level, augmented by the city's own municipal revenues. These resources are meant to finance cities' recurrent expenditures, leaving little to no room to finance capital expenditures. To respond to this, a special intergovernmental grant was added to finance urban development. Both intergovernmental transfers are based on a formula with population size as a main parameter. As a mobile and unregistered group, migrants are underrepresented in official statistics, and are thus not considered in service delivery budgeting and planning. This complicates service delivery to migrants who, due to their lack of a *kebele* ID, are not considered urban residents and are thus not budgeted for.

Making migration more beneficial to both migrants and hosting cities and towns will require intervention and reform on several levels. At the federal level, planning and budgeting for service delivery at the ULG level would need to explicitly take human mobility into account, adding an extra layer of complexity to an already complex process. This will require better data on the scale and composition of migrant inflows, as highlighted by the local authorities interviewed for the Jijiga study. In light of capacity constraints, partnering with civil society or local research organizations could be of help here. Given widespread negative attitudes and perceptions about migrants, awareness would need to be raised regarding the motivations and experiences of labor migrants, the challenges they face, and the contributions they make, in order to arrive at a broader, more nuanced view of migration and migrants.

Without this, introducing and promoting policies and interventions to facilitate the integration of migrants into urban labor markets and ensuring their right to access public services like any regular citizen may prove very difficult.

Migration to Jijiga and other cities in Ethiopia will likely continue to increase in coming years and decades. As young generations of Ethiopians become better educated, they will increasingly leave the farms to seek better opportunities in towns and cities. This spatial transformation of society is inextricably linked to social and economic development, and contributes to growth and poverty reduction; it also increases pressure on already limited city budgets and infrastructure. The challenge for Jijiga, as for other cities in Ethiopia, is to leverage this fast growth and in-migration for the benefit of both the city and the migrants. While certain important actions are beyond the immediate control of city authorities (such as budgeting for service delivery at city level), there are nevertheless a number of initiatives the city authority can undertake to make migration more beneficial to the migrant and the city:

1. **Issue business permits and licenses:** Currently, migrants cannot establish a formal enterprise or become formally self-employed due to the lack of a *kebele* ID. Self-employed migrants are thus by definition informal. Issuing formal business licenses to migrants could expand the tax base of the city while protecting migrants from harassment from local law enforcement bodies.
- (1) **Information, documentation and registry:** as emphasized by key informants, the lack of reliable documented data and information on migrants makes it difficult to register migrants as residents and provide them with IDs, which in turn leads to the exclusion of migrants from public services and support. This suggests that one of the basic measures to address this is to establish a database of migrant flows, potentially in collaboration with local research organizations or CSOs. The feasibility of this can be assessed on a pilot basis.

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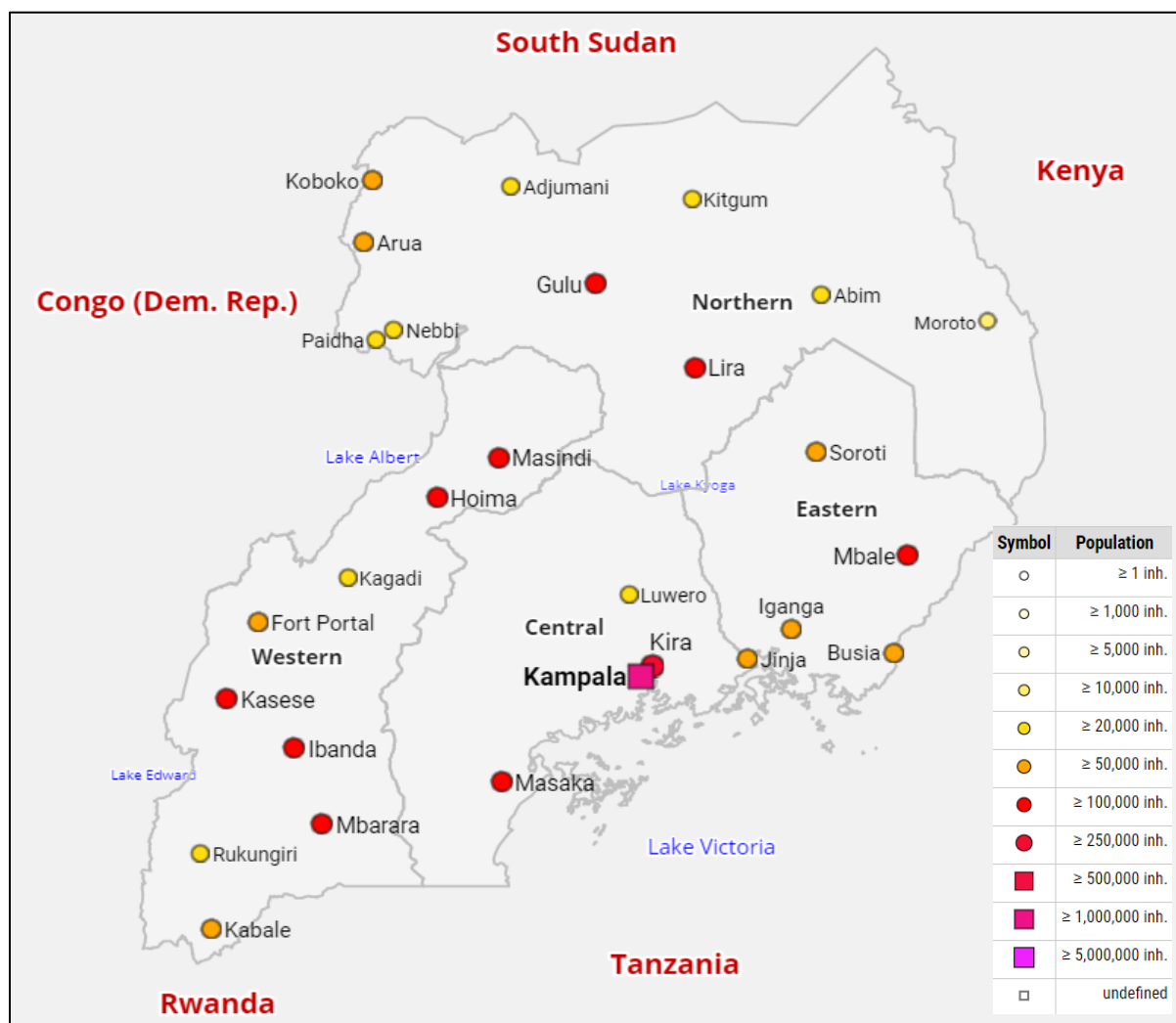
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3.2 The Case of Jinja, Uganda

3.2.1 Urbanization and internal migration in Uganda

Despite current low levels of urbanization, Uganda's urban population is growing rapidly. Uganda's urban population has been growing since 1960 at a rate of six or more percent annually, with the exception of a period after 1970 characterized by political instability and civil war (WDI, 2021). In comparison, rural population growth was hovering at around three percent annually (ibid.), despite a much higher rural fertility rate – 5.9 births per woman in 2020 as compared to 4 births per woman in urban areas (WB, 2020). The current low level of urbanization (24 percent in 2019), while somewhat puzzling, can be explained by the very high minimum population threshold (25,000 inhabitants) when defining 'urban' areas in Uganda (Sladoje and Khan, 2019). Using a spatial approach for measuring urbanization as applied in the Africapolis database managed by the OECD (2020), Uganda's urbanization level would have been 39 percent in 2015; the official statistics for this year recorded only 22 percent.

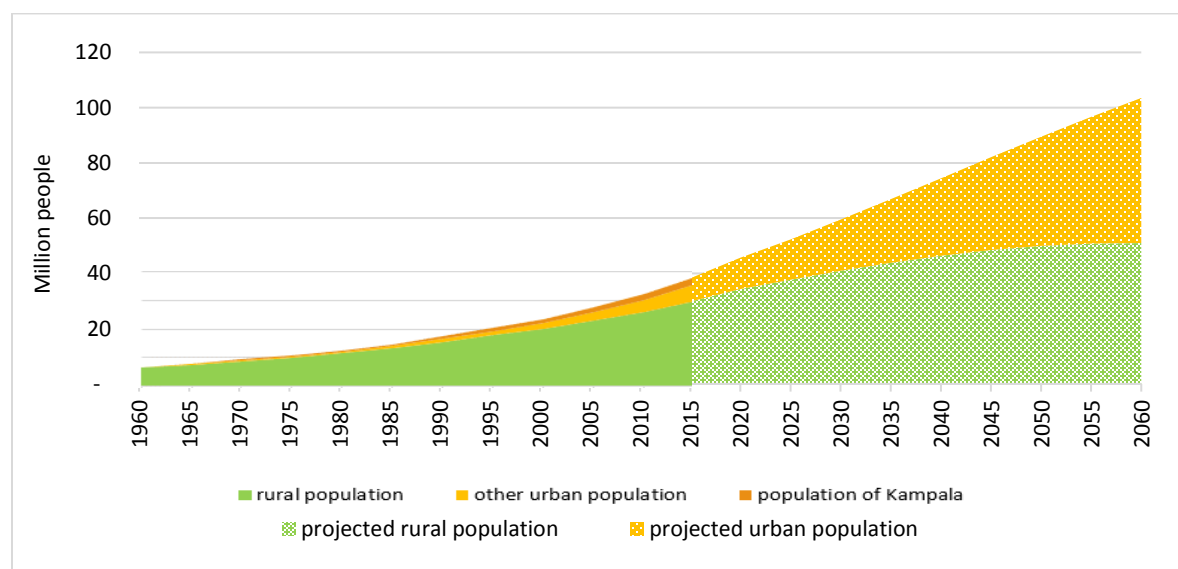
Figure 11: Uganda and its towns and cities



Source: Brinkhoff, T. (2021), Citypopulation.de

By 2060, Uganda will reach an urbanization level of 50 percent; and cities other than Kampala are forecasted to grow even faster than the capital. Indeed, between 2002 and 2014 – the years of the last two population censuses – the urban population increased by 50 percent from 4 to 8 million (WDI, 2021), while the country’s overall population density grew by 41 percent (Mensah and O’Sullivan, 2017). Uganda’s urban population is expected to exceed the rural population by 2060, reaching between 46 and 53 million (WB, 2020). This would add 35 to 42 million people to the current urban population of 11 million – roughly 1 million per year. Also, between the two censuses, the population in other secondary cities and towns grew by 7 percent, as compared to 5 percent in Kampala.

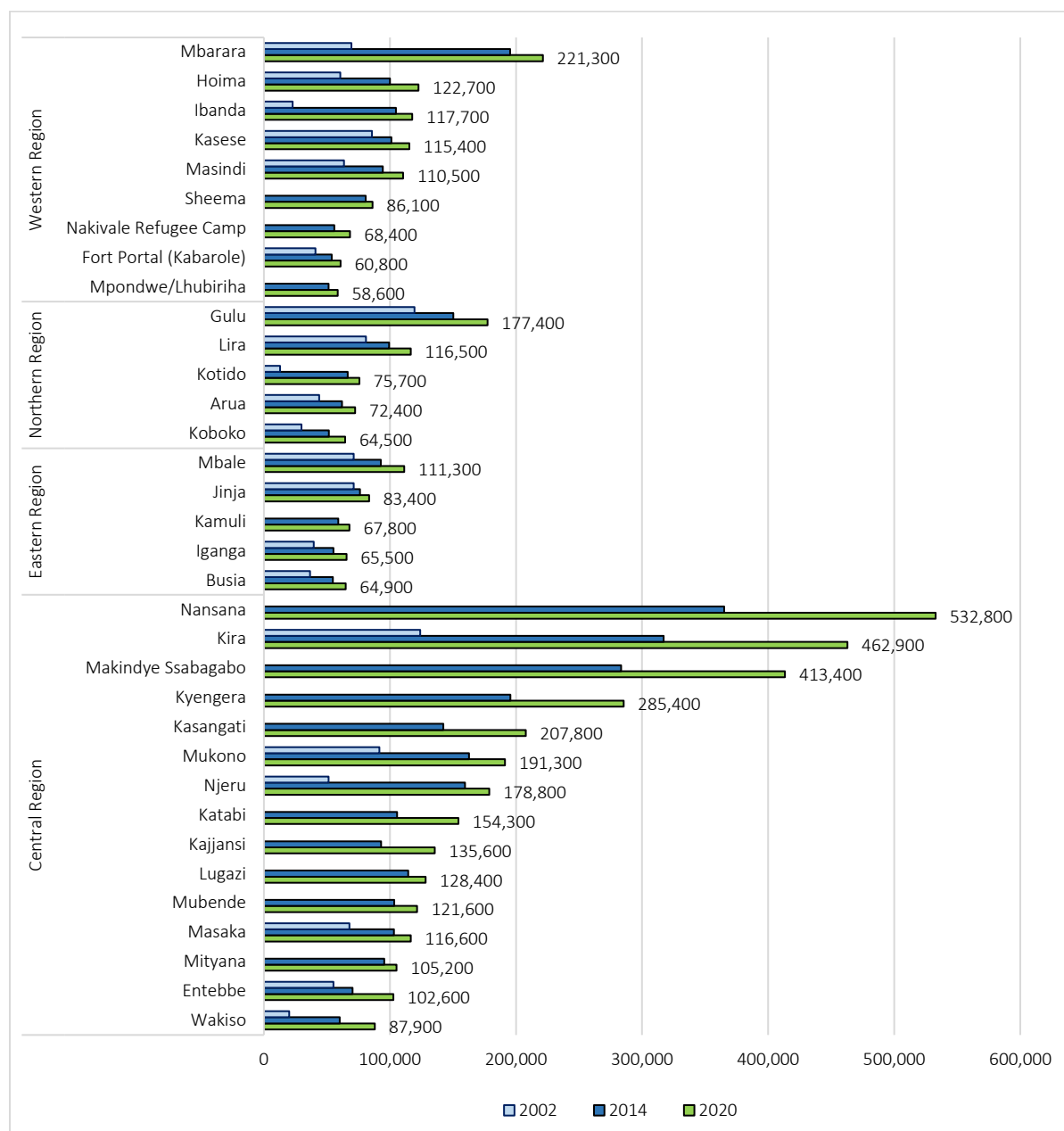
Figure 12: Despite the current low urbanization level (24 percent), half of Uganda’s population is estimated to reside in an urban area by 2060



Source: WDI (2021)

Outside of the metropolitan area of Kampala, secondary cities and towns are still relatively small, rarely surpassing the 200,000 mark. Kampala dominates the country’s urban system, with an estimated 4.3 million inhabitants in the metropolitan region,¹³² which includes the larger cities of Nansana, Kira, Makindye, and Kyengera. Uganda has four regions – Central, Eastern, Northern, and Western; under these are 135 districts, which are further subdivided into counties and municipalities. Kampala – not shown in Figure 13 due to scale – is located in the most populous Central region.

¹³² Sladoje et al. (2019)

Figure 13: Distribution of Ugandan cities and towns (excluding Kampala)

Note: Censuses were conducted in 2002 and 2014; figures for 2020 are estimated

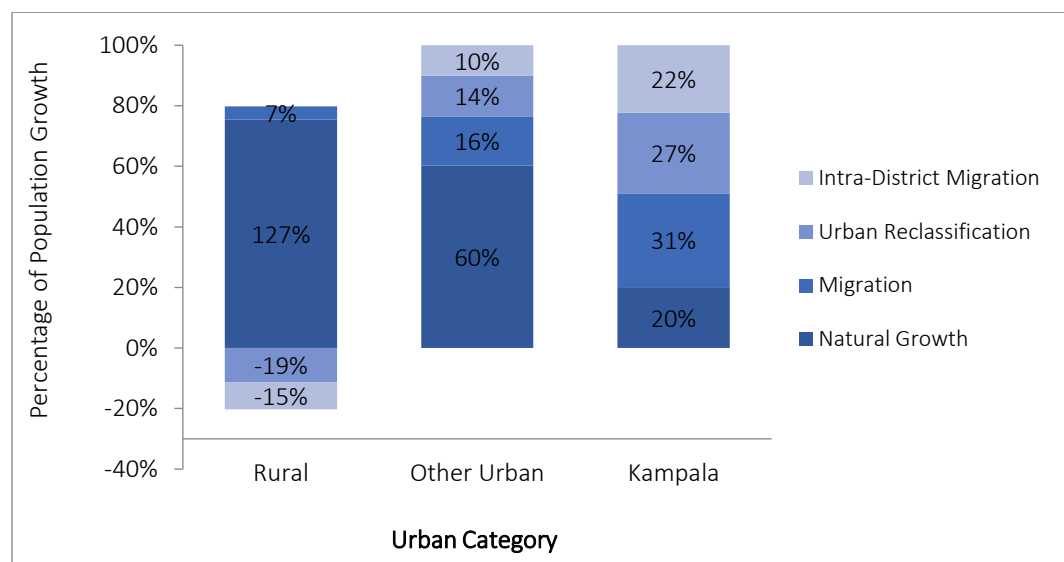
Source: Brinkhoff, T. (2021), Citypopulation.de

Apart from the redrawing of administrative boundaries, both natural growth and migration contribute to urban population growth. Estimates (in Figure 14) drawn from the two censuses in this analysis¹³³

¹³³ Population decomposition was calculated using the 2002 and 2014 census, accounting for changes in administrative boundaries. A similar approach was adopted by Sladoje and Khan (2019), without distinguishing between Kampala and secondary cities, which makes the two results not strictly comparable. They estimated that

indicate that population growth in Kampala between 2002 and 2014 was driven by migration (31 percent) and reclassification (27 percent), with intra-district migration (22 percent) and natural growth (20 percent) playing a smaller role. Secondary cities have been mostly growing due to natural growth (60 percent) and much less from migration (16 percent) or reclassification (14 percent).

Figure 14: Decomposing population growth between 2002 and 2014

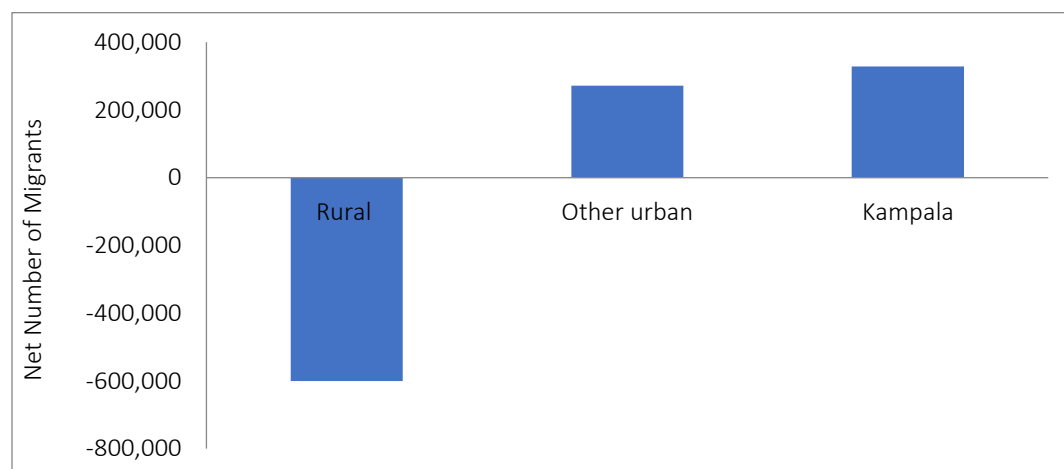


Source: Computed from Censuses shared by IPUMS

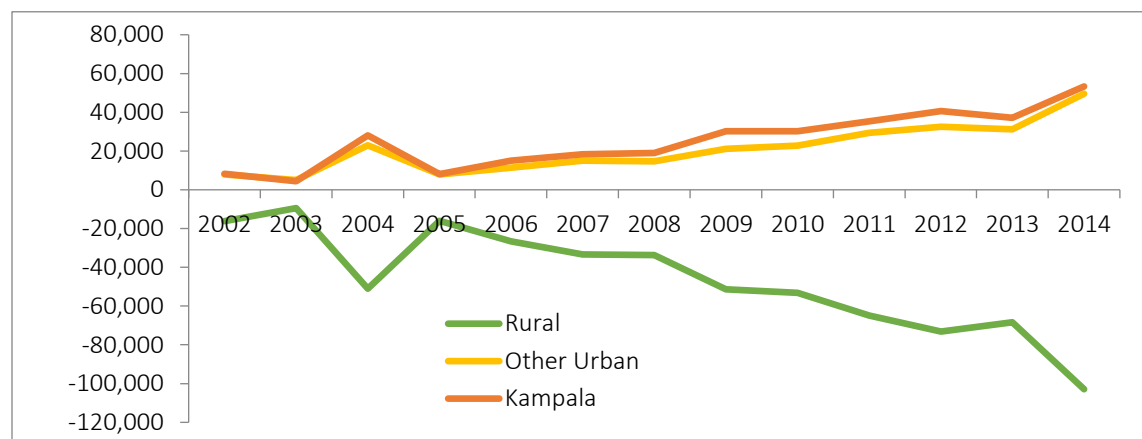
Positive net migration to Kampala and other cities and towns has risen between the two censuses, and is matched by commensurate outflows from rural areas. Figure 15 shows that rural areas experienced a large outflow of migrants between 2002 and 2014. These migrants moved to Kampala and other urban areas, although migration to Kampala is slightly higher, with 328,400 net arrivals to the city¹³⁴ between 2002 and 2014, as compared to a combined net flow of 271,840 migrants to other urban areas. Net domestic migration to Kampala and other urban areas was more than five times higher in 2014 than in 2002 (Figure 16). Only a short period of decline – after 2004, likely due to conflict in the north of the country – disrupted the otherwise continuous rise in net migration to urban areas.

59 percent of the urban population increase was driven by changes to urban boundaries, 31 percent was due to natural growth, and 10 percent was due to migration.

¹³⁴ The city of Kampala is defined here as Kampala District, and therefore excludes the greater metropolitan area. This definition is consistent with the Kampala City Authority classification. For other urban areas the classification used by the Uganda Bureau of Statistics (UBOS) is being applied.

Figure 15: Net migration flows between 2002 and 2014

Source: Computed from censuses shared by IPUMS

Figure 16: Net migration to urban areas increased more than fivefold between 2002 and 2014

Source: Computed from censuses shared by IPUMS

Migration has been a powerful instrument in reducing poverty in Uganda and elsewhere. Between 2005 and 2009, poverty incidence reduced twice as fast for people who moved out of their village to another rural area as compared to those who stayed behind, despite similar starting positions. This translated into a 7 percent increase in annualized consumption on average, controlling for selection bias to the greatest degree possible. The annual increase in consumption reaches as much as 37.5 percent for those who migrate from rural to urban areas. However, the impact of rural-urban migration on poverty reduction was lower, as those who migrated to urban areas were less poor to begin with (WB, 2016).

3.2.2 The case of Jinja

This study focusses on Jinja with the aim of understanding the fundamental differences between both the personal characteristics and living conditions of migrants and their host population. The analysis looks at differences in job market outcomes for migrants when controlling for origin, education, skills, and personal connections. Jinja municipality was selected for this empirical investigation as it ranks 4th

among 32 cities analyzed for economic potential (Wadie, 2019). Jinja was recently elevated to city status (July 1, 2020); it has a history of hosting manufacturing businesses, is suitably located along the corridors of major trading routes on Lake Victoria, and is said to be a commuting city that hosts five times the population during the day than at night (City Alliance, 2016). In short, it is a city both worthy of investigation and support to address possible constraints on migrant integration with efficient local policies.

Empirical Approach. A household survey was implemented in Jinja municipality and surrounding suburbs in 2020/2021 (Table 15), accompanied by Life History and Key Informant interviews with migrants and public officials, respectively, to support the quantitative findings with a more qualitative narrative. The sample of 675 households was stratified based on the business center, the municipality net of the business center, and the suburban ring to understand the extent of commuting to downtown jobs. Life History interviews were conducted with older migrants with equal representation by gender and origin (rural or urban). Finally, Key Informant interviews with public officials and private sector groups were conducted to illuminate the constraints and tools of government.¹³⁵

Table 15: Number of Migrants by Type

Stratum	Rural-urban migrants	Urban-urban migrants	All migrants	Non-migrants
City center	122	33	155	377
Outside city center	93	47	140	368
Outskirts	123	51	174	415
Total	338	131	469	1160

Source: Jinja household survey 2021

3.2.3 How migrants in Jinja differ from natives

Migrants are younger, more are female, and more are likely to have smaller households and be married than non-migrants. These dynamics are consistent with the national data for Uganda. Both migrants from rural and other urban areas are 3-4 years younger than non-migrants on average (Table 16). Households are also smaller, with migrant households having nearly two fewer permanent

¹³⁵ **Sample size cautions.** The 675 households in the Jinja sample correspond to 1,629 working age adults, 29% of whom are migrants who moved to Jinja within the past ten years. About 28% of those with migrant status relocated from other urban areas, while 72% moved to Jinja from rural areas. In the non-migrant category (also referred to here as ‘natives’), 430 working-age respondents were migrants who had lived in Jinja for more than ten years, and are here classified as non-migrants. 338 are returnees – those who had moved outside of Jinja but have returned. The remaining 392 respondents are working age adults who have never lived outside of Jinja. While the sample was intended to be representative of the population, caution should be exercised in interpreting these results as representative of subsets of the population, particularly with regard to the representativeness of population sub-groups with the geographic stratum, as sample size is a major concern in the analysis presented here.

members. Migrant households from other urban areas are particularly small, with only 4.09 people living in households on average. Consequently, dependency ratios (the ratio of non-working age members to working age members) are also lower for migrant households.

Table 16: Demographic differences between migrants and natives

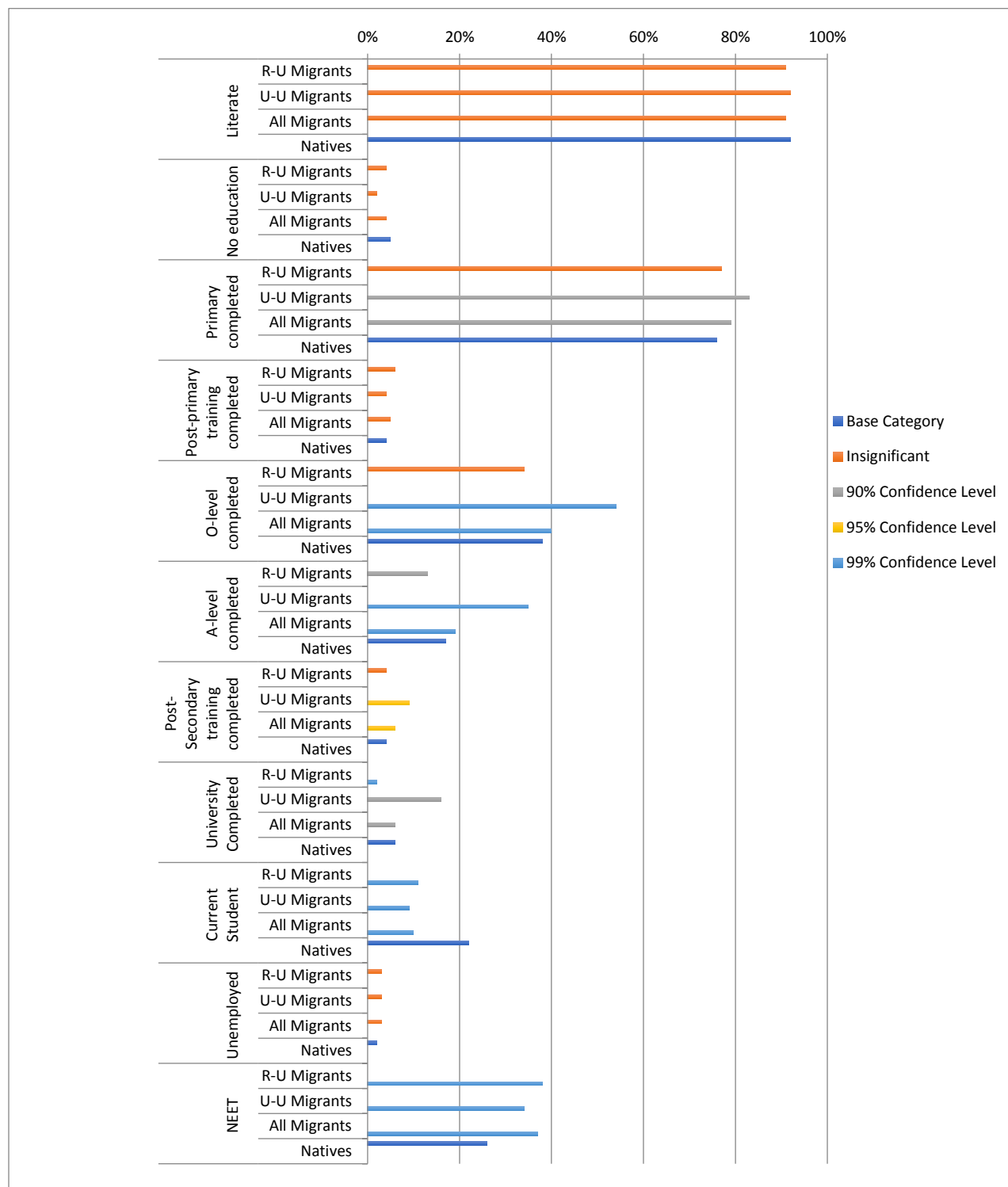
	Rural-urban migrant	Urban-urban migrant	All migrants	Non- migrant
Sex (1= Male)	0.49	0.41*	0.47*	0.49
Age	27.25***	28.78***	27.68***	31.68
Marital status	0.56***	0.60***	0.58***	0.43
Household size	4.74***	4.09***	4.56***	6.28
Dependency ratio - all	0.73***	0.69**	0.72***	0.92
Dependency ratio - children	0.60***	0.64***	0.61***	0.77
Observations (Individual)	338	131	469	1160
Observations (Household)	207	96	365	

Notes: Observations are at the individual level for sex, age, and marital status. The sample used only includes working-age adults (15-64 years). Observations are at the household level for household size and dependency ratios. T-tests are computed using non-migrants as the base.

Source: Jinja household survey 2021

Differences in education underscore the heterogeneity of rural-urban and urban-urban migrants. Consistent with national trends, urban-urban migrants tend to be better educated than urban natives, while rural-urban migrants are less educated. This is shown below for completed primary school and completed O- and A-levels (Figure 17). All migrants and non-migrants have similar literacy rates slightly above 91%; there is no significant difference among the groups with respect to having 'no education'. Migrants from other urban areas are also more likely to have attended university than both Jinja natives and migrants from rural areas. These figures are similar to national trends and highlight that rural-urban and urban-urban migrants bring different levels of human capital to cities and likely compete in different labor markets.

Figure 17: Education level of migrants and non-migrants



Note: NEET=not in education, employed or training

Source: Jinja household survey 2021

Migrants also tend to live in households with higher total household consumption levels (excluding rent) than non-migrants, but this difference is driven by migrants from other urban areas. Rural-urban migrant household consumption levels are not statistically different from those of urban natives at the individual level, but migrants from other urban areas live in households that consume roughly 60% more than Jinja natives. Urban-urban migrant households spend more on food, eating outside the home, utilities, and other non-food items, which may be explained by their being wealthier to begin with, as has also been suggested by the findings in WB (2016). Expenditures for education, transportation, communication, health, and consumables are similar across all population groups. Since migrant households are smaller in size, the per-adult equivalent spending of both urban-urban and rural-urban migrant households is also greater than that of natives (not shown above). These dynamics show that migrants can stimulate local economies through relatively higher spending levels. These results are consistent with estimates derived using the Uganda national household survey that are not presented here.

3.2.4 Where do migrants live?

Rural-urban migrants are more likely to reside in the city center than non-migrants and urban-urban migrants. Non-migrants are evenly spread across the city, with about one-third living in each stratum (Table 17).¹³⁶ Compared to non-migrants, rural-urban migrants are more likely to live in the city center and less likely to live in the outskirts. They pay 27 percent less rent and occupy the affordable segment of housing in the city center that is located in some of the informal settlements of Jinja (such as Masese and Mafubira). This is consistent with the settlement patterns observed in Arusha, Tanzania,¹³⁷ and elsewhere in Africa (see section 4.3.1). Contrary to popular belief, migrants often arrive in the city center, where casual jobs and cheap rental housing is often more widely available. This holds especially true for those coming from afar who have no family to settle with. Urban-urban migrants pay on average 13 percent more for rent than Jinja natives, and are more likely to live just outside the city center (though the difference to non-migrants is not statistically significant).

Table 17: Migrant housing characteristics in Jinja

	R-U migrant	U-U migrant	Non-migrant
Stratum: City center	0.48***	0.30***	0.34
Stratum: Outside city center	0.31	0.41	0.34
Stratum: Outskirts	0.21***	0.29***	0.32
Rent - excluding imputed values	23,635**	36,677**	32,415
Rent - including imputed values	25,924***	37,467***	34,161
Number of bedrooms per AE	0.48***	0.57***	0.61
Observations	207	96	365

¹³⁶ This may simply reflect sample design rather than the actual population dynamics in Jinja, but the differences to migrants are still useful in illustrating housing patterns.

¹³⁷ Andreassen et al. (2017).

Note: Observations are at the household level. T-tests are computed using non-migrants as the base.

Source: Jinja household survey 2021

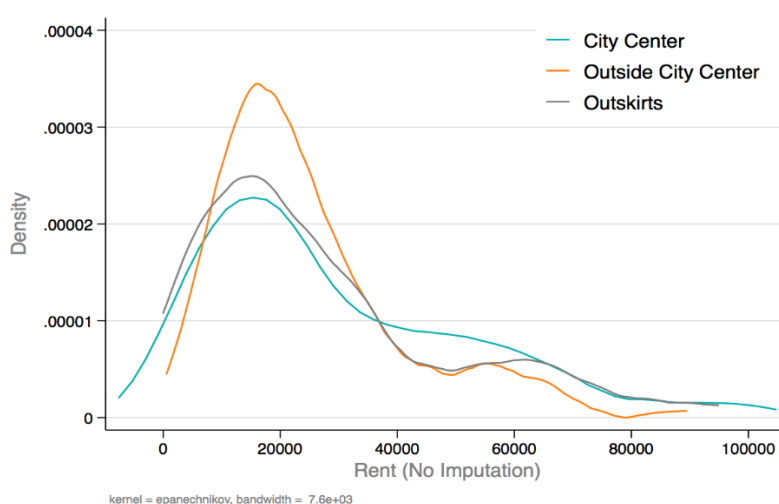
Even though the cost of renting is, on average, higher in the center of the city compared to the other strata, median rents are similar across the three strata. Using the three sampling strata for the Jinja household survey – city center, outside the city center, and the outskirts – reported rental values are estimated to be 40 percent higher in the city center than outside the city center, but only 26 percent higher than in the outskirts (Table 17). Homes in the city center have, on average, better access to public utilities than those outside the city center and in the outskirts, another factor that explains higher rental values. However, there are several informal settlements within the downtown area of Jinja, which provide affordable housing in the city center but with overall low quality in construction and service access. Higher-end housing in the city center may explain higher average rental prices, as apparent from the distribution of rents in Table 18 and the kernel density distribution of rents by stratum (Figure 18). The density of each stratum peaks around similar values (20,000 UGX per month). The city center's right-side tail is much longer though, indicating that high-rent housing is more likely to be found in the city center.

Table 18: Rent distributions by stratum in UGX (excluding imputed rents)

Stratum	25th percentile	Median	75th percentile	Mean	Observations
City center	10,095	17,894	47,222	34,000	154
Outside city center	11,995	17,525	27,356	24,340	110
Outskirts	8,827	16,887	30,337	27,036	114

Source: Jinja household survey 2021

Figure 18: Kernel density of rental prices (excluding imputed rents)



Source: Jinja household survey 2021

Migrants and non-migrants differ in their propensity to live in public housing, to own their own homes, and to live in housing with high-quality characteristics. Both rural-urban and urban-urban migrants are more likely to live in public housing than Jinja natives – 24 percent of all migrants live in public housing as compared to 16% of natives (see Annexes for details). For officials in Jinja, this could mean that population growth from migration may put a higher strain on public housing resources than natural population growth. Urban-urban migrants are also more likely to live in subsidized or free housing, which is surprising given that all other indicators show that they are better off than other respondents. A possible explanation is that some employers provide free or subsidized housing (especially, teachers and security guards) as evidenced from the Life History interviews. The quality of public service access is generally better among natives as compared to rural-rural migrants – with higher access to piped water and private sanitary facilities – but the quality of housing construction is similar across the different groups. In terms of housing ownership, natives are much more likely to own their own housing (52%) than migrants (20%).

When considering the duration of stay of migrants, choice of housing and opportunity of ownership become more aligned between long-term migrants and natives. Table 19 shows the differences between housing location and characteristics according to migrants' duration of stay. While rental values remain similar across duration, home ownership steadily increases as migrants stay longer. Only 10% of migrants who arrived in Jinja three or fewer years ago own homes, while 22% who arrived three to ten years ago own homes, and 46% percent who arrived more than ten years ago own homes. Forty-three percent of natives own homes, meaning that the longer-term migrants have a slightly higher home ownership rate than natives. Location also tends to shift with time. As migrants stay longer, they tend to re-locate to the outskirts, where home ownership rates are higher due to affordability. In terms of housing quality, migrants become less likely to share toilets the longer they stay (and thus become similar to natives). Only 25% of migrants who arrived more than ten years ago share toilets with other households, while 86% of recent arrivals do. Access to piped water and electricity does not improve for migrants over time, but this may reflect the fact that migrants move to the outskirts, which have worse access to utilities than the strata in the city center or outside the city center.

Table 19: Migrants' Housing Characteristics by Duration in Jinja

	Short-term: 0-3 years	Long-term: 3-10 years	Permanent: 10+ years	Non-migrant
Stratum: City center	0.41	0.41	0.33	0.39
Stratum: Outside city center	0.36	0.32	0.31	0.37
Stratum: Outskirts	0.22	0.28	0.35**	0.24
Own home	0.10***	0.22***	0.46***	0.43
Rent - excluding imputed values	30,440	27,039	28,140	33,295
Rent - including imputed values	31,873	29,168**	30,148*	36,520
Constructed floor	0.77	0.72	0.69	0.74
Finished walls	0.73	0.68	0.73	0.76
Number of bedrooms per AE	0.56***	0.51***	0.49***	0.70
Piped water	0.19**	0.22*	0.20**	0.33
Shared toilet	0.86***	0.79**	0.65**	0.65
Flush toilet	0.11	0.11	0.15	0.15

	Short-term: 0-3 years	Long-term: 3-10 years	Permanent: 10+ years	Non-migrant
Electricity from grid	0.69	0.72	0.61**	0.73
Avg. hours of electricity	17.09	16.63	16.26	16.18
Use solid cooking fuel inside	0.30	0.33	0.15**	0.25
Observations	106	140	236	186

Source: Jinja household survey 2021

3.2.5 Where do migrants work?

As commuting between home and work is costly, housing location decisions are inextricably tied to the location of work. In the city center, roughly half of respondents work and live in the same neighborhood, while another 44% live somewhere else within Jinja municipality (Table 20). In the outskirts, 67% of respondents work from home or within their neighborhood. The question thus arises as to whether the low share of commuting workers from the outskirts is due to an abundance of suitable jobs within the vicinity, or because transportation to job opportunities in the city is too expensive. The available data is unable to determine which mechanism is at play (a labor force survey with a large sample size or geo-coded census data is needed to understand these features of Jinja's economic life).

Roughly half of residents (migrants and natives alike) in the outskirts (52%) and the city center (53%) walk to work, thus limiting access to job opportunities that may be further away. While residents in the city center may have access to good formal jobs, it is unclear whether the same is true for residents in the outskirts. Residents in the outskirts and outside the city center are also about 10 percentage points more likely to take public transport to work than residents in the city center. Although boda bodas are the most common means of transportation among residents across the strata (between 22 and 34%), there is no statistical difference between the respective shares. The commuting patterns of residents of the outskirts are similar to those of city center residents, while residents living outside the city center walk less and take boda bodas more often. These differences could reflect the difference in employment location for residents outside the city center.

Residents of the outskirts are more likely to be involved in agriculture and less likely to work in services than other Jinja residents. Residents in the outskirts still work mostly in services (48%), followed by manufacturing (33%) and agriculture (20%). Service sector employment (typically retail, wholesale, or hospitality) dominates among residents in the city center (61%) and just outside the city center (57%), and – similar to the outskirts – about a third are employed in manufacturing.

Self-reported weekly earnings are lowest in the outskirts, but the difference to inner city earnings is not statistically significant. Across low and high seasons, residents in the outskirts report 81 to 110 thousand UGX per week, compared to 85 to 170 thousand in the city center and 110 to 220 just outside the city center. Conditional on employment, hours worked in the outskirts are nine hours lower than in the city center, explaining some of the earning differential. Part-time work is highest (19%) among suburban residents, though not significantly higher than among the other locations, which report 13 percent. Most respondents do not have written contracts, though a slightly higher share of residents of the city center have written contracts (42%) compared to others (33-34%).

Table 20: Work and commuting patterns by stratum in Jinja

	City center	Outside city center	Outskirts
Work Location: Same neighborhood	0.49	0.48	0.67***
Work Location: Outside neighborhood within municipality	0.44	0.38	0.12***
Commute time in min	25.95	26.37	32.51
Transport to work: Walk	0.53	0.34***	0.52***
Transport to work: Public vehicle	0.07	0.18***	0.17***
Transport to work: Public boda boda	0.25	0.34	0.22
Industry: Agriculture	0.08	0.13	0.20**
Industry: Manufacturing	0.30	0.31	0.33
Industry: Service	0.61	0.57	0.48**
Employed	0.57	0.48	0.51
Part-time	0.13	0.13	0.19
Hours worked in last week	60.89	55.64	51.11***
Written contract	0.42	0.33	0.34
Weekly earnings in busy season	170,000	220,000	110,000
Weekly earnings in low season	85,476	110,000	81,192
Observations	310	265	316

Notes: The sample only includes employed adults (except for the employment variable, which includes all working-age adults). The base for all T-Tests is employed working-age results.

Source: Jinja household survey 2021

Migrants are more likely to work wage jobs and become employees, while natives are more likely to operate a business and employ others. Fifty percent of migrants are employees and 31% work in wage jobs, while only 36% of natives are employed and only 24% work in wage jobs. Rural-urban migrants are more likely to be employed (56%) and work in wage jobs (32%) compared to migrants from urban areas. Only 2% of migrants are employers compared to 5% of natives. About a third of natives and urban-urban migrants operate a business, while far fewer rural-urban migrants (22%) do. Only about 4% of all respondents, regardless of migration status, help operate a business without pay.

Migrants from other urban areas strive for more formality regarding contracts and business registration than natives and rural-urban migrants. Urban-urban migrants typically have written contracts (55%); this share is much higher as compared to natives (35%) and rural-urban migrants (30%). Likewise, 89% of urban-urban migrant business operators have registered their business, while less than half of Jinja natives and rural-urban migrants have done so.

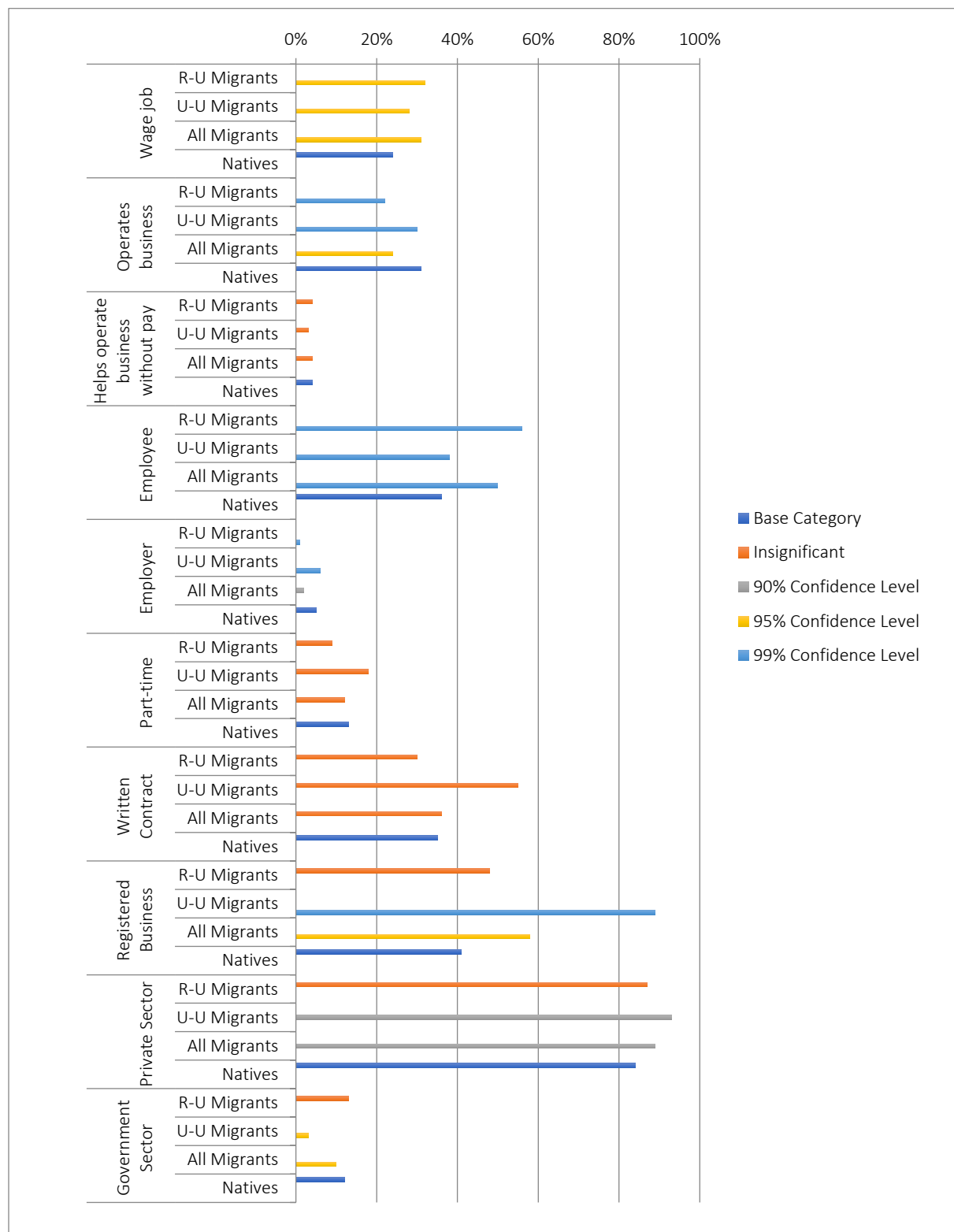
Box 2: The experiences of two female migrants

Nakate R. is a 22-year-old female recent rural-urban migrant living in the city center. Her education level is “O” level certification. She is self-employed, dealing in fish. She says, “However, currently I have stopped working in the fish business, because I don’t like it anymore and the fish business doesn’t have market. [...] My business location is bad – we are located inside the market (market authority allocated space for me inside the market), where it is not near people (potential buyers). Therefore, I want to change job to hair dressing. I may struggle, however, due to lack of skills. [...] I have not yet pursued a hair dressing course.” She argues, “Job-related discrimination does exist. For example, my migrant friend failed to get a job because of her migrant status. I see a bright future in Jinja, nevertheless, I expect an increase in job opportunities. This is because of more industries that are coming up, which may create more jobs”.

Namakula H. is an experienced urban-urban migrant living in the CBD. Ms. Namakula is 26 years old, holds an “A” level certificate, and is self-employed. She sells street food, fried cassava. She migrated with the expectation of obtaining employment in one of the many factories situated in Jinja. “There were no jobs in my previous town, but I have so far failed to get a job here in Jinja. I have settled for self-employment, selling fried cassava. [...] I did not require specific skill to start this business, but my finances are limited and the income from the business is not sufficient to cater for my needs [...] recently they stopped us from doing business in this place, so the business environment is uncertain [...] I have not received any help from city authorities in regard to job placement or support to small business [...]. I also think when it comes to jobs and support to businesses, the authorities are quite selective and give preferential treatment to some people,” she states. She however notes that the likelihood of finding a better job opportunity in Jinja in the future is high.

Jinja natives and rural-urban migrants are more likely to work for the government than urban-urban migrants. Most respondents work in the private sector; 84% of Jinja natives and 89% of migrants work in the private sector. However, government jobs provide an important source of employment for rural-urban migrants and Jinja natives; 13% of rural-urban migrants and 12% of Jinja natives work in the government sector. This is significantly higher than the 3% of urban-urban migrants who work in the government sector. These results are not consistent with the national data, where urban-urban migrants in large towns (like Jinja) work in the government sector.

Figure 19: Employment characteristics among migrants (by type) and natives



Source: Jinja household survey 2021

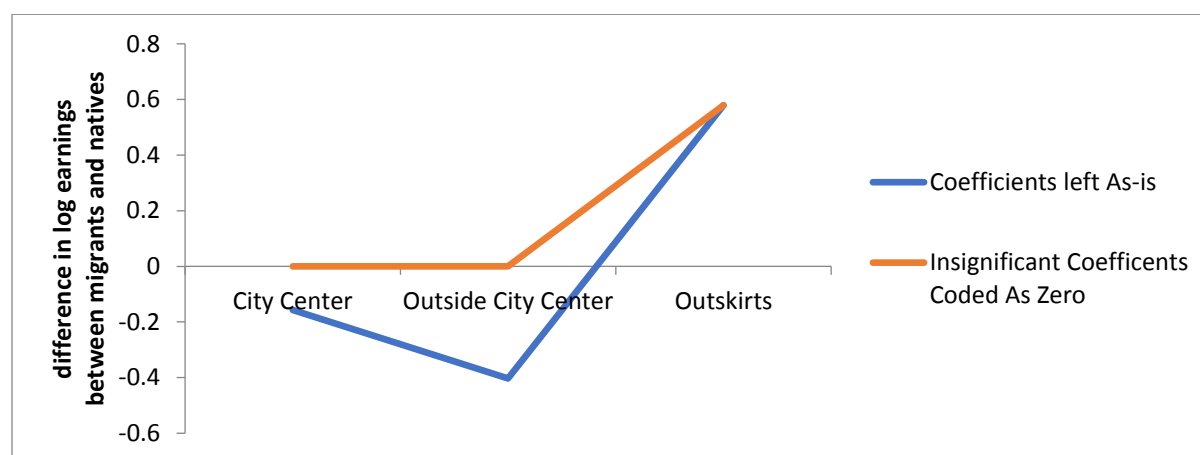
3.2.6 How do Migrants compare to Natives in the Job Market?

All residents of the city center (migrants and natives alike) work substantially more than elsewhere in the city (outside the city/outskirts), except migrants in the outskirts, who work substantially more than locals, and only slightly less than migrants in the city center. The latter partly follows from the higher engagement of the outskirts' labor force in agriculture (20% of the population, Table 19), a sector that migrants are much less likely to engage in across the world (see also section 2.2.2).

Wage jobs are also concentrated in the city center, with migrants and non-migrants equally engaged in wage employment, as in the other strata. Wage employment is about 40 percent higher in the city center than in the rest of the city, for migrants and natives alike. This gap only declines to 35 percent after controlling for the socio-economic characteristics of the workers and the sector of employment, with the wage employment rate outside the city center still similar between migrants and natives (Table A2). Wages are also higher in and outside the city center; they are lowest in the outskirts.

Lower working hours and lower wages result in much lower individual earnings and consumption per adult equivalent in the outskirts as compared to the city center (by about 67 percent on average), except for migrants (Table A2). The lower earnings profile in the outskirts holds after controlling for the socio-economic characteristics of workers and their sector of location. That said, migrants in the outskirts have 58 percent higher reported earnings than non-migrants in the outskirts (Figure 20). This is largely driven by the urban-urban migrant subgroup among the migrant population; they report substantially higher earnings (not reported here), even though the difference is not statistically significant given the small sample sizes. Lower individual earnings in the outskirts also translate into lower consumption per adult equivalent, again especially for natives (Table A3); after controlling for household demographics, this suggests that natives (as well as migrants) in the outskirts have smaller families and dependency ratios.

Figure 20: No real difference in earnings between migrants and natives except in the outskirts, where migrants earn more



Notes: Unconditional differences in log earnings between migrants and non-migrants; positive values indicate higher earnings and negative values indicate lower earnings of migrants as compared to non-migrants. Only the difference between non-migrants and migrants in the outskirts is statistically significant.

Source: Jinja household survey 2021

However, the finding that migrants do as well (or better) than natives conceals substantial differences, with urban-urban migrants tending to do better than rural-urban migrants. Bivariate comparisons show (results not reported here) that Jinja migrants from other urban areas work more hours and earn higher wages, which results in higher income and consumption levels than rural migrants and locals alike. As in other countries and the rest of Uganda (section 2), Jinja migrants from rural areas also work more than locals ; however, this does not translate into higher income or consumption in the case of Jinja. Given the low sample sizes, these unconditional differences (not controlling for demographics: age, dependency ratio, household size, education, or sector occupation) are not statistically significant. Nonetheless, the patterns resonate with what has been observed in other countries.

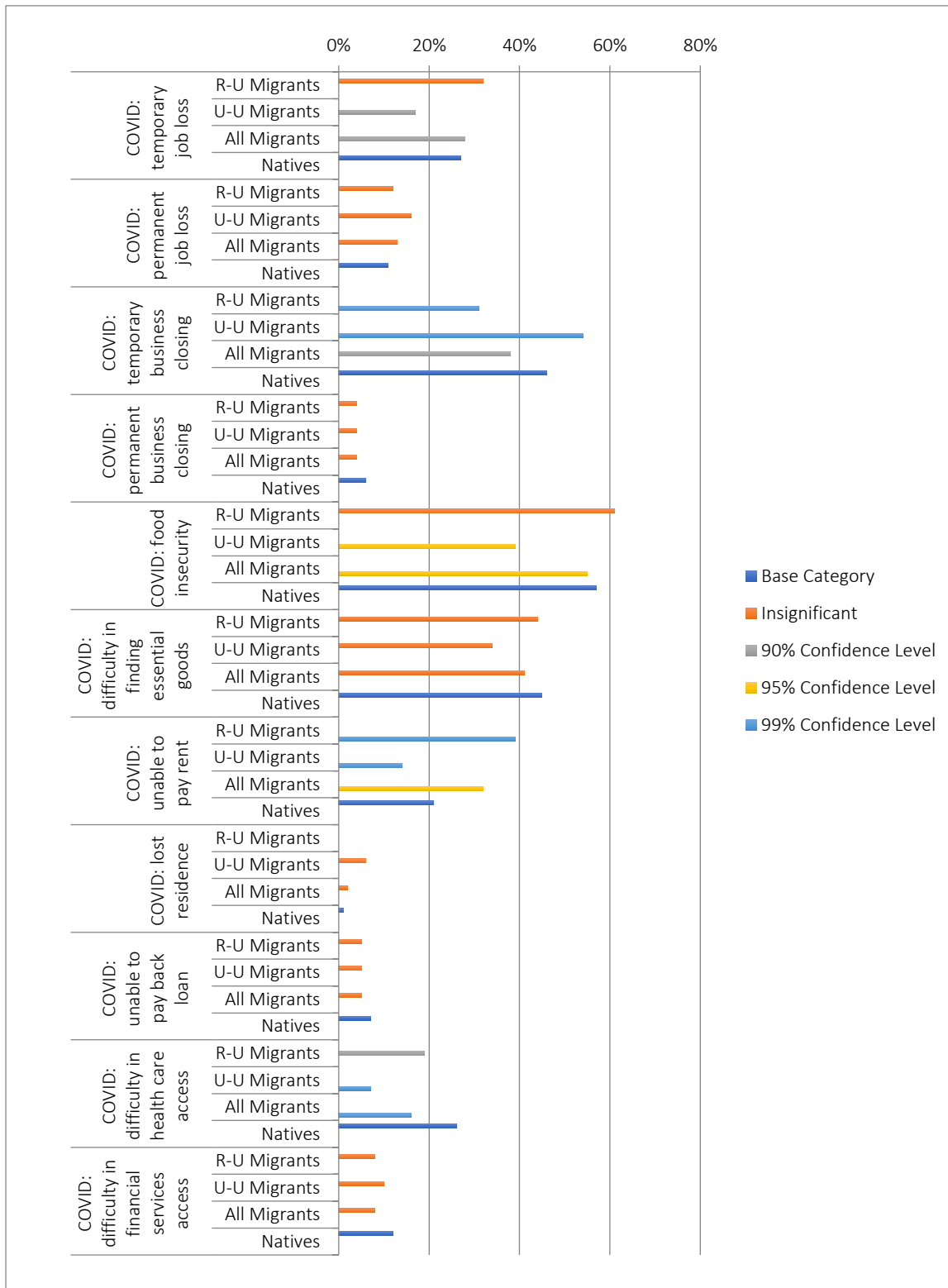
In sum, the labor market and welfare outcomes in Jinja differ especially between the city center and the outskirts, where they are substantially worse; differences between natives and migrants are limited overall, except in the outskirts, where migrants earn more, and where the stronger performance of urban migrants compensates for the probable lower performance of those coming from rural areas. Demographics, education, household characteristics, and industry variables only partly explain these differences. The sample size is low in all specifications, so the results should be read with caution.

3.2.7 COVID-19 EFFECTS

The labor market effects of COVID-19 on migrants and non-migrants differed depending on the outcome. Figure 21 displays various self-reported COVID-19 effects. In terms of job loss, migrants are as likely to have temporary job loss (28%) due to COVID-19 as non-migrants (27%). However, urban-urban migrants were much less likely to experience temporary job loss (17%), and much more likely to experience temporary business closings (54%) than non-migrants (46%). No groups were likely to experience permanent job loss or permanent business closings.

Most respondents experienced food insecurity because of COVID-19, but urban-urban migrants were slightly better off. More than half of natives (57%) experienced food insecurity. Only urban-urban migrants fared slightly better (with 39% reporting food security issues). In terms of finding essential goods, COVID-19 affected migrants and non-migrants alike, with 45% of non-migrants and 41% of migrants reporting difficulty finding essential goods (a statistically insignificant difference).

Figure 21: Difference in COVID-19 effects by migrant status



Source: Jinja household survey 2021

Few respondents lost their residence during the COVID-19 pandemic, but making rent due to COVID-related circumstances was a major issue. Twenty-one percent of non-migrants and 31% of migrants had difficulty paying rent. Higher job loss – even if temporary – among rural-urban migrants resulted in difficulties making rent (39%). In comparison, only 14% of urban-urban migrants experienced difficulties making rent. Natives were somewhere in the middle regarding the inability to pay rent and food security, at 21% and 57%, respectively. This underscores the vulnerability of rural-urban migrants, who have much less financial resilience than their urban-urban migrant counterparts.

Natives reported worse access to health (26%) and financial services (12%) and difficulties in paying back loans (6%) than rural-urban, urban-urban, or all migrants. However, these differences are not statistically significant, except for differences in access to health services, where urban-urban migrants fare considerably better (7%) than rural-urban migrants (19%). Moreover, access to financial services and lending are lower among migrants to start with.

Testing for COVID was rare for both migrants and non-migrants – only 2% of all respondents were tested for COVID. This translated to less than 1% of respondents reporting testing positive for COVID. These figures likely underestimate the prevalence of COVID in Jinja. It is likely that access to tests or the cost of tests made widespread COVID testing impossible, however, not enough information is available to help understand these barriers to testing.

3.2.8 The Tools of Government

While Uganda’s national policy frameworks, as well as their enabling policies, are in place to support the integration of internal migrants in cities and towns, implementation at the local level remains a challenge. National urban policy guides the LGs on the urbanization process, orderly development, and urban management. It seeks to address the issues of urban poverty, urban service delivery, rural-urban migration, economic growth, and regional balance, but without much practical guidance. Local governments, especially cities, play a key role at the forefront of integrating newcomers. In the absence of guidelines and streamlined mechanisms, urban LGs in Uganda struggle to provide appropriate support to migrants and integrate them more firmly into the cities’ social fabric.

The institutional and financial capacity of local governments especially impedes appropriate urban planning for infrastructure and services. Whether for migrants or natives – Uganda’s LG policies dictate social and economic rights irrespective of migration status – findings from interviews with key informants suggest a few areas where the *de jure* responsibilities of government do not always match their *de facto* functions:

While local governments have *de jure* planning power and the autonomy over their financial and planning matters, they lack *de facto* financial autonomy. This is a constraint affecting the urban development of cities in general. However, the absence of financial autonomy means that pressing issues – like the provision of affordable housing, health epidemics, etc. – are more difficult to address and contain.

- **While participation in planning and budgeting committees are emphasized *de jure*, there is a lack of awareness about such meetings, thus undermining the participatory process.** Planning and

budget decisions are supposed to be made through a bottom-up approach at the village, ward, and division levels, and thus inform municipal council and then district council development planning. Many migrants and residents are not aware of the meetings at the village, ward, and division levels, and do not participate in them.

- **Physical planning falls short due to limited technical staff and considerations of political economy.** Even though spatial planning falls under local government jurisdiction, capacities at both district and municipal level are limited. According to an interview with a staffer from the Natural Resource Department of Jinja District local government, there are 3 planners for the city and another 3 working at district level. This is clearly insufficient, considering the burden of preparing and enforcing urban plans, among many other duties to be performed by this staff, and thus leads to poor implementation and enforcement. The resulting sprawl of informal settlements along roads and urban fringes and the encroachment into nature reserves exercise negative externalities that are politically difficult to undo. One Jinja District local government official complained that “slums were allowed to develop in the past”, but today “the city is being advised not to allow more slum development.”
- **Planning capacities must be matched with an appropriate budget to implement plans and related infrastructure.** Jinja municipal council exercises physical planning functions using the municipality’s own source revenue, but amounts are too small to deliver the needed social and public services. As one official put it: “Before Jinja was declared a city, we had planned to upgrade some slums, but the funds were lacking”. Whether planning for an industrial park or upgrading informal settlements, a predictable budget envelope is critical to develop the needed physical infrastructure.
- **There is consensus among respondents that generating affordable housing is the key to unlocking issues pertaining to informality and affordable housing for incoming migrants and natives.** When planning capacities are weak and underfunded (see points above), possible tools of own source revenue – like land and property taxation – are often overlooked, as their implementation is time-consuming and often provides low returns due to typically low tax levels. Local governments should consider incentivizing population density and the construction of multi-storey housing through tax tools, such as a vacancy tax on land to address the underutilization of land within the city. This could be complementary to property taxation, which is typically more difficult to implement in the absence of transparent transactions in the real estate market.¹³⁸
- **District and city councils are responsible for education, health, water, roads, and all decentralized services (i.e. land administration, social rehabilitation, labor matters, women in development, etc.), but demand for services exceeds supply.** Even though innovative ways to address financing shortages (like PPPs in the educational sector) are pursued, the availability of better services across the spectrum remains a concern for both natives and migrants.
- **The registration of incoming migrants remains ad hoc.** Even though the Physical Planning Act requires national and regional physical development plans to analyze population growth,

¹³⁸ There is ample empirical evidence on property and land taxation. See e.g. Haas and Kopanyi (2017) with examples from Kampala.

distribution and movement are not explicitly mentioned in the fifth schedule of the same act for district, urban, and local physical development plans.

3.2.9 The way forward

Jinja municipal council, now elevated to Jinja city, has the potential for economic growth and faces management challenges of sustainable development. Jinja is located on the Nairobi-Kampala highway, which gives it an advantage in attracting industries and laborers. Compared to other cities, it has relatively vibrant manufacturing and tourism sectors.¹³⁹ As one of the regional growth poles in eastern corridor development, Jinja would call for strategic intervention by both national and local governments to promote local economic development and create sustainable jobs. However, the operationalization of the transition from municipal council to city takes more time than expected. Since Jinja attained city status on July 1, 2020, several pitfalls have been revealed: a lack of sensitization of citizens to how the change of the status would affect citizens in terms of transition period and future development; a lack of municipal financing capacity to deliver services to citizens with unpaid utility bills; delays in the transition to city organizational/administrative structure, which negatively affect municipal service delivery. Central and district governments should support Jinja and other newly incorporated cities to accelerate the transition and quickly resume urban services and management. Central governments should develop transition procedures for guiding newly incorporated cities in the long term.

Improvement in own source revenues and predictable fiscal transfers to Jinja are critical to allow the city to have financial autonomy. Jinja municipality had not been able to perform its mandates and urban management and service functions due to persistent challenges in fiscal and institutional capacity. Considering the advantages of city status, Jinja city government should identify revenue sources and lay a solid foundation for sustainable local revenues. Tax tools like urban land tax and vacancy tax on land could be usefully employed to incentivize better land use within Jinja city.

Jinja city authority must consider a wide range of financing options to bridge their infrastructure and service needs. Own source revenues are too small to pledge for costly infrastructure investments. To ensure financial sustainability, Jinja city authority must also look into alternative funding sources from private investors or partnerships with the private sector to bridge the gap. The education sector in Jinja had already used a public-private partnership arrangement; this could be extended to other sectors, such as the development of roads, parks, housing, or solid waste management facilities.

Broadening municipal financing options would allow the city to spend its own source revenue on community development or local economic development programs supporting the integration of migrants into the labor market. The ongoing Emyoga Program, Youth Livelihood Program and Uganda Women Entrepreneurship Program enjoy limited membership and are not publicly known to migrants and residents in the city. It was also noted that these programs were sometimes used to gain political popularity rather than support entrepreneurs and youth who actually needed the capital to improve their livelihood. Increasing the coverage of these programs and targeted support for unemployed youth could support both migrants and residents. Vocational training and enforcement of minimum wage and

¹³⁹ World Bank (2016b).

safe working environment – especially for casual laborers and industry workers – could be added as key actions for local economic development.

Migrants accelerate new development in the city, but this should be done in a planned and orderly manner. Meeting the housing demands of Jinja’s growing population has been challenging. Not only are local and central governments not well funded to invest in housing to meet demand, private sector-led housing development is also insufficient.¹⁴⁰ To use the limited land in the city center effectively and manage urban sprawl, the city authority should first understand the neighborhoods surrounding transit centers and co-locate work sites, service centers, retail or other facilities for residents, workers, and visitors within walking and moderate driving or transit riding distance of the city. A draft physical development plan is a good first step to guiding orderly development in the city. In addition to a financial plan of the physical development plan, the city should devise by-laws and ordinances of planning and building standards, mobilize financial and human resources to implement PDP, and enhance development control functions, protecting the city’s natural environmental features.

Understanding the flow of migrants and urban expansion in Jinja will be helpful for future city planning and management. Currently, statistical data on internal migration can be found in censuses and – to a limited extent – in household surveys, where information on the place of residence of individuals can be found, but which does not track changes of residency over time. While yielding useful information on the growth of urban centers and surrounding rural settlements, statistics on migration have not been captured or used at local government level. With support from district and central governments, the city authorities should seek to improve information on the demographic component of urban growth, including internal and international migration, as well as on the commuting population. Understanding patterns of internal migration and mobility and the spatial distribution of people will not only ease future planning, but also open avenues for the spatial inclusion of migrants.

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¹⁴⁰ Kayiira, D. (2020).

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3.3 The case of Jendouba and Kairouan, Tunisia

Migrants are often seen as a burden by local governments and host communities, who fear the effects that incoming populations may have on the availability and quality of services. This is of particular concern in intermediate cities, which often face deeper financial constraints, weaker capabilities, and more limited access to basic infrastructure. In this report, we show through the case of Tunisia that migrants can contribute to the economic development of secondary cities, as they bring a young and educated labor force to the city. Focusing on qualitative analysis for the cities of Kairouan and Jendouba, our analysis suggests that the improved integration of migrants into the social and economic fabric of the cities requires actions that are not directed at migrants alone, but instead contribute to the spatial integration of migrants and non-migrants alike.

Addressing many of the challenges identified in this report will require structural changes that require nation at the national level, including an overhaul of labor laws, the reform of tenure systems, the digitization of land registries, sound housing policy, and the strengthening of local governments as decentralization reforms take roots.

However, city leaders have an important role to play, as the way that cities are planned and investments are prioritized influence how cities grow. When supported by national institutions, local governments can improve the lives of all citizens, leverage the benefits of population flows for local economic development, and ensure a good future for incoming migrants and host communities.

To tackle the challenges identified in this report and improve the integration of migrants into secondary cities, a multi-pronged approach will be required. Actions along three lines will be needed: (i) social and labor market instruments will be required to facilitate the job search and reduce discrimination and violence; (ii) spatial integration must be improved to ensure organized urban growth that can provide service land and decent housing alternatives for all; (iii) municipal governance and management must be improved to support the socio-economic integration of migrants into urban life and city services.

3.3.1 Secondary cities as steppingstones – two-way population flows dominate

Despite most flows in the country remaining within a single delegation,¹⁴¹ the largest proportion of long-distance flows are between urban areas. The characteristics of migration flows in terms of origin and destination have remained largely unchanged over the past thirty years. Intra-delegation moves predominate (with a slight decline in 1999-2004). However, among those that change delegations, most moves are long distance moves (inter-governorate). Moreover, 80 percent of such long-distance moves are urban-to-urban flows. With migration between urban areas playing such an important role in Tunisia's migration dynamics, secondary cities in Tunisia emerge as steppingstones to moves along the urban portfolio.

In Tunisia, as in many other countries, cities with higher living standards and stronger labor demand attract more migrants. The results presented in this chapter suggest that the most attractive delegations to migrants are those with a higher population density and urbanization levels, mainly medium-to-large or large cities. In addition, delegations with a higher Regional Development Index (IDR)

¹⁴¹ Delegations are the second administrative level in Tunisia, following the Governorate. In 2014, there were 264 delegations. This is the smallest geographical unit used in this study for the analysis of census data.

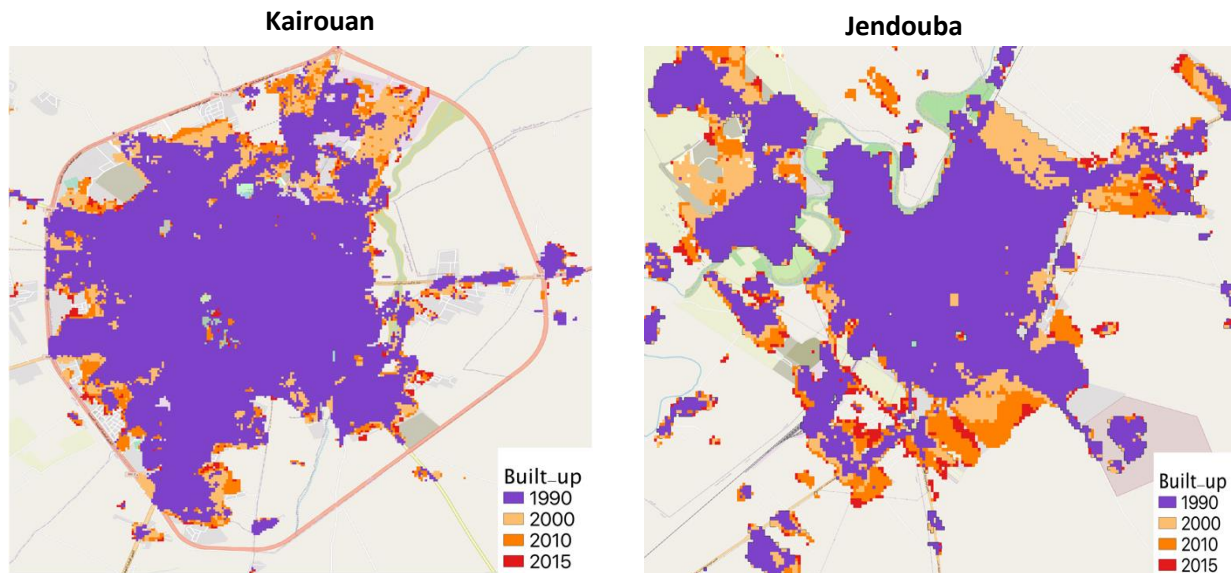
and education level are more attractive. However, delegations with a higher youth unemployment rate are unable to attract migrants.

Spatial disparities are still present in Tunisia despite positive economic performance in the early 2000s. Economic activity and investment are concentrated in the coastal areas. Public policy and incentives to bring economic activity to lagging regions have been mostly ineffective, and investments in infrastructure have lagged in these regions. Thus, the 12 largest cities are located on the coastal areas of Tunisia (except for the city of Kairouan), and the prevalence of poverty and unemployment in intermediate cities coupled with the lack of economic opportunities and the persistent low quality of jobs brings additional challenges. The poor performance of the economy since 2011 and the pandemic have deepened existing challenges, adding to unemployment and poverty rates through considerable job losses.

Jendouba and Kairouan are both intermediate cities located in the two poorest internal regions of Tunisia. Each of these two cities has its own characteristics, but both face challenges to ensure economic and social inclusion for all citizens, including migrants from rural areas looking for job opportunities and better living conditions. The city of Kairouan has 140,000 inhabitants, is much larger than Jendouba, with has 45,000, but they both face similar challenges. Kairouan is the chief town of the governorate with the highest poverty rate in Tunisia (20.8% compared to 15% at the national level). Jendouba is the chief town of the governorate with one of the highest unemployment rates (24.6 percent compared to 15.3% at the national level).

Kairouan and Jendouba have expanded considerably in recent decades, with sizeable infill growth in Kairouan and urban expansion in Jendouba. From 1992 to 2010, the built-up area of Kairouan grew at a similar rate to its population, at around 1.9 percent annually. The city almost doubled its existing built-up area, adding 7.55 km² in nearly 30 years (See Figure 23). This new land, which represents 83 percent of the city area in 2010, was mainly infill urbanization occupying open spaces within existing urban boundaries (UN Habitat and Lincoln Institute of Land Policy, 2016). Jendouba also saw significant increases in urban land between 1995 to 2015, with built-up area growing by roughly 40 percent from 7.8km² to 11 km². Unlike Kairouan, which has a more compact and saturated shape, Jendouba has developed into a more sprawling city, with new build-up areas mostly extending in the outskirts of the city, thus posing important challenges to the delivery of infrastructure.

Figure 22: Built-up evolution (1990-2015) of Kairouan and Jendouba



Source: World Settlement Footprint (WSF), 2015

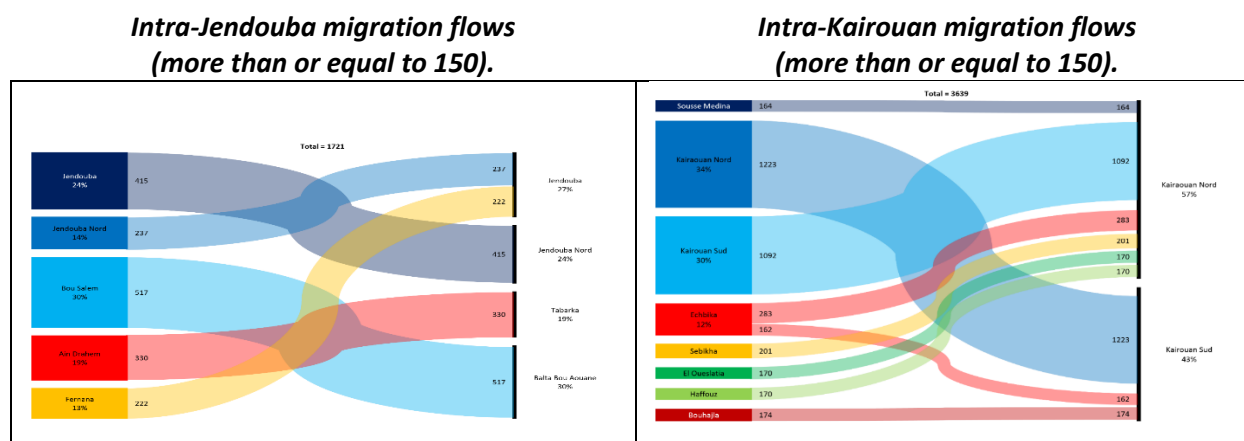
Given the weak industrial structure and the dominance of agricultural activities, the cities of Jendouba and Kairouan face significant difficulties in offering economic opportunities to their citizens, especially for women and youth graduates. Analysis of the economic structure based on 2014 census data reveals no strong specialization in any single activity in Jendouba, with a slightly larger ratio for building and public works and agriculture. However, results confirm that the city of Jendouba has recorded a significant decrease in its agricultural activity against a small increase in education, health, and administrative services (with the creation of the University of Jendouba in 2003/2004). Unfortunately, this increase remains unable to meet the employment needs of the local population, especially those with a higher level of education. The economy of Kairouan is based on the agricultural sector, which provides 24% of the employment workforce. Census data also reveals that the contribution of the manufacturing sector to employment remains low in Kairouan at roughly 15 percent. As a result, a higher share of workers are engaged in low-quality jobs and unpaid work or self-employment in agriculture (24.2% for Kairouan and 15.17% for Jendouba as compared to only 10.5% at the national level).

Despite being at the top of outmigration flows, migration in these cities flows in more than one direction. Jendouba and Kairouan are losing population to the more prosperous coastal regions and cities. However, the flows do not seem unidirectional; they also receive large inflows of migrants from rural areas and from the most distant delegations of the same governorate (Figures 24, 25).

Between 2009-2014, the governorate of Jendouba received 10,305 migrants. About 50 percent of inflows into the city of Jendouba represent intra-governorate flows. The city of Jendouba attracted 46% of these migrants (4,291 out of 10,305), of whom 52% (2,216 out of 4,291) were from urban areas (urban to urban migration) and 11% (490) were from rural areas (rural to urban migration). In Kairouan, the largest inflows also came from its own governorate, since the city also attracts migrants from nearby delegations with low urbanization and high poverty rates.

Between 2009 and 2014, the governorate of Kairouan received 15,275 migrants, of whom 10,203 were of working age (between 15 and 64 years of age). The city of Kairouan received 66% of these migrants (all ages) and 68% of migrants between 15 and 64 years of age. The largest share (74% for all ages and 73% for 15-64 years) of these migrants are urban to urban migrants, as compared to only 18% (19% for migrants aged 15-64 years) who are rural to urban migrants.

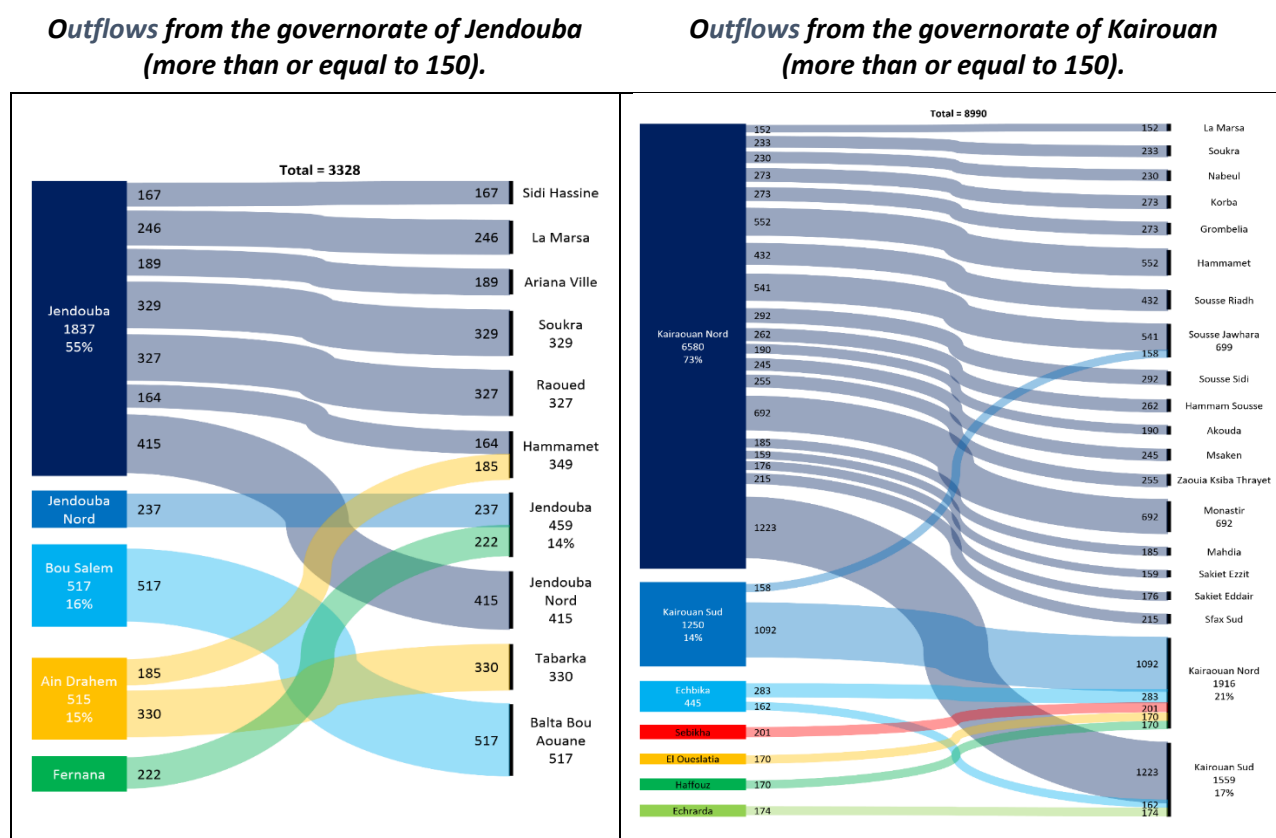
Figure 23: Inflows into Jendouba and Kairouan



Note: Delegations of origin are on the left, while those of destination are on the right.

Note: Delegations of origin are on the left, while those of destination are on the right.

Figure 24: Outflows from Jendouba and Kairouan



Note: Delegations of origin are on the left, while those of destination are on the right.

Note: Delegations of origin are on the left, while those of destination are on the right.

The analysis of census data confirms that migrants did not necessarily secure a job before moving to Jendouba or Kairouan or moved for work reasons (a point also confirmed in discussions with migrants). Migrants aged 15-64 coming to the city in search of work represent 22% of inflow migrants to Jendouba and 17% of those coming to Kairouan. Additionally, 45% came to Jendouba following marriage or to join their families (53% for Kairouan city).

The cities of Jendouba and Kairouan seem to be a steppingstone to longer moves toward larger cities where labor demand is stronger. Jendouba and Kairouan represent the origin of large outflows, suggesting high migrant turnover, with intermediate cities in the interior possibly playing a role as steppingstones to longer moves. Census data confirms the statements of certain focus group participants who indicated that they are planning to move to other coastal cities or out of the country.

Cities stand to gain from migrant inflows as they contribute to upgrading the local labor force; they are more educated and younger than non-migrants. Data analysis shows that 32% of all Tunisian migrants to urban areas have higher education as compared to only 16% of all urban non-migrants. These patterns are sustained in the case of Jendouba and Kairouan. Indeed, 31% of migrants to Jendouba city aged 15-64 have a higher education level (887 of 2,892). These migrants are distributed as

follows: 69% are urban-urban migrants, 9% rural-urban, 16% urban-rural.¹⁴² Migrants to Kairouan city with a higher level of education represent 26% (1,826 out of 6,903), of whom 83% are from urban areas (urban to urban migrants) and 14% are from rural areas (rural to urban migrants). Analysis also confirms that migrants are less likely to be self-employed than non-migrants. In general, migration improves the probability of being employed and of having a paid job.

Considering only rural non-migrants as a baseline, we find that women, youth aged 25 to 34, and the better educated are more likely to migrate from rural to urban areas. In addition, a lower percentage of rural to urban migrants is employed than non-migrants who remain in rural areas. Moreover, a comparison of all rural-urban migrants to rural non-migrants shows that migration improves the likelihood of employment. This finding is not confirmed for migrants to Jendouba or Kairouan, given that the difference in terms of proportion of employed people between the two groups is not statistically significant. These results can be explained by the fact that these two governorates have very high urban unemployment rates and that economic activity is mainly based on the agricultural sector. As a result, the urban area offers fewer job opportunities, especially for graduates who migrate from rural areas. In addition, fewer migrants from rural to urban areas in the governorate of Jendouba are employed than the non-migrant urban population; results for the city of Kairouan are similar (see Table O121).

Urban-to-urban migrants are better educated, younger, and more likely to be employed than non-migrants. The results in Table 21 show that urban to urban migrants, which are the largest proportion of migrants, have a higher level of education than non-migrants; the gap is very large (34% vs. 16%). Similar results are also found for the governorate of Jendouba and Kairouan. Urban-to-urban migrants are more likely to find a job than urban non-migrants. Additionally, women, youth aged 25 to 34, and married people are more likely to migrate from urban areas to other urban areas.

Table 21: Migrants to urban areas vs. urban non-migrants

	All destinations in Tunisia			Migrants to Jendouba			Migrants to Kairouan		
	Urban Non-Migrants	Migrants To urban	Difference	Urban Non-Migrants	Migrants To urban	Difference	Urban Non-Migrants	Migrants To urban	Difference
Female	0.50	0.52	0.02***	0.52	0.52	0.01	0.51	0.53	0.01***
No education	0.10	0.05	-0.06***	0.13	0.04	-0.09***	0.18	0.09	-0.09***
Primary	0.26	0.17	-0.09***	0.24	0.12	-0.13***	0.24	0.25	0.01***
Secondary	0.48	0.47	-0.01***	0.47	0.45	-0.01	0.45	0.45	0.01
Tertiary	0.16	0.32	0.16***	0.16	0.39	0.23***	0.14	0.21	0.08***
Manager	0.04	0.04	0.00***	0.03	0.03	-0.01***	0.03	0.02	-0.01***
Self-employed	0.06	0.04	-0.02***	0.06	0.03	-0.03***	0.06	0.04	-0.03***
Wage earner	0.45	0.57	0.12***	0.38	0.54	0.16***	0.39	0.60	0.21***
Apprentice	0.00	0.00	0.00***	0.00	0.00	0.00	0.00	0.00	0.00**
Family helper	0.00	0.00	0.00***	0.00	0.00	0.00	0.00	0.00	-0.00***
15-24 yrs	0.23	0.23	0.00***	0.21	0.18	-0.03***	0.25	0.32	0.07***
25-34 yrs	0.24	0.40	0.16***	0.22	0.40	0.18***	0.23	0.39	0.16***
35-44 yrs	0.21	0.22	0.01***	0.21	0.27	0.06***	0.21	0.18	-0.03***
45-54 yrs	0.19	0.11	-0.08***	0.22	0.11	-0.10***	0.18	0.08	-0.10***
55-64 yrs	0.13	0.05	-0.08***	0.16	0.04	-0.11***	0.13	0.03	-0.09***
Employed	0.85	0.88	0.03***	0.75	0.81	0.05***	0.80	0.88	0.08***

¹⁴² Given the analysis is at delegation level, a portion of the migrants is rural-rural.

Married	0.56	0.62	0.06***	0.56	0.68	0.12***	0.56	0.52	-0.04***
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Notes: *** Differences between migrants and non-migrants are significant at 1%, ** Differences between migrants and non-migrants are significant at 5%, * Differences between migrants and non-migrants are significant at 1%.

Source: World Bank staff calculations.

Finally, rising housing costs in urban areas changed the profile of migration from family to individual migration after the Tunisian Revolution. Since the revolution, the profile of migrants changed from family to individual migration. This result may be explained by rising housing prices and rents in urban areas after 2011, a finding confirmed by the qualitative analysis. To cope with this increase in housing costs, internal migrants from rural and non-coastal parts of the country informally or/and illegally occupy land at the outskirts of the cities.

3.3.2 City voices: Migrant experiences and municipal perspectives

The search for job opportunities, greater access to services, and better security motivate migration.

During focus groups with migrants from Kairouan and Jendouba, migrants suggested that migration is motivated by the search for job opportunities and exiting precarious, underpaid agricultural sector jobs. Additional motivations include the low quality of and access to vital services such as health care facilities, as well as a lack of connective infrastructure in the rural areas of these governorates (see quoteQuote 1). In Jendouba, security is also noted as a reason for migration for those who lived in mountainous regions with a low population density. They look to escape areas where terrorist groups have been frequently active in recent years. To summarize, regional disparities and the marginalization of rural areas are the basis for people’s decisions to migrate.

Migrants face challenges in finding employment opportunities, with informal channels being the main route in their search for jobs. In Jendouba, rather than using official channels such as the national

Quote 1 (Migrant): the most basic services are absent, there are no roads, electricity, drinking water, none of this infrastructure, there are no opportunities for any leisurely activities, and no jobs.” [LHI- ?].

employment agency, migrants activate their social networks of extended family, acquaintances, and neighbors, as well as the city’s “Café of the Unemployed” – a local coffee shop, to secure jobs. Similarly, in Kairouan, jobs requiring more specialized skills are difficult to find and keep; and access to such jobs depends on one’s social networks and family ties. Bribery was also mentioned as a way to find employment.

Migrants integrate into different job sectors in each city. In Jendouba, men rely on the aforementioned networks to find jobs as construction day laborers, while women work in irrigated agricultural areas just outside the city. Although Kairouan has an established industrial sector, male migrants tend to find more opportunities as construction workers and in the services sector, such as waiters in restaurants and cafés. Many women work as nannies or caretakers of children, baking artisanal bread, or as craftswomen; some with vocational training or specialized skills are more likely to be employed in garment factories or agri-food processing plants.

Regardless the sector, migrants in both cities face precarious working conditions and are not covered by labor laws or social security. For skilled and unskilled workers alike, migrants usually face more

vulnerable economic conditions, making them more likely to accept any job regardless of the conditions offered. They reported that *“If we don’t work, we don’t eat”*, and that working conditions are not ideal, salaries are low, and social security coverage is patchy or non-existent. Employers often exploit migrant workers, who frequently feel discriminated against by employers and co-workers alike. In Jendouba, migrants are mainly seen as essential to sectors where non-migrants refuse to work, such as agriculture, leading to a process of ‘reverse commuting’, where migrants who now live in the city travel daily to work the nearby rural fields (usually on small irrigated farms or olive groves). Moreover, skilled migrants in both cities express that having a diploma is not sufficient to find a good job, which has forced them to accept jobs for which they are overqualified.

Female migrant workers suffer from double discrimination in the workplace, with lower salaries and constant harassment. In Jendouba, women do physically demanding jobs in agriculture and are paid significantly less than male workers for the same work. In fact, agriculture is a feminized sector where employers recruit women because they work longer hours for lower pay. In Kairouan, female migrants suggested that they are paid 20 to 30% less than men who perform the same job. A migrant woman in Kairouan reported: *“I work from 7AM to 3PM to earn TND 15/day (approximately USD \$5.5), and there is no insurance against accidents on the job or while commuting to work”*. According to female migrant experiences, factories prefer to hire single women who are unburdened by family. Moreover, sexual harassment of women in the agricultural sector is rampant, while in factories, female workers are victims of verbal abuse and harassment by their employers, and sometimes by their male colleagues.

Limited social networks make it harder for female migrants to attend to household and children while working long shifts. One male participant explained: *“my job is to put food on the table, while my wife is responsible for raising the children”*. But since most migrant women work to support their families, they effectively share the responsibility of *“putting food on the table”*. Those who work outside the home critically depend on their network of neighbors and extended family members to attend to their responsibilities of raising children and earning an income. Although working a double shift was common to both migrant and non-migrant female laborers, non-migrants had more extensive social networks of family, kin, and friends on whom to depend for help with childcare and other emergencies.

Migrants, as well as some of the cities’ low-income dwellers, settle in zones where land prices are affordable but services are lacking. Integration into the city – access to affordable housing and basic services in particular – was raised as one of the greatest challenges upon arrival. The poor quality or absence of access to roads, public lighting, and other basic services left migrants feeling they were not integrated into the rest of the city.

Migrants to Jendouba settle in peripheral of already consolidated neighborhoods. Migrants who moved to Jendouba after 2011 purchased small lots of cheap, undeveloped, privately owned land to build their houses; however, these subdivisions of land are not planned and lack services. On the other hand, migrant who arrived earlier to Jendouba settled on state-owned land, and although they are unlikely to be displaced, their tenure has not yet been formalized.

In Kairouan, migrants settle in peripheral expanding areas where the market for both land and half-built homes is thriving. These neighborhoods have two characteristics: the first is a thriving market of land sales, with half-built homes with signs for sale in which owners build one room, enclose it with a fence, and put it on the market for sale to migrants or city dwellers looking for cheaper housing options; the second relates to basic service provision, such as water and electricity with households relying on

communal standpipes and common electricity meters that are shared among several households. Typically, all roads in these neighborhoods are non-demarcated dirt roads, and sanitation is non-existent.

Non-migrants are ambivalent on their view of migrant populations; they recognize the value they add to the local economy, but also point out that they compete for jobs and services. Many participants agreed that, without migrants, Jendouba would lack a much-needed labor force – “economic activity would stop” – but they also noted competition from migrants for already scarce jobs, especially as migrants accept lower wages and worse working conditions. Similarly, in Kairouan, participants recognize that, without migrants, the city would have no specialized labor force for construction work or artisanal crafts; they also associate the growth of peripheral neighborhoods -lacking infrastructure, to the influx of migrants. Moreover, they link migrants to crowds at hospitals and clinics and to competition for industry and service jobs.

Migrant communities in both cities often share a conflictual relationship with state authorities, which can create fertile ground for social unrest and may hinder the implementation of integration policies. The past decade in Tunisia has seen a crisis of trust between citizens and authorities, including at the local level; this lack of trust is more present among migrants. Migrant communities in Jendouba and Kairouan share an animosity towards state authorities, who are perceived to be largely absent. “*The Oumda practices a form of clientelism and allowances are not distributed to those who deserve it*”; “*We need leaders who are close to us, listen to us, and who understand our real problems*”, reported some migrants. And sometime government presence is associated with violence. For instance, in Kairouan, as many migrants and non-migrants struggle to pay electricity bills, police violently intervened and forcibly disconnected households from the network. In both cities, migrant and non-migrant communities alike are disillusioned with electoral politics and perceive that officials only are present only to collect votes, and once they have secured votes, they disappear. This disillusionment with political representation makes it difficult for local authorities to engage in dialogue with these communities.

Although different in many aspects, the municipalities of Jendouba and Kairouan face similar challenges. Though Jendouba and Kairouan differ in size and population demographics, the mayors of the two cities both manage municipalities with limited budgets and small teams of skilled technicians. Operating under such these constraints is particularly taxing for municipalities like Jendouba and Kairouan, which saw their territorial jurisdictions expand after the municipalization of the entire national territory in 2014. In Jendouba, a five-fold increase of municipal jurisdiction integrated previously rural areas without basic infrastructure. The annexation of new areas to municipal boundaries placed an additional burden on municipalities to service these zones without a sufficient budget.

A lack of resources to update land planning instruments and the sale of subdivisions of land lacking infrastructure are great challenges for urban planning. Many incoming migrants and low-income population settle in these newly added zones, where municipalities struggle to manage informal urban expansion. Limited resources and a lack of planning leave city governments unable to keep pace with informal urban expansion, and they thus find themselves constantly playing catch-up. Jendouba municipality lacks the technical and financial expertise to update its planning documents (master plans, detailed urban plans) to balance urban expansion and the productivity of peripheral rural lands. In Kairouan, the most up to date municipality’s master plan does not include areas in which the city has recently been expanding, defeating the entire purpose of forward-looking planning. Moreover, the sale of land in illegal unserved subdivisions makes planning redundant, as brokers sell small pieces of land to

low-income buyers. These then start building homes and subsequently make claims upon the municipality to provide services. In this case, municipalities are required to intervene post-urbanization, making service provision many times more expensive.

3.3.3 The way forward: Improving the integration of labor migrants in Jendouba and Kairouan

Migrant integration into secondary cities is a multidimensional challenge that brings together policies focused on migrants, as well as policies to integrate all urban dwellers, such as improving spatial planning and municipal governance. The challenges faced by labor migrants go well beyond labor market integration, including aspects related to the spatial and social integration of migrants into cities. As such, a single instrument to tackle them will not be enough; instead, a multipronged agenda that addresses integration into both the social and economic aspects of city life is needed. Actions will be required along three lines: (i) strengthening labor market integration to ease the process of finding a good job as migrants move into the city; (ii) enhancing spatial integration for migrants and non-migrants living in the peripheral areas of the city; (iii) improving municipal governance and management to support the socio-economic integration of migrants and non-migrants into urban life and city services.

Social and labor market instruments for better quality and more inclusive jobs for migrants

Better intermediation and support services should allow both cities to take full advantage of the capacities of migrants and maximize the return on the human capital of youth. To reduce discrimination towards migrants and address sexual harassment issues, both cities could strengthen access to and the quality of labor market regulation services and social insurance (in coordination with the national government), as well as coordinating with existing civil society organizations to develop and organize awareness campaigns about sexual harassment prevention in the workplace and workers' rights (including increasing awareness of employer responsibilities in such cases).

At the national level, sponsoring skill upgrading programs, enforcing labor protection laws, and creating care infrastructure such as daycare centers would support migrant integration and improve working conditions for all city residents. Migrants expressed the desire for training that would allow them to upgrade their skills and eventually target better jobs in other cities. Migrants face an inability to take time off from work in order to enroll in such training programs. Therefore, these programs must be fully subsidized, in addition to offering migrants a small remuneration in place of the daily wages they would forgo when enrolled in training. Moreover, daycare services can help free women's time in order to help them integrate into and remain in the labor market. Like training programs, facilities such as daycare centers support all residents regardless of their migration status, but may have a significant effect on migrant women as their local networks may be weaker.

Spatial integrated planning

At the municipal level, improving information collection systems and strengthening forward planning practices can help enhance spatial integration within the city. Setting up better information collection

systems to track urban expansion is necessary. At present, this information is available from multiple sources, but its extraction is not straightforward. The systematization and digitization of this information would be more beneficial if data about urbanization patterns, municipal assets, and services provided were also linked to land records within these cities. It is imperative to break data silos between decentralized and deconcentrated institutions in order to facilitate access to this information. By

understanding patterns of urban expansion and their historical evolution, municipalities can better engage in forward planning practices.

Strengthening overall citizen engagement can contribute to better migrant integration into city participation mechanisms, increase their voice in the city, and build cohesion with local communities.

There is ample evidence (Dixon et al., 2018) that becoming actively involved in the host community can facilitate immigrant integration, ensuring that their voices are heard, helping them influence local policy, and facilitating exchanges with locals. Expanding and encouraging civic community activities can be an important step toward easing and accelerating the integration of migrants into the city. For example, the EU plan for inclusion and integration includes a pillar to support improving migrant participation in the local community, supporting activities to bring together migrants and local communities regarding educational, health, or sports activities while also ensuring the participation of migrants in consultative and decision making processes.

Lifting constraints in the business environment can help create new opportunities for all workers in the cities. For the cities of Jendouba and Kairouan, where economic activity is limited and labor demand is low, strengthening local economic development will be key to ensuring that jobs are available to migrants and natives alike. Complementing investments in infrastructure with improvements in the business environment can be an important step toward fostering local economic development, increasing opportunities for all workers in the city. In secondary cities located in lagging areas, an improved understanding of the local absolute advantages can help identify areas/sectors where government investments and efforts may lead to higher returns. Recent research suggests that, rather than focusing on achieving comparative advantages through unsustainable fiscal incentives or distortionary policies, a focus on leveraging absolute advantages in lagging areas can help foster local economic development (Duranton and Venables, 2018). Duranton and Venables (2018) argue that comparative advantage is a key concept when thinking about trade between countries, but when the focus is regional development within a country, firms and investments are allocated across different areas by focusing on absolute advantage instead. This means that firms choose the places that are most efficient in the production of their output. Hence, competing with coastal cities where productivity is high in a wide range of outputs may be difficult. Understanding where the opportunities lie is a first step in leveraging the absolute advantage of these lagging regions and their cities. Hence, the first step in thinking about what sectors could be supported to foster local economic development is to take stock of local assets and advantages revealed by the current sectors active in a given place, and identify distortions and bottlenecks that have limited the growth of these sectors and driven investment into other, less productive sectors. Lifting these constraints can go a long way toward fostering local economic development. Further supporting the growth of these sectors with investments could help speed up changes.

Better governance for better services and the improved living conditions of all residents.

At the national level, approving building codes, reforming the land tenure system, and building a national housing policy can lead to efficiency gains and help avoid future costs of urban improvement.

The approval of building codes would grant municipalities clarity in terms of their spatial interventions, as they would grant municipalities ample jurisdiction to freely administer the built environment. The creation of one centralized, digitized, easily accessible registry of land records could be the first step toward reforming the land tenure system. Finally, reflections on national housing policy to address both

supply- demand-side constraints will be essential. A National Housing policy could consider a discussion of the provision of serviced land as one of the key constraints for the availability of housing and needed actions in this area. A pathway to addressing bottlenecks to housing supply for different income groups can help avoid the prevalent ‘catch up’ and retrofit approach that leads to costly upgrading programs.

Strengthening municipalities to achieve financial autonomy and adopting a three-to-five-year investment planning cycle can increase the municipal margin of maneuver to implement spatial integration policies. Municipal responsibilities must be matched with resources, which require strengthening municipal financial autonomy. Municipalities could take an initial step by reviewing the current, costly instruments used to enumerate built and unbuilt land, the cost of which effort almost trumps the small amounts municipalities derive from their local fiscal base. Municipalities could test different enumeration techniques as pilot projects on portions of their territories. In the medium- and long term, an improved enumeration system can lay the foundations for improved tax collection.

Adapting the formula for intergovernmental fiscal transfers and the public procurement law can facilitate municipal investment planning. The current formula for intergovernmental fiscal transfers is biased towards medium-sized cities because of how it weighs population size and regional development indicators. Simplifying this formula and adapting it to support the challenges faced by cities with accelerated peripheral urban expansion and low access to services is essential, and may also be a cost-effective strategy to improve access to services in low-density areas. Ultimately, the overall amount of intergovernmental fiscal transfers should be increased in tandem with a training program at the municipal level to ensure municipalities have the absorptive capacity to spend the money at their disposal.

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4 The Mayor's Wedge

This chapter examines policies, programs, and tools that can help or hinder local government officials in managing challenges and leveraging opportunities of migration, particularly into secondary cities in Africa. Its primary lens is on what mayors and local government authorities can feasibly do on their own and in partnership with others, especially in the context of under-resourced secondary cities. With this 'lens' comes the recognition that often, many policies that can directly impact the drivers of migration may lay in the jurisdiction of national governments. However, as this chapter will discuss there is still much that can be done within the jurisdiction of local governments both to support and leverage the forces of migrants into cities, and ensure that living standards of all the city population (migrant or not) are maintained and improved. The previous chapters have shown that migrants are a force that can be leveraged for the economic growth of secondary cities, as they contribute to strengthening the labor supply of these cities. But preparing for the influx of migrants is necessary and can make the difference between the successful integration of newcomers into the life and economy of the city, or the rise of cities that are fragmented, physically, economically, and socially.

The chapter is organized as follows. First, it provides a brief overview of national policies emphasizing key areas where local governments can join forces with national governments and make their voice heard to help shape them. Second, it discusses how a whole-of-city approach can strengthen integration and ensure better outcomes for all. Finally, it discusses how in some cases, targeted interventions to spaces where migrants live and work can facilitate integration while ensuring improvements in living standards for all.

The chapter is explicit in a number of assumptions that it makes. First, it recognizes that migration is not a single event, and migrants are a mobile population, moving locations and jobs and where they live and work among cities and within cities. Improved understanding of where migrants work and live and crafting interventions within these spaces offers a method for local governments, civil society, community-based organizations, and non-governmental organizations to foster the integration of migrants.

Second, its recommendations have a strong focus on the challenges of managing urban expansion. This focus comes from the recognition that fighting the forces that drive migration will be difficult and undesirable. Policies of exclusion developed to reduce rural-urban migration are often damaging to the interests of those living in poverty, regardless of their migrant status (Tacoli et al., 2015). Further, recent work for China (Sieg et al., 2020) suggests that the Houku system constraining migration from rural to urban areas has an important impact on human capital accumulation of migrant children. Furthermore, they estimate that migrants can bring important fiscal externalities to cities. In the context of fiscal decentralization in China, the authors estimate the fiscal externality ranges between 6 and 15 percent of total local revenues. Hence, this chapter moves away from a discussion on policies to control migration and rather asks how cities can prepare to welcome, leverage and facilitate the integration of migrants into cities.

Finally, this work suggests that labor market outcomes for migrants are not worse than those for natives, and therefore, recognizing the opportunities that migrants bring and taking a whole-of-city approach may be more effective to address the challenges in their cities. The work presented in earlier

chapters suggests that overall, migrants are younger, better educated, and less unemployed; however, their wages are typically lower because of the nature of the jobs they occupy- often informal and casual. Importantly, over time, the livelihoods of migrants and non-migrants tend to converge with long-term migrants much more like established municipal residents. This has important implications for helping central and local policymakers shift often held negative perceptions of migration to understand the benefits of migration and start thinking toward policies that leverage the opportunities migrants bring to transform and strengthen the economic and social structure of their cities.

4.1 The role of national government – empowering local governments

National governments' policy efforts have largely focused on controlling rural-urban migration and have their roots in the early influential literature on the links between rural-urban migration and urban unemployment (Bundervoet 2014). Policymakers often view migration as contributing to urban poverty and creating excessive demographic pressure on a municipality's capability to deliver urban infrastructure, effective land use management, and employment opportunities (Awumbila 2015), thus militating against inclusive municipal development strategies. Further, limited work disentangling the sources of urban growth in developing countries, led to the misconception that rural-urban growth was often the main driver. Recent work points at the important role of natural population growth in urban areas as a driver of urban growth in developing countries (see Farrell, 2017 and Jedwab et al. 2017 among others). These misconceptions have contributed to policies in developing countries focusing on controlling rural-urban migration rather than managing natural increases in population growth.

Failure to recognize and integrate new urban residents limits their short and longer-term potential to increase their quality of life and become engaged contributors to the economy and society. Recent estimates for China suggest that the impact of migrants on urban fiscal policies is large and positive. The fiscal externality of migrants is estimated to range between 6 and 15 percent of total local revenues. Moreover, given that on average migrants are considerably younger than locals -a pattern also observed in the cases analyzed in previous chapters, another positive externality may arise through their contributions to social security, which will benefit the older residents in cities (Sieg et al., 2020). Moreover, lack of proactive strategies can lead to conflicts with incumbent interests over land, the formal economy, finance, and government, creating tensions that exacerbate ethnic and social fault lines (Cartwright et al., 2018). While the arrival of new residents can contribute to additional demands on land, housing, infrastructure, and services, "it is important not to exaggerate these problems or the role of migration in creating them. Urban capacities are increased by the economic growth that typically accompanies well-managed urbanization. If this capacity can be tapped, the net effect of migration, particularly when assessed nationally, is likely to be positive" (Tacoli et al., 2015).

Addressing the opportunities and challenges of migration and fostering an inclusive practice requires a multi-level governance approach that brings together central, regional, and local governments, and guidance can be provided through ongoing programs such as the National Urban Policies (NUPs)¹⁴³.

¹⁴³ Coming out of Habitat III policy recommendations in 2016, NUPs were developed as an implementation tool for the New Urban Agenda and in Africa NUPs are in their early stages of development. As of 2020, thirty-eight African countries have engaged with NUPs. Twenty-one countries have explicit National Urban Strategies, and seventeen are in pre-implementation stages (Pieterse 2020). In many West African countries NUPs rarely reflect on migration

The thematic priorities of NUPs typically include economic development, poverty eradication, revision of adequate infrastructure and services, curbing and upgrading informal settlements, environmental protection, and urban-rural linkages and food security. Developing an understanding of the barriers to the effective integration of migrants at the municipal level will open potential policy avenues where national policies can support local governments. Mainstreaming migration policy into the development and future updating of NUPs in Africa provides an opportunity to incorporate an explicit view on migration and a valuable framework for assessing policies related to rural-to-urban mobility.

Developing a better understanding of where migrants are living and working and what settlements within the municipality are experiencing growth pressures can lead to increased resource mobilization from local revenue sources, central government transfers, and other external funding (See Annexes, Table A4). The municipality and regional governments are essential in planning, aligning, and advocating for central and local resources to meet the demand for these sectors, especially in underserved and rapidly growing parts of the municipality, for example:

- **Review registration requirements at both the local and national level** to identify where restrictions are in place regarding access to services and who has the authority and competency to allow access.
- **Strengthen local governments' capacity to articulate their needs** and understand where potential funding lies within central government can bring additional funding both from the national government and international cooperation for local programs.
- **Develop pragmatic and flexible approaches to facilitating access to land, infrastructure, and services.** Understand what a municipality can do on their own, what they can do with regional and central government ministries and agencies, and lastly, what can be done with the community partners, the private sector, non-government organizations, universities, and the development community.
- **Use of GIS and mapping tools to match demand with supply** and encourage cooperation among adjoining municipalities to identify where services and facilities such as neighborhood health clinics, hospitals, primary and secondary schools can improve access and levels of service across municipal boundaries.

4.2 Local government action - a focus on better urban management for all

National policy frameworks are essential but are not sufficient on their own to prompt local action on inclusion strategies (Serageldin 2016). Building migration into how a municipality is managed and plans is an essential element of building cohesive and prosperous communities. For municipal leadership, integrating migrants into a municipality should not be viewed as "an additional piece of work, added to the end of overstretched planning processes, but rather an opportunity that should be integrated with what is already ongoing" (Blaser and Landau 2019).

Better preparing for managing the challenges of urban growth, with a strong focus on inclusion, can benefit migrants and natives alike. Better urban management requires thinking ahead and preparing for urban growth. And a lens on managing the challenges posed by migration could ensure to

and the diverse functions of cities and urban neighborhoods—particularly informal settlements—in the context of human mobility (Dick and Schraven, 2021).

mainstream migration into existing municipal policies and administration. The literature on this integration is scarce. In 'Measuring Municipal Capacity to Respond to Mobility' Blaser and Landau (2019) provide a comprehensive framework for auditing how responsive a local governments administration is to migration (see Box 3).

Box 3: Framework for Measuring Municipal Responsiveness

- a) **Budgeting** - Are budgeting systems responsive to demographic changes and forward-looking planning and incorporate multi-site planning and collaboration;
- b) **Participation** - Is the perspectives of migrants included in technocratic mechanisms built to address the needs of residents;'
- c) **Accountability** - can the needs of the migrants be brought into political processes given that migrants are usually not part of a voter base;
- d) **Perceptions** -the extent to which officials think that mobile populations fall within their responsibility and the implications of this;
- e) **Social Cohesion**, the extent to which officials are accommodating the unique challenges of communities that have diverse needs and
- f) **Data collection and management systems**, that can accommodate mobility including being sufficiently disaggregated, of sufficient quality and accessible to officials.

Source: Blaser and Landau (2019)

Bringing inclusion to the core of municipal policies and administration requires recognizing it as multi-faceted with interlinked economic, social, and spatial dimensions. The economic aspects of inclusion involve job availability, earning capacity, and opportunity for advancement. Influencing factors are the local economy and the opportunities available for migrants, access to education and training, connectivity to employment, and access to noncollateralized credit and microfinance. The social dimension of marginalization involves barriers that are more difficult to break down and can lead to an uncaring attitude resulting in delay or denial of access to public services (Serageldin, 2016). Spatial segregation results from low-income households clustering together in spatially informal and/or remote areas. Among others, restrictive and exclusionary land use regulations, lengthy and expensive administrative processes for land development, lack of land regularization and titling mechanisms, and corrupt practices of land conversion have led to high prices of land and informal occupation. (World Bank, 2015).

Integrating administrative tools with an inclusive policy lens while addressing constraints provides a framework for local government interventions on migration (Annexes, Table A5). This framework maintains the emphasis on budgeting and data, and consolidates participation, accountability, perceptions, and social cohesion under the umbrella category of 'Inclusive Development'. Building on the work of Blaser and Landau, this chapter puts forward actions along three lines, that local governments can take to support migrant integration through an inclusive development lens. These three areas include: (i) Inclusive development; (ii) Spatial planning tools/modes, functions; (iii) and better data and stronger finances to effectively manage the changing needs of the city.

4.2.1 Strengthening inclusion

Ensuring inclusion of migrants in participatory processes can help facilitate their integration and build cohesion in the community. Migrants are often de facto excluded from popular participation and planning processes. Planning and budgeting documents represent the needs of residents and businesses that can access consultation forums. Given resource and knowledge gaps, local governments can work with strategic partners to increase participation and community knowledge of programs through communication tools and built-in feedback mechanisms. Outreach programs should be creative and consider how the most marginalized groups, including migrants, may access information. For example, by developing outreach and communication materials that are culturally sensitive to different tribes, ethnic groups, and languages.

Economic inclusion strategies that focus on providing the needed infrastructure and services can create a business environment for economic activities to flourish and create jobs. Such policies benefit migrants and non-migrants alike. Understanding the skills needed by promising sectors and the skills that migrants bring can point to the need for targeted skill-building programs for migrants. Furthermore, overcoming the spatial and organizational fragmentation of smallholder firms and providing better access and necessary infrastructure can increase opportunities for employment that can benefit migrants. Developing and operationalizing linkages between financing local investments that support economic development and local development plans is vital for the local government.

Lifting constraints in the business environment, can help create new opportunities for all workers in the cities. As revealed in the case studies in this report, secondary cities often face limited labor demand, with overall high unemployment rates being a common challenge. Complementing investments in infrastructure with improvements in the business environment can be an important step toward fostering local economic development, increasing opportunities for all workers in the city. In secondary cities that are located in lagging areas, an improved understanding of the local absolute advantages can help identify areas/sectors where government investments and efforts may lead to higher returns. Recent work suggests that rather than focusing on achieving comparative advantages through unsustainable fiscal incentives or distortionary policies, a focus on leveraging absolute advantages on lagging areas can help foster local economic development.¹⁴⁴ Hence, the first step in thinking about what sectors could be supported to foster local economic development is to take stock of the local assets, and advantages revealed by the current sectors active in cities, and identify distortions and bottlenecks that have limited the growth of these sectors. Lifting these constraints can go a long way into fostering local economic development. Further supporting the growth of these sectors with investments could help speed up changes.

Mainstreaming migration issues/support among local government departments can occur through training, knowledge sharing, and solution-based task forces. Training and sensitization programs should reflect a growing African city's realities and the types of spaces and places that well-established or newly arrived migrants live and work and challenge the misperceptions or stigmas of migration. While previous chapters suggest that urban-urban migrants often are more educated and have better labor market outcomes than non-migrant urban residents, rural-urban migrants may require special

¹⁴⁴ Duranton, G. and Venables T. (2018) Placed Based Policies for Development. NBER Working Paper No. 24562 April 2018

attention through programs that contribute to improving their skills facilitating their transition to urban labor markets. While such programs may aim at improving skills of rural-urban migrants, there are benefits from offering them broadly to the city population, as other non-migrant vulnerable groups may also benefit from such interventions.

A broad focus on inclusion of women and other vulnerable groups can bring benefits to both migrants and natives. The case studies reviewed in previous chapters point at challenges of discrimination and harassment that migrant women face. To reduce discrimination toward women, migrants, or other vulnerable groups, cities can strengthen the quality of social protection systems in coordination with national governments. Investing in mechanisms to increase awareness about many forms of discrimination and violence, in coordination with civil society can help prevent overall discrimination and break taboos, including reducing episodes of sexual harassment in the workplace. Information and educational campaigns that communicate clearly the responsibilities of employers, can help prevent discrimination and protect migrant and native workers alike.

To promote broader systemic change, building policymaking capacity among senior decision-makers can help to align and coordinate policies, programs, and projects of ministries and agencies that impact migration strategies. Task forces on issues or projects impacting migrants can help remove bureaucratic hurdles for cooperation. In addition, partnering with local universities and tertiary education programs can provide action research and additional data collection and community surveys. Local governments can partner with CBOs and NGOs to provide vocational training and access to micro-credit to leverage existing resources and increase the accountability, transparency, and sustainability of government programs in local communities.

4.2.2 Improving integration through better spatial planning

The spatial or physical dimension of inclusion consists of access to infrastructure, basic public services, road improvements, housing, and land (Serageldin, 2016). In general, spatial development and planning among local governments in Africa are challenged by outdated plans and planning approaches, regulatory constraints, limited competency regarding allocated responsibilities, and a lack of staffing resources. Longer-term efforts are underway to increase the efficacy of planning and address the social, economic, and environmental issues. As spatial planning becomes more inclusive, strategic, and integrated, there can be opportunities to mainstream strategies that support the integration of migrants.

Addressing housing and land affordability and adequate mobility can significantly impact the experience of a migrant to integrate into a city's economy and society successfully. The analysis in previous chapters and interviews with migrants have highlighted access to housing and land as one of the main challenges faced by migrants as they move into cities. With limited access to affordable housing, migrants are often left with the only option of locating in informal settlements, with limited access to basic services and work opportunities. This stresses the importance of urban growth management policies also when one thinks about migrant integration into secondary cities. Adopting best practices in linking urban planning and the capital improvement plan can help integrate municipal interventions with spatial implications. Less complex spatial plans that note current conditions and trends and can be used to adjust service delivery to meet current and future demands. A focus on improving property rights, land tenure and other instruments to facilitate the workings of land markets

can go a long way in improving the availability of serviced land for development and hence increasing housing supply.

4.2.3 Leveraging data and strengthening finances to better respond to changing needs

Lack of data and information management is a significant impediment to developing, implementing, and monitoring policies and programs that address the needs of migrants, as well as the broader society. This contributes to the gaps in dialogue among policymakers, administrators, researchers, and the public about labor migration, the experiences of migrants and the challenges they face, the positive and negative impacts of labor migration, and potential policy directions and interventions. It makes effective planning for urban growth more difficult.

Municipalities need to think about innovative ways of collecting demographic and spatial information and updating it frequently. Local governments can partner with CBOs, NGOs and advocacy groups, universities, and IDOs to fill their information gaps. Civil society organizations (CSOs) are also important in ensuring that the voices of underrepresented groups are heard, ensuring that 'no-one is left behind' (OED/UCLG 2019). The deep, detailed, accurate, and appropriate datasets gathered by the young Chicoco Maps team in Port Harcourt, Nigeria, for example, demonstrate a successful methodological approach to and effective methods of participatory data gathering and sharing in informal settlements. Trade unions and business groups, particularly for informal sectors, are a key group that can be mobilized and are often already collating information about their members or users. While seeking out new data sources is important, a sustained shift needs to happen to mainstream questions of migration status into existing survey tools and processes. Information on availability of land and land uses can be an important step toward building cadastral information that can help plan and manage urban growth.

But only if cities have the resources to respond to their mandates will they be able to respond to the changing needs of residents, no matter where they come from. In the African context, decentralization levels and local government's own-source revenues are low. This leads to an often-noted consensus that many Sub-Saharan African countries present a mediocre level of fiscal decentralization (Paulais, 2012). Given the difficulty of improving yields from local government resources, central government transfers remain critical budget elements. Intergovernmental transfers occur through conditional, unconditional, and equalization grants. For example, the level of transfer as a percentage of LG revenue is 85% or more in Ethiopia, Uganda, Rwanda, Tanzania, and Kenya. In Uganda, 85% of total transfers are conditional grants (Dillinger and White, 2018).

In most African countries, central government grants and subsidies tend to dominate sub-national revenue sources. Financial transfers from central government to local and regional authorities are determined in different ways. As a trend, there is a lack of transparency and predictability, making it difficult for local governments to plan and execute projects (OED/UCLG 2019). Furthermore, Central Government budget assistance inherently favors vertical sectors, such as health and education, and national implementation (through line ministries) at the expense of territorial approaches (Paulais, 2012). A sectoral approach will often not account for where migrants are living and creating demands for services.

Undertaking fiscal reforms that increase local revenue sources is a long-term commitment by central and local governments. Within these longer-term reform efforts, the challenge for local governments is to pursue practical and effective means of developing policies and delivering services

that directly and indirectly impact the integration of migrants. Strengthening the tools and information to manage land, can be a first step toward building multi-purpose cadasters that can help take steps toward the collection of property taxes as an important resource of local governments. Further, to overcome fiscal gaps, local governments can explore possibilities to mobilize public-private partnership funding to smaller targeted investment packages that benefit migrants. Potential examples include PPPs for markets, bus stations, road paving, and transit points that include commercial activities and financing distributive community-based infrastructure, including micro-grids, sanitation, and water networks. Property owners can also contribute to these programs, and there are ample examples of cost-sharing organized by streets and neighborhoods.

4.3 A focus on migrants through space as an opportunity to reach all

Better planning for urban growth is the best way to help integrate migrants into cities, but in some cases, targeted actions may be needed. As discussed earlier, the best tool local governments have to respond to the challenges brought by growing populations and leveraging the opportunities migration flows bring, is to plan ahead and ensure that services are available to all. But when divisions between natives and migrants are deep, because of cultural, language, or historical reasons, there may be a need for spatially targeted actions.. When needed, a focus on spaces where migrants live and work, could be used to improve conditions and opportunities for all residents. An all-city perspective is needed to ensure that improvements address to the needs of the most vulnerable, e.g. migrants do not lead to creating additional barriers that separate them from the rest of the city, but instead, facilitate their integration, say by creating spaces where both migrants and non-migrants can share activities such as sports, education, or shopping.

In most cities, it is possible to identify similar settlement patterns that reflect the spatial evolution of urban areas. These typologies help frame potential policies and intervention strategies that proactively support the integration of migrants into the economy and society of a municipality. This framework is not meant to be a generalization of African urban morphology but a starting point for understanding where and how interventions can be developed. Municipalities may find it useful to establish settlement typologies that reflect local growth dynamics, conditions, and where migrants are living and working. In what follows, we provide some examples of interventions that can be designed according to some typologies of places where migrants live and work.

4.3.1 Where Migrants are Living

Housing quality and affordability determine location decision of migrants and have a long-term impact on livability and access to opportunities (See Annexes, Table A6). This spatial lens is supported by earlier work analyzing migration patterns in the 1980s and '90s in several West African cities by Beauchemin and Bocquier. The authors highlight that migrant trajectories are more complex than initially thought, with migrants generally settling in peri-central areas, where they may be housed by friends or family or even rent and may eventually move to the outskirts of the city where it may be possible to buy a plot of land, even if in many cases only available through informal markets and disconnected from service networks (Beauchemin and Bocquier, 2004).

A more recent study of migrant households in Arusha, Tanzania, found that both migrants and urban-born residents often move among different locations in central parts of the city, either living with

relatives or in rental accommodation. Many later move out and establish their own households after some years (Andreasen et al., 2017). The authors identified three types of settlements where migrants live in Arusha: Densely Developed Inner-City Areas; Consolidated Peripheral Areas; and Newly Developing Peripheral Settlements.

Densely Developed Inner City Areas are attractive to migrants because they offer a range of lower-cost rental options and relatively good access to income-producing opportunities (See Annexes, Table A7). While these neighborhoods are congested, land values are high, reflecting the location and potential income generation from renting or informal activities. For the lower-income areas, the unregulated nature of the private rental market (especially subletting) contributes to increased population and housing densities in central areas and intensifies pressures on the local environment. Landlords may focus more on maximizing the number of rental rooms than on the quality of the rooms they are renting. These areas tend to be older, densely populated, and have limited and/or inadequate infrastructure. But compared to more peri-urban or peripheral areas of the city, inner-city settlements tend to have better service provision.

At one point on a migrant's journey within a city, they may live in what could be called a consolidated peripheral area (See Annexes, Table A8). These communities, which were previously on the edge of the city, are absorbed into the urban fabric and can also include villages that have been incorporated into the city. These communities are relatively accessible to the city center through different transit options. As these peripheral areas are absorbed into the urban area, homeowners become landlords for the growing rental market. These communities can be composed of a mix of long-term landowners and new renters (often migrants). Compared to densely developed inner-city neighborhoods, the housing stock could be more spacious and better quality and still accessible to employment in the city center. These previously peripheral areas will have different levels of physical development and, depending on the expansion of urban infrastructure, some access to various services.

Migrants' search for lower value rents or land often occurs outside the city's central areas in Newly Developing Peripheral Settlements (See Annexes, Table A9). Despite the low density, these areas are experiencing very rapid and typically unplanned growth. They typically include longer-term urban residents (both migrants and urban-born) as well as new arrivals. Households tend to move from central parts of the city as part of a process of establishing themselves as homeowners. Buying affordable, undeveloped land in the periphery allows aspiring homeowners to construct their own houses incrementally over numerous years. Given the self-built process, these settlements are often not serviced by formal water provision or electricity networks. Much of the infrastructure is provided by the individual household, such as pit latrines or boreholes, with limited coordinated efforts at the community scale unless the area absorbs any existing rural settlements. Most of the residents of these communities still work and commute to more central locations.

Such typology of urban centers, consolidated and peripheral neighborhoods is useful in framing potential policies and intervention strategies that proactively support the integration of migrants based on their housing and service needs while also being consistent with an all-city development approach that benefits all residents. The case studies suggest that migrants locating in peripheral areas of the cities may have a harder time integrating into the economic and social life of the city. Migrants in the periphery of Jinja, Uganda, work less hours than those in the core of the city, and in Jendouba, Tunisia mentioned serious challenges in accessing basic services, remaining disconnected from the city

networks. Programming incremental strategies that respond to both initial and longer-term priorities can improve the integration of migrants and increase the quality of life for all residents and enterprises within these communities.

For dense inner-city areas, incremental in-situ improvements can be a realistic approach given fiscal constraints. Complex land ownership and tenure patterns will often present significant challenges to improving infrastructure and services that can be addressed through incremental strategies. Public realm improvements such as lighting, solid waste collection, and addressing circulation blockages at critical entry/exit points can strengthen the local economy and improve safety and access for residents. A challenge will be outreach efforts to migrant households and groups to understand their needs and priorities. Given the importance of the rental market for migrants in these areas, it will be essential to address the underlying housing, land tenure, and zoning issues. For example, it may be necessary to explore opportunities to improve subletters' rights, which can impact migrants. In the longer term, resolving underlying land ownership and tenure rights can stimulate incremental housing investment that can open additional rental housing.

Within more consolidated neighborhoods, the municipality can identify existing and future internal circulation and infrastructure networks to encourage the further densification of existing housing and guide new development. Identifying major streets and opening them up, and undertaking smaller interventions that improve accessibility can enhance internal mobility and access to social services and employment opportunities within or in adjacent communities. Improving circulation networks can be linked to re-blocking programs in cooperation with the community and tied to registration and eventual title depending on the underlying tenure and ownership. Supporting the improvement of public spaces and infrastructure can lead to well-managed densification and land use. Zoning and development regulations can promote mixed-use and appropriate in-home enterprises. It will be essential to work with the community to identify opportunities to reserve or acquire land for needed public facilities such as schools, markets, health centers, youth centers, and recreational open spaces before the neighborhood fully densifies.

In peripheral settlements, the opportunity to proactively guide development before settlement patterns are consolidated is possible and desirable. Failure to manage peri-urban areas has led to a loss of strategic urban utility corridors, high compensation costs associated with land acquisition and resettlement, lack of space for public facilities such as schools and hospitals, and high levels of land disputes. The overall impact is to create uncertainty in land markets (Roberts, 2014). Overcoming these constraints can include laying out circulation networks and planning for infrastructure that will shape the community's future development and reduce the cost of infrastructure provision over time. Additionally, landowners can be encouraged to use agreed-upon standards, even if the subdivision is informal, by noting that future infrastructure investments for their settlement will receive a higher priority. Furthermore, reserving land for utility and transit corridors, markets, schools, and other public uses and, if necessary, activating with temporary uses.

4.3.2 Where Migrants are Working

Migrants primarily work in sectors where there are low barriers to entry. Consequently, the informal sector, where many migrants tend to work, dominates the economy of Africa's urban areas. Informal employment often leads to a significant dissonance between city aspirations and planning systems and pervasive informality, often resulting in widespread exclusionary practices (Chen, 2020). Given the

flexible nature of many jobs and migrant livelihoods, this research focuses on the spaces where migrants work and how policy and program interventions can improve employment conditions and opportunities, with a lens toward migrants and non-migrants alike. An examination of the literature identified four different spatial typologies, often informal, where migrants may work: Streets, Markets and Enterprise Hubs, Home-based Businesses, and Hidden and Temporary Spaces. These spaces are where many migrants enter the workforce and highlight the challenges facing migrant workers in these locations and industries.

Where labor workforce data is available, informal street trading is a substantial share of urban employment (See Annexes, Table A10). In African cities, street trading occupies about two-thirds of women, accounting for about 10 to 20 percent of total employment and providing an essential source of livelihood with low barriers to entry (Roever and Skinner, 2016). Further, recent work also highlights the importance of informal trading for food security in cities in Africa (Giroux et al., 2020). These have become increasingly important in the current COVID crisis. Recent work for secondary cities in Nigeria suggests that for informal traders in the food sector, challenges in lack of services and overall enabling environment are binding constraints (Resnick et al., 2019). Potential policies and interventions could include:

- **A government-instigated dialogue with formal and informal trading associations is essential for designing and implementing regulations and spatial interventions.** Spatial interventions need to be designed with feedback from traders and include piloting and revisioning. Creating open and ongoing dialogues with trader associations can be beneficial for the municipality and trader associations alike. For example, working with trader associations to collect data and information on traders and their needs will assist in the planning process and adapting policies in the future. Trust-building measures should be considered for the success of such dialogues.
- **Adopt regulation and management as opposed to enforcement and criminalization for the informal sector.** A significant challenge when developing and implementing regulations and licensing is to be aware of the barriers to entry for marginalized groups, including migrants. For example, fees should consider the income/earnings of street vendors and their ability to pay.
- **Improving the safety and public service provision along streets can positively impact livelihood and general health and wellbeing.** Improving access to water and waste collection, for example, can reduce costs and time away from selling. Increasing street lighting and public toilets can be particularly beneficial for women traders.

Markets, both formal and informal, are bustling hubs of activity facilitating the exchange of goods and services (See Annexes, Table A11). Markets throughout Africa can be home to a range of occupations, some with specializations such as fabric, foodstuffs, and building materials. They can also take on various urban forms, from the clustering of roadside umbrella stands to formal multi-story structures with stalls for rent. Potential policies and interventions include:

- **While in-situ market upgrading and improved service provision would be preferable for many traders, relocation is often deemed necessary when markets outgrow their space, sometimes creating unsafe conditions.** When this is necessary, new market spaces should be introduced in central locations. The pandemic provides an opportunity to develop, through collaborative efforts of traders and communities, new ways of organizing trade, enabling logistics systems that are inclusive and more resilient (Cities Alliance, 2021). With the spatial expansion of

secondary cities, planning and designing new markets around transport or other essential nodes should be proactive.

- **Participatory design process for market upgrading can determine the needs and priorities of different trader groups.** Clustering cottage industries together and establishing serviced incubator space can support workers. Service provision should be geared toward the specifics of different trades. The process of formalizing markets often negatively impacts many low-income traders who cannot afford to pay rent for market stalls. A potential solution can be tiered levels of stalls or spaces to suit different trades and affordability.
- **Programs to support cottage industries should be done in partnership with NGOs, CBOs, and micro-finance institutions already working in the field.** This includes vocational training with a responsive curriculum based on the market or clustering of the cottage industry. This approach would be particularly beneficial to migrants seeking further education and training.

Home-based industries are an important and often overlooked sector of the informal economy, particularly for women (See Annexes, Table A12). Home-based businesses can include various occupations, including food preparation and catering, tailoring services, petty trading, artisanal work, or even light manufacturing. Homebased workers are often called the "invisible" workforce because they work in isolation, are isolated and often scattered, and face challenges to organize. Potential policies and interventions include:

- **Improving service provision throughout these communities can have a significant impact on these often-hidden entrepreneurs.** Many home-based workers are based in informal settlements where infrastructure is limited, unreliable, or fragmented. Steady electricity for a barber, for example, can significantly increase income-generating potential and reduce the business expenses of running a generator.
- **Supporting mixed-use development should be a focus for local authorities, especially in supporting the development of new growth in peri-urban and peripheral areas.** Small businesses within households and petty traders play an important role in servicing these communities.
- **Home-based workers, many of which are women, are often not organized in any trader network and can have difficulty qualifying for loans from formal financial institutions.** These barriers can be addressed with supporting partners among NGOs, CBOs, and micro-finance institutions.

Migrants also find employment in less visible and more undocumented spaces. (See Annexes, Table A13). Domestic workers are not always covered under labor laws and social protection policies/schemes. Casual or day labor such as construction offer jobs are often temporary, require minimal training, and therefore have limited social protection. Another more hidden and often stigmatized employment space for migrants is in the waste sector. This hidden or temporary employment leaves these groups with limited social protections, disconnected from local community groups, and often left out of official policies and programs. Potential policies and interventions include:

- **Local government authorities can support these workers through communication and advocacy campaigns geared toward the most vulnerable.** Many of the workers in these industries are not aware of their rights and can be taken advantage of, especially migrants new to the city. Better information about their rights, and

- **Waste pickers can benefit from programs that recognize their essential role and integrate them into the formal system.** Waste-to-wealth programs, for example, are becoming more common throughout the global south. Without designated sites and equipment for these workers, they are often well behind international standards, putting themselves and their families at risk.

Focusing on the spaces where migrants work, city officials can craft policies and programs that improve working conditions unique to these different industries and the spaces and places in the city. These include streets, markets and enterprise hubs, home-based businesses, and hidden and temporary spaces. For example, local government policies supporting street traders also recognize their contribution to the local economy and their need for designated spaces in the city.

4.4 Conclusion

City leaders can leverage the benefits of migration for city development. There is ample literature that suggest that the benefits of migration are large both for migrants, locals, and city leaders when integration is strong. Hence rather than fearing inflows of migrants, city leaders can take proactive actions that facilitate their integration into the city and improve the overall quality of life into their cities.

The answer to ensuring migrant integration into the socio-economic fiber of cities lies in good urban management that prepares for growth and benefits all independent of their migrant status. Absorbing migrants into a city is part of the larger question of how well municipalities manage the delivery of services for an expanding population of migrants and non-migrants. While migrants can affect the size/speed of growth of a secondary city and the demand for services, municipalities typically lack an understanding of the actual composition and scale of this growth. Understanding key migration dynamics and how these are shaping the municipality's growth and development are essential in prioritizing services that have the highest impact in fostering the integration of migrants. Effective local leadership and cooperation with other governmental and non-governmental agencies can help local authorities maximize their margin of maneuverability when developing programs. Effective population policies including female empowerment and access to contraceptives to manage growth from urban natural increase are also key.

A focus on migrant needs with the objective of improving the city as a whole can inform the design of policy and investments interventions. This chapter has discussed how a focus on where migrants live and where they work can help identify bottlenecks to their successful integration into the city's social and economic activities. However, the policies and investments targeted to such places while informed by migrants needs, should be designed with an all-of-city approach, to ensure that no additional barriers are lifted, that end up creating spaces for migrants alone. Instead, interventions should aim at creating spaces that facilitate integration and interactions between different groups in the cities.

Targeted interventions aimed at migrants may be needed, when information bottlenecks exist. To ensure that migrants know their rights and responsibilities, targeted communication campaigns can be design to ensure that incoming households have all the information they need to act as integral part of the community.

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Annexes

Table A1: Determinants of Hours Worked (Jinja, UG)

	(1)	(2)	(3)	(4)	(5)	(6)
	Hours worked in last week	Hours worked in last week	Hours worked in last week	Hours worked in last week	Hours worked in last week	Hours worked in last week
Outside City Center	-13.56 (8.452)	-13.65 (8.399)	-15.73* (8.722)	-14.24* (7.919)	-13.95* (7.657)	-6.159 (4.231)
Outskirts	-13.08* (6.912)	-13.14* (6.901)	-17.24** (8.251)	-19.80*** (6.574)	-20.20*** (6.577)	-7.611** (3.683)
All Migrants=1		3.953 (5.602)	-4.151 (9.533)	-3.155 (7.846)	-2.643 (8.044)	4.552 (5.243)
Outside City Center # All Migrants=1			9.066 (13.93)	13.02 (11.02)	12.70 (10.70)	2.791 (7.560)
Outskirts # All Migrants=1			17.41 (11.47)	14.05 (9.588)	14.00 (9.597)	-3.084 (6.738)
Sex (Male=1)				26.11*** (3.610)	26.38*** (3.510)	7.201*** (2.092)
Some Primary				32.35** (12.87)	31.61** (12.70)	5.102 (5.623)
Completed Primary				25.28* (13.58)	24.61* (13.56)	6.400 (5.615)
Some Secondary				36.22*** (13.89)	35.57*** (13.45)	3.468 (5.581)
Completed Secondary				33.98*** (12.81)	33.55*** (12.62)	5.474 (5.700)
Any Post-Secondary				29.73** (13.29)	29.25** (13.18)	-2.074 (5.548)
Age				10.97*** (1.026)	10.84*** (1.073)	1.661*** (0.634)
Age Squared				-0.128*** (0.0136)	-0.126*** (0.0146)	-0.0203** (0.00821)
Household size					0.0633 (1.385)	0.267 (0.613)
Dependency ratio - all					1.886 (2.501)	-1.492 (1.523)
Industry: Manufacturing						16.27*** (3.460)
Industry: Service						22.63*** (3.495)
Constant	16.68*** (6.250)	15.80** (6.699)	17.66** (7.347)	-223.3*** (23.82)	-223.1*** (26.29)	2.788 (14.64)
Observations	1612	1612	1612	1594	1594	878

*Marginal effects; Standard errors in parentheses, * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Base for strata is Jinja city center; base for migrants is non-migrants; base for sex is female; base for education is no education; base for industry is agriculture. Hours worked is coded as zero for non-employed respondents, and all models are estimated with a Tobit specification with a lower bound of zero hours. Marginal effects are presented. The number of observations decreases in Column 6 because of the inclusion of industry controls, which are only defined for employed respondents. Therefore Column 6 presents results that are conditional on being employed.*

Table A2: Determinants of Log Earnings (Jinja, UG)

	(1)	(2)	(3)	(4)	(5)	(6)
	Log Weekly Earnings	Log Weekly Earnings	Log Weekly Earnings	Log Weekly Earnings	Log Weekly Earnings	Log Weekly Earnings
Outside City Center	0.0107 (0.173)	0.0122 (0.174)	0.0736 (0.196)	-0.0195 (0.172)	-0.0480 (0.172)	-0.00504 (0.173)
Outskirts	-0.665*** (0.229)	-0.663*** (0.231)	-0.840*** (0.283)	-0.776*** (0.265)	-0.788*** (0.277)	-0.695*** (0.261)
All Migrants=1		-0.0708 (0.161)	-0.157 (0.243)	-0.207 (0.196)	-0.307 (0.212)	-0.230 (0.216)
Outside City Center # All Migrants=1			-0.246 (0.370)	-0.116 (0.320)	-0.0246 (0.318)	-0.154 (0.324)
Outskirts # All Migrants=1			0.736* (0.395)	0.674* (0.363)	0.717* (0.374)	0.619* (0.363)
Sex				0.388*** (0.125)	0.364*** (0.123)	0.404*** (0.121)
Some Primary				0.455 (0.467)	0.490 (0.461)	0.352 (0.430)
Completed Primary				0.903* (0.486)	0.935* (0.480)	0.841* (0.447)
Some Secondary				1.098** (0.476)	1.152** (0.465)	1.014** (0.427)
Completed Secondary				1.137** (0.472)	1.179** (0.460)	1.066** (0.425)
Any Post-Secondary				1.564*** (0.477)	1.592*** (0.471)	1.427*** (0.439)
Age				0.142*** (0.0396)	0.148*** (0.0389)	0.155*** (0.0381)
Age Squared				-0.00154*** (0.000520)	-0.00162*** (0.000510)	-0.00171*** (0.000504)
Household size					-0.0206 (0.0212)	-0.0155 (0.0200)
Dependency ratio - all					-0.0826 (0.0781)	-0.0899 (0.0764)
Industry: Manufacturing						0.329 (0.247)
Industry: Service						0.548** (0.232)
Constant	11.75*** (0.106)	11.77*** (0.114)	11.79*** (0.123)	7.710*** (0.841)	7.833*** (0.855)	7.331*** (0.830)
R ²	0.0341	0.0345	0.0457	0.175	0.180	0.193
Observations	833	833	833	820	820	820

Standard errors in parentheses, * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Base for strata is Jinja city center; base for migrants is non-migrants; base for sex is female; base for education is no education; base for industry is agriculture. Hours worked is coded as zero for non-employed respondents, and all models are estimated with an OLS specification.

Table A3: Determinants of Consumption per Adult Equivalent (Jinja, UG)

	(1)	(2)	(3)	(4)	(5)	(6)
	Log Consumption per Adult Equiv.	Log Consumption per Adult Equiv.	Log Consumption per Adult Equiv.	Log Consumption per Adult Equiv.	Log Consumption per Adult Equiv.	Log Consumption per Adult Equiv.
Outside City Center	-0.260 (0.278)	-0.278 (0.274)	-0.0763 (0.263)	-0.116 (0.241)	-0.152 (0.130)	-0.136 (0.134)
Outskirts	-0.117 (0.209)	-0.145 (0.195)	-0.0753 (0.221)	-0.0504 (0.203)	-0.381*** (0.120)	-0.361*** (0.119)
All Migrants=1		0.478*** (0.163)	0.925*** (0.266)	0.911*** (0.249)	0.0990 (0.208)	0.124 (0.208)
Outside City Center # All Migrants=1			-0.866** (0.353)	-0.800** (0.326)	0.0464 (0.229)	0.00563 (0.235)
Outskirts # All Migrants=1			-0.353 (0.328)	-0.322 (0.300)	0.147 (0.243)	0.121 (0.245)
Sex				0.0139 (0.0611)	-0.0409 (0.0458)	-0.0225 (0.0493)
Some Primary				-0.0109 (0.274)	0.251 (0.162)	0.227 (0.156)
Completed Primary				0.355 (0.298)	0.504*** (0.174)	0.491*** (0.172)
Some Secondary				0.0825 (0.312)	0.583*** (0.162)	0.560*** (0.159)
Completed Secondary				0.304 (0.274)	0.606*** (0.152)	0.603*** (0.149)
Any Post- Secondary				0.723** (0.334)	1.033*** (0.175)	1.008*** (0.170)
Age				0.0630** (0.0320)	0.0297** (0.0138)	0.0293* (0.0150)
Age Squared				-0.000734* (0.000405)	-0.000355* (0.000183)	-0.000357* (0.000197)
Household size					-0.216*** (0.0134)	-0.215*** (0.0132)
Dependency ratio - all					-0.0385 (0.0504)	-0.0445 (0.0507)
Industry: Manufacturing						0.0112 (0.0870)
Industry: Service						0.101 (0.0854)
Constant	10.17*** (0.184)	10.07*** (0.183)	9.971*** (0.193)	8.533*** (0.738)	10.69*** (0.311)	10.65*** (0.320)
R ²	0.0102	0.0435	0.0639	0.128	0.615	0.614
Observations	915	915	915	902	902	873

Standard errors in parentheses, * $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$. Base for strata is Jinja city center; base for migrants is non-migrants; base for sex is female; base for education is no education; base for industry is agriculture. Hours worked is coded as zero for non-employed respondents, and all models are estimated with an OLS specification.

Local Government Actions

Table A4: Applying a Migrant Lens to National Urban Policies		
Policy Sector	Nation Urban Policy Recommendations	Potential Impact on Migrants
Finance and Budgeting	Adopting a fiscal strategy that increases public budgets across all government levels clarifies sub-national agencies' ability to engage different financing mechanisms.	Creating predictability of central transfers and opportunities for municipalities to raise their development funds can increase the capacity of local government to package funding for projects that impact migrants.
Infrastructure	Infrastructure strategies that align with spatial plans and promote community-led solutions to essential services and economic opportunities.	Distributive and networked infrastructure that includes new technologies for renewable energy and local sanitation options can reduce the costs of services for lower-income communities that include migrants.
Service Provision Framework	Increase the capacities of and resources allocated to urban governments and codify commitments into law.	Clarifying mandates and responsibilities within a multi-governance structure can improve access to services by migrants and non-migrants that are delivered by local, regional, and central government agencies.
Spatial Planning	NUPs can clarify spatial planning strategies across government tiers and how land is acquired for public interests as cities grow.	Defining and clarifying spatial planning responsibilities can significantly improve managing the spatial development of a municipality.
Land Rights and Tenure	Link spatial planning and tenure strategies to open opportunities for land-based financing and provide tenure security to enhance productivity and resilience of low-income and marginalized groups that include migrants.	These issues are essential given that migrants often begin their journey within the spatial and economic informal sectors.
Social Justice and Human Rights	Create a culture of rights and social justice to manage inevitable competition for space, markets, and services.	Outlining the legal rights of migrants is essential to their ability to access basic services, including health care, education, and continuing education away from their place of origin.
Data Collection and Analysis	Collect data and evidence that includes the informal sector to reflect better low-income and marginalized groups in allocating funding.	Fiscal allocations are based on outdated census figures that do not capture informal activities in terms of where residents work and live, including migrants.

Table Source: Cartwright et al, 2018 and authors.

Table A5: Municipal Capacity: What Can Be Done			
Programs and Interventions	Benefits to Migrants	Challenges for Municipality	Diagnostics & Tools
<p>Spatial Tools: <u>Planning, Infrastructure and Services</u></p> <ul style="list-style-type: none"> • Incorporating realistic demographic data and growth projections that account for the impact of migration in different areas of the municipality. • Undertake Self-Assessments • Integrating informal settlements into the planning process. • Improving multi-modal connectivity including pedestrians. • Distributed and networked infrastructure with community co-ownership and maintenance agreements with the municipality. 	<p>More realistic spatial development that considers growth pressures from different stages of migration.</p> <p>Improved services and infrastructure.</p> <p>Reduced commuting costs and time.</p> <p>Improved services and infrastructure.</p>	<p>Having updated data to understand trends and patterns.</p> <p>Implementing plans.</p> <p>Working with existing community structures, prioritized investments, and developed more flexible regulatory frameworks for informal settlement upgrading.</p> <p>Creating alternative regulatory frameworks and financing mechanisms for community based and distributive networks.</p>	<p>See World Bank Better Cities Better World, Local Government Self-Assessments (LGSAs) for self-assessment tools that include an urban audit.</p> <p>The City Resilience Action Planning Tool (CityRAP), UN Habitat</p>
<p>Budgeting and Finance</p> <ul style="list-style-type: none"> • Undertake Self-Assessments. • Improving municipal own-source financing for capital investments. • Prioritizing projects with targeted funding from internal and external sources. • PPPs for markets where migrants are working. • Land based financing including informal settlements. 	<p>Job creation & pathways to stable income.</p> <p>Create rental housing opportunities and pathways to land ownership and permanent housing options.</p> <p>Targeted interventions that address migrant needs.</p>	<p>Integrating formal and informal sectors.</p> <p>Affordability, coordination, location, and maintenance.</p> <p>Mobilizing, leveraging, and packaging funding from multiple sources.</p>	<p>See World Bank Better Cities Better World, Municipal Finances Self-Assessments (MFSAs) for assessment tool.</p>
<p>Inclusive Development: <u>Economic Inclusion</u></p> <ul style="list-style-type: none"> • PPPs for municipal-level economic infrastructure such as transportation hubs, workspaces, and markets. • Regularly dialogue with <u>existing active</u> private sector to improve the 	<p>Increased job opportunities and services (if well located).</p> <p>Increased visibility and awareness of migrant</p>	<p>Models for funding and enabling regulatory framework.</p> <p>Outreach to formal and informal firms</p>	<p>Informal Economy Budget Analysis (IEBA), WIEGO</p> <p>Local Economic Development in Practice, UN</p>

Table A5: Municipal Capacity: What Can Be Done			
Programs and Interventions	Benefits to Migrants	Challenges for Municipality	Diagnostics & Tools
<p>environment for business and alleviate the constraints that local firms face.</p> <ul style="list-style-type: none"> • Involve private sector associations in the process of producing Local Development Plans. • Raise awareness of locally available sources of finance for small firms. • Provide Business Development Services to informal enterprises, e.g., financial literacy training, business plan development, cooperative establishment, collective bargaining, and quality upgrading advice. 	<p>needs in the business environment.</p> <p>Improved skills for migrants to increase employment opportunities.</p> <p>Access to micro finance to expand migrant run businesses.</p>	<p>Developing process and staff that can engage local firms when developing local area plans.</p>	<p>Habitat.</p> <p>Circle City Scan Tool (CCST), ICLEI</p>
<p>Spatial Tools: <u>Land Tenure and Administration</u></p> <ul style="list-style-type: none"> • Strengthen land administration systems, including application of new technologies to improve documentation, information storage and retrieval, and valuation. • Strengthen the management of local urban authorities' finances to acquire land and pay for infrastructure improvements that generate LED. • Improving and streamlining registration. • Communal land tenure recognizing and incorporating customary land tenure systems. 	<p>Improved pathways to secure land tenure and more diverse housing opportunities.</p> <p>Fostering labor demand for sectors that employ migrants</p> <p>Recognizing existing settlements where migrants live and developing improved pathways to secure land tenure.</p>	<p>Operationalizing new technologies within existing regulatory frameworks.</p> <p>Capacity limitations and corruption.</p> <p>Identifying and packaging diverse funding sources and developing innovative community PPPs for distributed and networked infrastructure.</p> <p>Changing legal frameworks and national policies on land registration that impact local development.</p>	<p>Global Land Tool Network (GLTN) has various tools to strengthen land administration for example, the Social Tenure Domain Model (STDM).</p>
<p>Inclusive Development: <u>Institutional capacity</u></p> <ul style="list-style-type: none"> • Capacity building for civil servants 	<p>Integration of migrants in municipal programs.</p>	<p>High staff turnover.</p>	<p>Measuring Municipal Capacity to Respond</p>

Table A5: Municipal Capacity: What Can Be Done			
Programs and Interventions	Benefits to Migrants	Challenges for Municipality	Diagnostics & Tools
<p>and staff on technical skills for functions such as social service provision or data collection that impact migration policies and projects.</p> <ul style="list-style-type: none"> • Knowledge sharing on the benefits and challenges of migration to the local economy and urban environment. 	<p>Reduce negative viewpoints regarding migrants and increase knowledge regarding central and local programs that benefit migrants and their integration.</p>	<p>Funding for programs, identifying curriculum, and training partners.</p> <p>Develop locally contextualized curriculum & training materials, identify effective platforms for exchanging relevant practices.</p>	<p>to Mobility (Mapitsa & Landau).</p>
<p>Inclusive Development: <u>Coordination and Partnerships</u></p> <ul style="list-style-type: none"> • Aligning local and central government programs and projects, and budgeting to take into account migration trends and the needs of migrant populations. • Partnering with universities. • CBOs and NGOs to provide services in vocational training and access to micro-credit to expand the outreach and sustainability of government programs. 	<p>Integrated and silo-busting program implementation.</p> <p>Leveraging scarce funding sources.</p> <p>Increased scholarship on migration and integration into university curriculum.</p> <p>Access to action research, additional capacity, coordinating and leveraging diverse research agendas that address migration e.g., land, infrastructure, housing, LED etc.</p> <p>Sustainability and aligning of programs across CBOs, broader outreach by LG to marginalized groups, greater program reach and leveraging of funds and resources.</p>	<p>Coordinating and aligning multi-stakeholder interests.</p> <p>Funding sources for University involvement.</p> <p>Identifying common elements among different neighborhoods and sectors that increase impact.</p> <p>Managing political interests to avoid capture by special groups.</p>	

Table A5: Municipal Capacity: What Can Be Done			
Programs and Interventions	Benefits to Migrants	Challenges for Municipality	Diagnostics & Tools
<p>Spatial Tools: <u>Health and Education</u></p> <ul style="list-style-type: none"> Integrating children of migrant families into primary and secondary schools where local government is responsible. Access to health services and development of innovative delivery systems targeting marginalized groups including migrants. 	<p>Increased education and mobility.</p> <p>Access to more targeted, preventative and affordable health care.</p>	<p>Aligning national and local regulations regarding attendance.</p> <p>Funding of capital and staffing costs and access to land and services.</p> <p>Existing barriers such as registration and identification.</p>	<p>Integrating health in urban and territorial planning: A sourcebook for urban leaders, health and planning professionals, WHO and UN-Habitat</p>
<p>Inclusive Development: <u>Social Inclusion & Consultation</u></p> <ul style="list-style-type: none"> Community outreach and surveys that targets migrants, e.g., focus groups during evening hours and weekend. Partnering with CBOs and NGOs working with migrant communities and associations. Improving information and transparency regarding access to services such as health, vocational training, credit programs etc. 	<p>Migrant priorities and potential contributions are included in projects.</p> <p>Sensitizing and expanding municipal capacity to develop and implement programs benefiting migrants.</p> <p>Increased access to services.</p>	<p>Staffing, time, and funding for additional outreach.</p> <p>Recognizing the value of collaborative frameworks and working with civil society</p> <p>Resources and availability of information and knowhow on targeting marginalized groups.</p>	<p>Community-Driven Development Toolkit: Governance and Accountability Dimensions, World Bank</p> <p>HERCity, UN Habitat</p>
<p>Data access and management</p> <ul style="list-style-type: none"> Mainstreaming migration into surveying and data collection. Partnering with trade associations, NGOs and CBOs collecting urban poverty data. Aligning data collection among central government ministries and local government departments that also includes data migration. Transparency on local regulations, fees, and taxes. 	<p>Integration and inclusion of migrant needs and priorities in spatial planning & programs.</p> <p>Recognition and understanding of the role of the informal economies and settlements in which migrants work and live.</p>	<p>Building skills and providing training to municipalities and communities in data collection.</p> <p>Making new technologies available to municipalities and NGOs.</p> <p>Developing trust and accountability regarding</p>	<p>Monitoring urban growth—Africapolis, Global Rural-Urban Mapping Project (GRUMP), the Atlas of Urban Expansion, and the WorldPop project</p> <p>Know Your City Campaign, Slum Dwellers International (SDI)</p>

Table A5: Municipal Capacity: What Can Be Done			
Programs and Interventions	Benefits to Migrants	Challenges for Municipality	Diagnostics & Tools
	<p>Including migrants in planning and budgetary considerations.</p> <p>Increased knowledge of regulatory process and fees.</p>	<p>data sharing.</p> <p>Providing up-to-date access via different platforms (web-based, digital, and paper).</p>	

	Densely Developed Inner-City Area	Consolidated Peripheral Area	Newly Developing, Peripheral Settlement
Age of Settlement	Well established-20+ years	15+ years	Under 10 years
Location	Close to the city center and commercial business district. Walking Distance to Central Market.	Relative proximity to the city center. 15 minutes by car/transit, a 45-minute walk.	Generally, on the edge of the municipality. 20 Mins+ by car/transit, 1 hour + walk.
Population Density	High	Moderate	Low
Growth Rate	Low or stable	Moderate to High 5% +	High 10%+
Housing Market	Predominantly rental with high turnover.	Mixed-original homeowners and renters seeking a higher-quality rental.	Primarily new homeowners who will also rent.
Transportation	Dense and narrow internal paths with limited motor access. Close proximity to public transit and transport nodes.	Dense and narrow internal paths with several motorable access roads. Accessible public transit within walking distance.	At least one major arterial access road adjacent or through the community, and unplanned internal circulation network.
Infrastructure	Public and communal provision.	Piecemeal provision with limited access to public networks.	Limited and self-provided.
Schools	Accessible and overcrowded.	Accessible and overcrowded.	Lacking
Health Centers	Good access	Limited access	Lacking

Source: Andreasen et al. and Authors

Table A7: Densely Developed Inner-City Area	Benefit to Migrants	Challenges for Municipality
<p>Settlement Improvements</p> <ul style="list-style-type: none"> In-situ improvements of urban neighborhoods build on and leverage existing capital investments, including private sector housing and rental units 	<p>Expands the supply of housing stock and rental opportunities for migrants close to employment opportunities. Reduce overcrowding.</p>	<p>Gentrification, pricing migrants out of the area over time.</p> <p>Identifying funding sources within the municipality and the community.</p> <p>Possible relocation of businesses or homes to allow for improved infrastructure.</p>
<p>Infrastructure</p> <ul style="list-style-type: none"> Incremental improvements to infrastructure <ul style="list-style-type: none"> Public toilets, wells, boreholes, drainage, solid waste. Electrification including solar –benefits local economic development and education opportunities at home. Laundry and washing facilities. Developed in partnership with the community, NGOs, and residents. A communal sense of ownership is key to the sustainability of improvements. 	<p>Increase health and wellbeing of community.</p>	<p>Coordinating and cost-sharing improvements with the community to increase access to basic services.</p> <p>Matching outreach to when residents are home, especially migrants who are not permanent residents or newcomers.</p>
<p>Transportation and Circulation</p> <ul style="list-style-type: none"> Transportation and access in and out of the community. Smaller interventions that enhance accessibility, improve road safety and open circulation networks, pave streets, improve drainage, and locate (reserve) space for bus stops and transit nodes. Work with community to identify 'choke' points that can be improved for pedestrian and vehicular circulation including motorized and non-motorized city specific modes such as moto-scooter trucks, boats, bicycles. 	<p>Reduce the cost and time to commute to employment opportunities, Increase safe pedestrian access to employment centers, markets, and transportation nodes.</p>	<p>Compensation and relocation costs in dense communities.</p>
<p>Market Sites</p> <ul style="list-style-type: none"> Reserving land for community market sites with basic infrastructure (i.e., water, electricity, solid waste collection). 	<p>Increased access to food and employment.</p>	<p>Finding locations and utilities & maintaining the facilities.</p>
<p>Educational, Social and Cultural Services.</p> <ul style="list-style-type: none"> Provision and maintenance of a vocational training center, youth center with training 	<p>Opportunities for skill enhancement. Fill gaps in LG delivery.</p>	<p>Finding locations and utilities & maintaining the facilities.</p>

Table A7: Densely Developed Inner-City Area	Benefit to Migrants	Challenges for Municipality
<p>opportunities, schools.</p> <ul style="list-style-type: none"> • Systematic partnering with existing NGOs and CBOs to provide and manage services. 		
<p>Safety</p> <ul style="list-style-type: none"> • Street lighting 	<p>Safety and security of traders and residents, especially women, which can increase working hours and opportunities.</p>	<p>Retrofitting existing electrical infrastructure and on-going maintenance</p>
<p>Zoning and Development Regulations</p> <ul style="list-style-type: none"> • Recognizing settlements and incorporating them into city planning and sectoral improvements. • Promote mixed uses, especially along commercial streets, and in-home enterprises. 	<p>Protection of neighborhoods where migrants enter.</p> <p>Employment opportunities from home, especially for women.</p>	<p>Capacity to undertake long-term planning.</p> <p>Shift in planning practice to include informal settlements in development planning requires political will</p>
<p>Rental Housing Market</p> <ul style="list-style-type: none"> • Introduce or improve rental regulations and create more transparent rental markets 	<p>Housing security and quality improved framework for accountability with landlords</p>	<p>Applying regulations within informal markets</p>
<p>Land ownership and tenure</p> <ul style="list-style-type: none"> • Interim and communal solutions that provide some sense of security and stimulates housing investment to increase the supply of rental units. 	<p>Preservation of neighborhoods where migrants live and increased housing options.</p>	<p>Long-term, requires extensive vertical coordination with central ministries.</p> <p>Developing interim solutions.</p> <p>Potential displacement of marginalized residents, particularly renters and subletters.</p>

Table A8: Consolidated Peripheral Settlement	Benefit to Migrants	Challenges for Municipality
<p>Settlement Improvements</p> <ul style="list-style-type: none"> Proactive in-situ improvements of neighborhoods to guide development and capital investments, especially housing and rental income. 	<p>Expands the supply and range of rental opportunities for migrants close to employment opportunities.</p> <p>Reduce overcrowding.</p>	<p>Gentrification, pricing migrants out of the area over time.</p> <p>Possible relocation of some businesses or homes to allow for improved infrastructure.</p>
<p>Infrastructure</p> <ul style="list-style-type: none"> Complementary and incremental improvements of infrastructure to accommodate foreseen densities. Supplement existing infrastructure investments. Redirecting and guiding small-scale water and sanitation among parcels. Investments developed in partnership-community, LGs, NGOs and residents. Communal 'ownership' is key to sustainability of improvements. 	<p>Increase health, wellbeing, and housing options.</p>	<p>Technical issues of working with existing, fragmented infrastructure networks in different and overlapping jurisdictions.</p> <p>Financing and maintenance challenges.</p> <p>How will rental housing available to migrants be improved or impacted?</p>
<p>Transportation and Circulation</p> <ul style="list-style-type: none"> Transportation and access in and out of the community with link to major arterials and transport corridors. Small interventions that enhance accessibility, open circulation networks, pave streets, improve drainage, locate (reserve space) for bus stops and transit nodes. Work with community to identify circulation 'choke' points that can be improved for pedestrian and vehicular circulation. 	<p>Reduce the cost and time to commute to employment opportunities by improving access to central employment locations.</p> <p>Increase safe pedestrian access to markets and transportation nodes.</p>	<p>Compensation and relocation costs.</p>
<p>Market Sites</p> <ul style="list-style-type: none"> Reserving land for community market sites with basic infrastructure—water, electricity, solid waste collection. 	<p>Increased access to food and employment.</p>	<p>Finding locations and utilities & maintaining the facilities.</p> <p>Maintaining affordability for marginalized traders.</p>
<p>Educational, Social and Cultural Services.</p> <ul style="list-style-type: none"> Provision and maintenance of a vocational training center, youth center with training opportunities, schools. Systematic partnering with existing NGOs and CBOs to address needs. 	<p>Opportunities for skill enhancement.</p> <p>Fill gaps in LG delivery.</p>	<p>Reserving space for future facilities and activating with temporary uses.</p> <p>Lack of funding.</p>

Table A8: Consolidated Peripheral Settlement	Benefit to Migrants	Challenges for Municipality
Safety <ul style="list-style-type: none"> Street lighting 	Safety and security of traders and residents, especially women, which can increase working hours and opportunities.	Retrofitting existing electrical infrastructure, maintenance.
Zoning and Development Regulations <ul style="list-style-type: none"> Recognizing settlements and incorporating them into city planning and sectoral improvements. Promote mixed uses, especially along commercial streets, and in-home enterprises. Consider regularization strategies to improve circulation networks, explore community-led reblocking as needed, tied to registration and eventual title. 	Protection of neighborhoods where migrants enter and relocate. Employment opportunities from home, especially for women.	Capacity of LGs to undertake long-term planning. Shift in practice to include informal and emerging settlements in development planning.
Rental Housing Market <ul style="list-style-type: none"> Introduce or improve rental regulations and create more transparent rental markets. 	Housing security and quality improved framework for accountability with landlords	Applying regulations within informal markets
Land ownership and tenure <ul style="list-style-type: none"> Streamline registration process to provide security of tenure and stimulate housing investment. Address backlog in registration, try to get ahead and bring properties onto the tax rolls. Create incentive programs for re-blocking process based on baseline standards, including informal division by larger landowners—for example maintain ROW or access easements. 	Preservation of neighborhoods where migrants establish themselves.	Long-term, requires extensive vertical coordination with central ministries. Developing interim solutions. Potential displacement of marginalized residents, particularly renters and subletters.

Table A9: Newly Developing Peripheral Settlement	Benefit to Migrants	Challenges for Municipality
<p>Infrastructure</p> <ul style="list-style-type: none"> • Develop incremental servicing strategies to accommodate foreseen densities. • Guide small-to-medium scale water and sanitation networks. • Establish or strengthen community networks. 	<p>Increase health and wellbeing.</p> <p>Increase range of housing options for migrants.</p>	<p>Technical issues of working with existing fragmented networks.</p> <p>Financing and maintenance challenges.</p> <p>Balancing the impacts the rental housing market</p>
<p>Transportation and Circulation</p> <ul style="list-style-type: none"> • Anticipate transportation and access in and out of the community and link to major arterials and transport corridors. 	<p>Reduce the cost and time to commute to employment opportunities by improving access to central employment locations.</p> <p>Increase safe pedestrian access to markets and transportation nodes.</p>	<p>Identifying growth areas and reserving land for transport nodes and bus stops.</p>
<p>Market Sites.</p> <ul style="list-style-type: none"> • Reserving land for community market sites with basic infrastructure—water, electricity, solid waste collection. 	<p>Increased access to food and employment.</p>	<p>Finding locations and utilities & maintaining the facilities.</p> <p>Maintaining affordability for marginalized traders.</p>
<p>Educational, Social and Cultural Services</p> <ul style="list-style-type: none"> • Increase access to existing facilities that may be out of the area and reserve space for future facilities. This includes schools, community/youth centers and vocational training institutes. 	<p>Opportunities for skill enhancement.</p> <p>Fill gaps in LG delivery.</p>	<p>Reserving space for future facilities and activating with temporary uses.</p> <p>Funding.</p>
<p>Safety</p> <ul style="list-style-type: none"> • Planning for street lighting. 	<p>Safety and security of traders and residents, especially women, which can increase working hours and opportunities.</p>	<p>Retrofitting existing electrical infrastructure, maintenance.</p>
<p>Zoning and Development Regulations</p> <ul style="list-style-type: none"> • Recognizing settlements and incorporating them into city planning and sectoral improvements. • Anticipate mixed uses including subsistence agriculture and in-home enterprises. • Anticipate and plan for circulation networks, explore community-led re-blocking as needed, and tied to registration and eventual title. 	<p>Protection of neighborhoods where migrants move and relocate.</p> <p>Income-generating opportunities, including small-scale farming, especially for women.</p>	<p>Capacity to undertake long-term planning.</p> <p>Shift in practice to include informal and emerging settlements in development planning.</p>

<p>Land ownership and tenure</p> <ul style="list-style-type: none"> • Streamline registration process to provide security of tenure and stimulate housing investment. • Create incentive programs for subdivision processes based on baseline standards, including informal division by larger landowners—for example, maintain ROW or access easements. 	<p>Preservation of neighborhoods where migrants establish themselves.</p> <p>Support migrants in becoming landowners.</p>	<p>Long-term, requires extensive vertical coordination with central ministries.</p> <p>Developing interim solutions.</p> <p>Potential displacement of marginalized residents, particularly renters and subletter.</p>
<p>Coordination among adjacent municipalities</p> <ul style="list-style-type: none"> • Undertake joint planning initiatives to identify the potential for shared facilities and infrastructure provision. • Ensure linkages among road networks to maintain efficient local and regional circulation networks. • Coordinate land use plans along development corridors and identify development nodes. 	<p>Availability of services.</p> <p>Improved access to jobs and lower transportation costs.</p>	<p>Policy coordination and resource sharing.</p>

Table A10: Streets	Benefit to Migrants	Challenges for Municipality
Trading Space <ul style="list-style-type: none"> Designated spaces for street traders with temporary sheds or shading/covers. Complete streets design interventions for all transport modes that is inclusive of street trading. 	Creation of safe spaces for traders, especially for new migrants to work and store supplies.	Developing management and financing protocols.
Regulations <ul style="list-style-type: none"> Establish street vending regulations to allow secure trading spaces near transport locations and public squares. Establish neutral enforcement agents and user-friendly appeal processes. 	Formalization and security for street traders & increased income opportunities.	Developing transparent protocols for implementation and monitoring.
Outreach and Communication <ul style="list-style-type: none"> LG dialogue with street trader associations Establish institutional space for trader associations to play an active role in monitoring the licensing and regulations and in resolving disputes or issues that arise on an ongoing basis. 	Increase trust with LG and create solution-based dialogue among normally contentious actors.	Developing a proactive and systematic outreach policy.
Financial support <ul style="list-style-type: none"> Organize credit & savings groups 	Availability of flexible and often short-term capital for traders. Create a financial and social safety net.	Finding partners among NGOs, CBOs and micro-finance institutions.
Safety <ul style="list-style-type: none"> Street lighting 	Safety and security of traders and residents, especially women, which can increase working hours and opportunities.	Maintenance and management of street lighting.
Public infrastructure and services <ul style="list-style-type: none"> Provision of public toilets and water 	Improve health and wellbeing for traders, particularly women. Reduce costs and time away from customers.	Maintenance and management of infrastructure and public provision.
Licensing and Permitting <ul style="list-style-type: none"> Licensing and permitting focused on regulating trading spaces, not criminalizing traders without licenses. Cashless systems for payment with receipts where possible 	<p>Security for trading and potential to provide training and information on rights and responsibilities.</p> <p>Transparent and accessible information on regulations and rights and submitting complaints.</p>	<p>Enforcement of permitting without criminalizing traders. Creation and management of a permitting system.</p> <p>Fees should consider the income/earnings of street vendors and ability to pay.</p> <p>Developing accessible media strategy and platform for the most vulnerable.</p>

Table A10: Streets	Benefit to Migrants	Challenges for Municipality
<p>Data Collection</p> <ul style="list-style-type: none"> Market survey and data collection on location and types of street traders. 	<p>More responsive support programming, recognition of traders and related forward and backward linkages to local economy.</p>	<p>Developing and administering survey instruments and activating the data.</p>

Table A11: Markets and Enterprise Hubs	Benefit to Migrants	Challenges for Municipality
Market Upgrading <ul style="list-style-type: none"> Participatory upgrading program to create vibrant, sanitary, accessible, and safe markets and enterprise hubs. 	Co-design markets and enterprise hubs to fit the needs of both traders, fabricators, shoppers, and municipal regulators.	Time intensive process. Inclusion of traders in a solution focused, not antagonistic discussion.
Market Sites <ul style="list-style-type: none"> Planning for and reserving land for markets in key node sites. 	Accessible and well-located markets as the urban area develops.	Developing temporary uses to protect sites from encroachment.
Transport and Mobility <ul style="list-style-type: none"> Well-designed layouts for transport/taxi mobility in proximity to markets and enterprise hubs. 	Reduced conflict overuse of spaces, decreased congestion surrounding markets and increased mobility for goods traders and shoppers.	Planning for mobility and identifying well located sites.
Service Provision <ul style="list-style-type: none"> Service provision for markets – especially geared toward different industry needs. 	Access to water, electricity, solid waste disposal geared toward market activities (for example food preparation, clothing, and tailoring, among others).	Financing and maintaining investments.
Affordability <ul style="list-style-type: none"> Affordable market stalls – tiered level of stalls or spaces for different trades and costs. 	Allow for entry at all levels- especially for migrants.	Developing fee system that considers the income/earnings of traders and ability to pay.
Public and Social Services <ul style="list-style-type: none"> Provision of public facilities and social services i.e., public toilets and daycare. 	Particularly beneficial for women.	Financing. Responsive design and maintenance.
Safety <ul style="list-style-type: none"> Storage, lighting, and security. 	Goods are more secure. Safety of traders and shoppers is enhanced. Markets are able to remain open after dark.	Financing. Responsive design and maintenance.
Training and skill building programs <ul style="list-style-type: none"> Vocational training-responsive curriculum based on the market or clustering of cottage industry. 	Access to training to upskill and improve employment opportunities.	Matching skill training to the needs of the local enterprises (formal and informal).
Communication and Outreach <ul style="list-style-type: none"> Dialogue between government and market/ cottage industry associations. 	Proactive engagement to provide feedback on needs and priorities.	Establishing a systematic outreach program and identifying the associations.
Micro-enterprise Support <ul style="list-style-type: none"> Micro-enterprise workspace program – incubator space and support. Clustering of enterprises with similar profiles. 	Secure, safe, and serviced locations. Opportunity to access credit and training, including marketing.	Financing, establishing well located and accessible sites, providing programming.
Microfinance <ul style="list-style-type: none"> Access to credit geared to migrants and small-scale fabricators who employ 	Ability to scale-up and increase employment opportunities.	Financing, finding micro-finance partners, managing the program.

Table A11: Markets and Enterprise Hubs	Benefit to Migrants	Challenges for Municipality
migrants.		
Data Collection <ul style="list-style-type: none"> • Market survey and data collection on location and types of enterprises-formal and informal. 	More responsive support programming, recognition of enterprises, and related forward and backward linkages to the local economy.	Developing and administering, and survey instruments and activating the data.

Table A12: Home-Based Businesses	Benefit to Migrants	Challenges for Municipality
Zoning and Land Use <ul style="list-style-type: none"> • Zoning for home-based enterprises in formal and informal settlements. • Zoning for mixed-use. 	Direct income-generating potential. Access to employment and income generation activities in proximity to home.	Finding best practices to develop responsive zoning and avoid health and safety conflicts.
Infrastructure <ul style="list-style-type: none"> • Improve service provision i.e. electricity and water. 	Access to basic services, including solid waste disposal and electricity.	Financing and maintenance. Focusing on service provision and infrastructure for informal settlements
Microfinance <ul style="list-style-type: none"> • Access to credit and savings groups. 	Availability of flexible and often short-term capital for traders. Create a financial and social safety net.	Finding partners among NGOs, CBOs, and micro-finance institutions.
Data Collection <ul style="list-style-type: none"> • Home survey and data collection on location and types of home-based industries. 	More responsive support programming, recognition of home-based enterprises, and related forward and backward linkages to the local economy.	Developing and administering survey instruments and activating the data.

Table A13: Hidden or Temporary Spaces	Benefit to Migrants	Challenges for Municipality
Work Space <ul style="list-style-type: none"> Designating spaces adequate for sorting and storing collected materials for waste pickers. 	Creation of safe spaces for sorting and storing waste away from the home.	Identifying accessible and safe spaces and reserving them for waste management.
Formalization <ul style="list-style-type: none"> Programs that recognize and support the role of waste pickers in the formal recycling system, such as waste to wealth. 	Reduce stigma for their work—increased income and accessibility to formal systems.	Developing and managing a waste management system that incorporates marginalized groups.
Communication and Outreach <ul style="list-style-type: none"> LG outreach program to create an ongoing dialogue with waste picker or informal labor associations. Know your rights program for domestic workers. 	Proactive engagement to provide feedback on needs and priorities. Transparent and accessible information on rights and social protection.	Establishing a systematic outreach program and identifying the associations. Developing accessible media strategy and platform for the most vulnerable.
Data Collection <ul style="list-style-type: none"> Surveying and data collection to understand more marginalized informal sectors. 	More responsive support programming, recognition of informal sectors and related forward and backward linkages to local economy.	Developing and administering survey instruments and activating the data.