

# Of Roads Less Traveled:

## Assessing the potential of economic migration to provide overseas jobs for Nigeria's youth

Samik Adhikari, Sarang Chaudhary and Nkechi Linda Ekeator



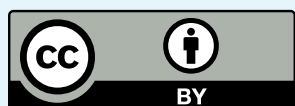
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# Foreword

The recent and unfolding COVID-19 crisis has taught us many valuable lessons. One of them is on the vital contributions that migrants make to our society. In destination countries, migrants constituted a substantial share of “essential workers” in many occupation categories, ranging from agriculture and food processing to healthcare and technology. In countries of origin, remittances sent by migrants were remarkably resilient despite the crisis – enabling family members back home to manage the crisis without resorting to negative coping mechanisms.

Despite growing evidence on the economic benefits of migration, international migration remains a hotly debated topic. In Nigeria, the topic has received increasing attention and limelight due to the recent surge in irregular migration to Europe. To discourage irregular migration, several programs and policies have been put in place – including measures to strengthen border control and programs that raise awareness and discourage against taking dangerous journeys through the desert and the sea. While these initiatives are necessary, they need to be complemented with programs and systems that facilitate safe and orderly migration – of the kind outlined in the United Nations Sustainable Development Goals - including through the implementation of well managed migration policies.

This report finds that Nigeria’s labor market has not kept pace with the increasing number of labor force entrants in recent years. Combined with rising aspirations of increasingly educated youth, there are continuing signs of migratory pressure in Nigeria’s economy. The recent rise in irregular migration from Nigeria is one manifestation of this problem. Together with steps taken to curb irregular migration, it is essential for countries such as Nigeria to improve their managed migration systems to enable youth to find overseas employment and to benefit from remittances as well as transfer of skills, technology, and investment. The findings presented in this report stems from a deep engagement with stakeholders in Nigeria and abroad and it is our hope that this exercise will support the Government of Nigeria in filling critical information gaps to aid migration policymaking.

This report builds upon and draws from similar assessments of migration trends and systems conducted by the Bank in recent years in other regions around the globe. The Bank is increasingly active in policy dialog with client countries to maximize the benefits and minimize the costs from international labor migration. Lessons learnt from Nigeria through this exercise can help highlight policies that promote safe, remunerative, and cost-effective migration in other countries in the sub-Saharan Africa region and globally.



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# Acronyms

<b>CBN</b>	Central Bank of Nigeria
<b>EC</b>	European Commission
<b>ECOWAS</b>	Economic Community of West African States
<b>EUTF</b>	European Trust Fund for Africa
<b>FEC</b>	Federal Executive Council
<b>FDI</b>	Foreign Direct Investments
<b>FMLE</b>	Federal Ministry of Labor and Employment
<b>IDPs</b>	internally displaced persons
<b>ILMD</b>	International Labor Migration Desk
<b>IOM</b>	International Organization of Migration
<b>MDAs</b>	Ministries, Departments and Agencies
<b>MFA</b>	Ministry of Foreign Affairs
<b>MRC</b>	Migrant Resource Centers
<b>N</b>	Naira
<b>NBS</b>	National Bureau of Statistics
<b>NHS</b>	National Health Service
<b>NiDCOM</b>	Nigerians in Diaspora Commission
<b>NIS</b>	Nigeria Immigration Service
<b>NLSS</b>	National Living Standard Survey
<b>NPLM</b>	National Policy on Labor Migration
<b>NPopC</b>	National Population Commission
<b>NMP</b>	National Migration Policy
<b>ODA</b>	Official Development Assistance
<b>OoVP</b>	Office of the Vice President
<b>OWWA</b>	Overseas Workers Welfare Administration
<b>PEAs</b>	Private Employment Agencies
<b>POEA</b>	Philippines Overseas Employment Administration
<b>SPAC</b>	Social Partner Advisory Committee
<b>TWC</b>	technical working committee
<b>TWG</b>	technical working group



# Executive summary: Ten key takeaways from the report<sup>1</sup>

## 1. Despite the topic of migration receiving extensive limelight in recent years, little attention is paid to policies that help Nigeria realize the United Nations Sustainable Development Goals on facilitating safe, orderly, and regular migration.

Nigeria is both Africa's most populous country and its largest economy. Nigerians are not only creating a vibrant and dynamic society within Nigeria but are also leaving their footprint across the globe in diverse fields ranging from medicine to movies, and from literature to diplomacy. Nigeria is reaping dividends from the success of its diaspora. These benefits not only come in the form of remittances—which equaled 5 percent of Nigeria's GDP in 2019—but also in the form of investments in Nigeria and transfer of skills and technology from returning migrants.

Yet, when it comes to the discourse on international migration, the narrative has often focused on the increase of irregular migration from Nigeria in recent years. Harrowing images of Sub-Saharan migrants, including from Nigeria, being sold as slaves in Libyan markets shook the globe in 2018. In response, both governmental and nongovernmental

actors have put in place strong programs and mechanisms to strengthen border controls, raise awareness against irregular migration, and prioritize domestic job-creation programs to address the “root causes” of migration.

An example of such a program is the European Trust Fund for Africa (EUTF) which was established in 2015 with the aim to promote areas of mutual development interest between Europe and Africa. It has since provided more than €4 billion in aid to African countries to address various development-related challenges and priorities in Africa. One of the core objectives of the programs supported by EUTF is to provide comprehensive migration management support to African countries to stop the flow of irregular migrants to Europe. Since its inception, the EUTF has provided more than €770 million for migration-related projects in Nigeria. Most of these funds are invested in border control measures, awareness campaigns to stop trafficking, and the creation of jobs domestically, including for returned Nigerian migrants.

However, a critical category of program that is missing among the current set of measures are programs of the kind outlined in the United Nation's Sustainable Development Goals that aim to complement efforts to stop irregular migration by “facilitating orderly, safe, regular and responsible migration and mobility

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1. All of the facts and figures that need citation in the executive summary are referenced in the equivalent sections in the main body of the report.

of people, including through the implementation of planned and well managed migration policies.”<sup>2</sup>

By 2100, Europe’s working age population between the ages of 20 and 64 is projected to decline by 30 percent, owing to low birth-rates and increased longevity. At the same time, the working age-population in Nigeria is set to increase by 140 percent. Recognizing these demographic realities and an opportunity created by these labor shortages and surpluses, the EU’s New Pact on Migration and Asylum sets a specific goal to promote more legal migration pathways between Europe and Sub-Saharan Africa, including with Nigeria.<sup>3</sup>

The main purpose of this report is to aid discussion on creating new labor migration pathways for overseas employment of Nigerians. It aims to support the Government of Nigeria in filling critical information gaps to comprehensively shed light on the issue of international migration. Using available data from secondary sources, it places international migration within the broader labor market context in Nigeria, carefully stressing the push and pull factors that lead to both regular and irregular migration and makes the case for why more structured regular migration will be one of the crucial ways in which Nigeria can support education to work transition for young and aspiring Nigerian jobseekers.

The report synthesizes the available evidence to understand the stock and flows of international migrants from Nigeria, major countries of destination, and key areas of vulnerabilities while identifying gaps in evidence to inform decision-making. The final contribution of this report is that it comprehensively assesses the institutional framework governing labor migration at the Federal level in Nigeria,

underscoring the various stakeholders involved in the process, and underlining key gaps that are hampering Nigeria’s ability to enhance the benefits and reduce the costs from international migration.

## 2. Nigeria is facing one of the most acute jobless crises in recent times.

Between 2014 and 2020, Nigeria’s working age population grew from 102 million to 122 million, growing at an average rate of approximately 3 percent per year. Similarly, Nigeria’s active labor force population, i.e., those willing and able to work among the working age population, grew from 73 million in 2014 to 90 million in 2018, adding 17.5 million new entrants to Nigeria’s active labor force. Since 2018, however, the active labor force population has dramatically decreased to around 70 million—lower than the level in 2014—while the number of Nigerians who are in the working-age population but not active in the labor force has increased from 29 million to 52 million between 2014 and 2020 (Figure ES.1).

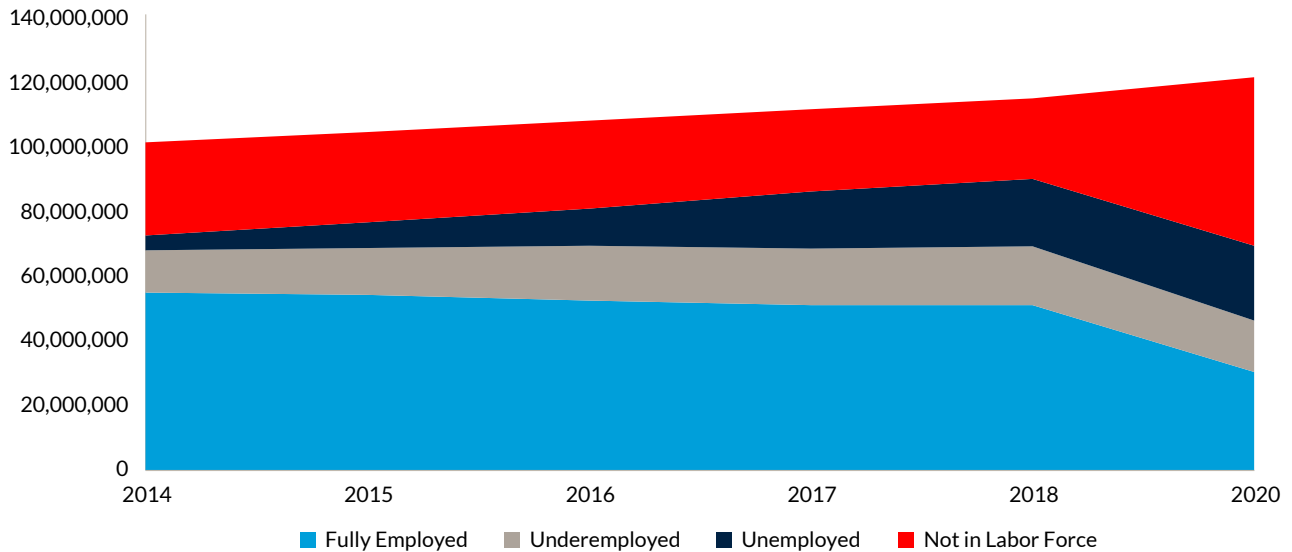
The expanding working-age population combined with scarce domestic employment opportunities is creating high rates of unemployment, particularly for Nigeria’s youth. Between 2010 and 2020, the unemployment rate rose five-fold, from 6.4 percent in 2010 to 33.3 percent in 2020. The rise in unemployment rates has been particularly acute since the 2015–2016 economic recession and has further worsened as COVID-19 led to the worst recession in four decades in 2020 (Figure ES.2). Unemployment rate, defined nationally as the percentage of the labor force population who could not find at least 20 hours of work in the reference period, was significantly higher for

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2. The SDGs’ central reference to migration is made in Target 10.7 to facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies, which appears under Goal 10 to reduce inequality within and among countries. SDG | Migration data portal: [migrationdataportal.org/sdgs](https://migrationdataportal.org/sdgs)

3. The European Union’s New Pact on Migration and Asylum was proposed on 23 September 2020 and covers areas of migration management including faster border procedures, better cooperation with third country on returns, and more legal pathways, among others. The pact along with supporting documents can be accessed at: [https://ec.europa.eu/commission/presscorner/detail/en/ip\\_20\\_1706](https://ec.europa.eu/commission/presscorner/detail/en/ip_20_1706)

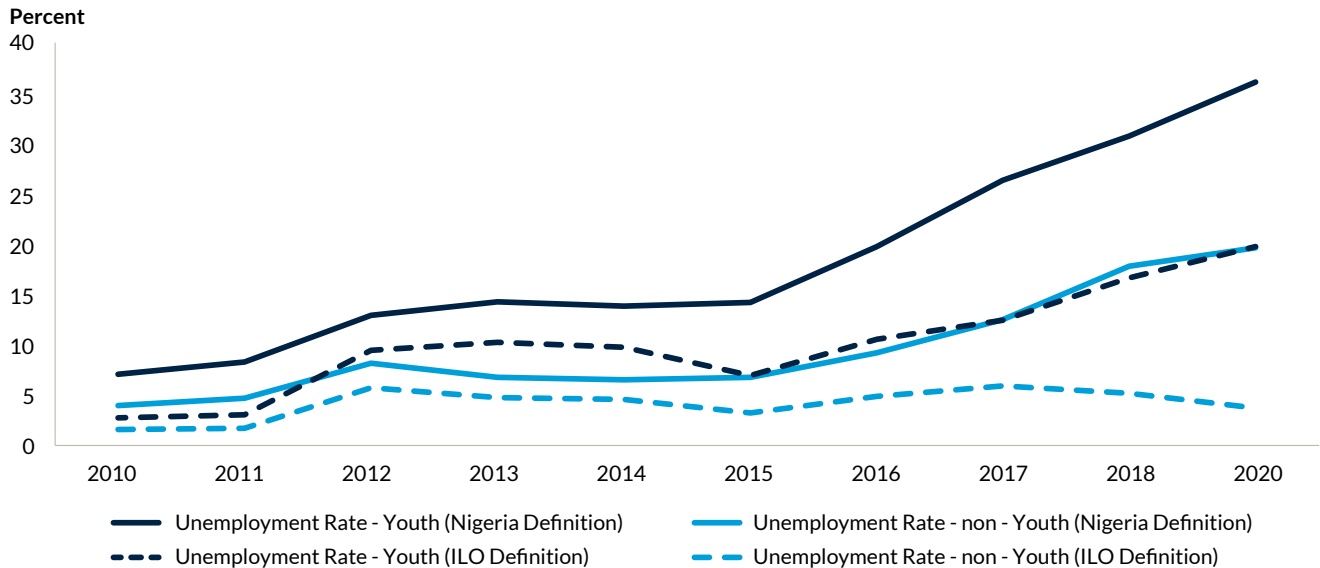
**Figure ES.1.** Since 2014, the share of unemployed and inactive labor force among Nigeria’s working-age population has increased sharply



Source: World Bank calculations based on data from National Bureau of Statistics (NBS).

Note: Fully employed includes individuals who were working 40 hours or more during the survey period. Underemployed includes individuals who were working between 20-39 hours. Unemployed includes individuals working less than 20 hours a week in the reference period.

**Figure ES.2.** Unemployment rates in Nigeria have significantly worsened since the 2015-16 recession, particularly for youth



Source: World Bank calculations using data from NBS.

youth (42.5 percent) compared to non-youth (26.3 percent). Women are also particularly vulnerable in Nigeria's labor market. Compared to 46.4 percent of male population who are fully employed, only 40.6 percent of women are fully employed. The share of fully employed is significantly lower in rural areas compared to urban areas.

Increasingly, educated Nigerians are struggling to find employment opportunities in the country. While unemployment rates have increased substantially for Nigerians across all education levels over the years, it has become progressively challenging for educated Nigerians to find employment opportunities. Between 2010 and 2020, the unemployment rates for Nigerians with secondary and post-secondary education increased by more than 30 percentage points, preventing new educated entrants in the labor market from earning returns on human capital investment.

### 3. Combined with significant demographic changes and increased aspirations of the youth, Nigeria's unemployment crisis is creating migratory pressure in the economy.

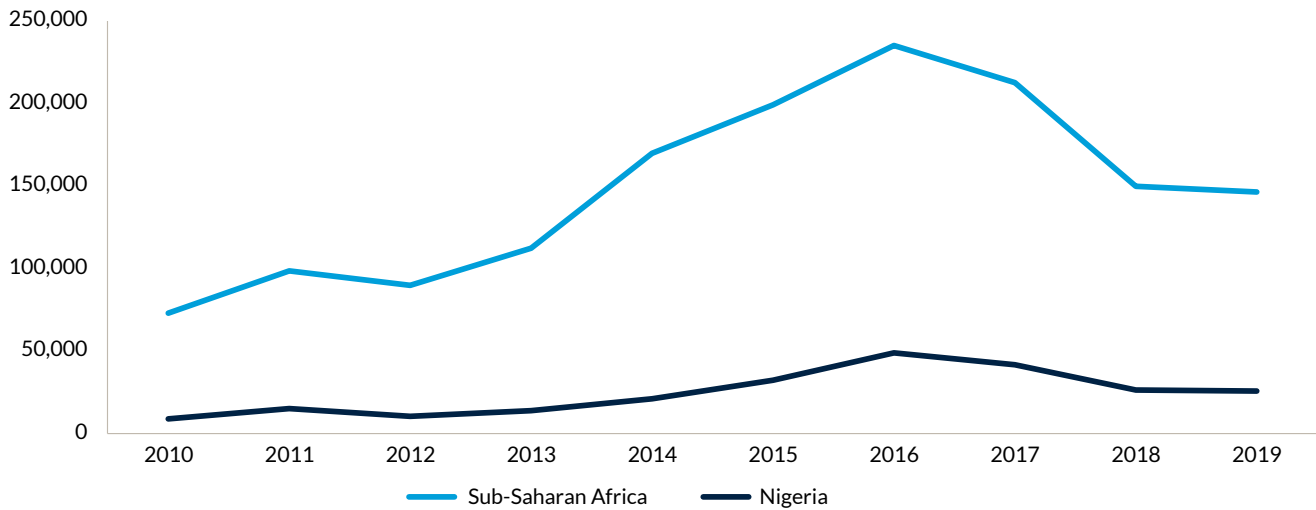
A combination of rising unemployment, booming demographics, and unfulfilled aspirations is increasing the pressure on young Nigerians to migrate in search of gainful employment overseas. Unemployment is considered to be a key driver of migration. Consequently, multiple surveys show that the number of Nigerians who are looking to migrate internationally is high and increasing. The proportion keen to leave permanently has increased from 36 percent in 2014 to 52 percent in 2018, according to Gallup. Data from Afro Barometer show that the desire to migrate is higher among unemployed (38 percent), youth (39 percent), secondary education graduates (39 percent), urban residents (41 percent) and post-secondary graduates (45 percent) in Nigeria.

Nigeria accounts for 20 percent of the population of Sub-Saharan Africa and is projected to be the third most populous country in the world by 2040, with over 400 million inhabitants. The number of children below the age of 15 outnumbers the number of youths aged 15-34 in 2020, but as those children enter the working-age population, the number of youths aged 15-34 is set to increase from 68 million in 2020 to 141 million in 2020, significantly adding to the stock of working-age population in the future. In comparison, several high-income OECD countries are facing a rapidly ageing population. The old-age dependency ratio, which measures the share of the population aged 65 and above in comparison to the working-age population, is set to increase by more than 20 percentage points in countries such as Italy and by 10 percentage points in Germany and Canada. In Nigeria and Sub-Saharan Africa, the old age dependency ratio is expected to remain below 10 percent in the foreseeable future.

While labor shortages caused by ageing in high-income OECD countries, and labor surpluses caused by a demographic boom in Sub-Saharan Africa could lead to a scenario where some of the surplus labor from Nigeria could find employment in high-income OECD countries, this requires regular channels for Nigerians to find overseas employment. However, since there has not been an expansion of legal migration routes for youth increasingly eager to find opportunities in the overseas labor market, young Nigerians are opting for irregular migration routes to realize their hopes for a better life.

The number of first-time asylum seekers from Sub-Saharan Africa and Nigeria to Europe peaked in 2016, at the height of the European migration crisis, before subsiding in late-2017 (Figure ES.3). Nigerians represented the largest group of migrants from Sub-Saharan Africa to arrive in Europe in 2016 and 2017. Nearly 40,000 Nigerians arrived in Italy in 2016 with over 90 percent arriving via sea routes. A larger share of Nigerian migrants arriving to Italy were women (32 percent) compared to migrants from the rest of SSA (24 percent). Similarly, a larger share of Nigerian migrants

**Figure ES.3. The number of asylum seekers from Sub-Saharan Africa and Nigeria to Europe peaked in 2016 and 2017 before subsiding**



Source: World Bank calculations based on data from EuroStat.

had completed secondary education (39 percent) compared to migrants from the rest of SSA (21 percent), which tallies well with the analysis of the domestic labor market that shows that educated youth in particular are suffering progressively worse employment outcomes in the country.

#### 4. Compared to other Sub-Saharan African countries or when benchmarked globally, the share of international migrants in Nigeria's population is considerably smaller. What is worrying, however, is the increase in the number of forced and irregular migrants from Nigeria.

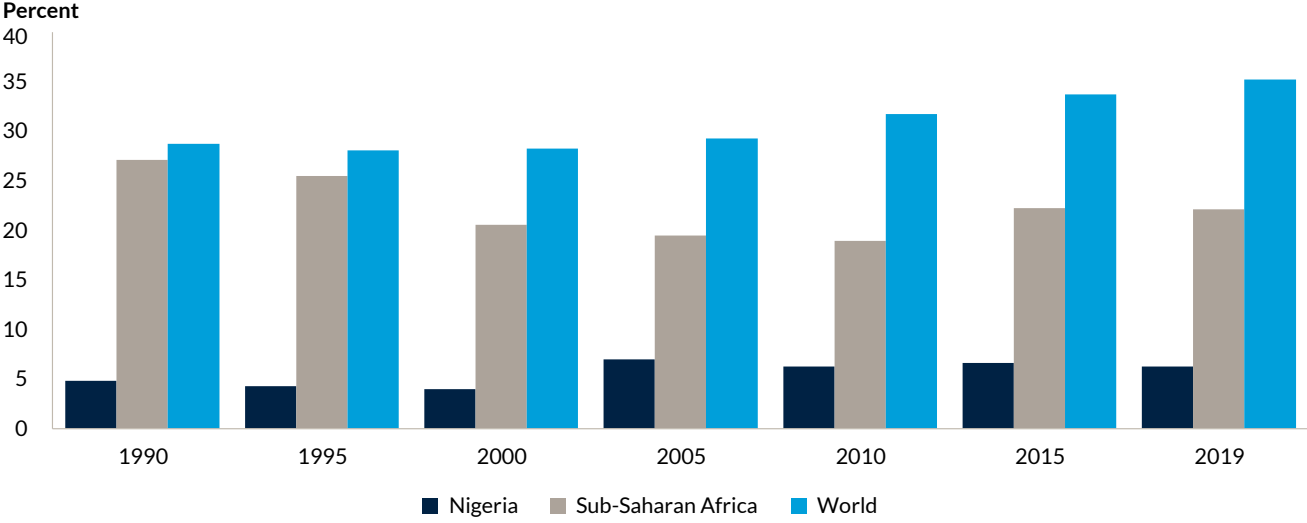
The number of international migrants from Nigeria has increased threefold since 1990, growing from 446,806 in 1990 to 1,438,331 in 2019. Despite this, the share of international migrants as a proportion of Nigeria's population has remained largely constant,

increasingly slightly from 0.5 percent in 1990 to 0.7 percent in 2019.

The recent rise in irregular migration notwithstanding, the share of international migrants in Nigeria's population is much lower compared to the shares in Sub-Saharan Africa and globally. The share of international migrants in the Sub-Saharan African population decreased from 3 percent in 1990 to 2.5 percent in 2019, but still remains significantly higher compared to Nigeria. Similarly, the share of international migrants in the global population has increased steadily from 2.9 percent in 1990 to 3.5 percent in 2019 (Figure ES.4). Compared to Nigeria's structural and regional peer countries, the percentage of international migrants from Nigeria is much lower compared to what the population size would predict.

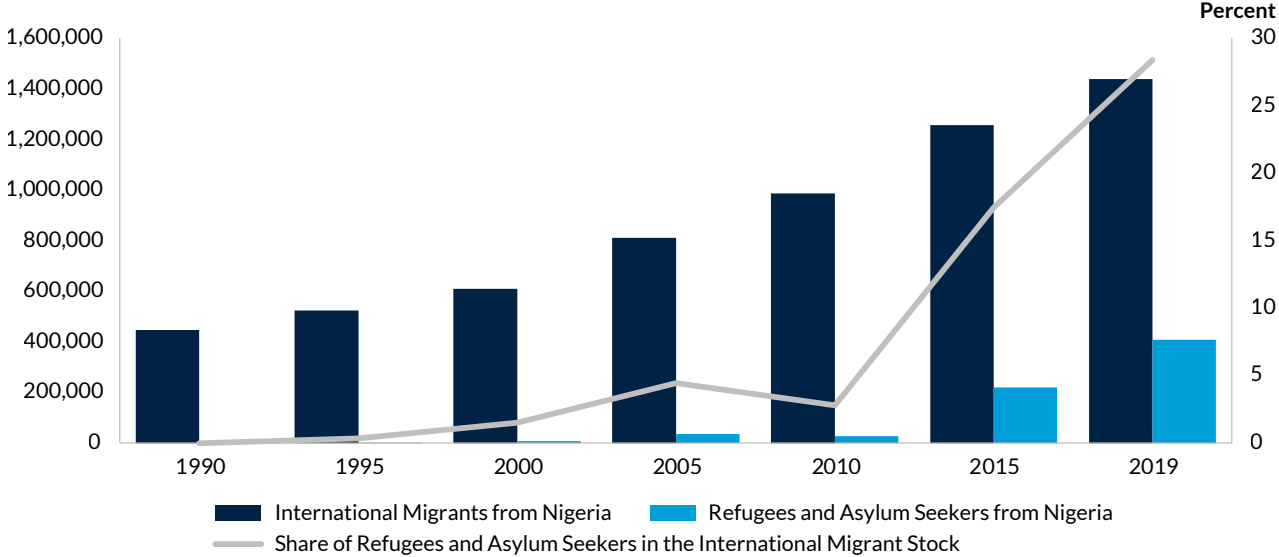
An important trend that is observed in the data is the rise in the number of refugees and asylum seekers from Nigeria. The share of refugees and asylum seekers from Nigeria has increased drastically in the last decade, growing from 27,557 in 2010 to 408,078 in 2019. As a share of the international migrant stock, this represents a rise from 3 percent in 2010 to around

**Figure ES.4.** The share of international migrants compared to Nigeria’s population remains significantly lower compared to Sub-Saharan Africa and globally



Source: World Bank calculations based on data from the *UNDESA International Migration Outlook, 2019 revisions*.

**Figure ES.5.** The share of refugees and asylum seekers from Nigeria has drastically increased over the last two decades



Source: World Bank calculations based on data from *UNDESA International Migration Outlook, 2019 revisions* and from *UNHCR Refugee Population Statistics*. This comparison is based on two different sets of data, sometimes drawn from different sources and using different methodologies. Hence, there are likely to be omissions and errors.

28 percent in 2019 (Figure ES.5).<sup>4</sup> This increase in the number of refugees and asylum seekers from Nigeria coincides with the observed trend in irregular

migration in the last decade. While the majority of Nigerian refugees and asylum seekers stay within the African continent, the share of refugees and asylum

4. While refugees are included as part of the international migrant stock, the UNDESA data on international migrant stock does not have a categorization for refugees. This estimation is based on two different data sets that may not always be comparable in terms of definition and methodology used and is only meant to be used for indicative purposes.

seekers outside of Sub-Saharan Africa has increased steadily. Additionally, there were 2.1 internally displaced persons (IDPs) in Nigeria in 2020.

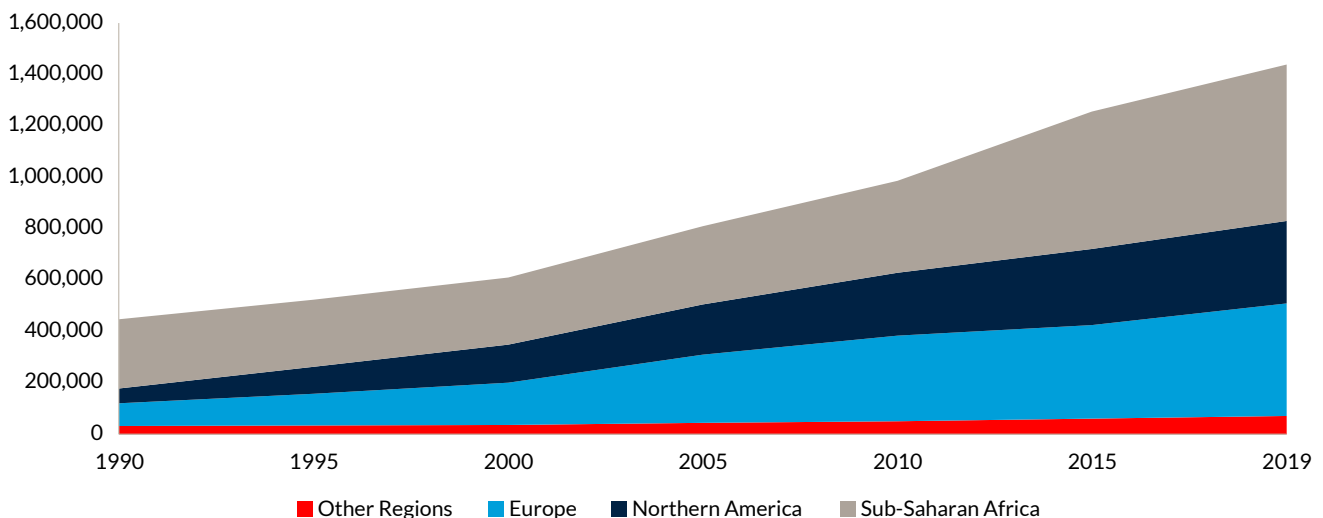
## 5. Albeit relatively small in absolute numbers, increasingly more Nigerian migrants prefer to migrate outside of the continent.

Most international migrants from Nigeria stay within Sub-Saharan Africa, but the share of international migrants to Europe and North America has increased considerably since 1990. The number of Nigerian migrants has increased in all major destination regions since 1990 (Figure ES.6). However, the share of Nigerian migrants in the international migrant population has decreased in Sub-Saharan Africa and increased in Europe and North America.

In 1990, 60 percent of migrants from Nigeria moved to other countries in Sub-Saharan Africa, compared to 20 percent and 13 percent moving to countries in Europe and North America, respectively. In 2019, the share of Nigerian migrants moving to other countries in Sub-Saharan Africa remained large (42 percent) but decreased substantially compared to 1990. On the other hand, in 2019, the share of Nigerian migrants in Europe and North America increased to 31 percent and 22 percent, respectively.

In 2019, approximately 85 percent of all international migrants from Nigeria were concentrated in 12 destination countries in Sub-Saharan Africa, Europe, and North America.<sup>5</sup> The United States, and the United Kingdom, and Cameroon had the largest number of international migrants from Nigeria in 2019 (Figure ES.7). The United States and United Kingdom also saw the largest growth in number of Nigerian migrants from 1990 to 2019.

**Figure ES.6. Sub-Saharan Africa remains the primary destination of international migrants from Nigeria but the share of international migrants moving to Europe and North America has increased considerably**



Source: World Bank calculations based on data from the *UNDESA International Migration Outlook, 2019 revisions*.

5. Globally, two-third of all international migrants resided in just 20 countries, with the United States hosting 19 percent of the global international migrant population.

The majority of Nigerian refugees and asylum seekers stay within Sub-Saharan Africa. The number of Nigerian refugees and asylum seekers in Sub-Saharan Africa has increased substantially in the last decade, from 3,765 in 2010 to 285,599 in 2019. In fact, 93 percent of the Nigerian refugees and asylum seekers in Sub-Saharan Africa in 2019 were found in two countries—Cameroon and Niger. Both countries border conflict-affected regions of northern Nigeria, while Niger is also known as a transit for irregular migrants from Nigeria and other countries in the region who attempt to reach Europe through Libya.

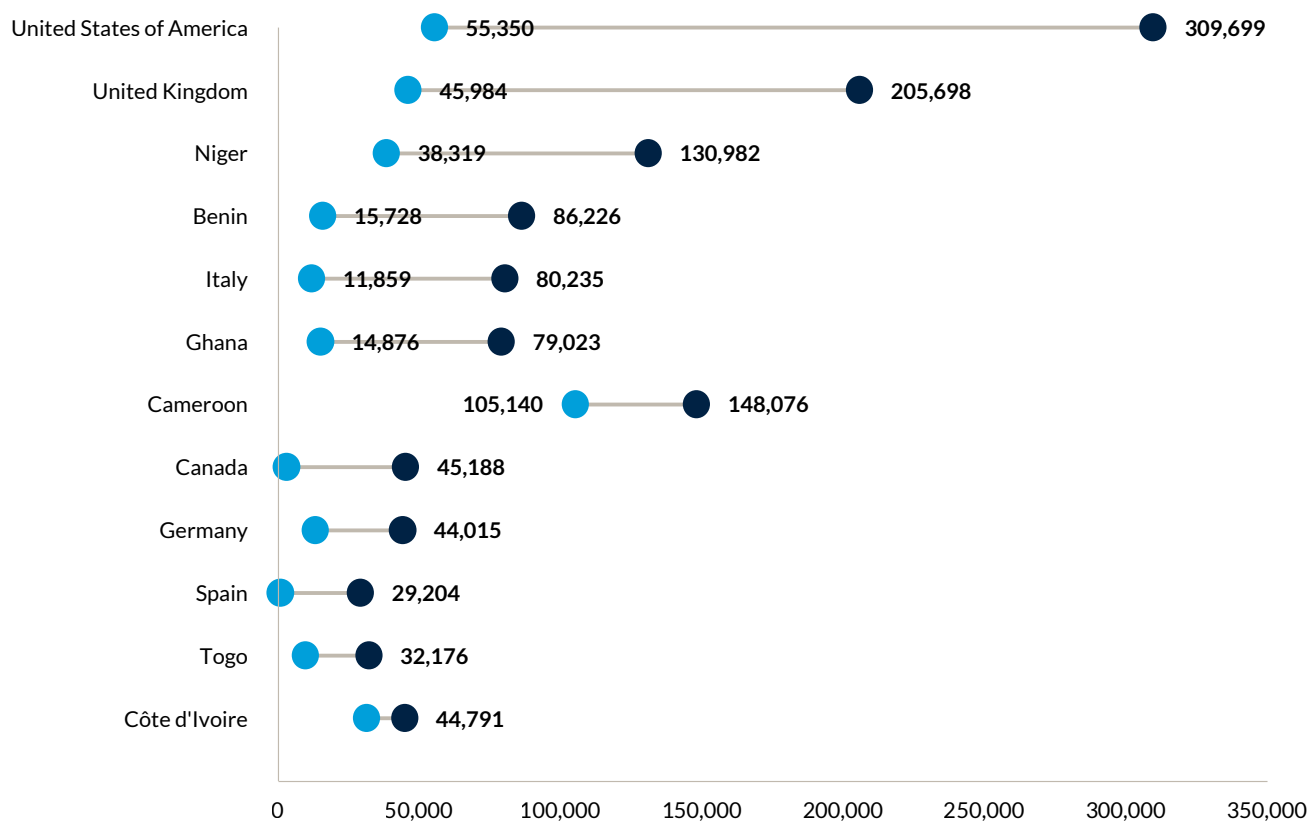
The number of Nigerian refugees and asylum seekers has also increased steadily in the last decade in Europe and North America. Europe hosted 81,558 Nigerian refugees and asylum seekers in 2019, with

Italy, Germany, and France being the three major destination countries. Similarly, North America hosted 33,527 refugees and asylum seekers from Nigeria in 2019, with the United States and Canada accounting for almost all of them.

## 6. International migration in Nigeria is largely only accessible to well-off Nigerians from southern states

International migration is more prevalent in relatively prosperous southern states in Nigeria. The top 5 Nigerian states with the highest proportion of households having at least one family member as an international

**Figure ES.7. United States, United Kingdom, and Cameroon hosted the largest number of international migrants from Nigeria in 2019**



Source: World Bank calculations based on data from [UNDESA International Migration Outlook, 2019 revisions](#).



migrant in the last three years are all in the southern regions of Nigeria. It is not surprising that the relatively prosperous southern states report a significantly higher proportion of households with international migrants compared to the northern states. This is because international migration is costly and requires households to spend upfront capital that few households in the poorer regions of the country can afford.

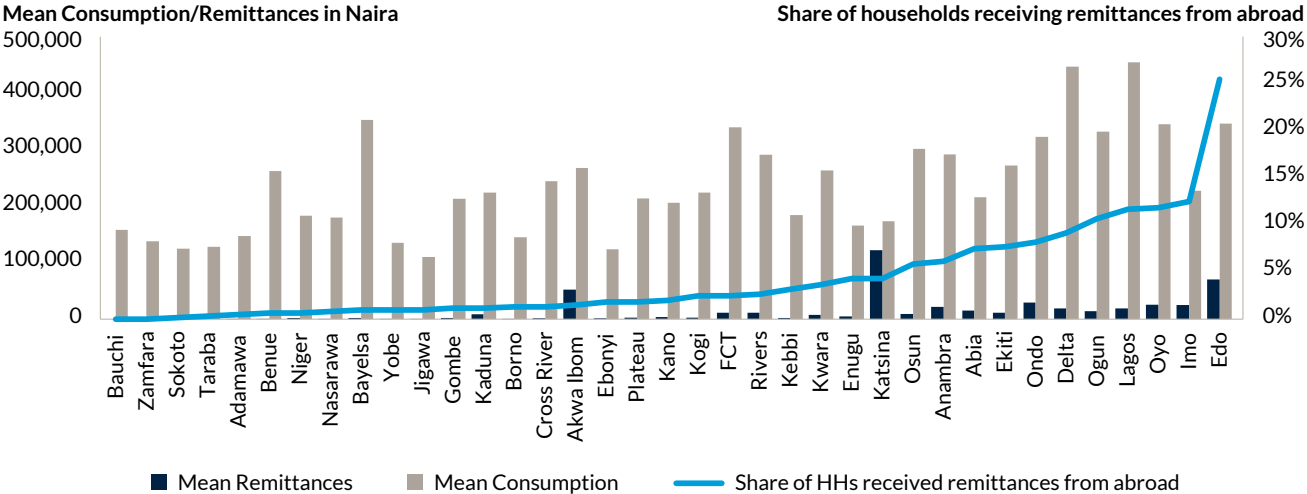
The top 10 states where the highest share of households receive international remittances are all located in the southern regions of Nigeria (Figure ES.8). Overall, around 4.2 percent of households report receiving remittances from abroad, with this share much higher in the south compared to the north. Edo State in the southern region is a clear outlier with 25 percent of households that report receiving remittances from abroad.

On average, the mean annual remittances for households that received cash and in-kind assistance from abroad amounted to N13,746 in 2018-19. The average annual household consumption during the same

period was N236,000, which meant that the mean annual remittances amounted to around 6 percent of the mean annual consumption for households who report receiving remittances from abroad. There is, however, a significant degree of heterogeneity between states. For example, international remittances as a share of household consumption was 70 percent in Katsina, 20 percent each in Edo and Akwa-Ibom, and negligible in most of the northern states.

The state-level data on receipt of remittances is well corroborated by looking at receipt of remittances in different consumption deciles. More than 13 percent of the households in the highest consumption decile report receiving international remittances compared to less than 3 percent each in the bottom four consumption deciles in 2018/19. In comparison, close to 30 percent of households in the lowest consumption decile and more than 56 percent in the highest consumption decile report receiving remittances from within Nigeria. What the state-level data also confirm is the global evidence on the relationship between migration and development, i.e., as places get richer,

**Figure ES.8. The top 10 states where most household report receiving international remittances are all in the South**



Source: World Bank calculations based on the National Living Standard Survey (NLSS), 2019. Mean consumption is calculated for all households and is spatially and temporally adjusted. Mean remittances is calculated for those households that report receiving international remittances. Share of households receiving remittances from abroad is calculated as the percentages of households who report receiving either cash or in-kind remittances from abroad in the reference period.

out-migration increases. As the poorer Nigerian states catch up to the richer ones in the future, international migration from Nigeria is likely to continue to increase.

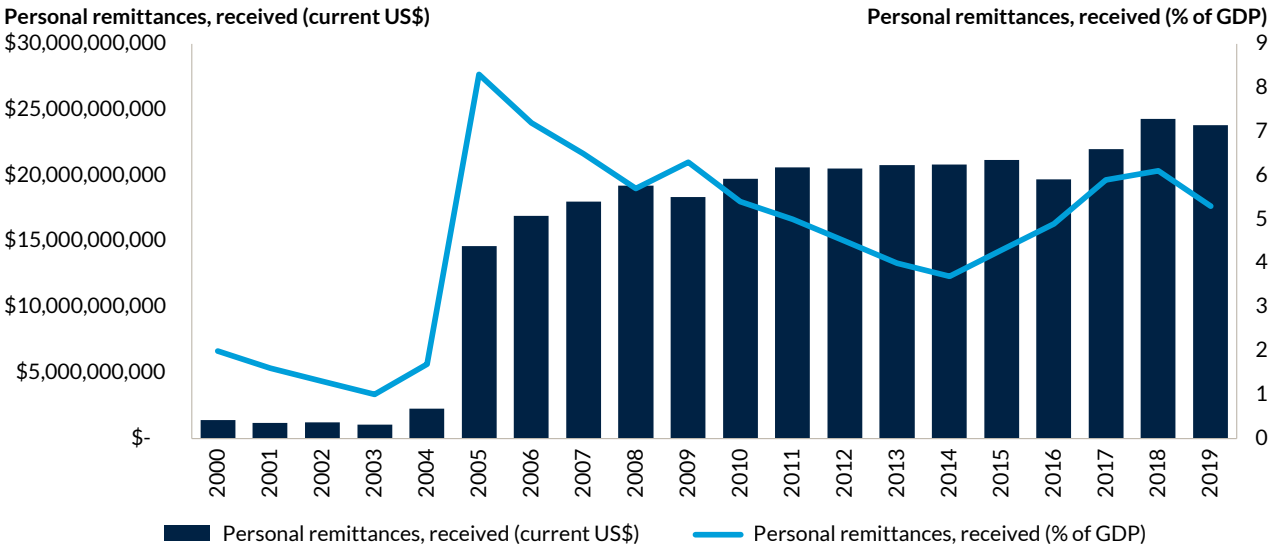
## 7. Remittances from abroad are important for Nigeria’s development, but the cost of sending remittances to Nigeria has remained stubbornly high.

Remittances sent by Nigerian migrants totaled more than US\$25 billion in 2019, which made Nigeria the sixth highest recipient of international remittances globally. Remittances sent by international migrants have steadily increased over the last 15 years in Nigeria. In 2017, remittances to Nigeria were almost four times larger than Foreign Direct Investments (FDI) and Official Development Assistance (ODA) combined and equaled Nigeria’s oil rents contributing to nearly 6 percent of Nigeria’s

GDP.<sup>6</sup> In 2019, however, remittances fell for the first time after increasing for five consecutive years (Figure ES.9). In 2020, remittances to Nigeria declined by 27 percent as a result of COVID-19 induced economic slowdown in destination countries as well other regulatory measures implemented in the country.<sup>7</sup> More than 46 percent of total remittances to Nigeria in 2017 were sent from just two destination countries, the United States and the United Kingdom, which hosted about 35 percent of all migrants from Nigeria.

Despite the importance of remittances to the Nigerian economy, the cost of sending international remittances to Nigeria has remained high over the last decade. The cost of sending international remittances to Nigeria from Africa, Europe, and North America is well above the SDG 17.3 target of 3 percent. More remarkably, costs are higher for intra-African corridors, presumably due to burdensome regulations, lack of competition, and low financial access. Reducing the cost of sending remittances to Nigeria directly benefits

**Figure ES.9. International remittances totaled nearly US\$25 billion in 2019 amounting to around 5 percent of Nigeria’s GDP**



Source: World Bank’s World Development Indicators.

6. ODA includes official foreign aid received. World Bank calculations using data from the World Bank’s World Development Indicators databank.  
 7. World Bank. 2021. Migration and Remittances brief 34. Available at: <https://www.knomad.org/publication/migration-and-development-brief-34>

Nigerian households as it provides more resources for them to invest in their households and in the economy.

## 8. There is an increased recognition within Nigeria on the need to better leverage regular migration for economic development as documented by the increasing number of initiatives and stakeholders working on this issue.

Nigeria has made significant recent improvements to its managed migration framework and continues to draw on the support of stakeholders for policy making and implementation. Table ES.1 summarizes key national level policy documents in place to improve the current managed migration framework and reap

further returns from migration and diaspora. The National Migration Policy (NMP), adopted in 2015, provides the overarching principles for the 2014 National Policy on Labor Migration (NPLM). The NMP emphasizes the need for a national labor market assessment, regulates and monitors Private Employment Agencies (PEAs), and aims at placing a limit on the promotion of overseas employment in sectors where excessive labor migration is expected to adversely affect national economic and social development.

The draft National Policy on Diaspora Matters (2016) views the contributions from the diaspora as bi-directional. From the government, the policy seeks commitments to a set of identified challenges: data management on the diaspora and remittances; the inability of the diaspora to exercise voting rights in Nigeria; national security concerns; high remittance costs; inadequate infrastructure; agreements on avoidance of double taxation; lack of framework for

**Table ES.1. Three policy documents have been drafted to improve migration management and leverage Nigerians in the diaspora**

Policy Document	Recommendations for Improving Migration Management and Diaspora Issues
National Labor Migration Policy (2014)	<ul style="list-style-type: none"> <li>• Acknowledges the scant formal structure currently in place to aid prospective Nigerian migrants, and attributes this lack of structure for migrants being poorly informed about the conditions governing entry, work, residence, skills required, cultural issues, and their rights and obligations in destination countries.</li> <li>• Calls for the establishment of an effective, responsive, and dynamic labor migration governance system that includes Bilateral Labor Agreements (BLAs) and Memoranda of Understanding (MoUs) on labor migration that would deter risky and unsafe migration by providing jobseekers with information about regular means of securing visas for work purposes in other parts of the world.</li> </ul>
National Migration Policy (2015)	<ul style="list-style-type: none"> <li>• Calls for mainstreaming of migration in Nigeria's development process through its integration in the National Development Plan.</li> <li>• Outlines several innovative ways to design programs that attract foreign investments in Nigerian workforce development systems including determining the types of skills that Nigerian workers need in Nigeria and in other countries and by collaborating with the private sector in destination countries to provide continuous training of Nigerian workers.</li> </ul>
National Policy on Diaspora Matters (2016)	<ul style="list-style-type: none"> <li>• Proposes initiatives to leverage the economic success of Nigerians in the diaspora and to protect the well-being of Nigerian migrants, including by               <ul style="list-style-type: none"> <li>○ reducing the cost of remittances, facilitating transfers of technology and knowledge back to Nigeria,</li> <li>○ improving awareness regarding consular services available to Nigerian migrants, and</li> <li>○ strengthening relevant institutions for proper coordination and administration on diaspora issues.</li> </ul> </li> </ul>

the transfer of skills and technology, and a lack of integration frameworks for returnees.

Additionally, a diverse range of stakeholders (Figure ES.9) have the mandate to facilitate access to international destinations for prospective Nigerian jobseekers; assist migrants in crossing necessary legal and administrative hurdles before departure; support them while in

destination countries; help facilitate transfers of skills, technology, and remittances to Nigeria; and coordinate efforts to support migrants in distress as well as upon return to Nigeria. Various technical working groups (TWG) such as the Labor Migration Working Group, and the Migration Working Group offer platforms for stakeholders to come together, discuss issues, and propose actions to improve migration management framework.

**Figure ES.10. A diverse range of institutions and stakeholders participate in policy-making processes throughout the migration lifecycle**



Source: Based on World Bank consultations with Nigerian stakeholders

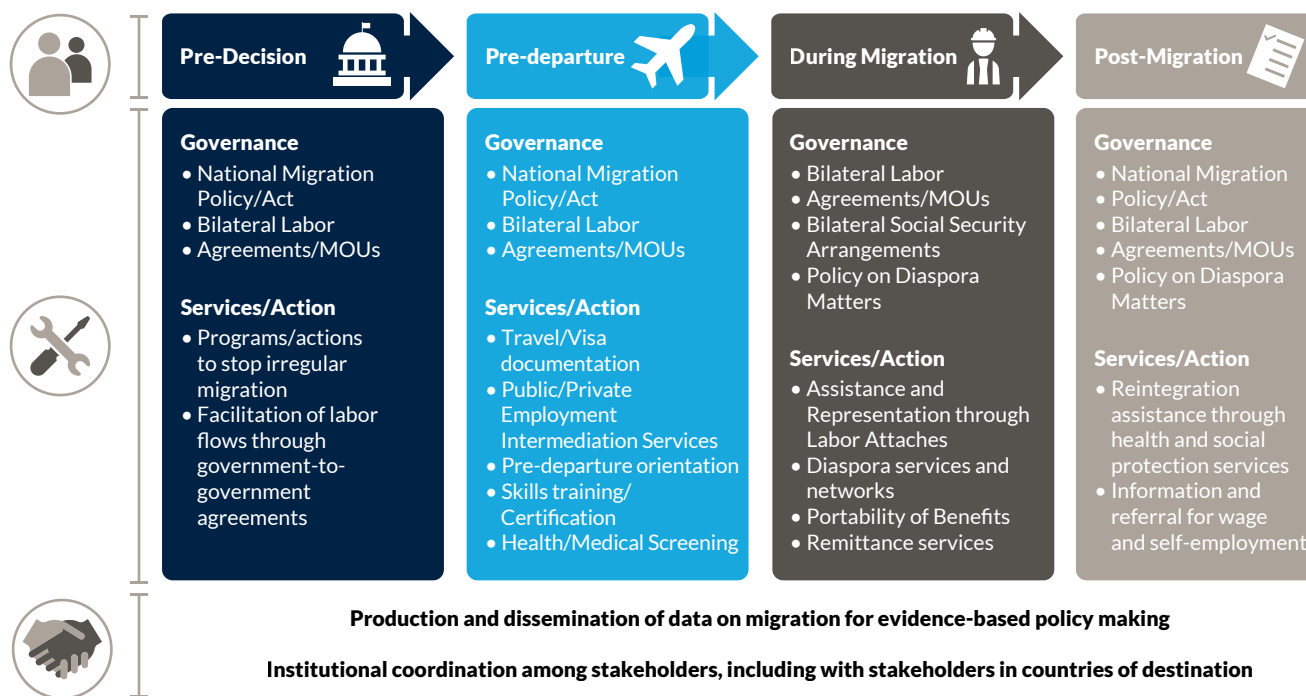
## 9. Most current programs, however, are not geared towards making use of safe, orderly, and regular channels that provide overseas employment opportunities for youth.

Using a four-stage migration life cycle framework (Figure ES.11), this report provides an assessment of the Federal Overseas Employment System in Nigeria. The first stage is pre-decision when workers decide on whether to migrate based on the understanding of the costs and benefits of migration. The second stage is pre-departure when workers who pursue the decision to migrate obtain necessary legal documents, take up measures to improve their employability (skills) and awareness, and complete logistical preparations for migration including obtaining the necessary finances to secure migration. The third stage is during migration when migrants are employed in destination countries. The fourth and final stage is post-return when some (but

not necessarily all) migrants decide to return to Nigeria, either voluntarily or involuntarily, upon the end of the necessary legal permits to stay in destination countries.

Each stage of the life-cycle framework has two aspects related to policy making: (i) governance tools that can be used to set the terms of policies governing each stage; and (ii) programs, actions or services that the government can perform to assist migrants at each stage. Figure ES.2 presents four governance related tools and 15 key ingredients—actions that are at the disposal of Nigerian policy makers at various stages of the migration cycle and are required for a well-functioning labor migration system. Combined, policy-makers can use these tools/actions to improve the facilitation of safe and orderly migration, prevent irregular migration, and support the return and re-integration of migrants. Table ES.2 presents an overall assessment of the progress made to date in implementing programs and measures for each stage of the migration life cycle and highlights emerging gaps that require attention.

**Figure ES.11. Four stages of the Migration Life Cycle Framework**



Source: Adapted from Cho and Majoka (2020)

**Table ES.2. While Nigeria has made progress on multiple fronts to manage the labor migration process, significant gaps exist**

Migration Life Cycle Stage	Progress to Date	Gaps
Pre-decision	<ul style="list-style-type: none"> <li>• <b>Drafting of key documents</b>, such as the National Labor Migration Policy (2014) and the National Migration Policy (2015) that emphasize the need for a national labor market assessment, regulates and monitors Private Employment Agencies (PEAs), and aims at placing a limit on the promotion of overseas employment in sectors where excessive labor migration is expected to adversely affect national economic and social development.</li> <li>• <b>Other legal enactments to prevent irregular migration</b>, such as The Trafficking in Persons (Prohibition) Law (Enforcement and Administration) Act 2003; the Immigration Act 1963, amended in 2015, and the Immigration Regulations 1963.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Not a single Bilateral Labor Agreement (BLA)</b> to leverage managed migration approaches to provide overseas employment opportunities to Nigerian youth.</li> <li>• In comparison, Nigeria's peers such as Philippines has entered into close to 30 BLAs to place Filipinos in overseas jobs. Countries such as Bangladesh and Indonesia, which entered into their first BLA long after Nigeria in the 1980s now have three and five times the number of BLAs compared to Nigeria.</li> </ul>
Pre-departure	<ul style="list-style-type: none"> <li>• <b>The establishment of three Migrant Resource Centers (MRCs)</b> – in Abuja, Lagos, and Benin City – where jobseekers, potential migrants, and returnee migrants can obtain information on employment and skills enhancement.</li> <li>• <b>The licensing and monitoring of Private Employment Agencies (PEAs) recruiting for domestic and overseas job placements</b>, in order to prevent irregular migration, human trafficking, and unfair labor practices, and to forestall abuse in the recruitment process.</li> <li>• <b>Creation of a jobs-matching platform known as 'NELEX'</b> – the National Electronic Labor Exchange – through which job seekers were meant to be matched with existing local or overseas job opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Suspension of international labor migration activities</b> in 2018 by relevant authorities because of the country's inability to deal with allegations of maltreatment being meted out to Nigerian labor migrants in destination countries.</li> <li>• <b>No oversight on PEAs</b> who can conclude agreements with foreign employment agencies on the placement of successful job seekers in destination countries without recourse to FMLE.</li> </ul>
During Migration	<ul style="list-style-type: none"> <li>• <b>The establishment of NiDCOM in 2018</b> offers a suitable platform to galvanize support for Nigerian migrants in distress through diaspora networks in the absence of formal labor attachés.</li> <li>• In 2017, Nigeria issued its first Diaspora Bond in the international capital market, which was oversubscribed by 130 percent, raising the sum of \$300 million at coupon rate of 5.625 per cent for a tenor of five years. Issuance of the second diaspora bond is currently being discussed to raise further resources from Nigerian diaspora abroad.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>No labor attachés to Nigerian diplomatic missions abroad</b> to promote welfare of Nigerian migrants, there have been no progress on advancing these discussions.</li> <li>• <b>High cost of sending remittances to Nigeria.</b> Among the top 10 countries which received highest remittances in 2017, Nigeria is only second to China in terms of the average transaction cost of sending remittances.</li> </ul>

Table ES.2. Cont.

Migration Life Cycle Stage	Progress to Date	Gaps
Post-return	<ul style="list-style-type: none"> <li>• <b>More than 770 million euros have been invested in migration related projects in Nigeria</b>, through the European Trust Fund for Africa (EUTF) project financed by the European Commission (EC).</li> <li>• Most of these funds are invested in border control measures, <b>in awareness campaigns to stop trafficking, and to create jobs domestically</b>, including for returned Nigerian migrants.</li> <li>• Various international donors including the EU, GIZ, and others offer support to returning migrants. Many of the returned migrants were repatriated following being held in detention centers or exploitative labor situations in Libya and other transit countries.</li> </ul>	<ul style="list-style-type: none"> <li>• Returning migrants need to be better equipped with <b>information and referral on services available in Nigeria</b> (such as applying for business loan, investing options in Nigeria, getting accredited for skills, searching for jobs).</li> <li>• <b>Better health and social protection services</b> should be provided to returning migrants who are often victim of abuses and face stigmatization for their failed migration attempt upon return to Nigeria.</li> <li>• <b>Proactive outreach well before and immediately after return</b>, intensive follow-up and handholding after the provision of information and referral services, and a formal link to the services offered for preventing irregular migration and promoting better migration could put returning migrants on a sustainable economic path in Nigeria.</li> </ul>

## 10. By expanding legal pathways for migration and implementing supporting measures to reap dividends from current migrants in the diaspora, Nigeria can further benefit from international migration.

Nigeria's institutions are well-placed to promote managed migration approaches that help create opportunities for prospective Nigerian jobseekers to find employment internationally and can be supported to help design schemes that increases the returns to human capital investments for Nigerian youth. Table ES.3 provides a summary of 10 areas for consideration for policymakers. They are structured around four thematic areas, namely expanding legal pathways for regular migration, improving support for current migrants, strengthening institutions governing labor migration, and harnessing better data for migration policymaking. Each recommendation has a suggested timeframe attached to it: either short-term (6-12 months) or medium-term (1-2 years) based on the urgency of the issue and the capacity of the leading and participating agencies to carry out reforms. The

table also assigns responsibility to a lead and participating agencies overseeing each of the 10 areas.

In recent years, the economic and demographic contexts have firmly highlighted the limited job opportunities in Nigeria's domestic labor market. There is no question that the majority of Nigerian youth entering the labor market will need to be supported through domestic job creation initiatives. Current trends highlight that there are almost 3-3.5 million new jobseekers entering the labor market every year in Nigeria while the annual outflow of Nigerian migrants has approximately amounted to 50,000 in the last decade or less than 2 percent of the labor market entrants in the economy every year. However, it is important to acknowledge the growing migratory pressures in the Nigerian economy and to recognize that managed labor migration can be one of many jobs strategies that can help unlock unrealized gains for the country's economy.

One consequence of inaction to the rising migratory pressure has been the increase in irregular migration to Europe which has resulted in Nigerian migrants facing not only higher economic costs but also physical and psychological abuse along the transit corridors in Niger and Libya. In response to the European migration

**Table ES.3. Areas for policy consideration to improve the migration management framework in Nigeria**

Thematic Priority	Recommendation	Timeframe/ Priority	Lead Agency	Participating Agencies
Expanding Legal Pathways for Regular Migration	1. Secure more and larger labor migration partnerships with destination countries	Medium-term	Federal Ministry of Labor and Employment (FMLE)	Office of the Vice President, Federal Ministry of Foreign Affairs, Federal Ministry of Justice, Federal Ministry of Education, Federal Ministry of Health, ECOWAS
	2. Re-enable the International Labor Migration Help Desk (ILMD) to source and provide placement for overseas jobs	Short-term		
	3. Formulate strict compliance and accountability mechanisms for effective functioning of Private Employment Agencies (PEAs) that source foreign employment opportunities	Short-term		
	4. Set up a regional effort to allow talented African professionals to find work within ECOWAS and further afield	Medium-term		
Improving support for current and returning migrants	5. Provide support to migrants in distress abroad through labor attachés and diaspora organizations and through grievance redress mechanisms in Nigeria	Medium-term	Nigerians in Diaspora Commission	Office of the Vice President, Federal Ministry of Labor and Employment, Central Bank of Nigeria
	6. Facilitate labor market reintegration of returning migrants	Short-term		
	7. Coordinate with national and international financial institutions to reduce the cost of sending remittances to Nigeria	Short-term		
Strengthening institutions governing labor migration	8. Mainstream labor migration in key national policy documents	Medium-term	Office of the Vice President	FMLE, Nigerians in Diaspora Commission
	9. Reduce fragmentation and enhance coordination among migration working groups	Medium-term		
Harnessing better data for migration policymaking	10. Collect and disseminate timely data on migration through the regular Labor Force Surveys	Short-term	National Bureau of Statistics	FMLE, Office of the Vice President, Nigerians in Diaspora Commission

crisis, several European donors have shown increased interest in the migration policy-making space in Nigeria. However, most resources and attention have been devoted toward strengthening border controls or creating awareness around irregular migration. While those initiatives are necessary, they are not sufficient to address the challenge of irregular migration, as they

overlook the economic and demographic context in which irregular migration occurs. What is needed are systems that, alongside preventing irregular migration, can facilitate safe and orderly migration to enable youth to find overseas employment and help Nigeria to benefit through remittances and transfer of skills, technology, and investments.



# Introduction: The two faces of international migration in Nigeria

By December 3, 2020, there were more than 65 million confirmed cases of COVID-19 worldwide and more than 1.5 million people had died from the virus.<sup>8</sup> The pandemic had not only claimed millions of lives but had also brought the global economy to a standstill, negatively impacting the livelihoods of billions. The world was desperate for a scientific breakthrough to combat the virus. One of those breakthroughs came when the UK became the first country to approve a vaccine tested through large clinical trials and authorized the emergency use of the Pfizer BioNTech vaccine.

Developed as a cross-border collaboration between the American pharmaceutical company Pfizer and the German firm BioNTech, the vaccine proved to be 94.5 percent effective in preventing symptoms from COVID-19. One of the key figures involved in the development of the vaccine was Dr. Onyema Ogbuagu of Yale University, a Nigerian national who had completed his medical training from University of Calabar in Nigeria and had interned at the Ebonyi State University Teaching Hospital, before moving to New York to work at the globally renowned Mount Sinai School of Medicine. “Nigerians contribute to the world in so many ways. Our hats off to Dr. Onyema Ogbuagu at Yale who helped develop a Covid-19 vaccine,” read a statement from the US Embassy in Nigeria.<sup>9</sup>

While Dr. Ogbuagu’s example shines the brightest, migrants, across the skills spectrum, have been key actors in the global response to COVID-19. In 2020, an estimated 31 percent of all workers in the “essential” category in the EU were migrants.<sup>10</sup> Migrants made up 13.8 percent of the National Health Service (NHS) in the UK health workforce.<sup>11</sup> Among them were 8,241 Nigerian doctors, nurses, and clinical support staff. In the United States, 28 percent of physicians and 16 percent of nurses were foreign born as of 2018.<sup>12</sup> Nigerian nurses made up 6 percent of the total share of immigrant nurses in the US, behind only the Philippines and India.<sup>13</sup>

The efforts of Dr. Ogbuagu and other Nigerian medical professionals in the fight against COVID-19 is fittingly recognized across the globe. Outside of the medical profession, Nigerians ranging from Chimamanda Ngozi Adichie to Ngozi Okonjo-Iweala, and from Chiwetel Ejiofor to John Obi Mikel are just a few names in a long list who have gained international prominence and made notable contributions to fields ranging from literature to politics, and entertainment to sports. Nigerians were the most educated group of migrants in the United States, with an estimated 59 percent of Nigerian immigrants aged 25 or over earning a bachelor’s degree.<sup>14</sup> Globally, there are an estimated 15 million

8. Our World in Data, available at: <https://ourworldindata.org>

9. AllAfrica: Nigeria Celebrates Scientist in Pfizer Covid-19 Vaccine Breakthrough, available at: <https://allafrica.com/stories/202011250089.html>

10. Immigrant Key Workers: Their Contribution to Europe’s COVID-19 Response, IZA Policy Paper No. 155, April 2020: <http://ftp.iza.org/pp155.pdf>

11. NHS Staff from Overseas: Statistics: <https://commonslibrary.parliament.uk/research-briefings/cbp-7783/>

12. Migration Policy Institute (MPI) tabulation of data from the U.S. Census Bureau 2018 American Community Survey (ACS): <https://www.migrationpolicy.org/article/immigrant-health-care-workers-united-states-2018>

13. Ibid

14. Pew Research Center (2018), ‘Key Facts About Black Immigrants in the US’. Available at: <https://www.pewresearch.org/fact-tank/2018/01/24/key-facts-about-black-immigrants-in-the-u-s/>

Nigerians in the diaspora (including noncitizens born to Nigerian parents) who regularly contribute to their host societies as well as influence the economic development process in Nigeria.

Despite the noteworthy accomplishments of Nigerians abroad, international migration has increasingly become a contentious issue in the country. Much of this is due to the rise in irregular migration from Nigeria. The political upheaval caused by the Arab Spring in parts of North Africa and the ensuing breakdown of the rule of law in countries such as Libya has led to the proliferation of migrant smuggling networks. These smugglers use North Africa as the transit point to try and smuggle migrants from different parts of Sub-Saharan Africa to Europe. In November 2017, a CNN investigation found migrants, including from Nigeria, being sold as slaves in Libyan markets.<sup>15</sup> Nigerians made up the largest group of irregular migrants from Sub-Saharan Africa that crossed the Mediterranean in 2016 and 2017. Thousands of others were stuck in detention camps inside Libya. Worsening economic conditions in Nigeria have contributed to young Nigerians taking perilous journeys to search for greener pastures in Europe. But aspiring migrants are often forced to return empty-handed, suffering the scars of abuse and exploitation in the process, and often heavily indebted to human smugglers and criminal networks even after they return.

There are other factors that have contributed to the recent negative perception of international migration in Nigeria. In September 2019, after a wave of xenophobic violence in South Africa, nearly 600 Nigerians were repatriated.<sup>16</sup> There are concerns that the COVID-19 pandemic and the economic fallout has further endangered Nigerians and other African migrants in South

Africa who are being scapegoated for crimes such as robbery and kidnapping without evidence. In Ghana, Nigerian traders have repeatedly sought help from authorities back home, accusing Ghanaian authorities of discriminating against Nigerian-owned businesses.<sup>17</sup>

Another issue that has been prominently highlighted as a net negative from international migration is the issue of *brain drain*. Prevailing narratives in the Nigerian media suggests that brain drain is leading to a net export of human capital and leaving many domestic sectors vulnerable. Nowhere is this discussion more emphasized than in the health care sector. In 2018, Nigeria had 1.2 nurses and midwives for every 1,000 inhabitants, slightly above the Sub-Saharan African average of 1.0 and much below the OECD average of 9.6.<sup>18</sup> COVID-19 has made these inequities more pronounced and further fueled the sentiment that Nigeria is losing its best and brightest. However, one can question whether it is sensible to disrupt or prevent skilled migration when a third of the country's youth is struggling to find stable employment in the domestic labor market.

This two-faced nature of the migration debate in Nigeria highlights the need for policy that maximizes the benefits and minimizes the costs of international migration. Migrant professionals in the diaspora not only help fill critical labor shortages in host countries, but also support their families back home through remittances, which amounted to 5 percent of Nigeria's GDP in 2019.<sup>19</sup> Leading by example, they also inspire human capital formation in the country and give reasons for youth to believe that if they work hard, they will have a bright future. But Nigeria cannot continue to only look at one side of migration while ignoring the plight of irregular migrants or overlooking

15. CNN (2017), 'People for Sale: Where Lives are Auctioned for \$400'. Available at: <https://www.cnn.com/2017/11/14/africa/libya-migrant-auctions/index.html>

16. CNN (2019), 'Nigerians return home fleeing Xenophobic attacks in South Africa'. Available at: [https://www.cnn.com/2019/09/13/africa/nigerians-re-](https://www.cnn.com/2019/09/13/africa/nigerians-return-from-south-africa-xenophobic-attacks-intl/index.html)  
[turn-from-south-africa-xenophobic-attacks-intl/index.html](https://www.cnn.com/2019/09/13/africa/nigerians-re-turn-from-south-africa-xenophobic-attacks-intl/index.html)

17. DW, (2020), 'Nigerian Traders Angered by Ghana Shop Closures'. Available at: <https://www.dw.com/en/nigerian-traders-angered-by-ghana-shop-closures/av-54936773>

18. World Development Indicators. Available at: <https://datatopics.worldbank.org/world-development-indicators/>

19. Ibid

detrimental factors within its economy that force some youth to make these perilous journeys.

This report aims to support the Government of Nigeria in filling critical information gaps on the issue of international migration and aid comprehensive migration policy making. It does so in three ways. First, it places international migration within the broader labor market context in Nigeria, carefully stressing the push and pull factors that lead to both regular and irregular migration and makes the case for why more structured regular migration can be one of the ways in which Nigeria can support education to work transition for aspiring Nigerian jobseekers. Second, it synthesizes the available evidence on how migration happens out of Nigeria by looking at the trends and patterns of Nigerian migration, major countries of destination, and key areas of vulnerabilities while identifying existing gaps in evidence to inform decision-making. Third, it looks at the institutional framework governing labor migration at the Federal level in Nigeria, underscoring the various stakeholders involved in the process, and underlining key gaps that are hampering Nigeria's ability to enhance the benefits and reduce the costs from international migration.

This report is structured in three parts. The first part looks at the broader labor market setting in Nigeria, along with the economic and demographic context, to highlight specific drivers of increased migratory pressure in recent years before postulating that the recent surge in irregular migration is a direct consequence of worsening joblessness combined with lack of regular channels for youth to find employment in other countries. Amid concerns around brain drain, it sheds light on a more pressing phenomenon of "brain waste", where large numbers of educated youth are entering the labor market only to find themselves in acute and chronic unemployment despite investing in their human capital and unable to earn better labor market returns. Given the overwhelming evidence of the economic benefits of economic migration in the global context, this section ends by making the

case that Nigeria stands to benefit from creating new migration corridors as well harnessing further returns from existing ones.

The second part presents an analysis of the trends and patterns of international migration from Nigeria to provide insights on the characteristics of international migrants and their contribution to Nigeria's economy. Additionally, it discusses the trends in remittances received by Nigeria and the issue of cost of sending remittances to the country. This section includes a case study that describes the phenomenon of irregular migration in the Edo State in Nigeria, which is widely known as a hub for irregular migration and is estimated to contribute about 60 percent of Nigerians crossing irregularly through the Mediterranean Sea to Europe.

The third and final part highlights how international migration is increasingly being used as an employment strategy by developing countries and how despite the significant increase in remittance inflows, there is lack of an organized structure that promotes better migration management and facilitates safe and remunerative migration from Nigeria. This section assesses the Federal Overseas Employment System using a migration life cycle framework and explores the essential features of a well-functioning labor-sending system, some of which have been successfully deployed in other countries. Lessons from migration and employment policy instruments adopted by Nigeria, and consultations with government stakeholders at the federal level are analyzed to assess the existing gaps, culminating with a case study that compares the existing framework in Nigeria with that of a mature labor-sending system in the Philippines. This part ends by providing areas for policy considerations based on the findings presented in the three parts of the report.

This report is part of a broader analytical program that aims to better understand the potential of labor migration and skills partnerships to provide more and better jobs to Nigerian youth. The important issue of

how Nigeria can formalize skills-based migration partnerships with destination countries is highlighted in a companion report titled *Exploring Legal Pathways from Nigeria to Europe: From Brain Drain to Brain Gain*. The companion report presents, in detail, the feasibility assessment of creating structured and regular migration pathways from Nigeria to the UK and Germany in the sectors of health care and construction, respectively. Using the framework called the Global Skill Partnership model and interviews with more than 100 stakeholders in Nigeria and abroad, it highlights existing shortages in the sectors of health care and construction in Nigeria and destination countries, and outlines how destination countries looking to fill labor shortages by hiring migrants from Nigeria can get involved in providing high-quality and industry-relevant training to potential Nigerian migrants and nonmigrants in Nigeria so that the stock of skilled Nigerian workers—that Nigeria needs as much as destination countries—can be increased in both settings. We hope that this feasibility assessment contains useful lessons for both Sub-Saharan African and European countries interested in developing mutually beneficial labor migration partnerships in the future.

This report builds upon and borrows from similar assessment of migration trends and systems conducted by World Bank teams in recent years in other regions around the World. In particular, the institutional assessment of the Federal Overseas Employment System heavily draws upon similar assessments conducted in Afghanistan, Bangladesh, Pakistan, and Nepal, and adapts the framework to the context in Nigeria.<sup>20</sup> Similarly, exploration of international labor mobility as a jobs strategy has been highlighted recently in Myanmar.<sup>21</sup> The most current trends in remittances

flow, including potential impact from COVID-19 have been highlighted systematically through the bi-annual Migration and Remittances Briefs.<sup>22</sup> As part of the overall engagement under which this report is produced, Nigerian stakeholders working on labor migration were able to visit South Korea to observe the Employment Permit System (EPS) migration program to learn from a well-functioning managed migration system that South Korea implements with 16 countries of origin from East, South, and Central Asia. Lessons and experiences from EPS, including for sending countries, are systematically highlighted in a recent World Bank report.<sup>23</sup> Finally, the importance and use of Bilateral Labor Agreements to facilitate labor flows between countries have been highlighted in the case of Pacific Islands and Australia and New Zealand by subsequent World Bank reports in recent years.<sup>24</sup>

Finally, it is important to underscore what this report *does not do*. Four caveats merit declarations. First, this report does not shed light on the issue of internal migration. It is well-established that the number of internal migrants globally is about four times the number of international migrants.<sup>25</sup> Looking at the proportion of households that receive domestic as opposed to international remittances, it can be estimated that there are many more internal migrants than international migrants from Nigeria.<sup>26</sup> Issues related to internal migration merit their own space. Second, while this report does shed some light on intra-regional migration, i.e., migration of Nigerians within sub-Saharan Africa, most of the analysis presented and policy recommendations are focused on extra-continental migration. This is because of limited data on intra-regional migration trends compared to data that can be accessed through platforms such

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20. See [Holzmann \(2020\)](#) for Afghanistan, [Cho and Majoka \(2020\)](#) for Pakistan, and [World Bank \(2020\)](#) for South Asia Regional Report.

21. See [Testaverde et al \(2020\)](#)

22. See [World Bank \(2020\)](#) for Migration and Remittances Brief 33

23. See [Cho et al \(2018\)](#)

24. See [Luthria and Malaulau \(2013\)](#), [Curtain et al \(2016\)](#)

25. United Nations Department of Economic and Social Affairs (UNDESA), Population Division, 'Cross-national comparisons of internal migration: An update on global patterns and trends', Technical Paper No. 2013/1. Available at: <https://www.un.org/en/development/desa/population/publications/pdf/technical/TP2013-1.pdf>

26. National Bureau of Statistics (NBS): NLSS 2018/19 Report. <https://nigerianstat.gov.ng/download/1123>

as the OECD as well as the recent focus on the rise in irregular migration to Europe as a primary motivating factor to highlight alternate ways to discourage irregular migration. Third, this report does not shed light on the dynamics of forcibly displaced persons from Nigeria. According to the most recent UNHCR data, there were more than 300,000 Nigerian refugees and more than 2 million internally displaced persons (IDPs) in Nigeria.<sup>27</sup> The analysis presented in this report does not cover IDPs and only includes Nigerian refugees where their data is included within the International Migrant Stock data released by the United Nations. It is, however, important to mention that irregular migration from Nigeria to Europe is of mixed nature – consisting of economic migrants as well as those who have been driven from their homes by conflict or climate change. The data available does not allow sufficient differentiation between the two groups. Finally, it is important to stress that this report does not provide any systematic analysis on the impact of international migration on Nigerians, their sending communities

or host countries. Secondary literature is referenced where available and areas of future work are suggested at the end of each section.

By 2030, Nigeria will need to create additional 30 million jobs for its growing and young population, significantly adding to the existing employment pressure. Labor shortage in developed countries and labor surplus in developing countries such as Nigeria means that solving spatial mismatches could lead to improved jobs outcomes for both countries of origin and destination. This report will aim to highlight how regulated international migration can be beneficial in helping countries such as Nigeria address extreme poverty, build foreign exchange reserves, fuel economic growth, and facilitate transfer of investments, knowledge and skills in the economy. It is our hope that the lessons learned from Nigeria through this exercise can help highlight policies that promote safe, remunerative and cost-effective migration in Nigeria as well as other countries in the Sub-Saharan Africa region

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27. UNHCR (2021). Available at: <https://www.unhcr.org/en-us/nigeria-emergency.html#:~:text=In%202021%2C%20the%20Nigerian%20refugee,going%20into%20its%20seventh%20year.&text=The%20crisis%20has%20been%20exacerbated,levels%20in%20all%20four%20countries>



# Part A: Making the Case for More and Better Regulated Labor Migration from Nigeria



## Important Definitions and Clarifications on Data:

**Working Age Population:** All persons between the age of 15 and 64 comprise working age population.

**Active Labor Force:** The active labor force population covers all persons aged 15 to 64 years who are willing and able to work regardless of whether they have a job or not.

**Unemployed (ILO definition):** The unemployed comprise all persons of working age who were: (a) without work during the reference period, i.e., were not in paid employment or self-employment; (b) currently available for work, i.e., were available for paid employment or self-employment during the reference period; and (c) seeking work, i.e., had taken specific steps in a specified recent period to seek paid employment or self-employment.

**Unemployed (National definition):** In addition to the unemployed as defined by ILO, Nigeria's Bureau of Statistics considers 'unemployed' any individual as who could not find work for at least 20 hours during the reference period.

**Underemployed (National definition, Time Based):** The underemployed comprise all persons who worked for at least 20 hours but less than 40 hours during the reference week.

- Figure A.5, A.7 and A.8 uses labor force data statistics from 2010 to 2020 from the National Bureau of Statistics (NBS).
- Figure A.9 uses open data from ILOSTAT to benchmark the duration of unemployment.

**Irregular Migration:** The International Organization of Migration (IOM) defines "irregular migration" as "movement of persons that takes place outside the laws, regulations, or international agreements governing the entry into or exit from the State of origin, transit or destination." "Human Trafficking", on the other hand, is defined by the United Nations as "the recruitment, transportation, transfer, harboring, or receipt of persons by improper means (such as force, abduction, fraud, or coercion) for an improper purpose including forced labor or sexual exploitation." Due to lack of data to distinguish trafficked victims among the irregular migrants, the analysis presented in this brief is not able to draw separate conclusions between the two categories empirically. However, the two categories are distinct as the latter involves informed consent from migrants while the former does not.

## Country Context

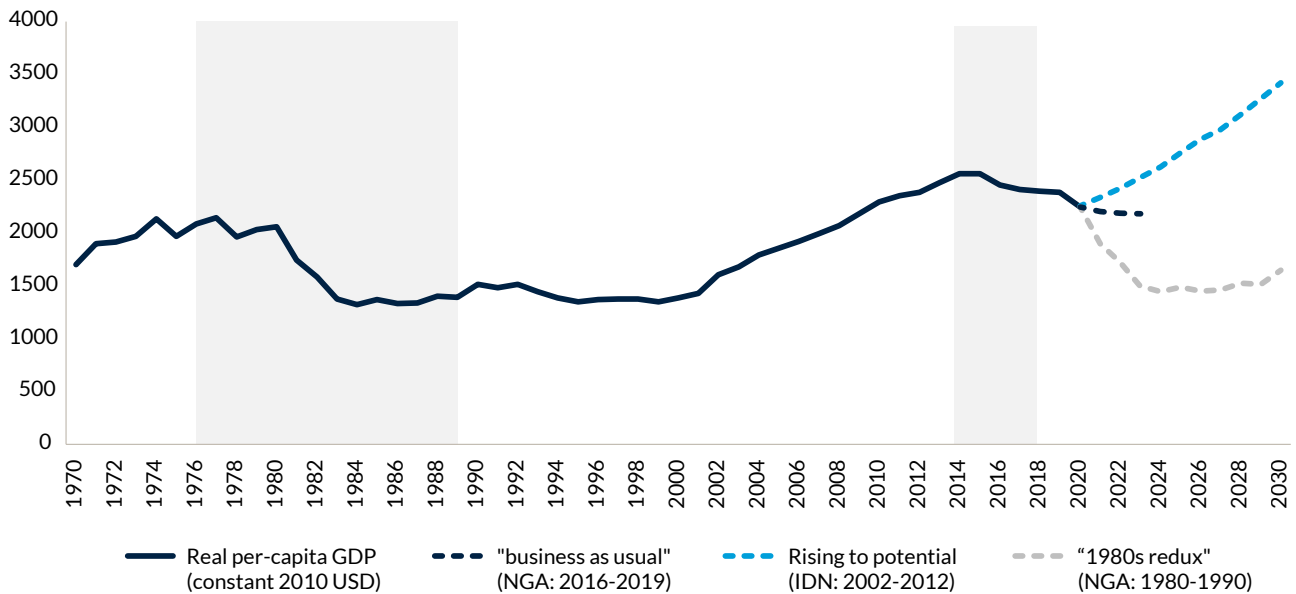
**Geographically large, multicultural, and richly endowed, Nigeria stands at a critical juncture in its economic trajectory.**

As Africa's most populous and largest economy, Nigeria's economic prosperity has implications for the

continent and the rest of the world. Between 2000 and 2014, the Nigerian economy grew at an average of 6.1 percent per year.<sup>28</sup> Nigeria's economic performance during this period, as the 13th largest producer of oil in the world, was largely fueled by stable oil prices and a prudent counter cyclical fiscal policy during the global financial crisis of 2008. However, in 2014, with the sharp drop in global oil prices, Nigeria's economy entered a recession. Before it could fully recovery, another crisis arrived in the form of COVID-19.

28. World Bank. 2020a. *Nigeria on the Move: A Journey to Inclusive Growth*. Systematic Country Diagnostic. World Bank, Washington, DC. Available at: <https://openknowledge.worldbank.org/handle/10986/33347>

**Figure A.1. Nigeria's GDP per capita growth has stagnated since the economic recession of 2014**



Source: Nigeria Development Update, December 2020

Nigeria's economy is expected to contract by 4 percent in 2020, following the pandemic-induced drop in international oil prices. It is clear that Nigeria is faced with an unprecedented challenge due to the demographic and economic crossroads at which it stands. With the GDP per capita growth falling behind the population growth in recent years, Nigeria's economic growth will continue to stagnate under the "business-as-usual" scenario (Figure A.1)<sup>29</sup> and could leave an additional 30 million Nigerians below the extreme poverty line of US\$ 1.90/day by 2030.<sup>30</sup>

Breaking the oil dependency and restoring economic prosperity will require Nigeria to invest in its people, especially its youth. With more than 70 percent of Nigeria's population currently below 35 years of age, the country can enjoy a one-time opportunity for rapid economic development, as the largest cohort of working-age population enter the labor market. However, the demographic dividend is not a given in itself: to realize its potential, young women and men

must enter the labor market with better skills and fewer constraints to working productively and gainfully outside their homes.

## Labor Market Context

**Nigeria's working age population is set to expand by 133 million between 2020 and 2050, significantly adding to existing employment pressure.**

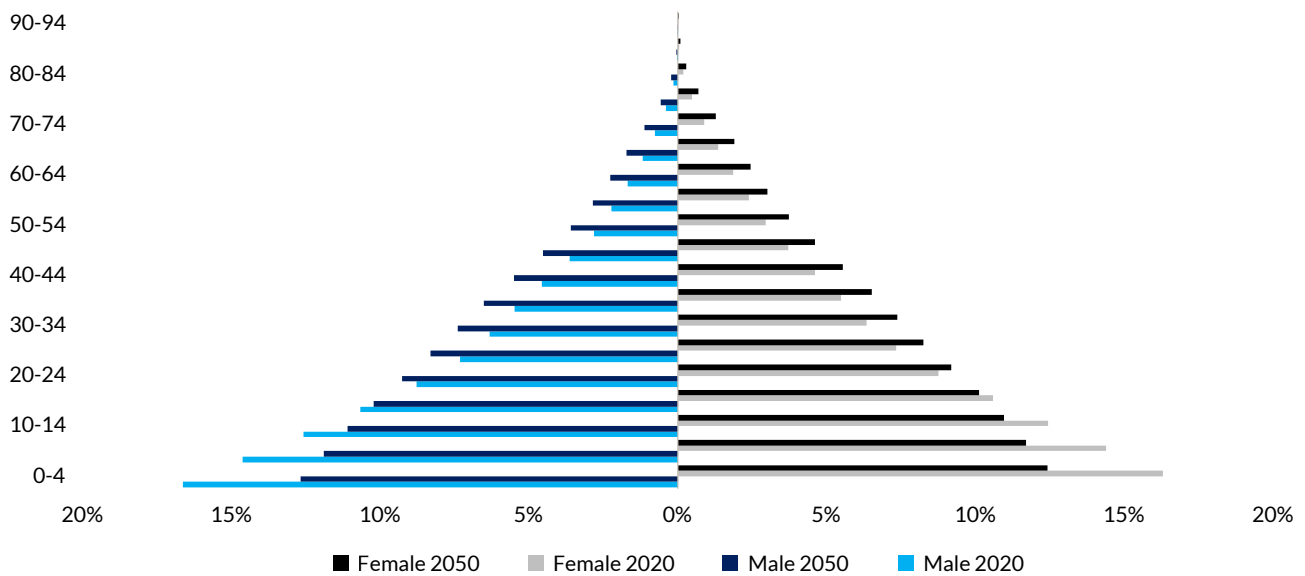
Nigeria accounts for 20 percent of the population of Sub-Saharan Africa (SSA) and is projected to be the third most populous country in the world by 2040, with over 400 million inhabitants. Figure A.2 shows the change in the population pyramid for Nigeria between 2020 and 2050. It shows that children below the age of 15 outnumber youths aged 15-34 in 2020, but as those children enter the working-age population,

29. Between 2015 and 2019, Nigeria's GDP growth rate averaged 1.1 percent compared to the population growth rate of 2.6 percent

30. World Bank. 2020b. *Nigeria Development Update, December 2020: Rising to the Challenge - Nigeria's COVID Response*. World Bank, Washington, DC



**Figure A.2. Nigeria’s children in 2020 will enter working-age to increase the number of youth (15-34) in the population by 73 million in 2050**



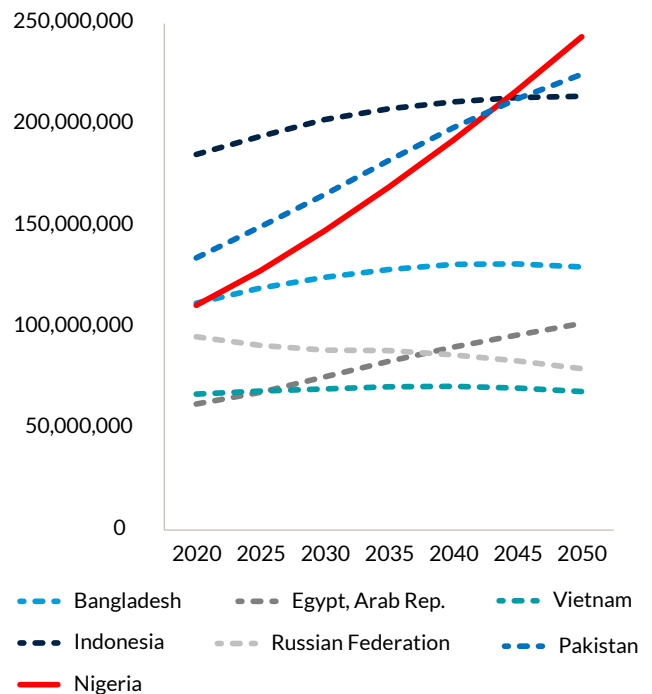
Source: World Bank calculations using data from the United Nations, World Population Prospects

the number of youths aged 15-34 is set to increase from 68 million in 2020 to 141 million in 2020, significantly adding to the stock of working-age population in the near future.

Similarly, Figure A.3 shows that Nigeria’s working age population (15-64) is expected to increase by 120 percent between 2020 and 2050, from 110 million to 243 million. The projected growth in Nigeria’s working-age population will see Nigeria overtake Pakistan and Indonesia by 2045, while diverging from countries such as Bangladesh, where the rise in the working age population is expected to stagnate between 2020 and 2050.

Compared to several high-income OECD countries that are facing a rapidly ageing population, the population in Nigeria and Sub-Saharan Africa will remain young until 2050 (Figure A.4). The old-age dependency ratio, which measures the share of the population aged 65 and above in comparison to the working-age population, is set to increase by more than 20 percentage points in countries such as Italy and by 10 percentage points in Germany and Canada.

**Figure A.3. Nigeria’s working age population is expected to increase by over 150 million between 2020 and 2050, the highest compared to peer countries**



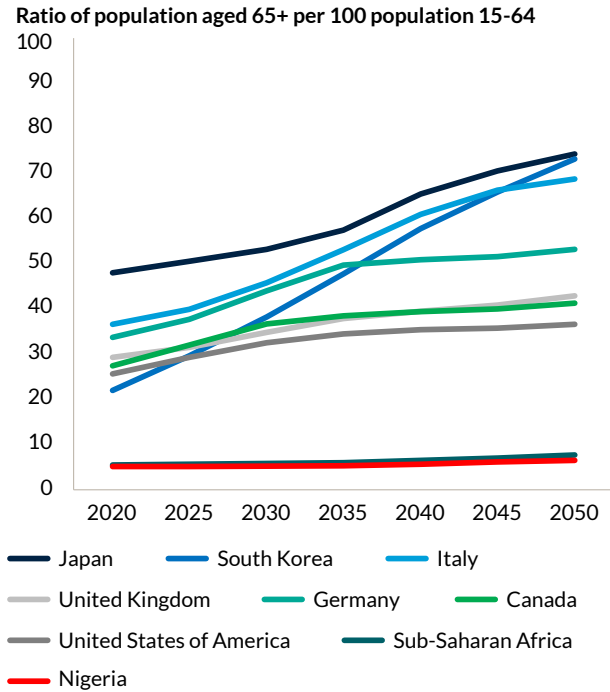
Source: World Bank calculations using data from the United Nations, World Population Prospects

In Nigeria and Sub-Saharan Africa, the old age dependency ratio is expected to remain below 10 percent in the foreseeable future.

**The labor market in Nigeria has not kept pace with the rising working-age population, significantly worsening after the 2016 recession.**

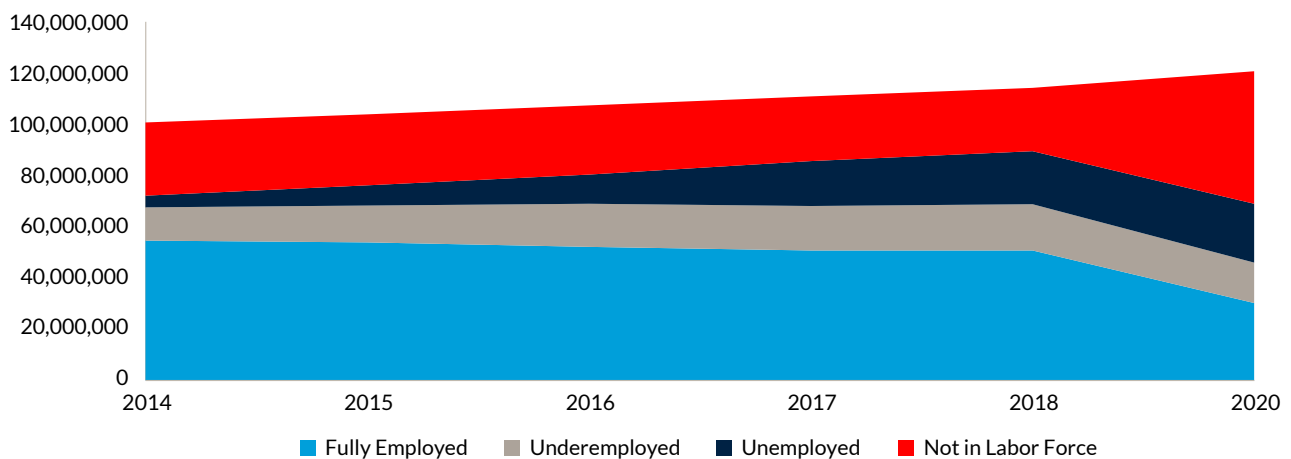
Nigeria's labor market shows increasing signs of weaknesses. Between 2014 and 2020, Nigeria's working age population grew from 102 million to 122 million, growing at an average rate of approximately 3 percent per year. Similarly, Nigeria's active labor force population, i.e., those willing and able to work among the working age population, grew from 73 million in 2014 to 90 million in 2018, adding 17.5 million new entrants to Nigeria's active labor force. Since 2018, however, the number of active labor force population has dramatically decreased to around 70 million—lower than the level in 2014—while the number of Nigerians who are in the working-age population but not active in the labor force has increased from 29 million to 52 million between 2014 and 2020 (Figure A.5).

**Figure A.4. Nigeria's old age dependency ratio is expected to stay below 10 percent in 2050 compared to several high-income OECD countries where the population is ageing**



Source: World Bank calculations using data from the United Nations, World Population Prospects

**Figure A.5. The share of fully employed individuals in Nigeria's active labor force has decreased below 2014 levels in 2020**



Source: World Bank calculations based on data from the National Bureau of Statistics, Nigeria.

Note: Fully employed includes individuals who were working 40 hours or more during the survey period. Underemployed includes individuals who were working between 20 and 39 hours. Unemployed includes individuals working less than 20 hours a week in the reference period.

Figure A.6 shows that women and youth are particularly vulnerable in Nigeria's labor market. Only 40 percent of female Nigerians among the active labor force population are employed compared to 46 percent males. Similarly, 37 percent of youth are employed compared to 49 percent in the adult working age population (35-64). Underemployment rates are higher in rural areas and among females.

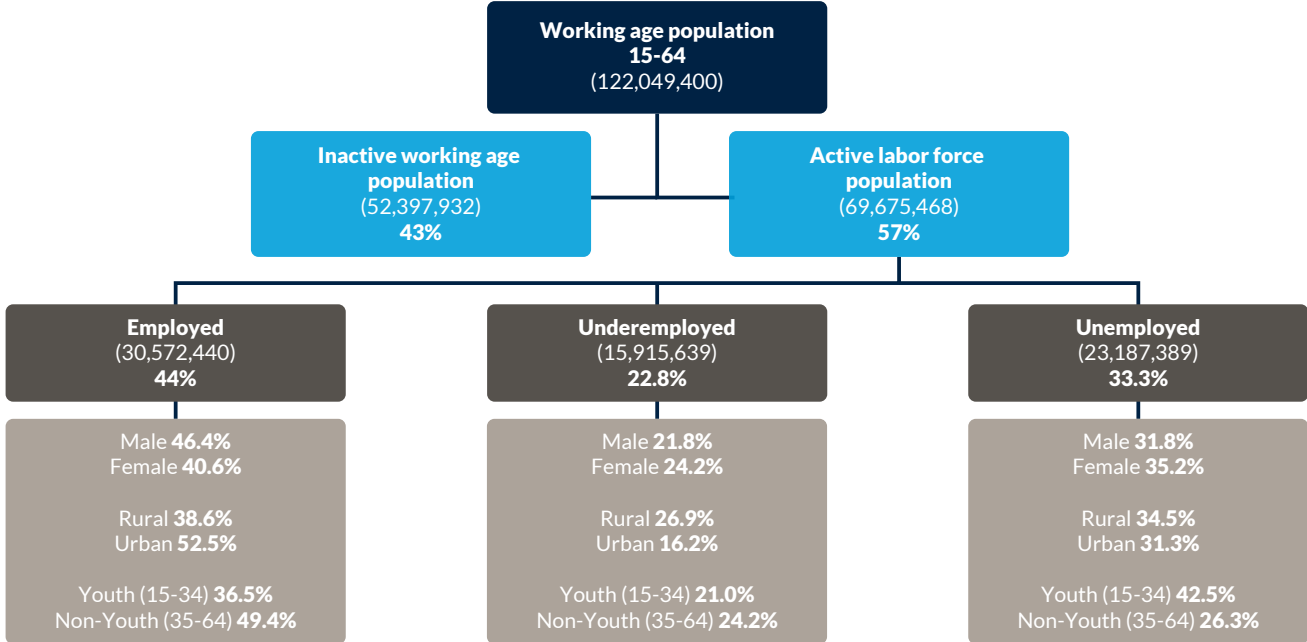
The expanding working-age population combined with scarce domestic employment opportunities is creating high rates of unemployment, particularly for Nigeria's youth. Between 2010 and 2020, the unemployment rate rose fivefold, from 6.4 percent in 2010 to 33.3 percent in 2020. The rise in unemployment rates have been particularly acute since the 2015-2016 economic recession and have further worsened as COVID-19 led to the worst recession in four decades in 2020 (Figure A.7). Unemployment rate, defined nationally as the percentage of the labor force population who could not find at least 20 hours of work in the reference period, was significantly higher for youth (42.5 percent) compared to nonyouth

(26.3 percent). Women are also particularly vulnerable in Nigeria's labor market.

**Large numbers of educated youths are entering the labor market but are unable to realize higher economic returns from investing in their human capital.**

Nigeria's working age population is increasingly entering the labor market with higher educational qualifications. Between 2010 and 2020, Figure A.8 (Panel A) shows that the share of Nigerians with secondary education in the active labor force grew from 32 percent to 38 percent. During the same period, the share of Nigerians with post-secondary education grew from 12 percent to 18 percent. On the flipside, the share of Nigerians who have primary level of education has declined steadily from 24 percent in 2010 to 14 percent in 2020. Finally, the share of Nigerians who have never attended school remained steady at around 30 percent of the active labor force population between 2010 and 2020.

**Figure A.6. Nigeria's labor force pyramid in 2020 shows that youth, females, and rural inhabitants have poorer labor market outcomes**

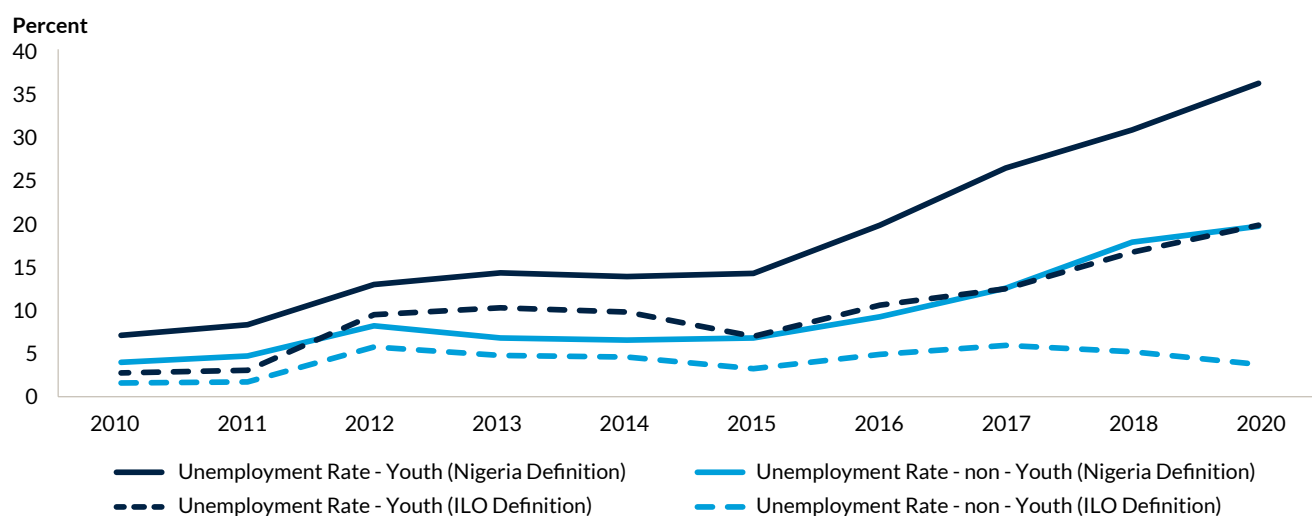


Source: World Bank calculations based on data from the National Bureau of Statistics, Nigeria.

Increasingly, educated Nigerians are struggling to find employment opportunities in the country. While unemployment rates have increased substantially for Nigerians across all education levels over the years, it has become progressively challenging for educated Nigerians to find employment opportunities. Figure

A.8 (Panel B) shows the trajectory of unemployment rate by education level in the last decade. Between 2010 and 2020, the unemployment rate increased by more than 30 percentage points for Nigerians with secondary and post-secondary education and currently stands at 37.1 percent and 35.6 percent, respectively.

**Figure A.7. Unemployment rates have worsened since the 2014 recession, particularly for youth**



Source: World Bank calculations using data from NBS.

### Box A.1. Dramatic reductions in Nigeria's active labor force since 2018

The latest data on unemployment (Q4 2020) from Nigeria's NBS paints an exceedingly grim picture of the labor market in Nigeria. First, it shows that employment outcomes are heterogenous across states with unemployment rates ranging from 12 percent in Osun to 56 percent in Imo. In Q4 2020, more than 4 million members of the working-age in large metropolitan centers in Lagos and Kano, and more than 3 million in Kaduna were outside of the labor force.

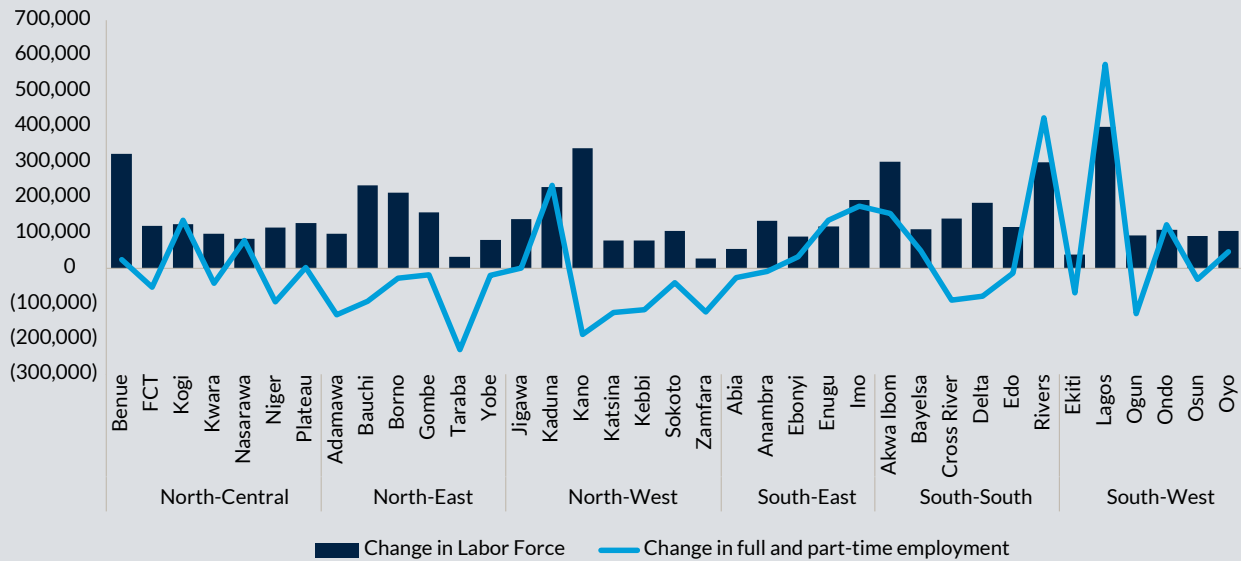
Further looking at state level trends in changes in labor force participation across multiple years, it confirms that between 2018 and 2020, more than 20 million Nigerians of working-age have dropped

out of the active labor force. From Q3 2017-Q3 2018, almost all states added members of the working-age population into their labor force and 15 states managed to increase the stock of full and part-time individuals (Figure AB.1; Panel A). Between Q3 2018 and Q4 2020, however, only 8 states managed to increase the number of employed (full and part-time) individuals, while all states saw a significant decline in the active labor force. During this period, 8 out of 36 states saw more than a million Nigerians of working-age drop out of the labor force. While COVID-19 could have played a role in such large numbers dropping out of the labor force, the trend since 2018 needs further exploration and presents a conundrum to Nigerian policy makers.

Box A.1. Cont.

Figure AB.1. More than 20 million Nigerians have dropped out of the labor force since 2018

Panel A: Change in Labor Force and Employed Population, by State (Q3 2017 - Q3 2018)



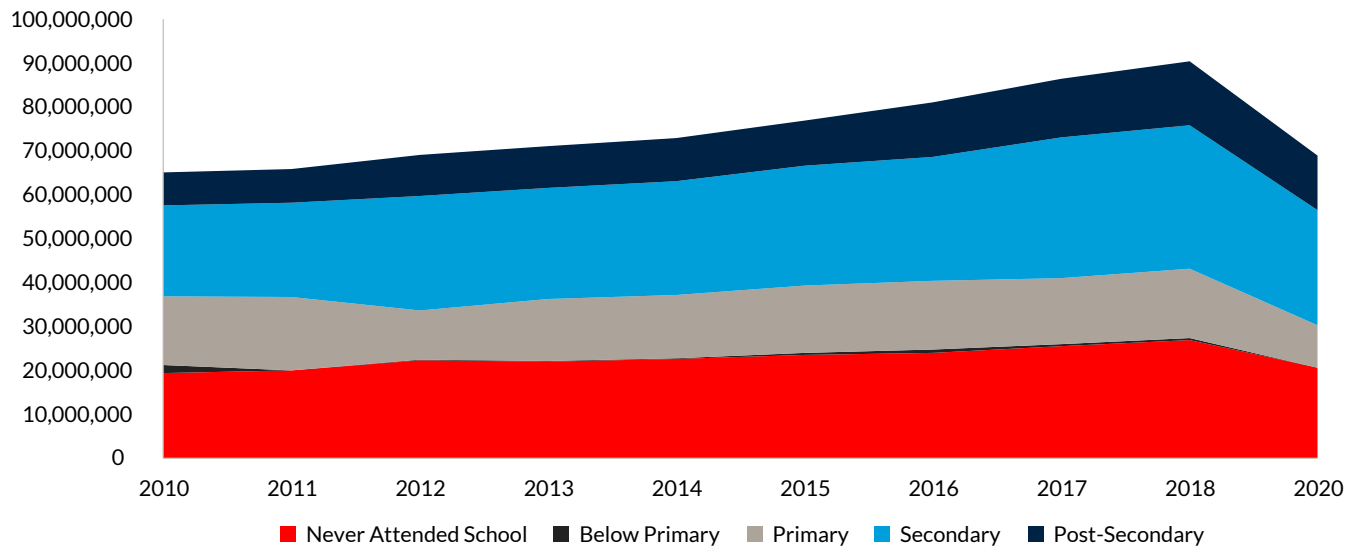
Panel B: Change in Labor Force and Employed Population, by State (Q3 2018 - Q4 2020)



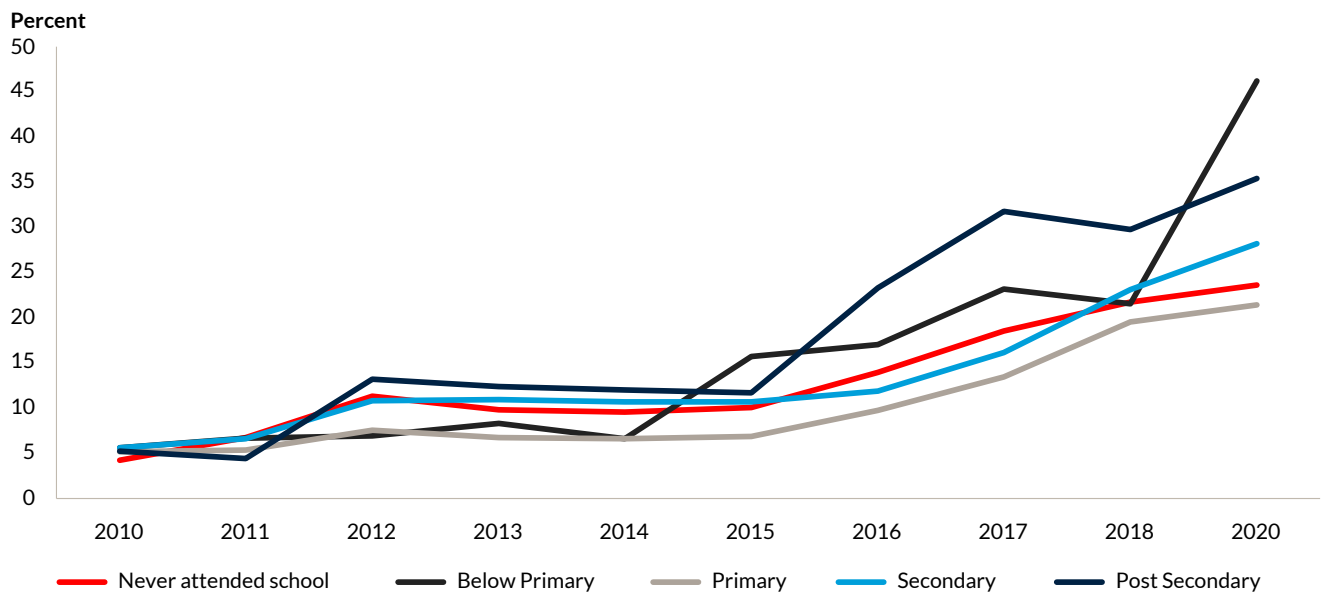
World Bank calculations using data from the National Bureau of Statistics, Nigeria.

**Figure A.8. Increasingly, Nigerians with secondary and post-secondary education are unable to find jobs in Nigeria**

**Panel A: Share of Nigerians by level of education completed in the active labor force, 2010-2020**



**Panel B: Unemployment rates by education level completed, 2010-2020**



Source: World Bank calculations based on data from the National Bureau of Statistics, Nigeria.

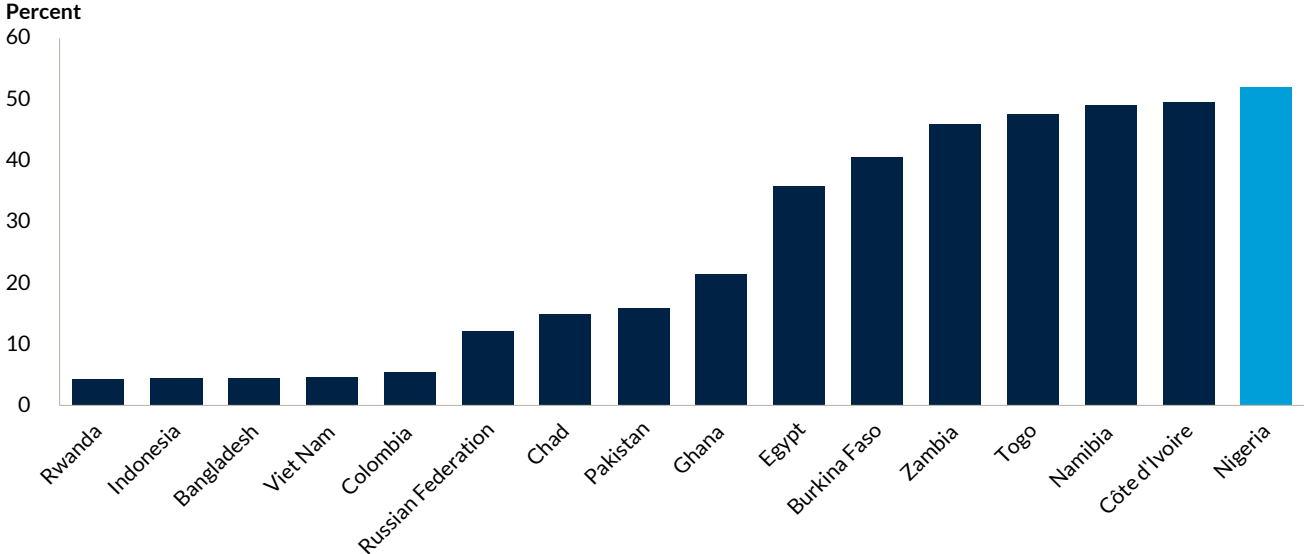
Nigeria’s educated youth face a double crisis—a high domestic unemployment rate and a tertiary education system that is unable to prepare them for the demands of the global labor market. In the last four decades, the number of recognized universities in Nigeria grew tenfold from 16 to 174 which resulted in a meteoric rise in tertiary enrollment.<sup>31</sup> The quality of education in the newly opened universities, however, is subpar; only two Nigerian universities are listed in the [Times Higher Education’s World University Rankings 2021](#).<sup>32</sup>

Additionally, Nigeria fares worse when compared to peer countries with respect to chronic unemployment. A country comparison of Nigeria with its regional, structural and aspirational peers shows that severity of the duration of unemployment is the highest in Nigeria.<sup>33</sup> Close to 50 percent of Nigerian jobseekers face chronic unemployment of more than 2 years (Figure A.9). When compared to its aspirational peers such as Colombia and Bangladesh where only five percent of

the total unemployed are unemployed for more than two years, Nigeria lags far behind. Even among its regional peers, Nigerians face the highest duration of unemployment. This is especially concerning for educated youth who invest in their human capital in the hope of securing returns on their investments but face acute and chronic shortages of opportunities upon entering the labor market.

A combined assessment of Nigeria’s labor market shows that unemployment rates are high and increasing for youth with secondary and post-secondary education who face a chronic and acute shortage of employment opportunities within the country. These youth are likely to hold out for a wage job, particularly in the public sector; however, these jobs are limited in number. and. The private sector in Nigeria is currently unable to absorb the growing number of educated youths. The tertiary education system is likely exacerbating this challenge as it is unable to align its

**Figure A.9. Compared to peer countries, the percentage of jobseekers who are unemployed for more than 2 years is the highest in Nigeria**



Source: International Labor Organization. “Unemployment distribution by duration (by sex and age) (%).” ILOSTAT. Accessed 27-08-2020. <https://ilostat.ilo.org/data>.

31. NUC (2019), see pages 2-4 for the complete list of private and public universities in Nigeria and the year of establishment.  
 32. See [Times \(2020\)](#) for the list of 1000 leading universities in the world.  
 33. Regional, structural and aspirational peer countries are taken from [Nigeria Systematic Country Diagnostic June 2019](#) report for benchmarking.

curriculum to meet the global demand for a skilled workforce. It can be concluded that a pressing phenomenon of “brain waste” is playing out in the Nigerian labor market, where large numbers of educated youth are entering the labor market, only to find themselves unemployed and unable to earn better labor market returns despite investing in their human capital.

## Migratory Pressure

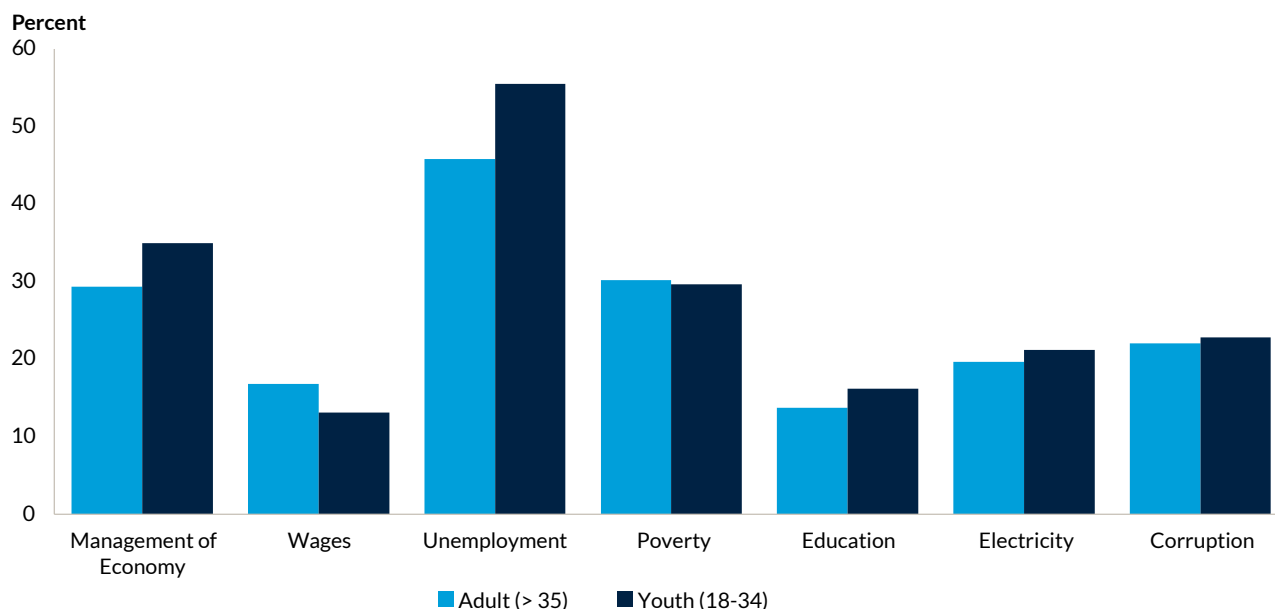
**A combination of rising unemployment, booming demographics, and unfulfilled aspirations is increasing the pressure on young Nigerians to migrate in search for gainful employment overseas.**

Concerned about their employment prospects at home, Nigeria’s youth are increasingly frustrated with

the domestic economy. A Gallup poll conducted before the 2019 presidential elections shows that approximately 50 percent of Nigerians said it was a “bad time” to find a job in the economy.<sup>34</sup> Unemployment for both youth and adults has consistently ranked as the most important issue facing the country, above management of the economy, poverty, corruption, and electricity (Figure A.10).<sup>35</sup> Youth, particularly in urban areas, show signs of being disenfranchised in the Nigerian economy. Over 7 in 10 youth in 2018 believed that the country was headed in the wrong direction.<sup>36</sup> The recent #ENDSARS protest, which largely started out calling for an end to police brutality, was exacerbated by socioeconomic factors and increasing frustration among youth as the current jobless crisis risks erosion of human capital for an entire generation of Nigerians.

Unemployment is considered to be a key driver of migration. Consequently, multiple surveys show that the number of Nigerians who are looking to migrate

**Figure A.10. Nigeria’s youth rank unemployment as the most pressing concern facing the country**



Source: World Bank Calculations based on data from Afro Barometer (Round 7)

34. Gallup, 2019.

35. See summary of results from [Round 5](#), [Round 6](#), and [Round 7](#) of the Afro Barometer Surveys for Nigeria.

36. Afro Barometer, 2018.

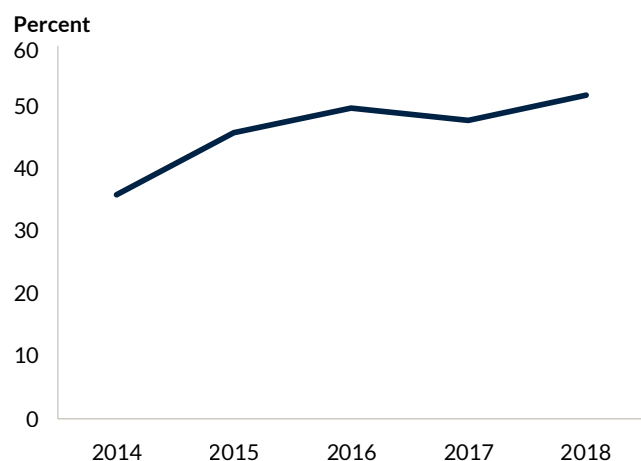


internationally is high and increasing. The proportion keen to leave permanently has increased from 36 percent in 2014 to 52 percent in 2018, according to Gallup (Figure A.11; Panel A). This is one of the highest levels in Sub-Saharan Africa (Figure A.11; Panel C). Data from Afro Barometer show that the desire to migrate is higher among unemployed (38 percent), youth (39 percent), secondary education graduates (39 percent),

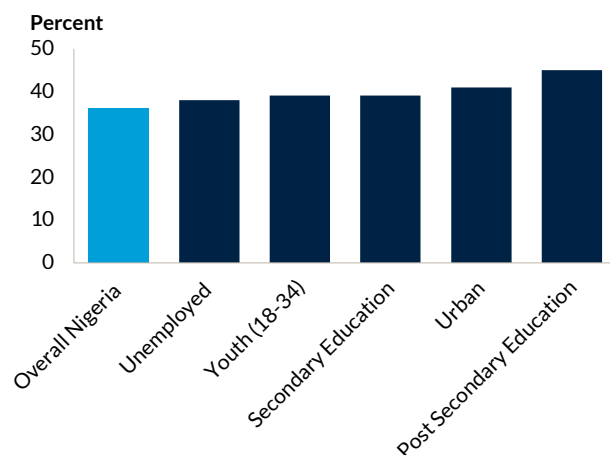
urban residents (41 percent) and post-secondary graduates (45 percent) in Nigeria (Figure A.11; Panel B). While the expressed intent to migration may not result in actual migration in most cases, emerging literature shows strong association between emigration intentions and recorded bilateral flows to industrialized countries as well as between intentions and aggregated out-migration.<sup>37</sup>

**Figure A.11. Percentage of Nigerians who are willing to migrate overseas is high and increasing**

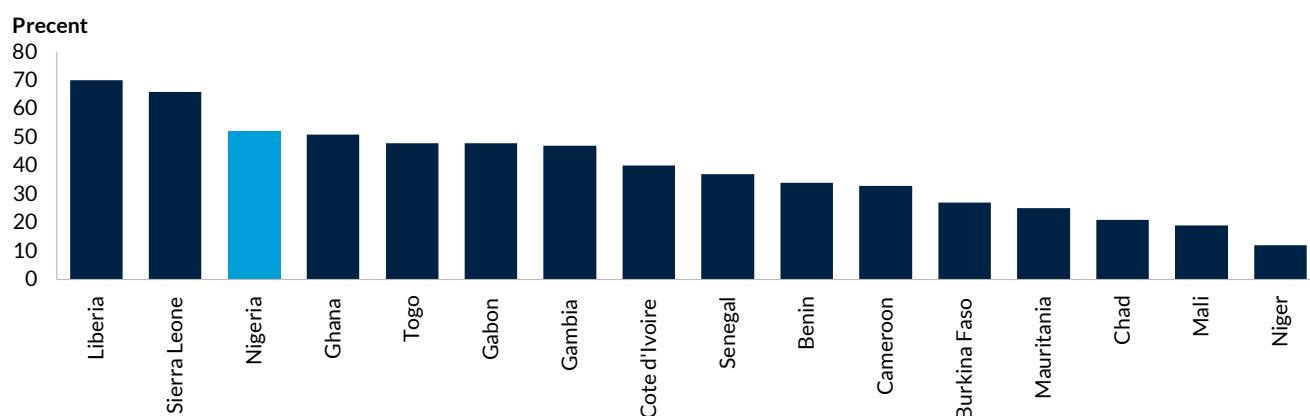
**Panel A: Percentage who would move permanent to another country**



**Panel B: Proportion of respondents considering emigrating to another country**



**Panel C: Proportion of respondents who would move permanently to another country (Nigeria and regional peers)**



Source: World Bank Calculations based on data from Gallup (Panel A), Afro Barometer (Panel B), and OECD (Panel C).

37. See Tjaden, J., Auer, D. and Laczko, F., 2019. Linking migration intentions with flows: evidence and potential use. *International Migration*, 57(1), pp.36-57; available at <https://onlinelibrary.wiley.com/doi/full/10.1111/imig.12502>. The article examines the association between estimated population averages of emigration intentions and official migration flow data based on data for more than 160 countries.

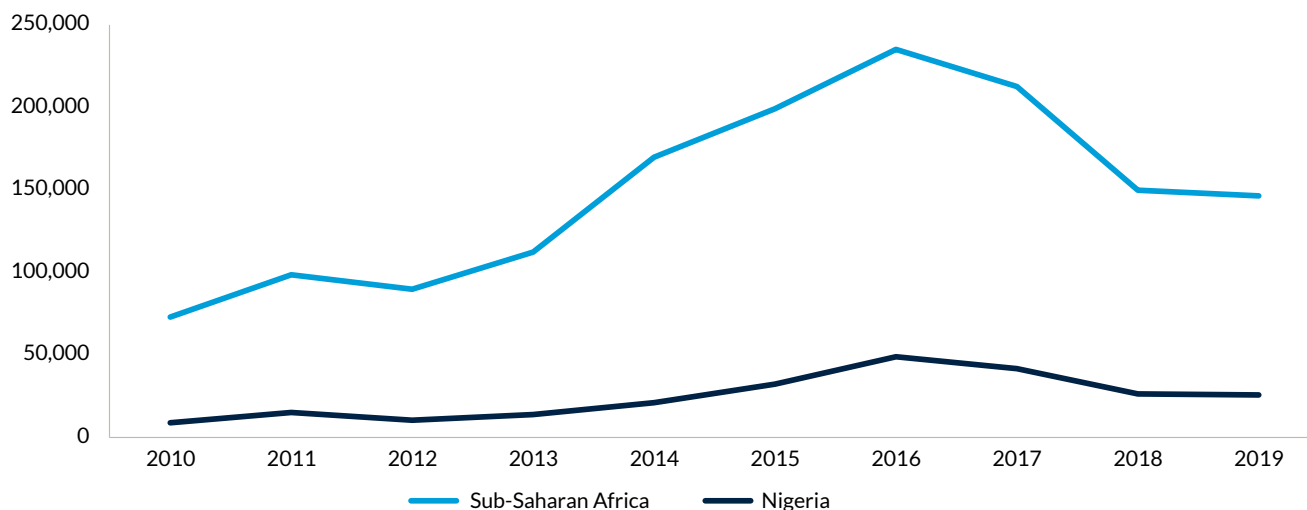
## Young Nigerians are increasingly opting for irregular migration routes to realize their hopes for a better life.

With rising migratory pressures created by poor employment conditions, Nigerians are increasingly choosing to migrate through irregular means. Figure A.12 shows that the number of first-time asylum seekers from Sub-Saharan Africa and Nigeria to Europe peaked in 2016, at the height of the European migration crisis, before subsiding in late-2017. Nigerians represented the largest group of migrants from Sub-Saharan Africa arriving in Europe in 2016 and 2017. Nearly 40,000 Nigerians arrived in Italy in 2016 with over 90 percent of those arriving via sea routes. A larger share of Nigerian migrants arriving to Italy were women (32 percent) compared to migrants from the rest of SSA (24 percent).<sup>38</sup> Similarly, a larger share

of Nigerians had completed secondary education (39 percent) compared to migrants from the rest of SSA (21 percent)<sup>39</sup>, which tallies well with the analysis of the domestic labor market that shows educated youth in particular suffering progressively worse employment outcomes in the country.

Nigerian migrants arriving in Italy represent only a fraction of the irregular migrants hoping to reach Europe. According to data from IOM's Displacement Tracking Matrix, there were around 50,454 Nigerians in various parts of Libya in December 2019.<sup>40</sup> Over 14,000 Nigerians have been returned from Libya through IOM's Assisted Voluntary Humanitarian Return and Repatriation (AVHRR) programs since 2016.<sup>41</sup> The number of Nigerians in Niger—another transit country for irregular migrants from Nigeria—increased from 19,177 in 2010 to 93,179 in 2015.<sup>42</sup> A large share of Nigerian migrants in

**Figure A.12. Number of first-time asylum seekers from Nigeria to Europe peaked in 2016 and 2017 before subsiding in 2018**



Source: World Bank calculations based on data from EuroStat

38. World Bank calculations based on data from Eurostat.

39. World Bank Group. 2018. Asylum Seekers in the European Union: Building Evidence to Inform Policy Making. World Bank, Washington, DC. © World Bank. Available at: <https://openknowledge.worldbank.org/handle/10986/30157>

40. International Organization for Migration (IOM), 2020, 'Libya's Migrant Report Round 28'. Available at: [https://displacement.iom.int/system/tdf/reports/DTM\\_R28\\_Migrant\\_Report\\_12\\_02\\_2020.pdf?file=1&type=node&id=7752](https://displacement.iom.int/system/tdf/reports/DTM_R28_Migrant_Report_12_02_2020.pdf?file=1&type=node&id=7752)

41. Info Migrants. 2019. Returnees Struggle to Adjust to Life in Nigeria. Available at: <https://www.infomigrants.net/en/post/19561/returnees-struggle-to-adjust-to-life-in-nigeria>

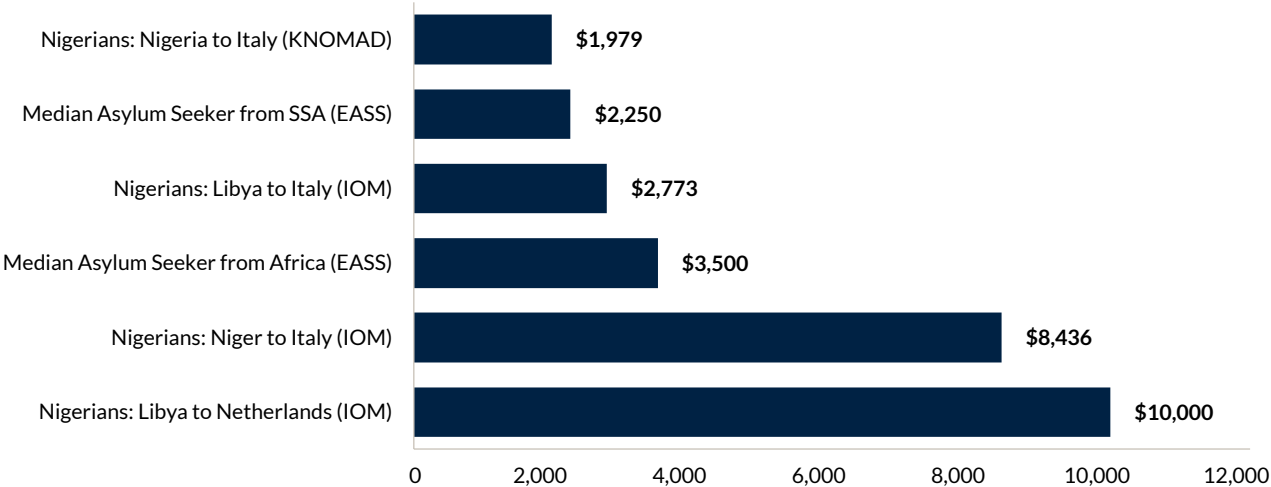
42. United Nations, Department of Economic and Social Affairs, 2019. World Population Prospects 2019: Highlights. Available at <https://www.un.org/development/desa/publications/world-population-prospects-2019-highlights>

Niger are in transit to European destinations through irregular channels. A transit in Niger accounted for almost 50 percent of the arrivals into Libya in 2019.<sup>43</sup> Besides migrants in transit, many migrants have lost their lives in the Sahara Desert and the Mediterranean Sea while striving to reach Europe.<sup>44</sup>

Irregular migration carries a tremendous economic, physical, and psychological cost, yet Nigerian migrants still choose to go ahead with it. Those migrating from Nigeria to Italy tend to be from relatively better-off households. Even so, these journeys cost around 10 times their average household monthly income, at a minimum (Figure A.13). Migrants, especially those from poorer households, take loans to finance the cost of migration and fall under heavy debt trap when they return empty-handed. Aside from the economic costs, migrants face a high risk of abuse, especially at the hands of criminal networks.

While the number of asylum seekers from Nigeria has declined in recent years, this does not translate as decreased demand for migration from Nigeria. The drop in migration levels from Nigeria and other Sub-Saharan African countries to Europe is a result of tighter border control policies supported by the EU in transit countries such as Libya and Niger.<sup>45</sup> However, the underlying economic and demographic factors that create migratory pressures are unlikely to subside in the near future, with other potential irregular routes being reported through Sudan and Chad to Libya.<sup>46</sup> COVID-19 may have brought global mobility to a halt due to global travel restrictions, but it has also fueled the same underlying push factors that lead to migration in developing countries such as Nigeria. It has also highlighted the significant contributions made by migrants as “essential” workers in the food, health care, and agricultural sectors. Designing, piloting and scaling schemes that allow some of the growing

**Figure A.13. Irregular migration costs far exceeds average monthly household income in Nigeria**



Source: IOM, KNOMAD, and EASS reports.

43. IOM, 2020. Libya Migrant Report. Available at: [https://displacement.iom.int/system/tdf/reports/DTM\\_R28\\_Migrant\\_Report\\_12\\_02\\_2020.pdf?file=1&type=node&id=7752](https://displacement.iom.int/system/tdf/reports/DTM_R28_Migrant_Report_12_02_2020.pdf?file=1&type=node&id=7752)

44. See <https://missingmigrants.iom.int/region/mediterranean> for details on number of missing migrants and fatalities by region, year, and routes.

45. See Migration Policy Institute, 2021 for more details: <https://www.migrationpolicy.org/article/europe-migration-africa-eutf>

46. Institute for Security Studies, 2020. Fewer Migrants to Europe, Bigger Problems for Africa available at: <https://issafrica.org/iss-today/fewer-migrants-to-europe-bigger-problems-for-africa>

number of unemployed educated youth in Nigeria to be employed gainfully in foreign labor markets that face labor shortages and ageing could lead to mutually beneficial outcomes for both sets of countries.

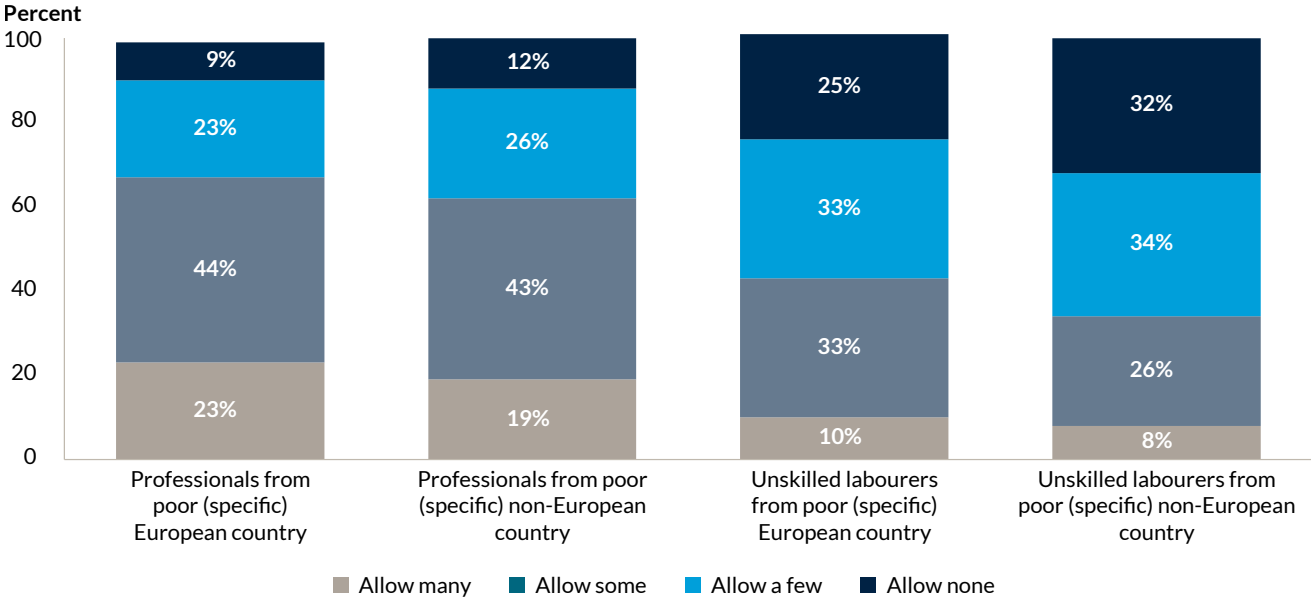
**Migrants are key to economic recovery from COVID-19 in many destination countries which face shrinking populations and labor shortages in key sectors.**

In many high-income countries, migrants will continue to plug labor shortages in essential sectors. Many high-income OECD countries are facing a continuous decline in fertility rates, leading to a reduction in the working age population (15-64) and an increase in the population aged 65 or older (Figure A.14). This has increased the burden on the social security and health care systems and led to economic slowdowns. In 2013,

a survey conducted by the European Union (EU) found that 39 percent of firms in the EU had difficulty finding staff with the right skills.<sup>47</sup> Skills shortages were most pronounced in high- and medium-skilled sectors such as health care, information and communications technology (ICT), hospitality, construction, and tourism. While the prevailing narrative may suggest that Europeans have an unfavorable view of increased levels of migration to the EU, data from opinion polls suggest that the facts are more nuanced (Figure A.13). The majority of the European public is in favor of migrants from African countries, as long as they have skills that can plug specific gaps in the European labor market. There is a strong interest from a number of European member states in engaging on legal migration pathways between Europe and Africa.

The key role of migrants in the global COVID-19 response further highlights the value they bring to high-income

**Figure A.14. Most Europeans favor a degree of immigration, especially for skilled professionals who can plug key skills shortages**



Source: World Bank calculations using Data from European Social Survey.

47. European Centre for the Development of Vocational Training (Cedefop) (2015). Skill Shortages and Gaps in European Enterprises: Striking a Balance Between Vocational Education and Training and the Labour Market. Luxembourg: Publications Office. Cedefop reference series; No 102. Available at: [https://www.cedefop.europa.eu/files/3071\\_en.pdf](https://www.cedefop.europa.eu/files/3071_en.pdf)

OECD countries and other host nations. Since the onset of the COVID-19 crisis, data from many high-income countries suggest that migrants have formed a large share of the “essential” worker category across the skills spectrum. For example, in the United States, 30 percent of doctors and 27 percent of farm workers are foreign-born.<sup>48</sup> In Australia, 53 percent of doctors and 35 percent of nurses are immigrants.<sup>49</sup> In the EU, more than one in three domestic workers and one in five workers in the food processing industry are migrants.<sup>50</sup> Realizing the key role played by migrants in the crisis response, some countries have already instituted reforms realizing that contributions from migrants will be even more critical during the recovery phase. Portugal granted all migrants and asylum-seekers citizenship rights. In the US, foreign-born health care workers were given temporary work permits and skills recognition. Italy went through a process to regularize irregular migrants to enable recovery in critical sectors.

## Assessing the Cost and Benefits of International Migration to Africa and Nigeria

**Despite serious and valid concerns around loss of the stock of skilled individuals and increase in irregular migration, the benefit of regular international migration largely outweighs the costs.**

International Migration is a highly debated issue in both sending and receiving countries. Opinions are divided

on either side of the aisle. Proponents argue that immigration to developed countries is critical to fill the gaps in domestic labor markets and helps sending countries, which are primarily developing, through remittances, increased trade, and investment linkages. Opponents raise strong concerns about the negative impact on the local workforce in the receiving countries, demographic changes that can adversely affect social cohesion, and the brain drain from the sending countries that negatively affects local labor markets.

It is important to acknowledge that the stock of skilled individuals is paramount to the economic development objectives of Nigeria and other Sub-Saharan African countries. For example, one in every nine persons born in Africa and holding a tertiary diploma lived in the OECD in 2010-11,<sup>51</sup> leading some to conclude that the continent’s “best and brightest” were leaving for greener pastures after being trained using public resources.<sup>52</sup> However, recent and emerging literature on this issue suggests that emigration results in human capital accumulation rather than depletion in the source countries. Regulating skilled migration and implementing innovative approaches that increase the stock of skilled individuals at home and abroad can address high unemployment and skills mismatches in the domestic labor market while the positive externalities of skilled migration can lead to further human capital accumulation.<sup>53</sup>

Africa is at the forefront of another hotly contested international migration debate with serious, yet slightly misdirected, concerns about irregular migration to Europe and other advanced economies. The recently launched Africa Migration Report provides evidence and trends

48. Migration Policy Institute (MPI), 2020. Immigrant Workers: Vital to the U.S. COVID-19 Response, Disproportionately Vulnerable. Available at: <https://www.migrationpolicy.org/research/immigrant-workers-us-covid-19-response>

49. International Labor Organization (ILO), 2020. Labour Migration. Available at: <https://www.ilo.org/beirut/areasofwork/labour-migration/lang--en/index.htm>

50. VOXEU, 2020. Immigrant key workers in Europe: The COVID-19 response that comes from abroad. Available at: <https://voxeu.org/article/covid-19-immigrant-workers-europe>

51. United Nations Department of Economic and Social Affairs (UNDESA) and the Organization for Economic Cooperation and Development (OECD). 2013. “World Migration in Figures.” A joint contribution by UNDESA and the OECD to the United Nations High-Level Dialogue on Migration and Development, October 3-4, 2013. Available at: <http://www.oecd.org/els/mig/World-Migration-in-Figures.pdf>

52. Quartz Africa. 2019. “Nigeria’s ongoing middle-class brain drain is costing it two generations in one swoop.” Available at: <https://qz.com/africa/1615518/nigerias-middle-class-keep-emigrating-to-canada-australia/>

53. Slesh Shrestha. 2017. “No Man Left Behind: Effects of Emigration Prospects on Educational and Labor Outcomes of Non-migrants.” *Economic Journal* 127(600). [https://econpapers.repec.org/article/wlyeconjl/v\\_3a127\\_3ay\\_3a2017\\_3ai\\_3a600\\_3ap\\_3a495-521.htm](https://econpapers.repec.org/article/wlyeconjl/v_3a127_3ay_3a2017_3ai_3a600_3ap_3a495-521.htm); and Satish Chand and Michael Clemens.

2019. “Human Capital Investment under Exit Options: Evidence from a Natural Quasi-Experiment.” IZA Discussion Papers 12173. Bonn: Institute of Labor Economics (IZA). <https://ideas.repec.org/p/iza/izadps/dp12173.html>

to challenge the existing narratives on mixed migration patterns in the continent.<sup>54</sup> The key findings are (a) most African migrants are not crossing oceans, but rather crossing land borders within Africa; (b) 94 per cent of African migration across oceans takes on a regular form; and (c) most global migrants are not African. Africa accounts for 14 per cent of the global migrant population, compared, for example, to 41 per cent from Asia and 24 per cent from Europe. These findings reinforce the need to retell the African migration story that is largely about migration within the continent.

This is not to say that irregular migration is not a concern for countries such as Nigeria. Across Europe, undocumented or irregular migrant workers, many from Africa, are a particularly vulnerable group. Most irregular migrants lack access to basic social protections and workers' rights and are frequently the victims of exploitative labor practices.<sup>55</sup> However, exclusively focusing on reducing irregular migration through border controls and other measures ignores the underlying factors that propel many Nigerians to take these journeys in the first place. Prioritizing the increase of regular and safe migration alongside initiatives to reduce irregular

migration would generate important positive outcomes for Nigeria, as would steps to improve the transfer of investments and skills from Nigeria's diaspora and its returning migrants.

For emigrating workers, migration provides an opportunity to move to a higher earning job and send back remittances to their families. For sending households, global evidence strongly suggests that remittances help in investments in human capital of children and provides cushions against economic shocks.<sup>56</sup> Looking more broadly, migrants help spur innovation in the economy, which often leads to emergence of sectors that would otherwise have not been created in countries of origin.<sup>57</sup> The links that migrants help generate between two countries help reduce trade-related transaction costs.<sup>58</sup> Returning migrants also contribute to the spreading of ideas, technology, and knowledge in their countries of origin, as well as the creation and expansion of export-oriented sectors.<sup>59</sup> Managed labor migration schemes directly benefit prospective migrants and their households, and indirectly benefit the Nigerian economy by bringing to fruition unrealized economic gains.<sup>60</sup>

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54. IOM, 2020. Libya Migrant Report. Available at: [https://displacement.iom.int/system/tdf/reports/DTM\\_R28\\_Migrant\\_Report\\_12\\_02\\_2020.pdf?file=1&type=node&id=7752](https://displacement.iom.int/system/tdf/reports/DTM_R28_Migrant_Report_12_02_2020.pdf?file=1&type=node&id=7752)

55. The Institute for Public Policy Research, 2011. Background Paper for the ETUC: The Impacts of Irregular Migration. Available at: [https://migration.etuc.org/en/docs\\_en/6%20The%20impacts%20of%20irregular%20migration.pdf](https://migration.etuc.org/en/docs_en/6%20The%20impacts%20of%20irregular%20migration.pdf)

56. See for example, Azizi, Seyed Soroosh (2018), The impacts of workers' remittances on human capital and labor supply in developing countries. *Economic Modelling*, 75, pp.377-396. Available at: <https://www.sciencedirect.com/science/article/pii/S0264999318302542>

57. For example, the IT sector in India and Israel, see Khanna, G. and Morales, N., 2017. The IT Boom and Other Unintended Consequences of Chasing the American Dream. Center for Global Development Working Paper, (460), available at: <https://www.cgdev.org/publication/it-boom-and-other-unintended-consequences-chasing-american-dream>; Rosenberg, David. 2018. *Israel's Technology Economy: Origins and Impact*. Cham: Palgrave Macmillan. Available at: <https://www.palgrave.com/gp/book/9783319766539>

58. Cohen, L., Gurun, U.G. and Malloy, C., 2017. Resident Networks and Corporate Connections: Evidence from World War II Internment Camps. *The Journal of Finance*, 72(1), pp.207-248. Available at: <https://onlinelibrary.wiley.com/doi/abs/10.1111/jofi.12407>; Parsons, C. and Vézina, P.L., 2018. Migrant Networks and Trade: The Vietnamese Boat People as a Natural Experiment. *The Economic Journal*, 128(612), pp. F210-F234. Available at: <https://onlinelibrary.wiley.com/doi/abs/10.1111/eoj.12457>

59. Bahar, D. and Rapoport, H., 2018. Migration, Knowledge Diffusion and the Comparative Advantage of Nations. *The Economic Journal*, 128(612), pp. F273-F305. Available at: <https://onlinelibrary.wiley.com/doi/abs/10.1111/eoj.12450>

60. See for example UNCTAD Economic Development in Africa Report 2018 (Migration for Structural Transformation) which states that international migrants contributed about 19% of Cote d'Ivoire's GDP in 2008 and 9% of South Africa's GDP in 2011. Available at: [https://unctad.org/system/files/official-document/aldcafrica2018\\_en.pdf](https://unctad.org/system/files/official-document/aldcafrica2018_en.pdf)

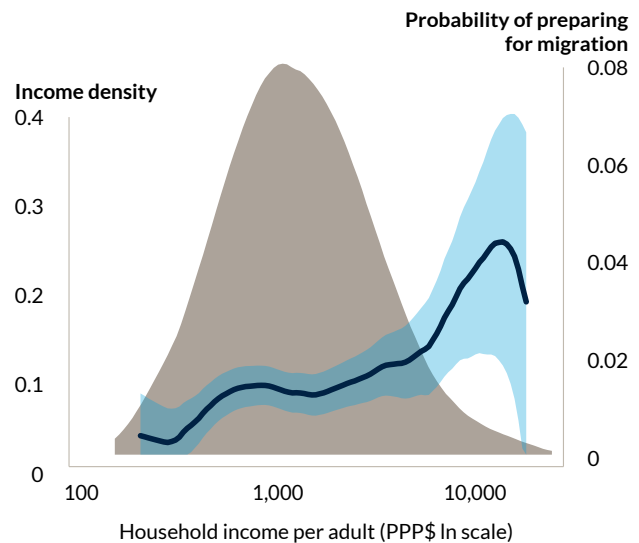
## The Way Forward

**Nigerians will continue to migrate overseas for work in the foreseeable future; policy can determine on what terms that migration will happen.**

Given that the economic and demographic factors driving international migration remain largely unchanged, Nigerians can be expected to continue migrating abroad for the foreseeable future. Multiple studies confirm an inverted-U shaped relationship between emigration levels and income.<sup>61</sup> That is, as countries grow richer, emigration levels tend to increase until they reach upper-middle income status. The share of Nigerians actively preparing to emigrate internationally is higher in the richer quintiles of the income distribution (Figure A.16). That means as Nigerians in the lower income quintiles catch up, migration from Nigeria will continue to increase. Labor shortages in developed countries and labor surplus in developing countries such as Nigeria mean that employment opportunities will likely remain unequally distributed across the globe in the future. This creates an opportunity for some young Nigerian jobseekers to find temporary employment abroad.

The contribution that international migrants make to Nigeria's GDP through remittances far outweighs their size as a proportion of the population (i.e., 0.7 percent).<sup>62</sup> Nigerian migrants and others in the diaspora contributed over US\$25 billion to the Nigerian economy in 2019 (6 percent of Nigeria's GDP<sup>63</sup>). This is the equivalent of total oil rents in 2017<sup>64</sup> and is fourfold what Nigeria received through FDI and ODA combined. Remittances also have the benefit of being less volatile.

**Figure A.15. Share of Nigerians actively preparing to emigrate is higher in the higher income quintiles**



Source: Michael Clemens and Mariapia Mendola. 2020. "Migration from Developing Countries: Selection, Income Elasticity, and Simpson's Paradox." Center for Global Development (CGD) Working Paper 539, Washington, DC: Center for Global Development (CGD).

Note: The bell-shaped curve in gray, and the left-hand vertical axis, show the density of household income per capita for the whole Nigerian population. The line in blue (surrounded by an interval of statistical confidence), and the right-hand vertical axis, show the probability that people at each income level report that they are actively preparing to permanently emigrate from Nigeria.

The imperative going forward should be to open safe and orderly channels for international migration, to the benefit of recipient countries and Nigeria alike. A more regularized system would help ensure that Nigeria's excess labor is productively used, generate value for the destination country, and allow for the transfer of knowledge, skills, and resources back to Nigeria.

In response to the increase in irregular migration from Nigeria, more attention and resources have been devoted toward strengthening border controls or creating awareness around irregular migration.<sup>65</sup>

61. Zelinsky, W., (1971); Martin, P.L., and Taylor, J.E. (1996); De Haas, H. (2010); Clemens, M.A. (2014)

62. World Bank calculations using United Nations Data on International Migrants Stock (2019).

63. World Bank, World Development Indicators.

64. Ibid

65. The Correspondent. 2019. "A breakdown of Europe's €1.5bn migration spending in Nigeria." Available at: <https://thecorrespondent.com/150/a-breakdown-of-europes-eur1-5bn-migration-spending-in-nigeria/19837235550-e86e62a5>

While those initiatives are necessary, they are not sufficient to address the challenge of irregular migration, as they overlook the economic and demographic context under which irregular migration occurs. Parallel to initiatives that address irregular migration, Nigerian institutions can promote managed migration

approaches that help create opportunities for prospective Nigerian jobseekers to find employment internationally. They can also support the design of schemes that increase the returns to human capital investments for Nigerian youth.



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A photograph of two construction workers on a site. One worker in the foreground wears a blue hard hat and grey work clothes, holding a vertical rebar. Another worker is visible in the background. A tall yellow tower crane stands to the right. The background shows a body of water and a distant shoreline under a blue sky with clouds. A dark blue semi-transparent box is overlaid on the left side of the image, containing white text.

# Part B: Too Much or Not Enough? Trends and Patterns of International Migration from Nigeria

## Important Definitions and Clarifications on Data:

- “International Migrants” in this chapter are defined based on classification in the International Migrant Stock 2019, released by the United Nations – Department of Economic and Social Affairs (UNDESA), Population Division.
- Data on international migrants are estimated using population censuses, population registers, and nationally representative household surveys in countries of destination.
- For 187 out of 232 countries of destination, anyone residing outside of their country of birth is classified as an international migrant. For the remaining 45 countries, anyone with a foreign citizenship is classified as an international migrant.
- Refugee populations are included in the international migrant stock. In countries where refugees have been granted refugee status and allowed to integrate, they are normally covered by the population census. In countries where refugees are not regularly captured in population censuses, data from United Nations High Commission on Refugees (UNHCR) or United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNWRA) are added in the estimation of international migrant stock by UNDESA.
- Database on Immigrants in OECD Countries (DIOC) is used to profile Nigerian migrants in destination countries in the OECD. This data compiles statistics on migrant stocks based on country of birth. Similar to data from UNDESA, international migrant stock is estimated using population censuses, registers, and nationally representative surveys.
- Analysis in this chapter does not distinguish between different categories of international migrants (apart from between those in the international migrant stock who are refugees and asylum seekers in some instances), such as (a) temporary or permanent migrants, based on duration of stay or naturalization status; or (b) migrant workers, family migrants, irregular migrants, or international students, based on the motive for migration. This is largely due to lack of available data in making that distinction. Future data collection need be carried out to understand this distinction.

## International Migrants from Nigeria: The One Percent

Globally, the number of international migrants increased from 153 million in 1990 to 272 million in 2019, growing by around 119 million.<sup>66</sup> During the same period, the number of international migrants originating from Sub-Saharan Africa has grown from 14.9 million in 1990 to 26.7 million in 2019. Sub-Saharan African migrants comprise roughly 10 percent of the international migrant population despite representing around 14 percent of the global population.

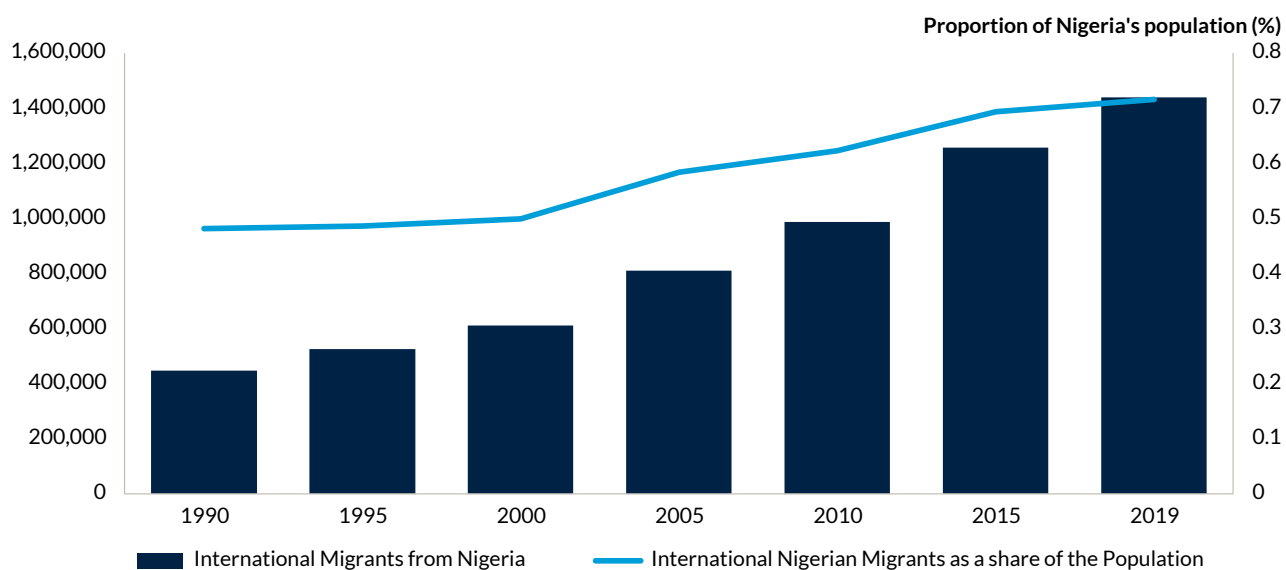
The number of international migrants from Nigeria has increased threefold since 1990, growing from 446,806

in 1990 to 1,438,331 in 2019. Despite this, the share of international migrants as a proportion of Nigeria's population has remained largely constant, increasing slightly from 0.5 percent in 1990 to 0.7 percent in 2019 (Figure B.1).

The share of international migrants in Nigeria's population is much lower compared to the shares in Sub-Saharan Africa and globally. The share of international migrants in the Sub-Saharan African population decreased from 3 percent in 1990 to 2.5 percent in 2019, but still remains significantly higher compared to Nigeria. Similarly, the share of international migrants in the global population has increased steadily from 2.9 percent in 1990 to 3.5 percent in 2019 (Figure B.2,

66. United Nations, Department of Economic and Social Affairs (UNDESA), Population Division (2019). International Migration 2019: Report (ST/ESA/SER.A/438). Available at: [https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019\\_Report.pdf](https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019_Report.pdf)

**Figure B.1.** Despite the number of international migrants from Nigeria growing three-fold between 1990 and 2019, the share of international migrants in the population has remained largely constant



Source: World Bank calculations based on data from the [UNDESA International Migration Outlook, 2019 revisions](#).

Panel A). Similarly, compared to Nigeria’s structural and regional peer countries, the percentage of international migrants from Nigeria is much lower compared to what the population size would predict (Figure B.2, Panel B).<sup>67</sup>

**In the last two decades, the share of female international migrants from Nigeria has increased steadily while the share of refugees and asylum seekers has increased dramatically.**

The share of female migrants from Nigeria is steadily increasing, rising from around 42 percent of the international migrant population in 1990 to 47 percent in 2019. In absolute terms, the number of female migrants

from Nigeria has increased from 191,407 to 680,485, outpacing the growth in the number of male migrants by close to 60 percentage points (Figure B.3). The share of females among Nigeria’s international migrants in 2019 is roughly similar to the proportion of female migrants among international migrants from Sub-Saharan Africa and globally (47 percent).<sup>68</sup>

An important trend that is observed in the data is the drastic increase in the share of refugees and asylum seekers from Nigeria in the last decade, growing from 27,557 in 2010 to 408,078 in 2019. As a share of the international migrant stock, this represents a rise from 3 percent in 2010 to around 28 percent in 2019 (Figure B.4).<sup>69</sup> This increase in the number of refugees and asylum seekers from Nigeria coincides with

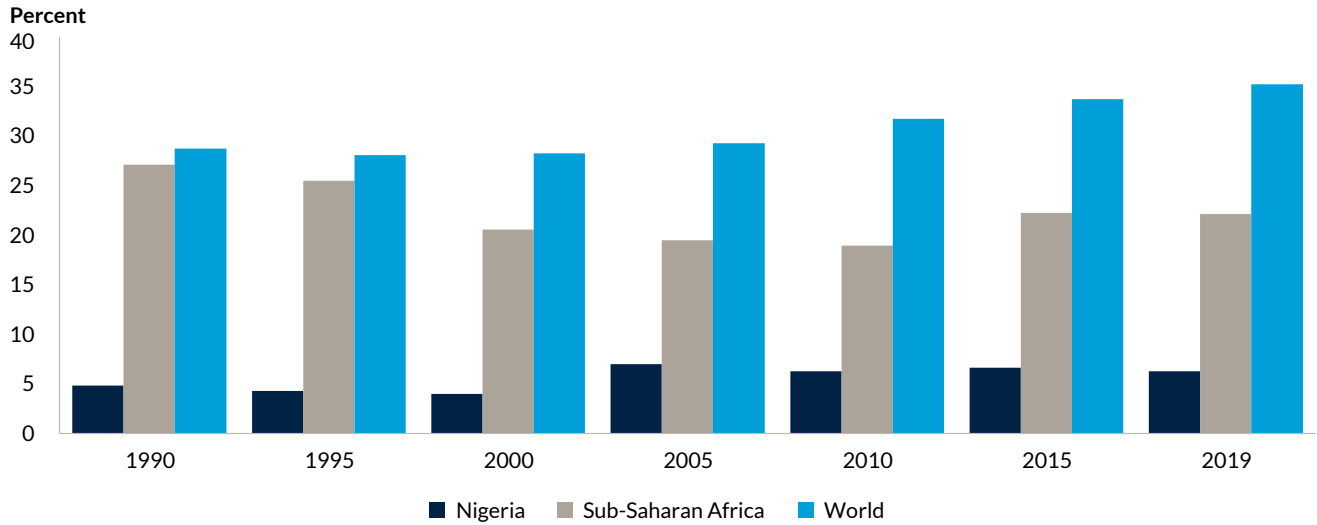
67. Regional, structural and aspirational peer countries are taken from [Nigeria Systematic Country Diagnostic June 2019](#) report for benchmarking.

68. United Nations, Department of Economic and Social Affairs (UNDESA), Population Division (2019). [International Migration 2019: Report \(ST/ESA/SER.A/438\)](#). Available at: [https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019\\_Report.pdf](https://www.un.org/en/development/desa/population/migration/publications/migrationreport/docs/InternationalMigration2019_Report.pdf)

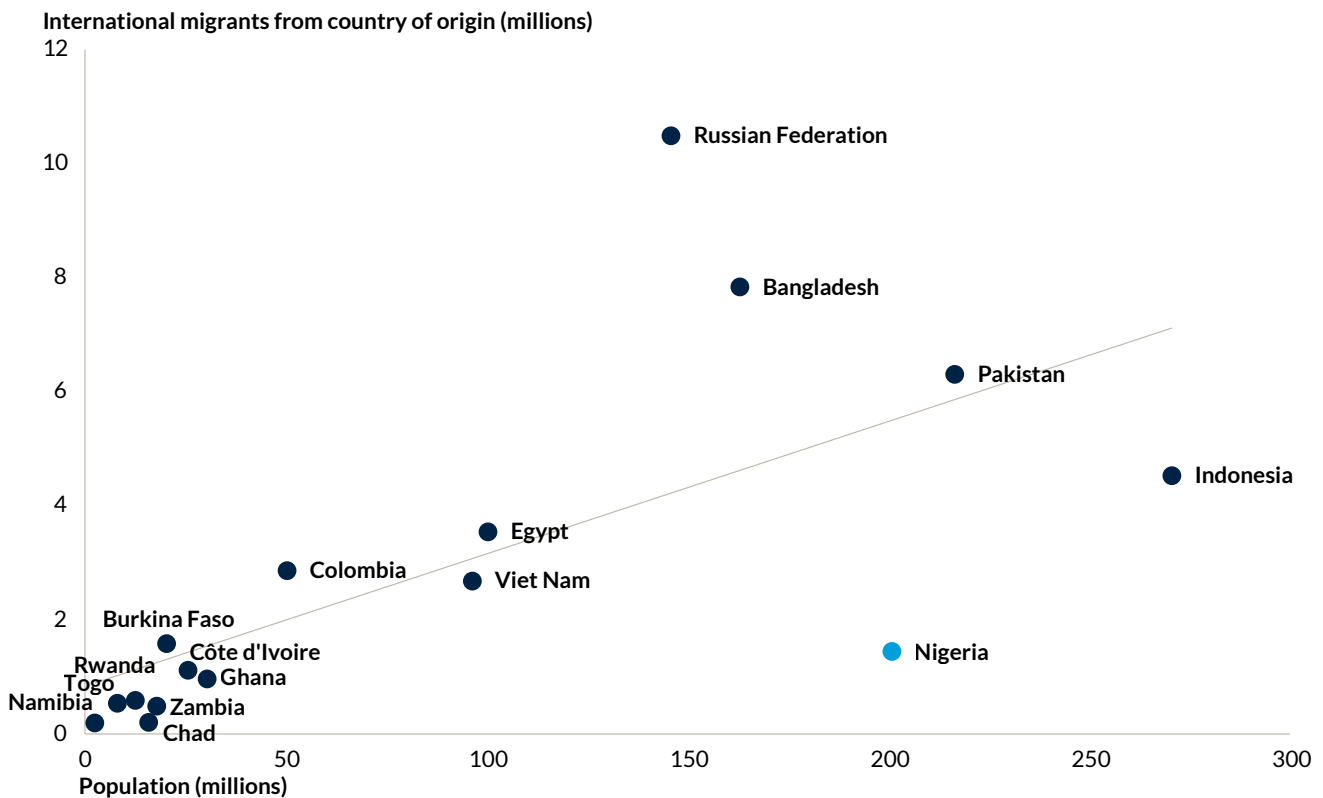
69. While refugees are included as part of the international migrant stock, the UNDESA data on international migrant stock does not have a categorization for refugees. This estimation is based on two different data sets that may not always be comparable in terms of definition and methodology used and is only meant to be used for indicative purposes.

**Figure B.2.** The share of international migrants compared to Nigeria’s population remains significantly lower compared to Sub-Saharan Africa and globally

**Panel A: International migrants as a share of the population**

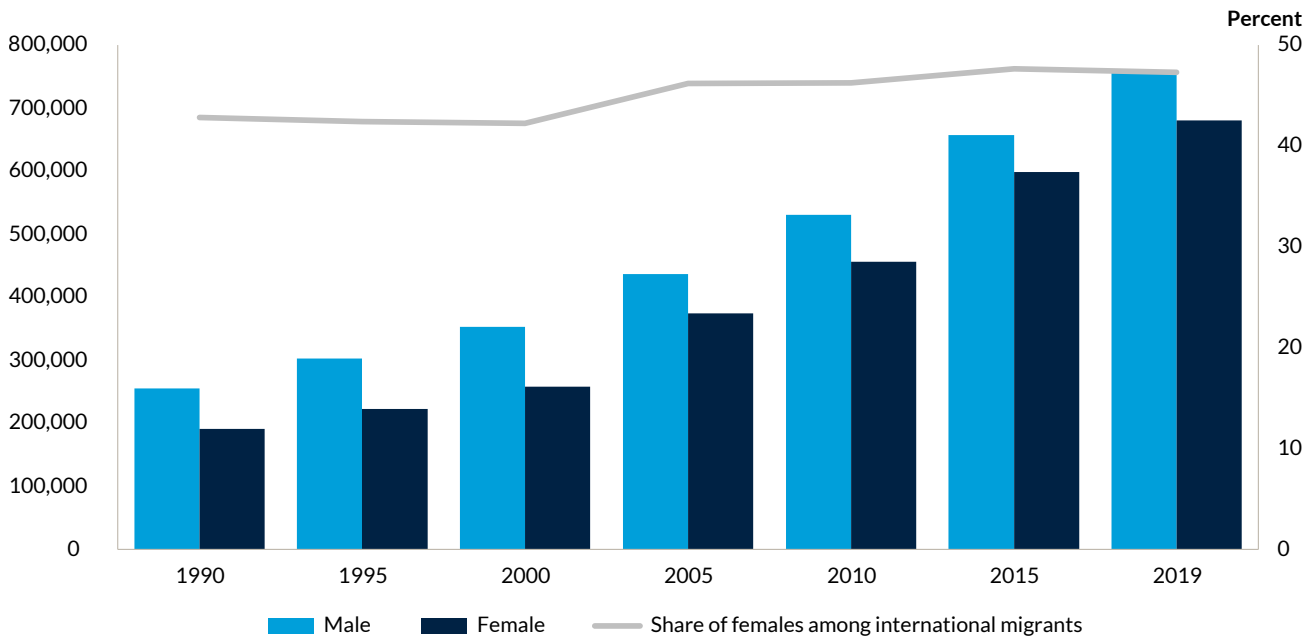


**Panel B: Emigration to Population Ratio, Nigeria and peer countries, 2019**



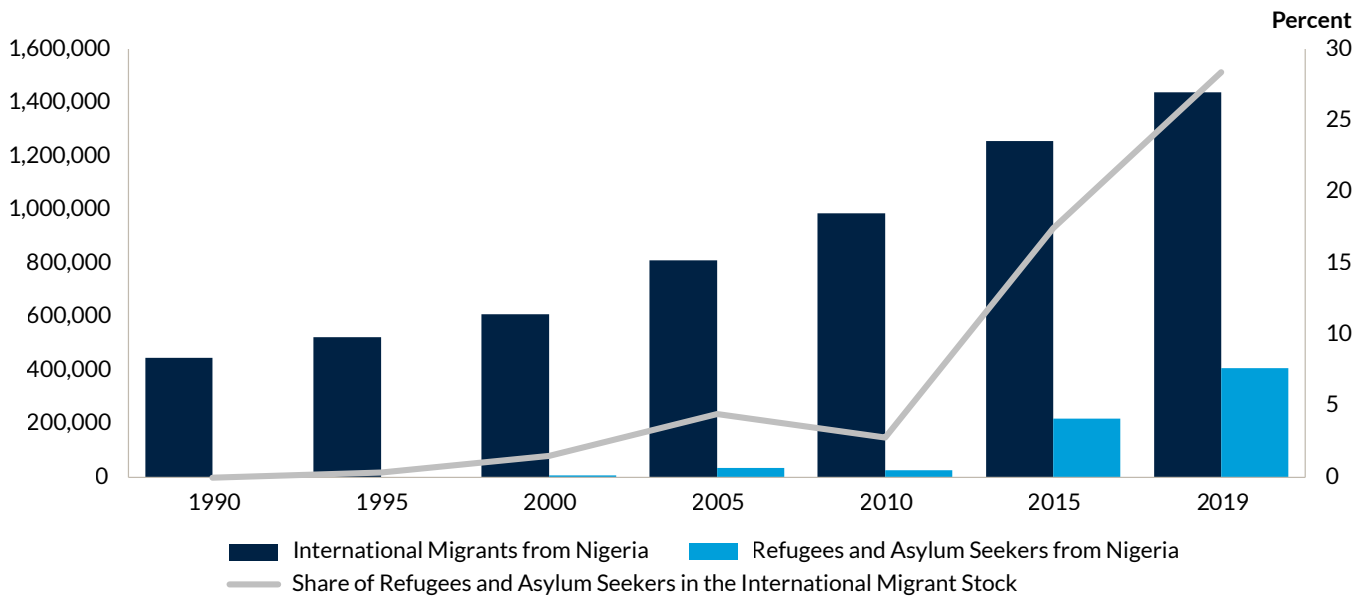
Source: World Bank calculations based on data from the [UNDESA International Migration Outlook, 2019 revisions](#) and [World Population Prospects](#).

**Figure B.3.** The share of female migrants among Nigeria’s international migrants has increased steadily between 1990 and 2019



Source: World Bank calculations based on data from the [UNDESA International Migration Outlook, 2019 revisions](#).

**Figure B.4.** The share of refugees and asylum seekers from Nigeria has drastically increased over the last two decades



Source: World Bank calculations based on data from [UNDESA International Migration Outlook, 2019 revisions](#) and from [UNHCR Refugee Population Statistics](#). This comparison is based on two different sets of data, sometimes drawn from different sources and using different methodologies. Hence, there are likely to be omissions and errors.

the observed trend in irregular migration in the last decade described in Part A of the report. While the majority of the Nigerian refugees and asylum seekers from Nigeria stay within the continent, the share of refugees and asylum seekers outside of Sub-Saharan Africa has increased steadily (see Figure B.4). Additionally, there were 2.1 IDPs in Nigeria in 2020.

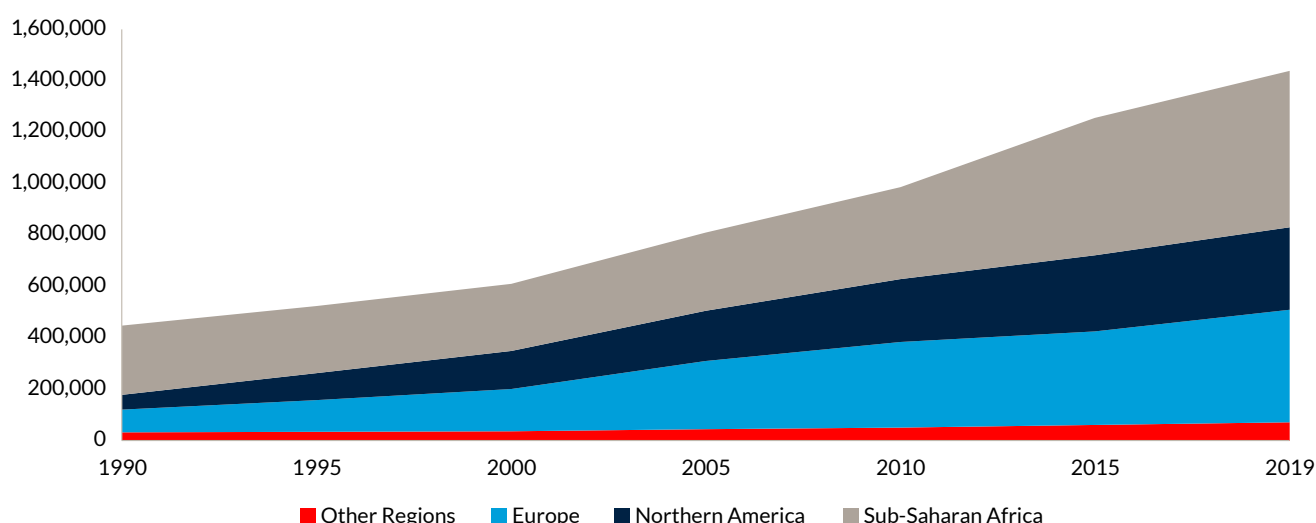
**Most international migrants from Nigeria stay within Sub-Saharan Africa, but the share of international migrants to Europe and North America has increased considerably since 1990.**

In 2019, around 1.44 million international migrants from Nigeria were present in destination countries in Sub-Saharan Africa, Europe, and North America, with a small share of the remaining migrants in other regions. The number of Nigerian migrants has increased in all major destination regions since 1990

(Figure B.5). However, the share of Nigerian migrants in the international migrant population has decreased in Sub-Saharan Africa and increased in Europe and North America. In 1990, 60 percent of migrants from Nigeria moved to other countries in Sub-Saharan Africa, compared to 20 and 13 percent to countries in Europe and North America respectively. In 2019, the share of Nigerian migrants moving to other countries in Sub-Saharan Africa remains large (42 percent) but has decreased substantially compared to 1990. On the other hand, the share of Nigerian migrants in Europe and North America has increased to 31 and 22 percent respectively in 2019.

Around 85 percent of all international migrants from Nigeria in 2019 were concentrated in 12 destination countries in Sub-Saharan Africa, Europe, and North America.<sup>70</sup> The United States, United Kingdom, and Cameroon had the largest number of international migrants from Nigeria in 2019 (Figure B.6). United States and United Kingdom also saw the largest growth

**Figure B.5. Sub-Saharan Africa remains the primary destination of international migrants from Nigeria but the share of international migrants moving to Europe and North America has increased considerably**

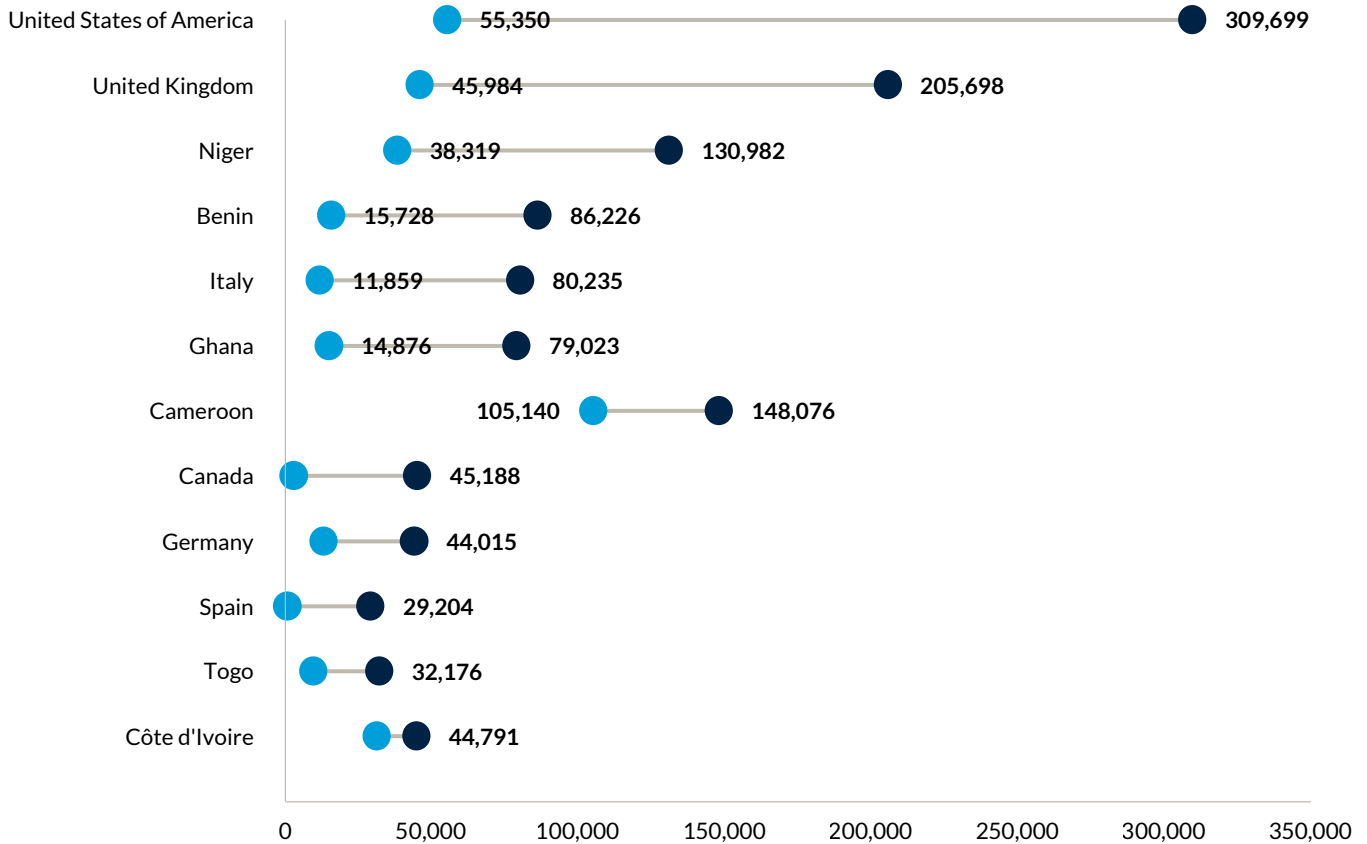


Source: World Bank calculations based on data from the *UNDESA International Migration Outlook, 2019* revisions.

70. Globally, two-third of all international migrants resided in just 20 countries, with the United States hosting 19 percent of the global international migrant population.



**Figure B.6. United States, United Kingdom, and Cameroon hosted the largest number of international migrants from Nigeria in 2019**



Source: World Bank calculations based on data from [UNDESA International Migration Outlook, 2019 revisions](#).

in the number of international Nigerian migrants from 1990 to 2019, whereas Chad and Sudan – countries that were among the top 12 destination countries for Nigerian migrants in 1990 – saw the number of Nigerian migrants in their territories decline in 2019.

The numbers of Nigerian migrants in countries such as Canada, Spain, and Ireland have increased considerably since 1990. Outside of destination countries in Africa, Europe, and North America, the number Nigerian migrants has increased in the United Arab Emirates (15,465) and Australia (12,135) in 2019 compared to 1990.

The majority of Nigerian refugees and asylum seekers stay within Sub-Saharan Africa. The number of Nigerian refugees and asylum seekers in Sub-Saharan Africa has increased substantially in the last decade,

from 3,765 in 2010 to 285,599 in 2019 (Figure B.7). In fact, 93 percent of the Nigerian refugees and asylum seekers in Sub-Saharan Africa in 2019 were found in just two countries—Cameroon and Niger. Both countries border conflict affected regions of northern Nigeria, while Niger is also known as a transit for irregular migrants from Nigeria and other countries in the region who attempt to reach Europe through Libya. It is also noteworthy that since the refugee population is accounted for in the international migrant stock data, almost all of the Nigerian international migrants in Niger and Cameroon in 2019 were refugees and asylum seekers with little voluntary migration between these neighboring countries.

The number of Nigerian refugees and asylum seekers has also increased steadily in the last decade in

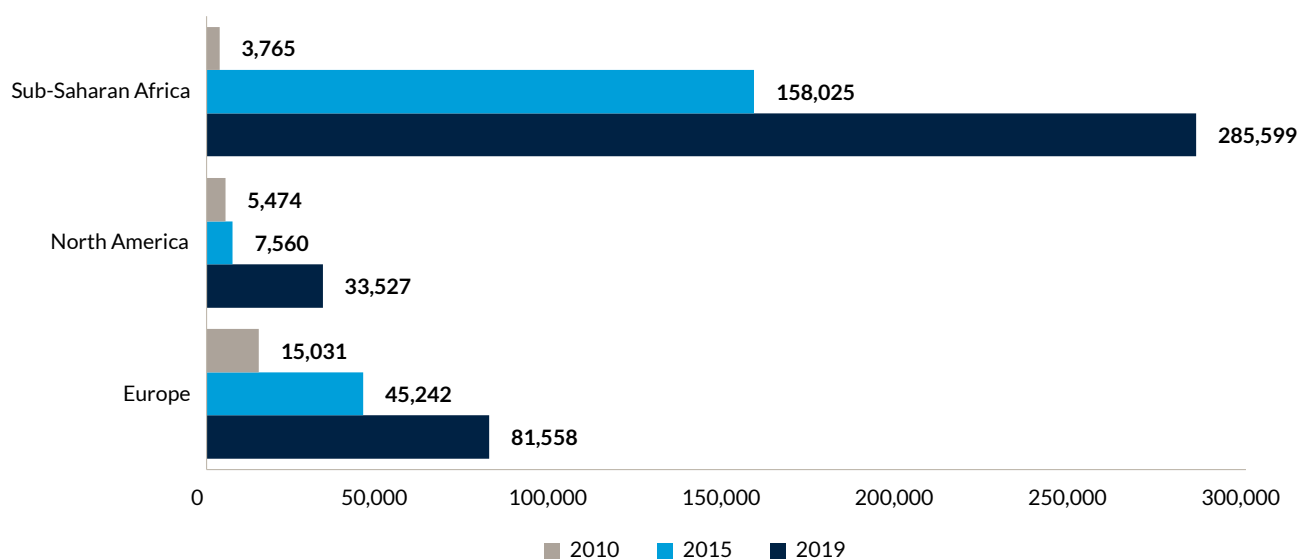
Europe and North America. Europe hosted 81,558 Nigerian refugees and asylum seekers in 2019, with Italy, Germany, and France being the three major destination countries. Similarly, North America hosted 33,527 refugees and asylum seekers from Nigeria in 2019, with the United States and Canada accounting for almost all of them.

Wage differences between countries of origin and countries of destination are considered to be the most important determinants of migration flows.<sup>71</sup> In Nigeria's case, the relationship between international migrant stock in destination countries and the difference between wages in destination countries and Nigeria is positive for destination countries in Europe and North America (Figure B.8). However, for destination countries in Sub-Saharan

Africa, where more than 40 percent of international migrants from Nigeria reside, this relationship is unclear, suggesting that Nigerian migrants who have moved to these countries may have been motivated by factors other than income.

One possible explanation for this, as explained earlier, is the presence of refugees and asylum seekers from Nigeria in countries in Sub-Saharan Africa.<sup>72</sup> Cameroon, for example, hosts almost 110,000 Nigerian refugees as of 2019. In Niger, which lies along the transit route that many irregular migrants take while attempting to move to Europe by crossing the Mediterranean Sea, the number of Nigerian migrants has increased from 38,319 in 1990 to 130,982 in 2019, despite Niger's income per capita being much lower than Nigeria's.<sup>73</sup>

**Figure B.7. The share of Nigerian refugees and asylum seekers has increased substantially in the last decade with the majority of them staying within Sub-Saharan Africa**



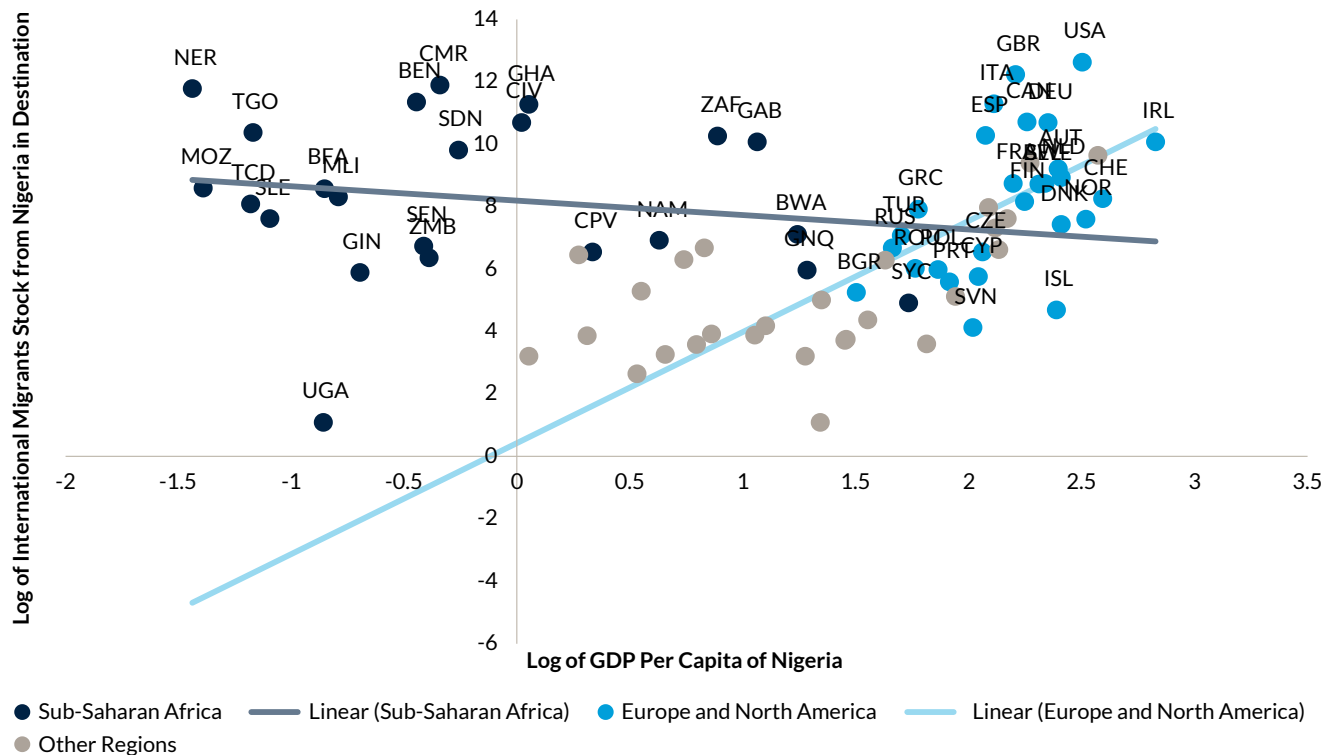
Source: World Bank calculations based on data from [UNHCR Refugee Population Statistics](#).

71. World Bank. 2018. "Moving for Prosperity: Global Migration and Labor Markets" (Overview). Policy Research Report. World Bank, Washington, DC. Available at: <https://openknowledge.worldbank.org/bitstream/handle/10986/29806/211281ov.pdf>

72. Ibid, the Report shows that, globally, refugees also respond to wage differentials while fleeing a country. However, the positive relationship between share of refugees in destination countries and wage differential with country of origin is less precise than in the case of economic migrants.

73. World Bank (2018) Asylum Seekers in the European Union: Building Evidence to Inform Policy Making (English). Washington, D.C., available at <https://openknowledge.worldbank.org/handle/10986/30157?locale-attribute=fr>; and Di Maio, Michele; Leone Sciabolazza, Valerio; Molini, Vasco. 2020. Migration in Libya: A Spatial Network Analysis. Policy Research Working Paper; No. 9110. World Bank, Washington, DC., available at <https://openknowledge.worldbank.org/handle/10986/33194>; for a full description of transit routes for irregular migrants from Sub-Saharan Africa.

**Figure B.8. International Nigerian migrants who move outside of the continent move to countries with per capita income significantly higher than Nigeria's**



Source: World Bank calculations based on data from *UNDESA International Migration Outlook*, 2019 revisions and World Development Indicators.

**Box B.1. How has COVID-19 affected international migration and remittances in Nigeria?**

The data on the impact of COVID-19 on international migration from Nigeria is scant. However, looking at the socioeconomic impacts of the pandemic through a migration lens, the irregular migration crisis in Nigeria is expected to exacerbate further. Analysis from the International Food Policy Research Institute (IFPRI) shows that during the lockdown from March-June 2020, overall GDP fell by 23 percent and household incomes fell by 25 percent.<sup>1</sup>

Emerging data from the EC, however, suggests that the number of first-time asylum seekers from Nigeria to the EU has fallen from 20,515 in 2019 to 7,570 in 2020, as COVID-19 has impacted the ability of individuals to seek asylum in the EU.<sup>2</sup> While COVID-19 related restrictions have certainly curtailed mobility in the short-term, it is hard to gauge if the drop in Nigerians seeking asylum in the EU is a marker that overall irregular migration levels from Nigeria has fallen. Despite the number of Nigerian

1. Andam, K. S., Edeh, H., Oboh, V., Pauw, K., and Thurlow, J. 2020. Estimating the economic costs of COVID-19 in Nigeria. NSSP Working Paper 63. Washington, DC: International Food Policy Research Institute (IFPRI). Available at <https://www.ifpri.org/publication/estimating-economic-costs-covid-19-nigeria>  
 2. European Commission (2021): Atlas of Migration: <https://migration-demography-tools.jrc.ec.europa.eu/data-hub/atlas.html>

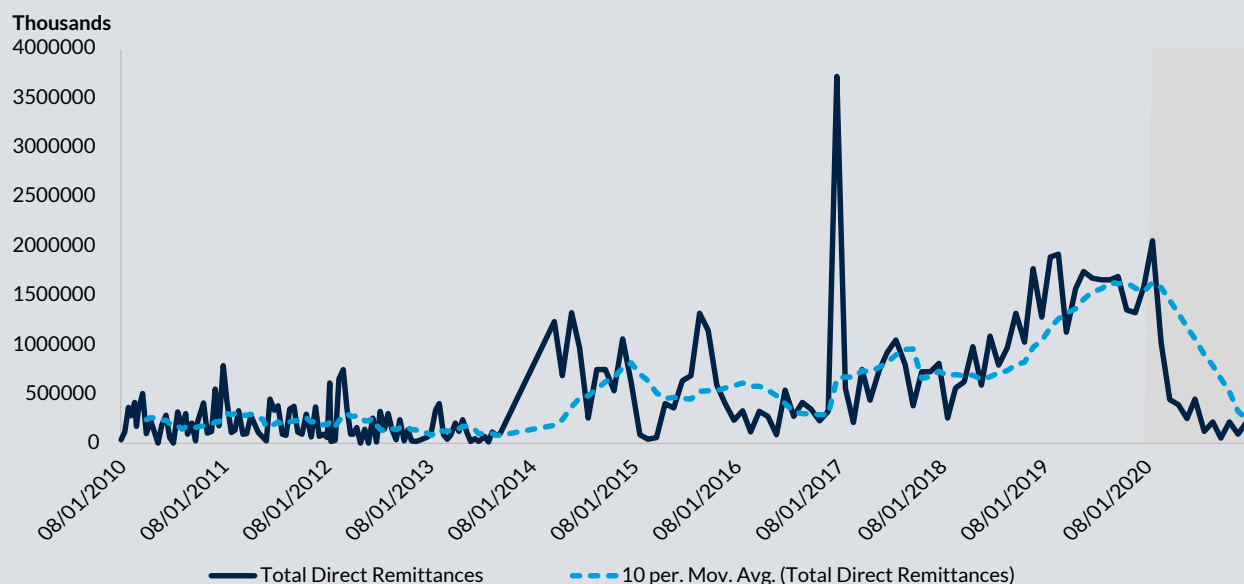
## Box B.1. Cont.

first-time asylum-seekers decreasing in 2020 compared to 2019, migrants from other parts of Africa are continuing their quest to reach Europe. Recent data shows that the number of people attempting the crossing from North Africa to Italy reached 34,000 in 2020, almost three times the number of irregular sea arrivals recorded in 2019.<sup>3</sup> Similarly, a study from the United Nations Office on Drugs and Crime (UNODC) draws on the dynamics observed during other global economic downturns, such as the 2008 Global Financial Crisis, and reveals that during the time of economic crisis, countries particularly affected by prolonged unemployment become relevant origin countries for both migrant

smuggling and trafficking in persons flows to more affluent countries over the medium- to long-term.<sup>4</sup>

International remittances are also being affected by COVID-19; there is a marked reduction in flow of international remittances to Nigeria. Data from the Central Bank of Nigeria (CBN) shows that remittances fell by 27 percent in 2020, the highest annual drop in more than a decade, from US\$23.5 billion in 2019 to US\$17.2 billion in 2020 (Figure BB.1). Earlier the World Bank had projected remittances to Nigeria to fall to US\$21 billion in 2020, with further decline projected in 2021.<sup>5</sup>

**Figure BB.1. International remittances to Nigeria fell by 27 percent in 2020 compared to 2019**



Source: Central Bank of Nigeria (CBN)

3. Mixed Migration Centre. 2021. Quarterly Mixed Migration Update Q4 2020: West Africa, January 2021. <http://www.mixedmigration.org/resource/quarterly-mixed-migration-update-wa-q4-2020/>

4. United Nations Office on Drugs and Crime (UNODC) 2021. How COVID-19 Restrictions And The Economic Consequences Are Likely To Impact Migrant Smuggling And Cross-Border Trafficking In Persons To Europe And North America: available at <https://www.unodc.org/documents/data-and-analysis/covid/Covid-related-impact-on-SoM-TiP-web3.pdf>

5. World Bank, 2020. Migration and Development Brief 33. Available at <https://www.knomad.org/publication/migration-and-development-brief-33>

# Economic Development and International Migration from Nigeria

International migration is more prevalent in relatively prosperous southern states in Nigeria, which receive a higher share of remittances from abroad.

It is not surprising that the relatively prosperous southern states report a significantly higher proportion of households with international migrants compared to the northern states. This is because international migration is costly and requires households to spend upfront capital that few households in the poorer regions of the country can afford.

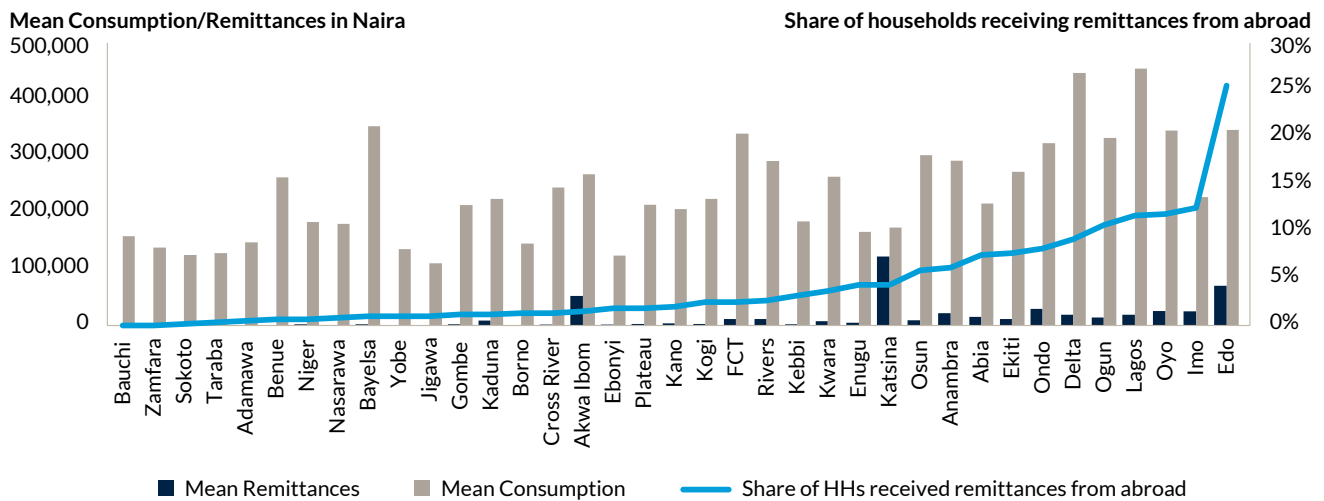
The top 10 states where the highest share of households report receiving international remittances are all located in the southern regions of Nigeria (Figure B.9). Overall, around 4.2 percent of households report

receiving remittances from abroad, with this share being much higher in the south compared to the north. Edo State in the southern region is a clear outlier with 25 percent of households that report receiving remittances from abroad (See Box 3).

On average, the mean annual household remittances for households who receive cash and in-kind assistance from abroad amounted to N13,746 in 2018-19. The average annual household consumption during the same period was N236,000, which meant that the mean annual remittances amounted to around 6 percent of the mean annual consumption for households who report receiving remittances from abroad. There is, however, a significant degree of heterogeneity between states. For example, international remittances as a share of household consumption is 70 percent in Katsina, 20 percent each in Edo and Akwa-Ibom and negligible in most of the northern states in Nigeria.

The state level data on receipt of remittances is well corroborated by looking at receipt of remittances in

**Figure B.9. The top 10 states where most household report receiving international remittances are all in the south**



Source: World Bank calculations based on the National Living Standard Survey (NLSS), 2018/2019.

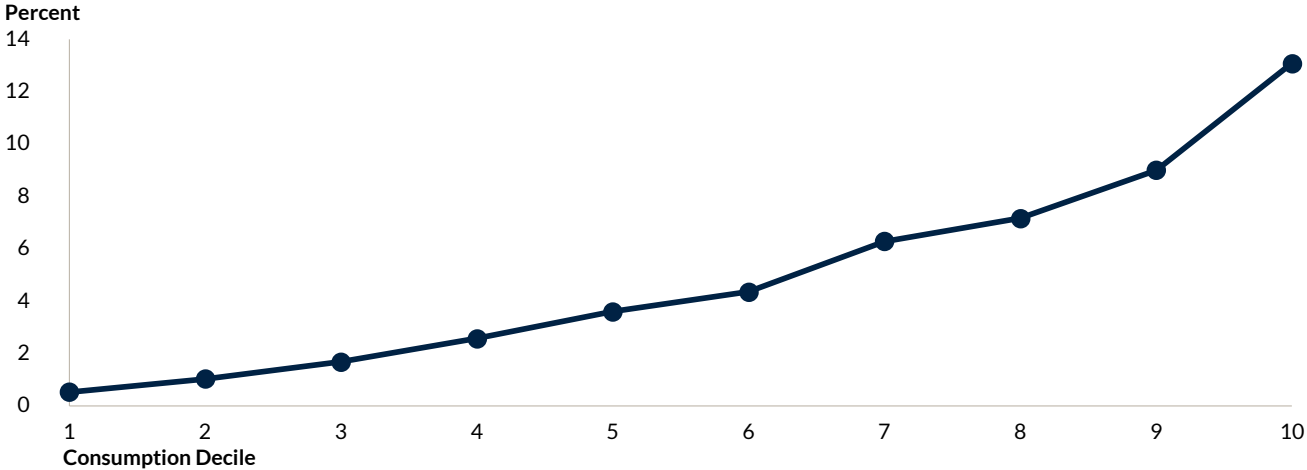
Note: Mean consumption is calculated for all households and is spatially and temporally adjusted. Mean remittances is calculated for those households who report receiving international remittances. Share of households receiving remittances from abroad is calculated as the percentages of households who report receiving either cash or in-kind remittances from abroad in the reference period.

different consumption deciles (Figure B.10).<sup>74</sup> More than 13 percent of the households in the highest consumption decile report receiving international remittances compared to less than 3 percent each in the bottom four consumption deciles in 2018/19. In comparison, close to 30 percent of households in the lowest consumption decile and more than 56 percent in the highest consumption decile report receiving remittances from within Nigeria.

Similarly, Table B.1 uses simple correlation and regression models to tease out socioeconomic characteristics that are strongly associated with a household receiving remittances from abroad. Under the assumption that receiving remittances from abroad is a good proxy

for a household having a member who is an international migrant, Table B.1 shows that household level wealth is a strong determinant of international migration. Compared to male-headed households, female-headed households show positive association with having an international migrant. Similarly, access to internet at the household level shows strong correlations with having an international migrant. Compared to households where household heads have completed tertiary education, households with heads who have completed primary or secondary education show negative correlation with out-migration. Geographically, compared to the based category of households from Lagos, only Edo, Imo, and Oyo states show positive correlation with out-migration.

**Figure B.10.** Close to 14 percent of households in the highest consumption decile receive international remittances compared to less than 2 percent in the lowest three deciles



Source: World Bank calculations based on the National Living Standard Survey (NLSS), 2019

74. In this report, we only analyze international remittances vis-à-vis other metrics and domestic remittances are not included in the analysis. Therefore, "Remittances" is synonymous to "Remittances received from Abroad" unless stated otherwise.

**Table B.1.** Correlates of international migration using receipt of international remittances as proxies show that household wealth, access to internet, achievement of tertiary education, and residence in Lagos, Oyo, and Edo states are positively associated with international migration

Indicators	Pearson Correlation Coefficient	(1) Linear Model with State F.E.	Standard Error	(2) Probit Model with State F.E.	Standard Error
Log (Total HH Consumption)	0.1732***	0.031***	[0.003]	0.401***	[0.036]
HH Head Age	0.0845***	0.001***	[0.000]	0.011***	[0.001]
HH Head is Married	0.0004	0.013***	[0.003]	0.177***	[0.046]
HH Head Can Speak English	0.08****	0.011**	[0.005]	0.212***	[0.064]
Manufacturing		0.011***	[0.004]	0.131***	[0.046]
Services		-0.012**	[0.005]	-0.030	[0.059]
Urban		0.018***	[0.004]	0.217***	[0.044]
Access to Internet		0.050***	[0.008]	0.233***	[0.050]
Own Mobile Phone		-0.002	[0.003]	0.026	[0.049]
Below Primary		-0.011	[0.007]	-0.003	[0.084]
Primary		-0.027***	[0.007]	-0.252***	[0.061]
Secondary		-0.029***	[0.006]	-0.243***	[0.052]
Vocational/Others		-0.019	[0.014]	-0.135	[0.140]
1. Abia		0.001	[0.018]	0.199*	[0.117]
2. Adamawa		-0.026*	[0.015]	-0.443	[0.279]
3. Akwa Ibom		-0.048***	[0.015]	-0.545***	[0.168]
4. Anambra		-0.021	[0.017]	-0.019	[0.118]
5. Bauchi		-0.036**	[0.014]	0.000	[.]
6. Bayelsa		-0.051***	[0.015]	-0.606***	[0.178]
7. Benue		-0.048***	[0.015]	-0.691***	[0.208]
8. Borno		-0.029*	[0.015]	-0.287	[0.206]
9. Cross River		-0.042***	[0.015]	-0.412**	[0.169]
10. Delta		-0.005	[0.018]	0.074	[0.110]
11. Ebonyi		-0.013	[0.016]	0.014	[0.170]
12. Edo		0.163***	[0.023]	0.842***	[0.096]
13. Ekiti		-0.003	[0.018]	0.107	[0.114]
14. Enugu		-0.012	[0.017]	0.121	[0.136]
15. Gombe		-0.034**	[0.015]	-0.424**	[0.199]
16. Imo		0.055***	[0.020]	0.525***	[0.110]
17. Jigawa		-0.019	[0.015]	-0.284	[0.210]
18. Kaduna		-0.044***	[0.015]	-0.657***	[0.184]
19. Kano		-0.033**	[0.016]	-0.226	[0.156]
20. Katsina		-0.005	[0.016]	0.223*	[0.134]
21. Kebbi		-0.012	[0.016]	0.131	[0.146]
22. Kogi		-0.041**	[0.016]	-0.253*	[0.152]
23. Kwara		-0.025	[0.018]	-0.102	[0.136]
25. Nasarawa		-0.034**	[0.015]	-0.424**	[0.195]

**Table B.1. Cont.**

Indicators	Pearson Correlation Coefficient	(1) Linear Model with State F.E.	Standard Error	(2) Probit Model with State F.E.	Standard Error
26. Niger		-0.037**	[0.015]	-0.448*	[0.244]
27. Ogun		0.022	[0.020]	0.253**	[0.106]
28. Ondo		0.003	[0.018]	0.160	[0.112]
29. Osun		-0.017	[0.018]	0.026	[0.123]
30. Oyo		0.050**	[0.021]	0.346***	[0.106]
31. Plateau		-0.035**	[0.016]	-0.353**	[0.156]
32. Rivers		-0.047***	[0.015]	-0.387***	[0.141]
33. Sokoto		-0.032**	[0.015]	-0.944***	[0.346]
34. Taraba		-0.024	[0.015]	-0.736**	[0.354]
35. Yobe		-0.031**	[0.015]	-0.431*	[0.234]
36. Zamfara		-0.038***	[0.014]	0.000	[.]
37. FCT		-0.054***	[0.016]	-0.438***	[0.141]
Constant		-0.372***	[0.043]	-7.528***	[0.496]
Observations		17776		16692	
R-Squared		0.097		0.205	

Source: World Bank calculations based on the National Living Standard Survey (NLSS), 2018/19.

Note: OLS regressions using Linear (1) and Probit (2) models - to estimate the correlates of out-migration in Nigeria. Analysis is performed at the HH level. Base Categories are: Education= Tertiary, Gender = Male, Employment Sector = Agriculture, Region=Rural, and State=Lagos. Robust standard errors in brackets (\* p<0.1, \*\* p<0.05, \*\*\* p <0.01)

## Case Study 1: The Edo Enigma: Understanding Irregular Migration from Nigeria

Edo State in Nigeria is widely known as a hub for irregular migration. Estimates suggest that Edo contributes to about 60 percent of Nigerians crossing irregularly through the Mediterranean Sea to Europe. However, Edo is a relatively small state that has low unemployment and poverty rates when compared to many other Nigerian states. Prima facie, Edo does not have any characteristics that would make it a candidate for being one of the largest single sources of irregular migrants in the world. This case study looks at the key

demographic, socioeconomic, historical, and cultural factors that affect irregular migration from Edo State.

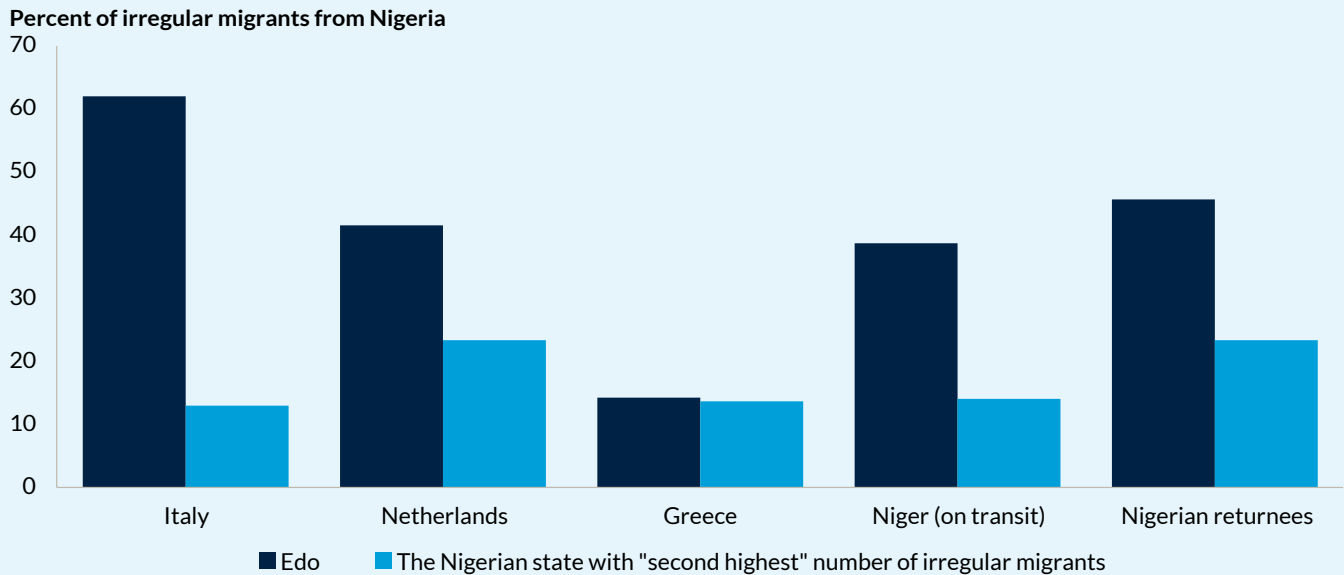
**Disproportionately high shares of irregular migrants from Nigeria originate from Edo State.** Between 2010 and 2019, the EU received 245,945 first-time asylum applications from Nigerians.<sup>75</sup> Figure BC. 1 triangulates data from IOM and shows that Edo State is an outlier:<sup>76</sup> 62 percent of irregular migrants in Italy (which hosts the largest number of Nigerian asylum applicants) are from Edo State. Neighboring Delta State ranks second for state of origin of Nigerian asylum seekers in Italy (13 percent). Similarly, among Nigerians in transit and among Nigerians returned from countries of

75. Eurostat (2020) Asylum and first-time asylum applicants by citizenship, age and sex Annual aggregated data. Available at: <https://ec.europa.eu/eurostat/web/asylum-and-managed-migration/data/database>

76. IOM (2017) Enabling a better Understanding of Migration Flows and (Its Root-Causes) From Nigeria Towards Europe. Displacement Tracking Matrix (DTM). Available at: <https://reliefweb.int/sites/reliefweb.int/files/resources/Desk%20Review%20Report%20-%20NIGERIA%20-%20DP.1635%20-%20MinBuZa%20%2803%29.pdf>



**Figure BCS.1. Edo State is an outlier in terms of irregular migrants originating from one single state in Nigeria**



Source: International Organization of Migration (IOM), 2018

destination, Edo State is overrepresented as the single state of origin by more than 20 percentage points compared to the states that rank second. According to a survey conducted by Afro Barometer in 2018, one in three Nigerian households in Edo State reported having at least one member who had migrated in the last three years.

**Consequently, it is no surprise that Edo state has the highest share of households that receive international remittances in Nigeria.** Figure B.10 shows that households in Edo State are 5 times more likely to receive international remittances compared to the average Nigerian household and more than twice as likely to receive international remittances compared to the second highest state in 2018/19.

**A cursory glance at the key socioeconomic indicators in Edo fails to explain the disproportionately high number of irregular migrants originating from the state.** According to the population projections provided by the National Population Commission, Edo

State had a population of 4.3 million in 2016, making it the 24th most populous state in Nigeria. With a labor force of about 2 million, Edo has one of the lowest rates of unemployment and poverty relative to other states in Nigeria (Figure BCS.2).<sup>77</sup> About 19 percent of Edo State's working-age population are unemployed, and 12 percent live below the national poverty line, according to the data from NBS. These statistics place Edo State among the more prosperous states (but not the most prosperous) in Nigeria. Additionally, Edo has the 12th largest Gross National Income (GNI) (US\$ 1,798), a little above the national average of US\$ 1,757. Edo State's nominal GDP doubled from N1.48 trillion Naira (US\$3.8 billion) in 2013 to N2.3 trillion a (US\$6.04 billion) in 2017, with the improvement primarily driven by the service sector.

**Edo has a slightly younger population, higher literacy rate, and higher percentage of inactive male population compared to the national average, but those characteristics, in themselves, cannot explain the substantially higher irregular migration rate.**

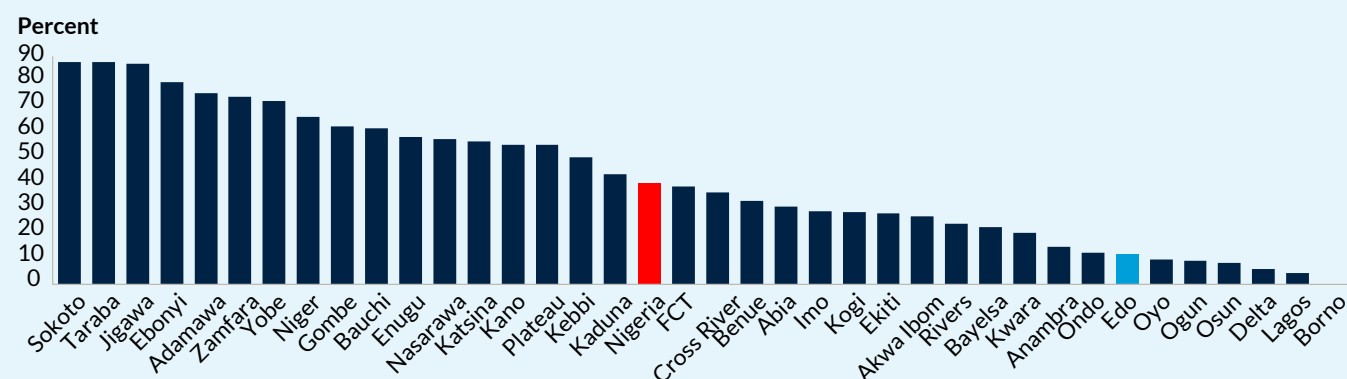
77. National Bureau of Statistics (NBS) 2020. National Living Standard Survey 2019. Available at: <https://nigerianstat.gov.ng/elibrary>

Edo has a young population with a median age of 19. Table BCS.1 compares key socioeconomic characteristics of Edo to the Nigerian average. About 85 percent of Edo residents are below the age of 40, compared with 82 percent nationally. According to the recent NLSS, the share of the working-age population in Edo is 55 percent compared with 52.5 percent nationally. About 70 percent of Edo residents reported literacy in at least one language and in the English language compared to 54 percent for Nigeria overall. Edo has a higher proportion of inactive adult male population compared to the national average.

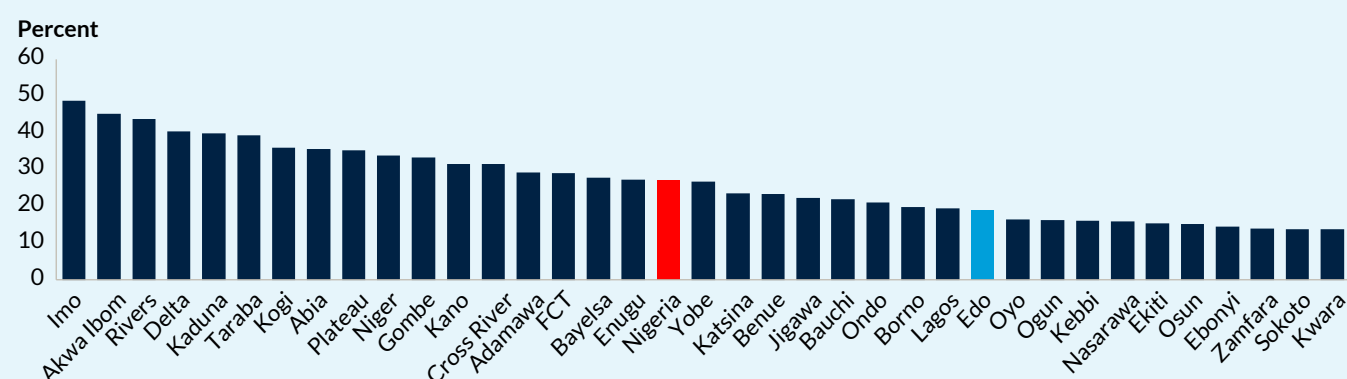
**A stronger set of predictors of the rise in irregular migration from Edo State comes from looking at historical factors and social factors.** In particular, two historical occurrences can be linked to the high migration from Edo State. The first is the Edo-European transatlantic trade in the 15th century,<sup>78</sup> and the second is the migration of seasonal workers in Nigeria to tomato farms in Italy in the 1980s.<sup>79</sup> In the 1980s, following the structural adjustment programs (SAP) in West Africa, the flourishing tomato market in Ghana was liberalized, causing many Ghanaians to lose their jobs. These adjustments also caused severe economic

**Figure BCS.2. Edo State has relatively low poverty and unemployment rates compared to the rest of Nigeria**

**Panel A: Unemployment rates by State, 2020**



**Panel B: Unemployment rates by State, 2020**



National Bureau of Statistics, <https://nigerianstat.gov.ng/elibrarys>

78. Zasha, J.; Effiong, T.; and Bindel, J. (2017). Support to Human Trafficking Prevention in the Niger Delta. Available at: <https://pindfoundation.org/wp-content/uploads/2020/06/Final-Report-on-Edo-Human-Trafficking.pdf>

79. Carling, J. (2006) Migration, Human Smuggling and Trafficking from Nigeria to Europe. IOM Migration Research Series. Retrieved from <http://www.iom.int>

**Table BCS.1. Edo has higher literacy rates as well as higher share of inactive labor force population compared to the Nigerian average**

	Edo State	Nigeria (average)
Population below 40 years (%)	85	82
Working-age population (15 – 64 years) (%)	55.2	52.5
Average household size	4.52	5.06
Dependency ratio	0.91	0.97
Share of female-headed household (%)	25.2	18.8
Percentage reporting literacy in any language (%)	70.4	63.2
Percentage reporting literacy in English (12 years and above) (%)	70.3	53.7
Inactive labor force, male (15+) (%)	29.3	25.3
Inactive labor force, female (15+) (%)	35.6	38.7
Access to electricity (%)	80.1	63.7

challenges in Nigeria. When Ghanaian youths started migrating to Italy to work in tomato fields, several Edo residents also joined the seasonal agricultural labor migration to Italy. Many of the migrants from Edo were women who eventually switched from agricultural labor to working in the sex trade to earn more money.<sup>80</sup> During the AIDS pandemic in Europe, more women were trafficked from the Edo state to join the booming sex trade business in Italy. Indeed, this shift is distinct and apparent in the current pattern of irregular migration from Nigeria to Italy.

According World Bank data, women comprised 22 percent of irregular migrants from Nigeria while only 9 percent of irregular migrants from the rest of Sub-Saharan Africa were women.<sup>81</sup> Even though the money that Nigerian workers made in Europe was minimal, exchanging this money into Naira improved their families' living conditions in Nigeria. Most migrant families were able to acquire properties, buy cars, and change

their lifestyles through remittances. The increasing gap between migrant households and nonmigrant households in terms of living conditions and social status may have spurred new migration desires and attempts among the youth in Edo State.

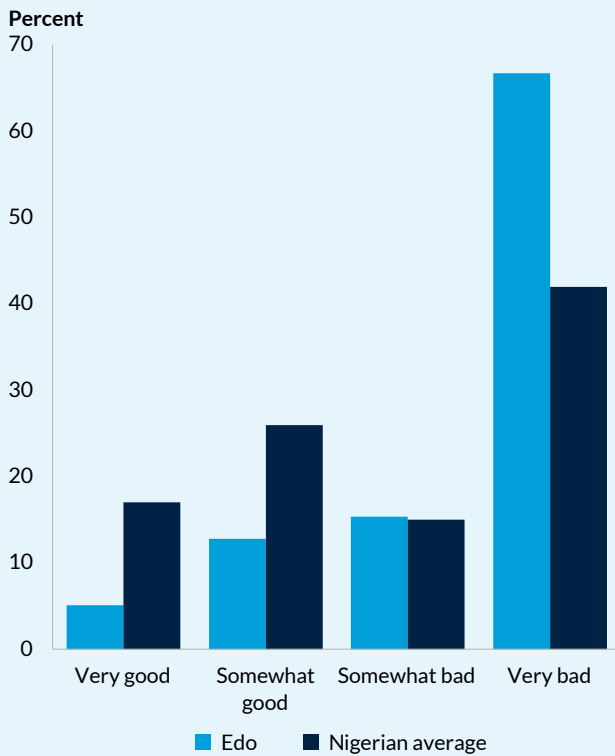
**With perceived income inequality on the rise between migrant and nonmigrant households, and a high desire to migrate among nonmigrants, the proliferation of smuggling networks provided an avenue for increased irregular migration from Edo State.** The Arab Spring led to a breakdown in the rule of law in places along the Mediterranean route, particularly in Libya. A proliferation of smuggling networks in Libya and along transit countries in the Mediterranean routes allowed the business of irregular migration to prosper in Nigeria. According to the Afro Barometer data from 2018, around 60 percent of Edo residents were considering emigration in the last year compared to 35 percent nationally. Data from Pew Research Center shows that the public perception of economic well-being was much lower in Edo compared to the national average in Nigeria (Figure BCS.3), despite Edo having a relatively better set of socioeconomic outcomes compared to the national average (Table 1). Previous research has shown that a relative sense of well-being matters more for migration intentions compared to absolute levels of well-being.

**Most Nigerian youth seeking to migrate through irregular routes obtain information through personal networks and social media.** According to a survey conducted by NOI Polls in 2018, in which around 19 percent of respondents came from Edo State, more than 80 percent of respondents indicated that potential migrants obtain information on migration procedures as well as life in Europe through personal networks and social media channels (Figure BCS.4). Personal networks included potential agents and smugglers (also known as “Burgers”), who usually

80. Zasha, J.; Effiong, T.; and Bindel, J. (2017), previously cited at note 78.

81. World Bank (2018), previously cited at note 73.

**Figure BCS.3. Perceived economic well-being in Edo is lower than in the rest of Nigeria**

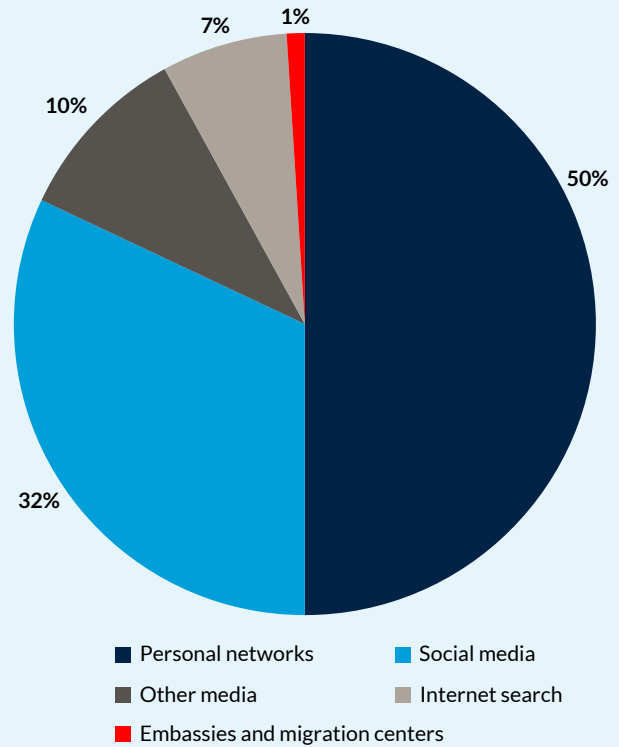


Source: Pew Research Center, Global Attitudes Survey (2018); <https://www.pewresearch.org/global/datasets/>

assist the migrants in making the irregular journey and have innate incentives to exaggerate the benefits and downplay the risks from irregular migration. While 70 percent of respondents in the NOI Polls survey believe that irregular migrants have enough information to make informed choices about their journey, around 30 percent believe that potential migrants do not have enough information on the risks involved. In Edo State, Obi et al. (2020) estimate that social media use varies from 2 to 5 hours per day, and most people use social media to learn about migration, to maintain social ties with family and friends abroad, and to search for traveling opportunities abroad.

**The perceived difficulty in obtaining work visas and the high cost of legal migration deter youths from Edo and elsewhere in Nigeria from opting for regular**

**Figure BCS.4. Most aspiring migrants receive information on migration through social media channels and personal networks**



Source: NOI Polls, 2018

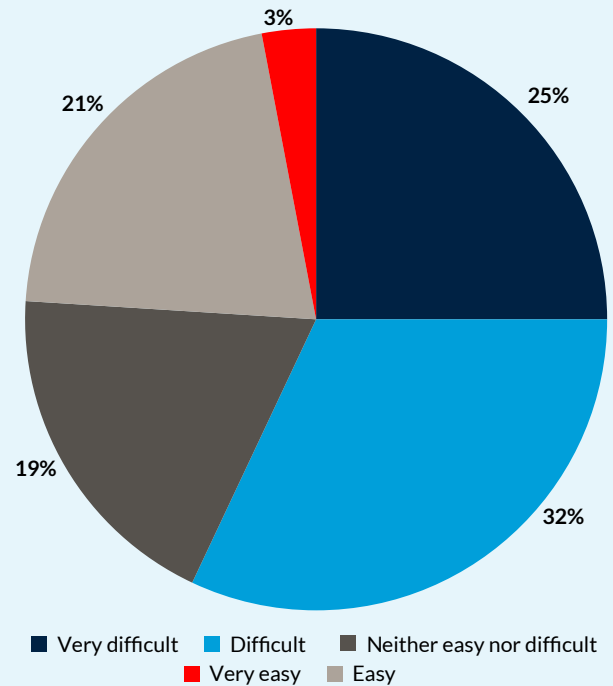
**migration.** Structural hindrances to regular migration are undisputable factors that fuel irregular migration. Figure BCS.5 (Panel A) presents data from NOI Polls (2018) survey and shows that almost 6 in 10 respondents sampled across ten states in Nigeria, including Edo State, consider obtaining a visa and a work permit to European countries to be difficult or very difficult. Specifically, respondents identified numerous factors such as costs of getting a visa, stringent visa conditions, and the risk of not being successful responsible for the difficulty in obtaining visas. Other reasons include the concentration of visa application centers in mainly Abuja and Lagos, waiting time to get a decision, and risk of fraud (Figure BCS.5 (Panel B)).

This case study shows that the practice of irregular migration in Edo State is associated with a complex

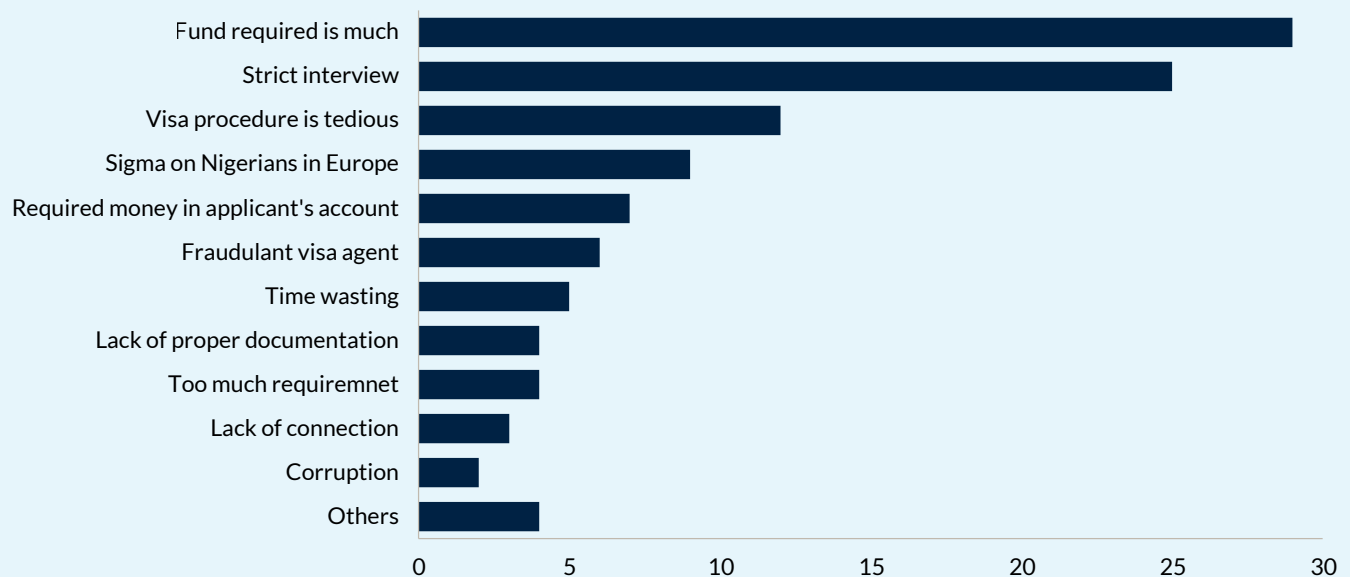
set of historical, socioeconomic, cultural, and structural factors. To sum up, these factors include historical migration of seasonal workers from Edo to Italy, proliferation of smuggling networks in key transit countries and Nigeria, perceived levels of low welfare among Edo residents, high influence of personal network and social media in migration decision-making, and barriers to migrate legally which includes lack of legal pathways as well as perceived and real difficulties in obtaining legal work authorization in countries of destination.

**Figure BCS.5. Most Nigerian youth believe getting a visa to work in Europe as difficult or very difficult with high funding requirement and strict interviews cited as reasons for perceived difficulties**

**Panel A: Perceived difficulty in obtaining a visa to European countries**



**Panel B: Reasons for perceived difficulty in obtaining a visa to Europe**



Source: NOI Polls, 2018

## Remittances from Abroad

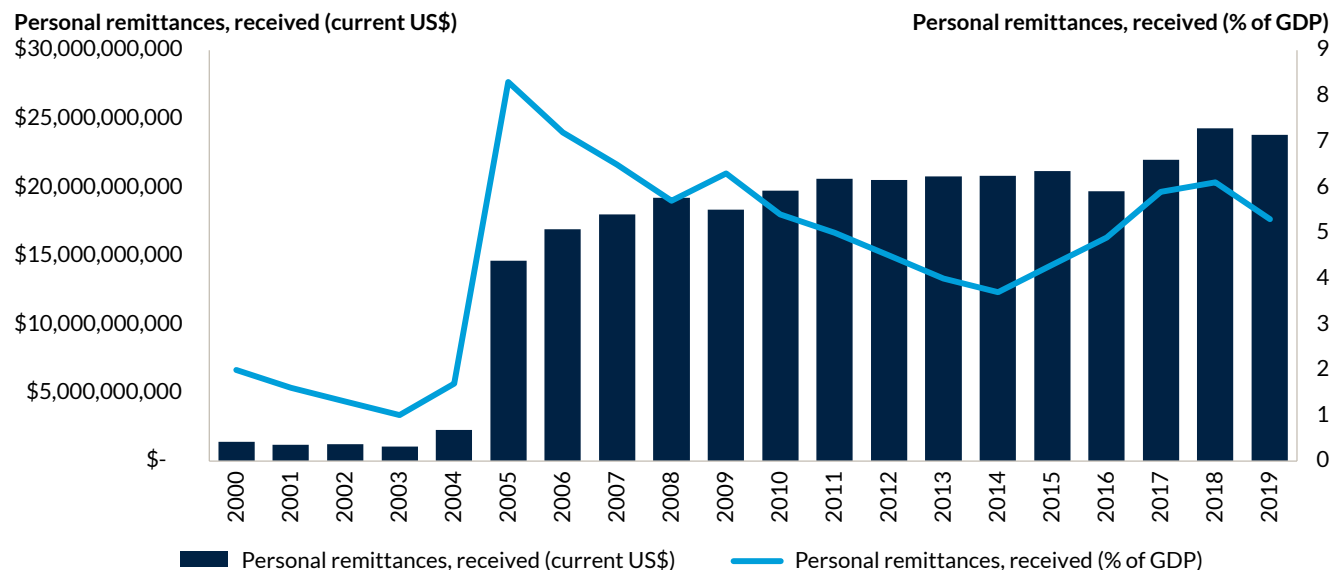
**International remittances to Nigeria have increased substantially in the last two decades but the cost of sending remittances to Nigeria remains high.**

Remittances sent by Nigerian migrants totaled more than US\$25 billion in 2019, which made Nigeria the sixth highest recipient of international remittances globally. Remittances sent by international migrants have steadily increased over the last 15 years in Nigeria. In 2017, remittances to Nigeria were almost four times larger than FDI and ODA combined and equaled Nigeria's oil rents contributing to nearly 6 percent of Nigeria's GDP.<sup>82</sup> In 2019, however, remittances fell for the first time after increasing for three consecutive years

(Figure B.11). In 2020, remittances are expected to sharply decline by 25 percent due to the global slow-down in economic activities and closures caused by the COVID-19 pandemic.<sup>83</sup> In 2017, more than 46 percent of total remittances to Nigeria were sent from just two destination countries, the United States and the United Kingdom, which hosted about 35 percent of all migrants from Nigeria.

Remittance flows to Nigeria declined by 27.7 percent in Q2 2020, compared to the same period last year, even though it accounted for over 40 percent of remittance flows to Sub-Saharan Africa.<sup>84</sup> Other countries in the region reported remittance growth, including but not limited to Kenya (9 percent) and Ghana (5 percent).<sup>85</sup> The decrease in flows to Nigeria is partially attributable to the increase in the naira/US\$ informal exchange rate by 27 percent as well as the impromptu

**Figure B.11. International remittances totaled nearly USD25 billion in 2019 amounting to around 5 percent of Nigeria's GDP**



Source: World Bank's World Development Indicators

82. ODA includes official foreign aid received. World Bank calculations using data from the World Bank's World Development Indicators databank.

83. World Bank, 2020b Nigeria on the Move: A Journey to Inclusive Growth. Systematic Country Diagnostic. World Bank Group. Available at <https://elibrary.worldbank.org/doi/abs/10.1596/33347>

84. Dilip Ratha, Eung Ju Kim, Sonia Plaza, and Ganesh Seshan. 2021. "Resilience: COVID-19 Crisis through a Migration Lens." KNOMAD-World Bank, Washington, DC.

85. Ibid.

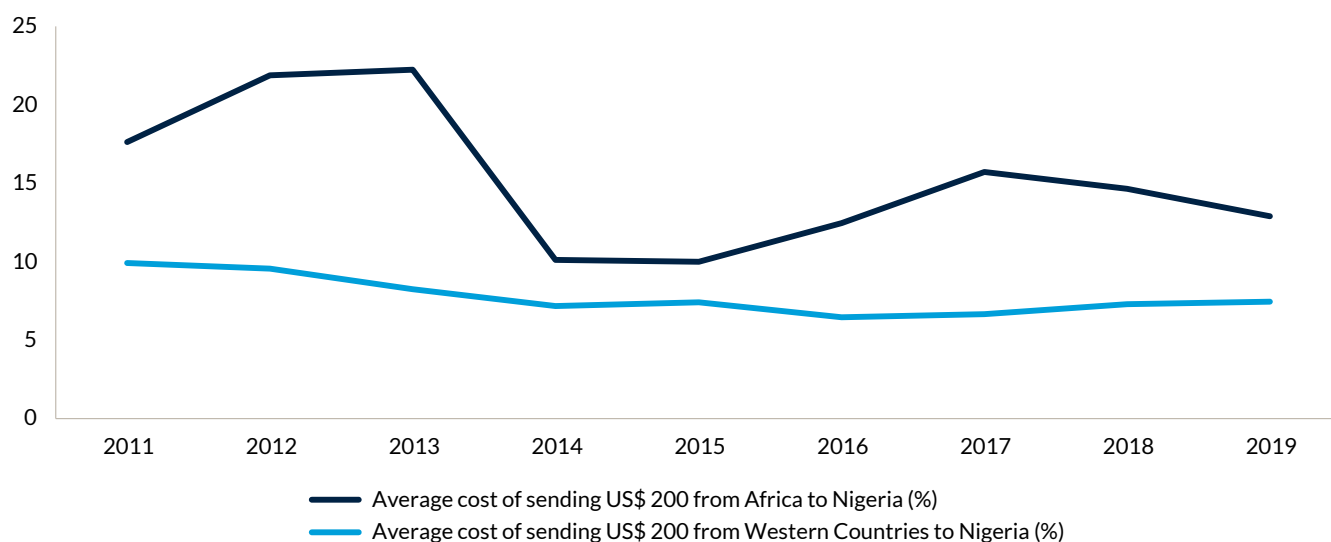
policy directive which required money transfer agent banks to pay out remittances in foreign currency and not in the Nigerian naira.<sup>86</sup>

Despite the importance of remittances to the Nigerian economy, the cost of sending international remittances to Nigeria has remained high over the last decade. The cost of sending international remittances to Nigeria from Africa, Europe, and North America is well above the SDG 17.3 target of 3 percent (Figure B.12). More remarkably, costs are higher for intra-African corridors. While Nigeria-specific data or information on the triggers of high remittance costs is not readily available, there are multiple factors that make cost of sending remittances to sub-Saharan Africa higher in general. First, excessive bank regulations implemented to prevent online money transfer providers from facilitating money laundering and terror-financing contribute to higher cost

of sending remittances. Secondly, exclusive agreements between foreign currency transfer operators and agent banks stifle competition and lead to high cost of service. Thirdly, the banking networks involved in transferring money between countries lead to high remittance overhead costs as each bank need to claim processing fees. Transaction costs are expected to diminish if money is sent digitally to Africa.<sup>87</sup>

Reducing the number of regulations for transactions on small amounts, promoting competition among money-transfer operators to drive down transaction charges, and using digital money transfer platforms to eliminate over-the-counter transactions would help reduce remittance costs. Reducing the cost of sending remittances to Nigeria directly benefits Nigerian households as it provides more resources for them to invest in their households and in the economy.

**Figure B.12.** Average cost of sending remittances to Nigeria has remained high, particularly from within Africa



Source: World Bank (KNOMAD), *Remittances Prices Worldwide*

86. Ibid.

87. Ischebeck, Jens: (2019) African Enquirer, Why Sending Money to Africa More Expensive than to Other Continents. Available at: <https://www.theafrican-courier.de/special/business/why-sending-money-to-africa-more-expensive-than-other-continents/>

## Insights on International Migrants from Nigeria in the OECD

**Nigerian migrants with an education level below secondary are more likely to be unemployed and economically inactive in OECD countries. Female Nigerian migrants have a higher inactivity rate compared to males.**

The number of Nigerian migrants aged 15 and above in the OECD has grown threefold between 2000 and 2015, increasing from 261,046 in 2000 to 710,183 in 2015 (Table B.1). In line with the international migrant

population from Nigeria globally, the proportion of female Nigerian migrants in the OECD has steadily increased to 48 percent of the total migrant stock in 2015. Over 80 percent of Nigerian migrants in the OECD are between the ages of 25 and 64.

Based on OECD categorization, over 50 percent of Nigerian migrants have high levels of education (i.e., they have completed tertiary education in 2015), 26 percent have completed at least up to upper secondary education, and the remaining 18 percent have completed lower-secondary education or below.<sup>88</sup> It is, however, important to note that this distribution varies by destination countries in the OECD. For example, less than 20 percent of Nigerian migrants in

**Table B.2. Majority of Nigerian international migrants in the OECD have at least upper secondary level of education and are employed**

Category		2000	2005	2010	2015
<b>Gender</b>	Male (%)	55	56	54	52
	Female (%)	45	44	46	48
<b>Age group</b>	15-24 (%)	14	14	13	11
	25-64 (%)	84	82	83	83
	65+ (%)	2	4	4	6
<b>Education Level</b>	Low (%)	16	8	16	18
	Medium (%)	28	29	27	26
	High (%)	53	62	55	54
<b>Duration of Stay*</b>	5 years or less (%)	34	27	27	23
	5-10 years (%)	18	21	22	20
	10+ years (%)	44	45	47	54
	Unknown (%)	5	5	3	4
<b>Labor Force</b>	Employed (%)	66	70	64	63
	Unemployed (%)	8	8	12	10
	Inactive (%)	24	20	23	26
	Unknown (%)	1	1	1	1
	<b>Total</b>	<b>261,046</b>	<b>218,215</b>	<b>526,813</b>	<b>710,183</b>

Source: World Bank calculations based on data from [OECD Database on Immigrants and non-immigrants in OECD Countries \(DIOC\)](#). \*Duration of Stay variable for the year 2000 contains information on 176,165 out of the total 261,046 migrants.

88. See the methodological note on how OECD classifies education levels and labor force status at <https://www.oecd.org/migration/mig/methodology-DIOC-2015-2016.pdf>



Italy had completed tertiary education in 2010 compared to more than 60 percent in the United Kingdom and the United States.<sup>89</sup>

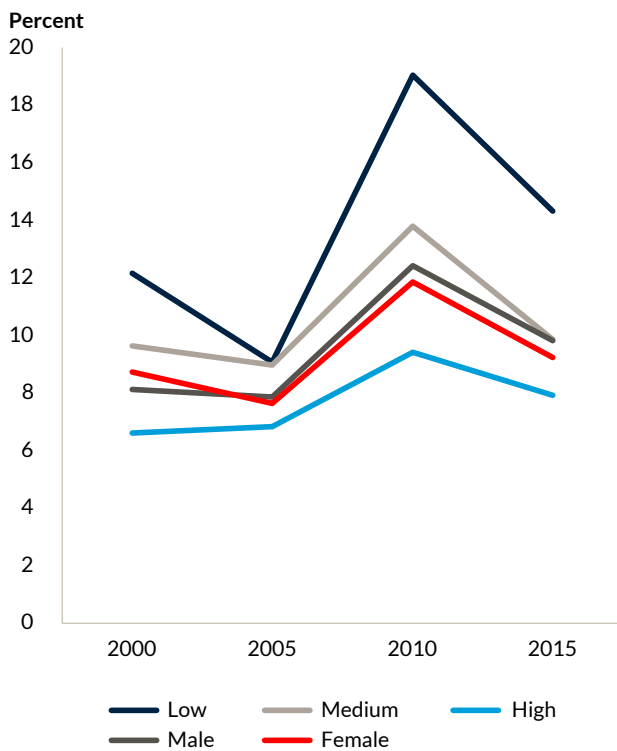
Between 2000-2005, the share of Nigerian migrants who have stayed in their countries of destination for more than 10 years has increased from 44 percent to 54 percent. The share of Nigerian migrants who have stayed for more than 10 years in their respective destination countries has increased substantially among female migrants, from 36 percent in 2000 to 53 percent in 2015, and among migrants who have completed secondary education level or below, from

27 percent in 2000 to 51 percent in 2015. Part of this could be due to the increase in demand for workers in elementary occupation categories in OECD countries. In 2015, the top two occupation categories for Nigerian migrants were Professionals in Science, Health, and Technology (12 percent); and Workers in Elementary Occupation (11 percent).<sup>90</sup>

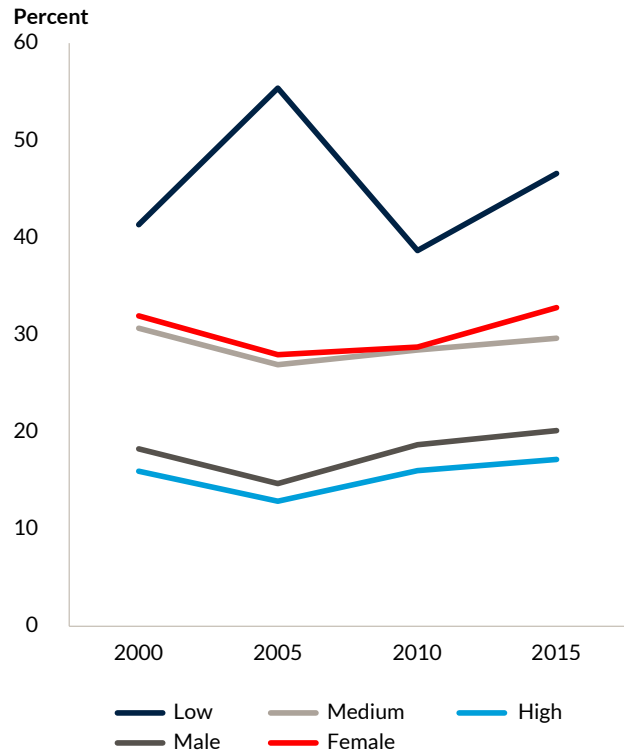
Nigerian migrants with an education level below secondary are more likely to be unemployed and economically inactive in OECD countries. Over 60 percent of Nigerian migrants aged 15 and above were employed, 10 percent were unemployed, and

**Figure B.13. Nigerian migrants in the OECD with below secondary level of education have higher unemployment and inactivity rates**

**Panel A: Unemployment Rate**



**Panel B: Inactivity Rate**



Source: World Bank calculations based on OECD Database on Immigrants and non-immigrants in OECD Countries (DIOC).

89. Data for individual destination countries is not available for 2015.

90. World Bank calculations based on OECD Database on Immigrants and non-immigrants in OECD Countries (DIOC).

26 percent were economically inactive in 2015 (Table 1). Female Nigerian migrants have a higher inactivity rate compared to males. Figure B.13 (Panel A) shows that close to 14 percent of Nigerian migrants with lower than secondary education were unemployed compared to less than 10 percent of those who had higher education levels. Similarly, the inactivity rate was almost twice as high among Nigerian migrants who had not yet completed lower-secondary education compared to those with at least a college degree (Figure B.13 Panel B). The data from OECD also suggests that almost 25 percent of Nigerian migrants with tertiary education or above were overqualified for their occupation category in 2015.<sup>91</sup> This suggests that labor market returns for Nigerian migrants in the OECD increases with education.

Migrants not only fill critical labor shortages but also pay taxes when they are employed in high-income OECD countries. Labor market policies in destination countries that facilitate the labor market integration of migrants are often the ones that make the best use of their skills. On the other hand, countries of origin can better prepare potential migrants with language and skills training and certification. Female Nigerian migrants in the OECD had an inactivity rate that was 10 percentage points higher compared to male migrants. They could be better supported to participate in the OECD labor markets.

## Data Gaps and Limitations

### **Lack of regular, disaggregated data on international migrants from Nigeria is a major bottleneck in migration policy making in Nigeria.**

Data related to international migration from countries of origin primarily stems from three sources: national

censuses, household surveys, and administrative data. The last population and housing census in Nigeria was conducted in 2006 and while it does contain information on foreign nationals in Nigeria, it does not contain information on international migrants from Nigeria. The latest NLSS, conducted in 2018/19, does not have a specific section on international migration. The percentage of households with international migrants, as described earlier, can be estimated from this data as the share of households that report receiving cash or in-kind remittances from abroad. However, neither motives nor profiles of migrants can be estimated using the NLSS. Similarly, Nigeria has conducted Labor Force Surveys (LFS) at least once a year from 2010-2018. For certain years, this data is available quarterly. However, there are no questions related to current or former international migration status of households and individuals.

The last and final potential source of data for international migration is the administrative data. This data can be collected, for example, from line ministries that issue required permits and clearances to outgoing migrants or from the departure cards of all outgoing migrants at the airport. The primary agency responsible for collecting administrative data on cross-border migration flows is the Nigeria Immigration Service (NIS). According to the Migrant Resource Center (MRC), this data on daily arrivals and departure is then made available to the National Population Commission (NPopC) for analysis and aggregation.<sup>92</sup> However, this information is not shared publicly, which limits an understanding of the age, gender, intended destination country, or purpose of the visit for outgoing international migrations from Nigeria.

In the absence of that information, the analysis presented in the report relies heavily on the data that is made available through international organizations such as the United Nations and OECD, and in some instances, estimates from the NLSS. While available data does shed some insights on international

91. The variable “overqualified” in the DIOC database measures whether migrants in the “high” education category are overqualified for their job category.

92. Migrants Resource Centre (MRC) (2021): “Types of Migration-Related Data Collected in Public Institutions”: <https://mrc.nelxnigeria.com/basic-page/types-migration-related-data-collected-public-institutions>

migration from Nigeria, it leaves many questions unanswered. Some of the major data gaps that prevent an understanding of international migration are summarized below:

- The annual breakdown of international migrants by age, gender, destination country, and purpose of visit can help to establish basic facts on the stock and flows of Nigerian international migrants. This data would also allow an estimate of migration flows within ECOWAS and differentiate between the motivation for intra-continental and extra-continental migrants.
- Collecting data on international migration through household surveys such as the NLSS allows for further exploration on the profile of migrants that leave Nigeria in terms of educational attainment, previous employment history as well as

motivation for leaving. Household surveys are also well-equipped to understand the profile of recently returned international migrants and their motivations for returning to Nigeria.

- A dedicated section devoted to international migration can also help shed further insights on the issue of irregular migration. For example, it can help in understanding the costs that migrants paid or the networks that migrants relied on for making these dangerous journeys.
- Finally, administrative data from line ministries and agencies can be disseminated in a timely manner for a better understanding of issues that migrants face abroad. For example, data can be collected through Nigerian embassies and consulates abroad that keep track of migrants who seek support or fall victim to exploitation.

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A young child in a patterned dress is running on a sandy beach towards the ocean waves. The sky is overcast and grey. The child is in the lower right quadrant of the image, running towards the left. The waves are breaking on the shore, creating white foam. The overall scene is a coastal landscape.

# Part C: Missed Opportunities and the Way Forward: Institutional and Policy Assessment of Labor Migration Management Systems in Nigeria

## International Migration as a Jobs Strategy

**Developing countries are increasingly pursuing labor migration as an employment strategy, but the topic of international migration has received its fair share of negative attention in the last few years.**

International labor migration is increasingly viewed as an important employment strategy for developing countries. As highlighted in Section B, the number of international migrants globally has increased from 154 million in 1990 to 272 million in 2019, outpacing global population growth.<sup>93</sup> According to the ILO, in 2017, almost 65 percent of all international migrants were migrant workers or labor migrants, making them the largest single category of migrants in the world.<sup>94</sup> From 1990 to 2019, global remittances increased tenfold, rising from US\$ 68 billion to US\$ 654 billion.<sup>95</sup>

Well-managed and regularized migration schemes directly benefit: migrants through productive employment and income-earning opportunities; migrant households through remittances, investments in human capital of family members, and as a cushion against income shocks; and sending countries by bringing to fruition unrealized economic gains. However, it is important to minimize the costs and risks associated with migration that can lead to suboptimal outcomes for migrants, sending and receiving countries.

International migration has received increased attention in Nigeria, which has come partly as a recognition of some of the gains from migration but largely from the realization of risks and costs associated with a weak migration management system. The number of

international migrants from Nigeria increased three-fold in the last three decades and the remittances sent by Nigerian migrants in the diaspora comprised 5 percent of Nigeria's GDP in 2019.

Despite the benefits, the recent surge in irregular migration and human trafficking from Nigeria and other parts of Sub-Saharan Africa to Europe and the abuse and exploitation of vulnerable migrants in transit and destination countries have laid bare the costs and spurred an increasing call to action from the international community. While increased mobility will create huge potential for increased welfare of migrants and sending communities, realizing these gains will require careful facilitation of labor flows and a strong support apparatus to avoid low-level equilibria. Within this context, Nigeria's overseas employment system can be assessed to isolate areas where policy interventions can minimize the costs and maximize the benefits associated with international migration.

## Institutional Assessment of the Federal Overseas Employment System in Nigeria

**Nigeria's Overseas Employment System at the federal level can be assessed using a life cycle framework to highlight policies and measures that govern the international migration process and break it down by different stages of a migrant's journey.**

The Federal Overseas Employment System in Nigeria can be assessed using a life cycle framework. Figure C.1 presents the migration life cycle framework which generally has four stages.<sup>96</sup> The first stage is *pre-decision*

93. United Nations, Department of Economic and Social Affairs. 2019a. International Migration Outlook, 2019 revisions.

94. Popova, N.; and Ozel, M. H. (2018) ILO Global Estimates on International Migrant Workers: Results and Methodology. International Labor Office. Available at <https://www.ilo.org/global/publications/books/WCMS.652001/lang-en/index.htm>

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96. Cho, Y. and Majoka, Z. (2020). "Pakistan Jobs Diagnostic: Promoting Access to Quality Jobs for All." Available at <https://openknowledge.worldbank.org/handle/10986/33317>

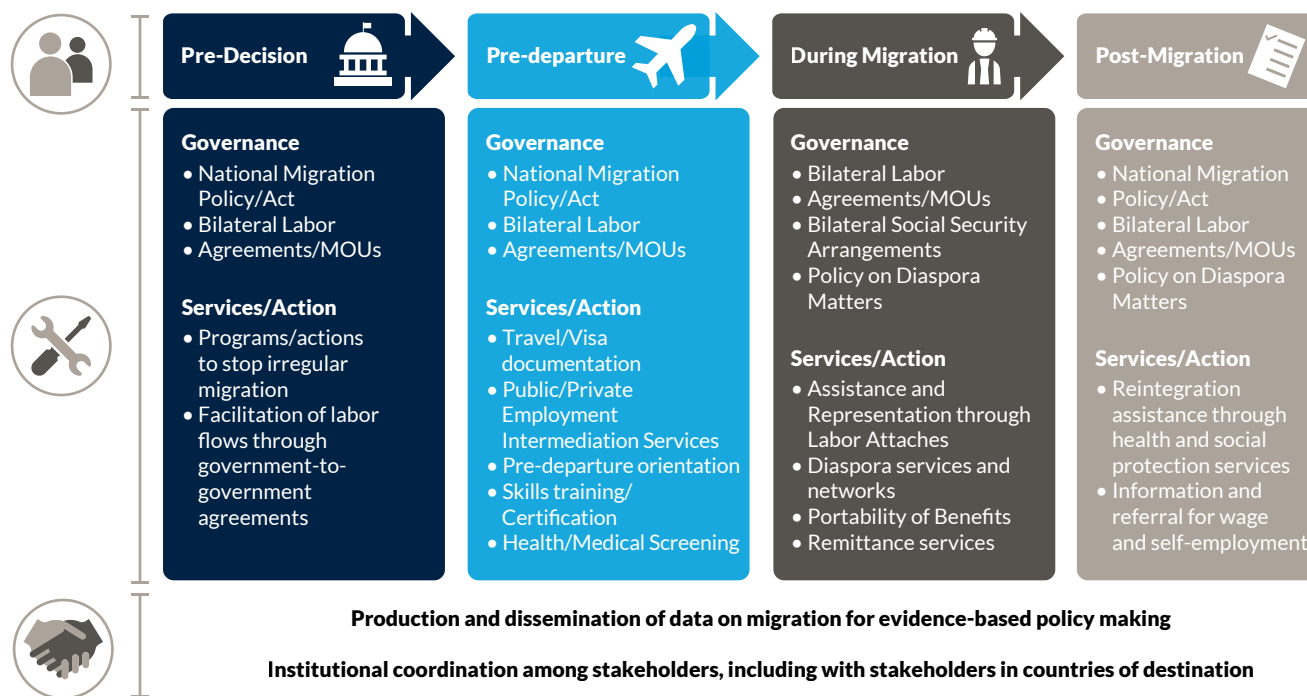
when workers decide on whether to migrate based on an understanding of the costs and benefits of migration. The second stage is *pre-departure* when workers who pursue the decision to migrate obtain necessary legal documents, take up measures to improve their employability (skills) and awareness, and complete logistical preparations for migration including obtaining the necessary finances to secure migration. The third stage is *during migration* when migrants are employed in destination countries. The fourth and final stage is *post-return* when some (but not necessarily all) migrants decide to return to Nigeria, either voluntarily or involuntarily, upon the end of the necessary legal permits to stay in destination countries.

Each stage of the life-cycle framework has two aspects related to policy making: (i) governance tools that can be used to set the terms of policies governing each stage; and (ii) programs, actions or services that the government can perform to assist migrants at each stage. Figure C.1 presents four governance related

tools and 15 key ingredients—actions that are at the disposal of Nigerian policy makers at various stages of the migration cycle and are required for a well-functioning labor migration system. Policy makers can use these actions to improve the facilitation of safe and orderly migration, prevent irregular migration, and support the return and re-integration of migrants. Even before the migration process is set in motion for countries, national policies, and BLAs/MOUs can help to set the standard and provide the legal structure and governance framework for the movement of workers from Nigeria to destination countries. Before workers depart, public and private intermediation services allow workers to search and apply for jobs that suit their skills as well as provide contractual terms for employment abroad. Similarly, streamlined processes for receiving travel documentation help workers with the logistics of traveling.

While abroad, workers often rely on legal support accessed through Nigerian embassies and labor

**Figure C.1. Four stages of the Migration Life Cycle Framework**



Source: Adapted from Cho and Majoka (2020)



attachés as well as through diaspora networks. Remittance services allow workers to send money to their families back home in Nigeria through formal channels and at a reasonable price. Upon return from a labor stint abroad, workers rely on support from government agencies for return and re-integration services, including support to apply for loans and obtain employment to deploy their new trade and skills. For migrants returned involuntarily, health and social protection services are essential to deal with psychosocial issues, especially for those who have faced abuse and harassment during the migration process. Issues such as production and dissemination of data and coordination among stakeholders involved in the migration process cut across different stages of the migration life cycle.

## Pre-decision

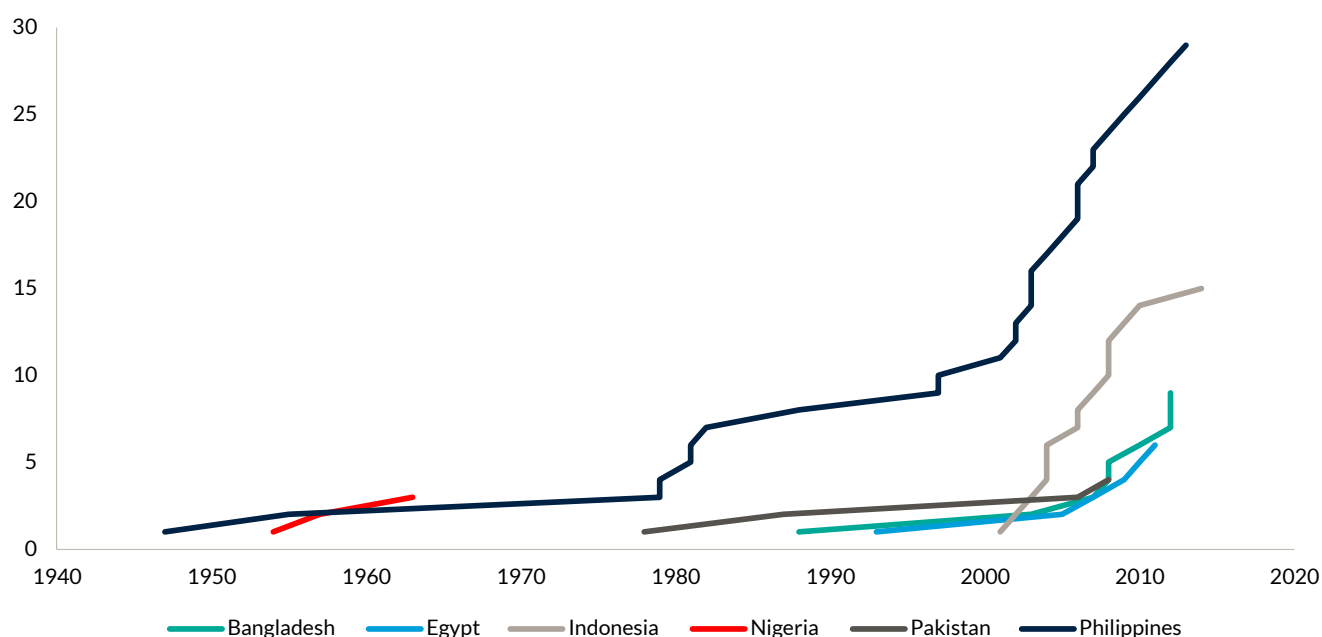
*Nigeria's Federal Overseas Employment System is regulated by policy and institutional frameworks*

*that provide relevant mandates for participating stakeholders but lacks key elements such as Bilateral Labor Agreements to facilitate safe and remunerative migration*

The National Migration Policy (NMP), adopted in 2015, provides the overarching principles for the 2014 National Policy on Labor Migration (NPLM). The NMP emphasizes the need for a national labor market assessment, regulates and monitors PEAs, and aims at placing a limit on the promotion of overseas employment in sectors where excessive labor migration is expected to adversely affect national economic and social development.

Other legal enactments which manage migration issues include: Trafficking in Persons (Prohibition) Enforcement and Administration Act, 2015 which aims to address the ills of human trafficking and migrant-smuggling; the Immigration Act 2015, and the Immigration Regulations 1963, both of which mandate the National Immigration Service to protect the right of migrants, issue travel documents, and manage

**Figure C.2.** Despite being one of the earliest countries to have BLAs in place, Nigeria has lagged behind peer countries in the number of BLAs it has established with destination countries



Source: World Bank Calculations using data from Chilton and Posner (2018)

Nigeria's borders, with the aim of curtailing irregular migration and human trafficking.

Despite several policy documents on ways to leverage managed migration approaches, Nigeria currently does not have a single BLA in place to support the overseas placement of Nigerian migrants. Figure C.2 shows the evolution of BLAs in Nigeria and several

comparator countries. Both Nigeria and the Philippines signed their first BLA around 1960. Since then, the Philippines has established approximately 30 BLAs to place Filipinos in overseas jobs. Bangladesh and Indonesia both entered into their first BLA in the 1980s and now have three and five times the number, respectively, of BLAs that Nigeria does.

### Box C.1. Current Channels to Migrate Formally from Nigeria to Europe

Nigerians can apply for study visas, work-permits or visas for select occupation categories in most countries in Europe. Additionally, there are recent programs facilitated through international organizations that aim to provide temporary employment opportunities to Nigerians in certain sectors and destination countries. The list below provides a summary of existing programs as well as visa schemes available for labor migrants from Nigeria to Europe.

#### a. Digital Explorers

Nigeria and Lithuania entered into an Agreement in 2019 to train Nigerian ICT talents and promote their migration through a 6-to-12-month internship and career advancement program. The project, which is financed by the EU's Migration Partnership Facility (MPF), targeted 50 young graduates. Only 15 were eventually selected. In addition to technical training, the program provides cultural and soft skills training for participants. The youth who join this program are expected to return to Nigeria at the end of the internship with the expertise acquired in Lithuania. Project and migration costs are covered by the project, while the salaries are covered by the employers. A stipend cost was shared between the project and the

employers. The project is now moving to develop a long-term pipeline of quality talent by investing in skills building in Nigeria, focusing particularly on developing entrepreneurship skills. The second cohort is planned as an all-female group. This could be a good avenue for Nigerian ICT talents to further develop their skills in Lithuania and deploy those skills in Nigeria upon return.

Source: <https://digitalexplorers.eu/> and interviews with key stakeholders

#### b. IOM-MATCH – Hiring African Talents

MATCH is a 36-month initiative funded by the EU and aimed at connecting highly skilled people in Nigeria and Senegal to private sector companies in Belgium, Italy, The Netherlands, and Luxembourg. The project focuses on ICT skills. The salient aim is to create a pool of talent from which companies can draw, while also facilitating collaboration between companies and remote working options during COVID-19. The program also plans to implement skills development, capacity building, and knowledge sharing between participating countries. The project is implemented in multiple steps. First, private sector companies send their vacancy profiles to the IOM office in Belgium and Luxembourg. IOM then sources candidates in Senegal and Nigeria using a private recruitment company, Aldelia.

## Box C.1. Cont.

Workers are then screened by IOM, local employment agencies in Senegal and Nigeria, and Aldelia, and a shortlist is presented to the interested companies in destination countries. After online interviews and company specific tests, talent can then move to Europe to work. MATCH chose to work with Senegal and Nigeria because of the two countries' different language profiles (French and English, respectively), developed ICT infrastructure, and ambitious plans for job creation and growth.

Source: International Organization for Migration (IOM) Belgium & Luxembourg. "MATCH – Hiring African Talents." <https://belgium.iom.int/match>

### c. UK Health and Care Visa

The UK has developed a new Points Based Immigration System which came into effect in January 2021. One of the visas that has been introduced within this context is the new Health and Care Visa.<sup>1</sup> Eligibility for this work visa includes an existing job offer for the candidate. To be eligible, an applicant must have a job offer from a relevant employer within the health and care sector, be undertaking a specific job role within the visa rules (e.g. doctor, nurse, adult social care professional), be paid over £20,480, and speak English up to level B1. The fees are substantially lower than normal immigration fees, there are no annual caps or quotas, and no requirement for employers to advertise locally. Candidates would have the ability to transition an initial five-year visa into permanent residence and eventually citizenship.

With this visa, there is option for nurses who are not able to pass the nursing examination (OSCE)

within 8 months to downgrade to the position of health care assistant and continue to work, rather than losing their immigration status (as was the case before). This category is new, and take-up is yet to be seen (due to COVID-19) and extensively evaluated.

### d. The German Skilled Immigration Act

In March 2020, Germany enacted a new Skilled Immigration Act. The Act permits anyone with a vocational qualification, in any subject, to move to Germany and obtain a work visa as long as they satisfy two conditions (i) they hold a qualification that is recognized in Germany, and (ii) they have a good job offer. Some main prerequisites for a candidate to obtain this job offer are:

- i. Good knowledge of the German language (e.g., up to level B1) which is usually required by German employers even though that is not required by the Act.
- ii. A Recognition notice issued by the German Chamber of Crafts, recognizing the equivalence of the foreign qualification to similar German qualification.
- iii. Where a German company offers a training (as against employment) opportunity, the potential trainee must be able to speak German up to level B1 and financially support themselves for the duration of their stay.<sup>2</sup> Around €950 per month would be needed for this. Potential trainees who can afford the financial implication could use this avenue and possibly secure a job in Germany after the training.

1. Gov.UK. "Health and Care Worker visa." <https://www.gov.uk/health-care-worker-visa/your-job>

2. Michaelle Nintcheu and Alexandra Köbler. 2021. "How can I recruit a qualified professional from abroad? What employers need to know." Berlin: Federal Ministry for Economic Affairs and Energy. [https://www.make-it-in-germany.com/fileadmin/MiiG\\_Unternehmen/PDFs/Unternehmen/Unterstuetzung\\_finden/BMWi\\_Leitfaden-fuer\\_Arbeitgeber\\_EN\\_02.2021.pdf](https://www.make-it-in-germany.com/fileadmin/MiiG_Unternehmen/PDFs/Unternehmen/Unterstuetzung_finden/BMWi_Leitfaden-fuer_Arbeitgeber_EN_02.2021.pdf)

## Box C.1. Cont.

### e. Belgium's Highly Skilled Worker Visa

Since 1999, Belgian laws have allowed highly skilled workers who have a higher education diploma and a job offer with a salary above a threshold, to be able to obtain a work permit without employers having to subject the role to labor market tests. Employers of less skilled roles must prove those roles cannot be undertaken by local workers either through individual assessments or through those

roles being “bottleneck vacancies” (which include ICT professionals).<sup>3</sup> Belgium also has a decentralized immigration policy which allows each of its four regions (Brussels, Flanders, Walloon, and the German community) to establish its own labor market policies and public employment offices.<sup>4</sup> ICT professionals are allowed to come to any of the four regions under this facilitated migration route to live and work for a period of up to three years under a renewable visa.

3. Ramboll. “Bottleneck Vacancies in Belgium.” [https://ec.europa.eu/social/BlobServlet?docId=12644&langId=en#:-:text=Bottleneck%20vacancies%20are%20a%20widespread,lack%20of%20skills%20\(15%25\)](https://ec.europa.eu/social/BlobServlet?docId=12644&langId=en#:-:text=Bottleneck%20vacancies%20are%20a%20widespread,lack%20of%20skills%20(15%25))

4. Rachel Swain. 2020. “Work in Belgium.” Last updated July 2020. <https://www.prospects.ac.uk/jobs-and-work-experience/working-abroad/work-in-belgium>

## Pre-departure

***Despite early momentum, Nigeria has failed to capitalize on some of the tools that it developed in the last decade to deploy labor migrants abroad.***

In 2004, the federal government, in its efforts to manage organized labor migration and to harness the development benefits, established an International Labor Migration Desk (ILMD) within FMLE. In collaboration with IOM and various stakeholders, and with funding from the EU, FMLE recorded notable successes in improving the managed labor migration structure in Nigeria, including:

- Establishing three Migrant Resource Centers (MRCs) in Abuja, Lagos, and Benin City where job-seekers, potential migrants, and returnee migrants can obtain information on employment and skills enhancement, as well as relevant information on safe migration, rights at work, and referral services.
- Licensing and monitoring of PEAs to prevent irregular migration, human trafficking, and unfair labor practices, and to forestall abuse in the recruitment process. From January 2015 to March 2019, 1,273

local PEAs were licensed by FMLE for local recruitments while 34 PEAs were licensed for international recruitments across the 36 states of the Nigerian Federation.

- Creating a jobs-matching platform known as NELEX—the National Electronic Labor Exchange—through which job seekers were meant to be matched with existing local or overseas job opportunities.

Despite these early successes, Nigeria failed to capitalize on the momentum. FMLE’s involvement was suspended in early 2018 because of the inability of relevant government agencies to deal with allegations of maltreatment being meted out to Nigerian labor migrants in destination countries. As a result, FMLE can no longer control the incidences of such placements, or provide any information or data relating to the particulars of successful labor migrants from Nigeria. Following the suspension of international recruitment on the NELEX platform, PEAs must now conclude agreements with foreign employment agencies on the placement of successful job seekers in destination countries without recourse to FMLE.

## During Migration

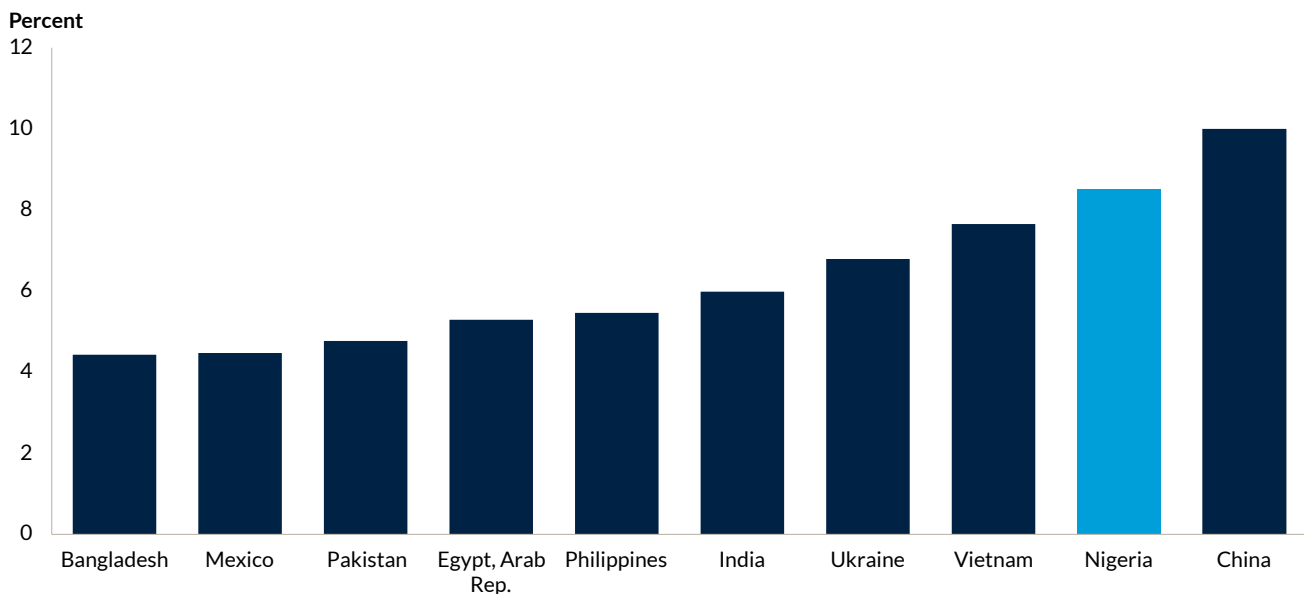
*Nigeria stands to benefit from the human, technical and financial capabilities that come with the important share of Nigerians in the diaspora.*

The draft National Policy on Diaspora Matters (2016) views the contributions from the diaspora as bidirectional. From the government, the policy seeks commitments to a set of identified challenges: data management on the diaspora and remittances; the inability of the diaspora to exercise voting rights in Nigeria; national security concerns; high remittance costs; inadequate infrastructure; agreements on avoidance of double taxation; lack of framework for the transfer of skills and technology, and a lack of integration frameworks for returnees. The draft diaspora policy is currently awaiting endorsement by the Federal Executive Council (FEC).

In the meantime, the Nigerians in Diaspora Commission (NiDCOM) was established in 2019. NiDCOM offers a suitable platform to galvanize support for Nigerian migrants in distress through diaspora networks in the absence of formal labor attachés. In 2017, Nigeria issued its first Diaspora Bond in the international capital market, which was oversubscribed by 130 percent, raising the sum of \$300 million at coupon rate of 5.625 per cent for five years.<sup>97</sup> Issuance of the second diaspora bond is currently being discussed to raise further resources from Nigerians abroad.

Several gaps currently plague the ability of Nigerian policy makers to support current migrants. Despite strong advocacy from the National Policy on Labor Migration (2014) to assign labor attachés to Nigerian diplomatic missions abroad to promote welfare

**Figure C.3.** Among top 10 countries receiving highest remittances, the cost of sending remittances to Nigeria is the second highest



Source: World Bank-World Development Indicators.

Note: Average transaction cost of sending remittance to a specific country is the average of the total transaction cost in percentage of the amount to a specific country.

97. Issuing the Bond gave Nigeria the opportunity to begin trading on the London Stock Exchange, making history as the first country in Sub-Saharan Africa to achieve such a feat. The country also became the first African country to issue a bond targeted at retail investors in the United States. The approval of the U.S. SEC was indicative that the highest level of transparency and accountability in the economic process was attained.

of Nigerian migrants, there has been no progress on advancing these discussions.

As described in Part B, the cost of sending remittances to Nigeria is one of the highest in terms of charges and commissions paid by Nigerians abroad. Figure C.3 shows that among the top 10 countries which received the highest remittances in 2017, Nigeria is second only to China in terms of the average transaction cost of sending remittances. The Central Bank of Nigeria (CBN) regulates and controls financial activities relating to banks and other financial institutions, including governance and policy making relating to the remittance of funds into Nigeria. However, it is not clear whether CBN plays any role in determining the cost of remitting funds to Nigeria since international financial institutions, which are not regulated by CBN, are usually involved. NiDCOM has ongoing engagements with CBN aimed achieving a reduction in the cost of receiving remittances into the country.

## Post-return

***While most of the focus in recent times has rightly gone toward providing assistance for returning irregular migrants, it is important to acknowledge the role played by returnees in spurring innovation in Nigeria.***

More than 15,000 Nigerians, mostly irregular migrants in destination and transit countries, have been repatriated from various countries since 2016. Since the onset of the migration crisis in Europe in 2016 and 2017, more than € 770 million have been invested in migration related projects in Nigeria, through the European Trust Fund for Africa (EUTF) project financed by the EC.<sup>98</sup> Most of these funds are invested in border

control measures, in awareness campaigns to stop trafficking, and to create jobs domestically, including for returned Nigerian migrants. Various international donors including the EU, GIZ, and others offer support to returning migrants. Many of the returned migrants were repatriated following being held in detention centers or exploitative labor situations in Libya and other transit countries.

More migrants could return following the COVID-19 induced economic crisis in destination countries, that has eroded income-earning opportunities for migrants. Returning migrants need to be better equipped with information and referral on services available in Nigeria (such as applying for business loan, investing options in Nigeria, getting accredited for skills, searching for jobs). Better health and social protection services should be provided to returning migrants who are often victim of abuses and face stigmatization for their failed migration attempt upon return to Nigeria.<sup>99</sup> Proactive outreach well before and immediately after return, intensive follow-up and handholding after the provision of information and referral services, and a formal link to the services offered for preventing irregular migration and promoting better migration could put returning migrants on a sustainable economic path in Nigeria. NiDCOM offers a suitable platform for hosting these services.

At the same time, it is also important to acknowledge the positive contributions that returning migrants make to Nigeria and enact policies that enable those contributions. For example, returning migrants provide technology and skill transfers to countries of origin such as Nigeria. In 2012, two Harvard Business School graduates from Nigeria cofounded Jumia, a Nigerian e-commerce site and one of the first tech start-ups in the country.<sup>100</sup> Since then tech firms have been established

98. The Correspondent, 2019. "A breakdown of Europe's €1.5bn migration spending in Nigeria." Available at: <https://thecorrespondent.com/150/a-breakdown-of-europes-eurl-5bn-migration-spending-in-nigeria/19837235550-e86e62a5>

99. The New Humanitarian (2020). "Nigerians Return from Europe Face Stigma and Growing Hardship." Available at <https://www.thenewhumanitarian.org/news-feature/2020/07/28/Nigeria-migrants-return-Europe>

100. Ramachandran, V., Obado-Joel, J., Fatai, R., Masood, J. S., and Omakwu, B. (2019). The New Economy of Africa: Opportunities for Nigeria's Emerging Technology Sector. Available at <https://www.cgdev.org/sites/default/files/new-economy-africa-opportunities-nigerias-emerging-technology-sector.pdf>

in the fields of energy, agriculture, banking, transportation, logistics, health, and finance.<sup>101</sup>

## Stakeholder Analysis

**Multiple federal-level stakeholders have varying degrees of mandates relating to international labor migration but only a few engage in labor migration activities.**

Figure C. 4 shows the key Nigerian stakeholders involved in the labor migration process. The Ministry of Foreign Affairs (MFA) has the mandate to negotiate and sign BLAs and MOUs with countries of destination. The Federal Ministry of Justice works with MFA to negotiate and sign the agreements while the Ministry of Interior, through the Nigeria Immigration Service, issues travel documents to prospective labor emigrants and helps ratify relevant international agreements. The National Agency for the Prohibition of Trafficking in Persons takes action and raises awareness against the ills of irregular migration.

FMLE is the lead agency that oversees employment-related activities, including international labor emigration, and is responsible for issuing operating licenses to PEAs which engage in either local or international recruitment of labor, or both. International recruitment of labor from Nigeria is to be jointly executed by FMLE and the PEA involved. This supervisory role allows FMLE to ensure that the PEAs comply with relevant laws and regulations. However, in practice, some PEAs are known to bypass the requirement of involving the ministry and instead engage in autonomous recruitment of labor migrants. FMLE also oversees ILMD which currently operates three MRCs to provide pre-departure orientation and training. The responsibility for providing health certificates to potential migrants lies with the Federal Ministry of Health.

The creation of NiDCOM has strengthened Nigeria's position to benefit from the diaspora abroad and to serve migrants in need or in distress. NiDCOM also works closely with CBN on the financial needs of the diaspora. CBN regulates banks and formal financial agencies governing the flow of remittances into the country, but it is unclear how much of a role it can play in regulating financial institutions in destination countries to reduce the remittance fees. Notwithstanding, CBN is actively taking steps to understand the origins of high remittance fees and taking an evidence-based approach toward using policy levers to support the flow of remittances through formal channels. The NBS and the National Population Commission have the mandate to provide data on potential, current, and returning migrants. Finally, the National Commission for Refugees, Migrants, and Internally Displaced Persons coordinates efforts to receive returnee migrants. FMLE is tasked with providing employment services to returnees while the Federal Ministry of Education has the mandate to provide technical accreditation and certification of skills for returning migrants.

Various TWGs participate in advancing the labor migration agenda in Nigeria. Following the approval of the NPLM by the FEC in 2014, a Social Partner Advisory Committee (SPAC) and a Technical Working Committee (TWC) were inaugurated in August 2016, in line with the operational framework of the NMP. SPAC and TWC comprise key ministries, departments, and agencies of government, social partners, and civil society organizations identified by the policy to oversee and coordinate its implementation. The NMP has a comprehensive exposition on promoting migrants' welfare, although this does not extend to family reintegration and social reintegration of work and health. The policy details de jure institutional arrangements through five technical TWG:

- Standing Committee on Diaspora Matters: Led by NiDCOM, the committee focuses on

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101. Ibid

**Figure C.4. A diverse range of Nigerian stakeholders are involved in the labor migration management process at the Federal Level**



Source: Based on World Bank consultations with Nigerian stakeholders

diaspora mobilization, remittances, and diaspora engagement.

- Working Group on Labor Migration: Led by FMLE, this group deals with expatriate quotas, labor exchange, and the protection of migrant workers.
- Working Group on Migration and Return, Readmission and Reintegration (RRR): This group developed a National RRR Standard Operating Procedure and is comprised of multiple ministries and government agencies.
- Working Group on Migration Data Management Strategy: Led by National Population Commission (NPopC), this group developed a Migration Data

Management Strategy to harmonize migration data across all Ministries, Departments and Agencies (MDAs).

- Stakeholders Forum on Border Management: Led by NIS, the group focuses on issues relating to the ECOWAS Protocol on Free Movement of Persons, border security, trafficking in persons, and smuggling of migrants.

Despite a plethora of stakeholders in the labor migration management process, Nigeria currently has neither a strategy for accessing labor markets in other



countries nor a mechanism for marketing its skilled labor to potential destinations where matching skills shortages exist. Rather, the labor migration objectives expressed in the NPLM come from a development failure perspective where push factors dominate the motivations for migration, and retaining talented human capital is prescribed to avoid a drain on economic growth in the country. This perspective, which affects both sending and receiving countries, has not considered international migration as a labor market opportunity for Nigeria.

Nigeria has scant structures in place to reap benefits from international labor migration. This chapter introduced a migration life cycle framework and presented 16 essential features against which the current international labor migration practices in Nigeria were benchmarked. Even with a plethora of agencies and stakeholders working on managing migration, significant gaps emerge when Nigeria's system is compared to a mature system such as the Philippines' (Case Study 2).

Prominent gaps in the Nigerian labor sending system include: (i) absence of BLAs and MOUs to strategically place labor abroad; (ii) failure to systematically create and advance regulations on PEAs to place Nigerians into overseas employment; (iii) failure to appoint labor attachés in Nigeria's global diplomatic missions to advance the welfare of Nigerian workers; (iv) lack of understanding of destination-sector specific gaps where Nigerian nationals can help fill labor shortages; (v) lack of data to advance migration policymaking; (vi) high costs of sending remittances to Nigeria; and (vii) ad-hoc and donor driven return and reintegration approaches as emergency measures without programs and policies to systematically benefit from the skills of returning migrants.

The current labor migration landscape, however, provides a huge opportunity to transform international migration to a labor market strategy in Nigeria. Some areas for policy interventions to address the emerging gaps, and areas for future research are highlighted in the subsequent section.

## Case Study 2: Benchmarking Nigeria's Federal Overseas Employment System to the Philippines

The Philippines provides a best practice model for low- and middle-income countries to leverage the potential of managed migration. Influenced by a huge demand for migrant workers from the Gulf Cooperation Countries in the 1970s, the Philippines developed a comprehensive system for managing its labor emigration in the early 1980s.<sup>102</sup> The country is now recognized as a major labor sending country with a relatively mature migration management system from which other countries can learn.

Table CCS.1 compares Nigeria and Philippines against select economic and demographic indicators. As a result of the BLAs signed by the Philippines starting in the 1960s, there were already more than 2 million Filipino migrants in destination countries in 1990, a number that Nigeria, despite its population being double the size of the Philippines, has not reached in 2019. Filipinos abroad sent more than US\$35 billion to the Philippines in 2019. While the remittances sent by Nigerian migrants abroad have increased dramatically from 1990 to 2019, the relatively smaller size of the Nigerian migrants abroad compared to the Philippines suggests that the vast majority of remittances are received by a select few in the higher income quintiles in the country. From 1990-2019, the Philippines has been able to keep youth unemployment levels at less than 10 percent compared to Nigeria's worsening

102. Smith, R. (2018) Managed Labor Migration in Afghanistan: Institutional Requirements and Policy Processes with and in Afghanistan. Washington DC, World Bank. Available at <https://openknowledge.worldbank.org/handle/10986/29273>

**Table CCS.1.** Despite being half the size in population compared to Nigeria, there were five times as many international migrants from the Philippines compared to Nigeria

Indicator	Nigeria		Philippines	
	1990	2019	1990	2019
Population	95,212,450	200,963,599	61,895,160	108,116,615
Working age population (15-24)	48,243,486	107,654,967	34,612,950	69,420,730
Number of international migrants	446,806	1,438,331	2,033,684	5,377,337
Migrants as a share of population	0.5%	0.7%	3.3%	5.0%
Remittances (US\$)	10,008,540	23,809,281,401	1,465,000,000	35,167,471,832
Remittances as a share of GDP	0.02%	5.3%	3.3%	9.3%
Youth unemployment rate	9.2%	14.1%	8.8%	6.3%

Source: World Bank-World Development Indicators and United Nations, International Migration Outlook 2019

youth unemployment rates amid the lack of a domestic and overseas job creation strategy

Comparing the labor migration sending system in Nigeria and the Philippines across the essential features of the life cycle framework provides important insights on the gaps in Nigeria’s system. Table CCS.2 provides a comparison on the state of development of the governance and services in the labor sending system of Nigeria and the Philippines. It shows that both Nigeria and the Philippines have policy instruments at their disposal to govern the migration process. The Migrant Workers and Overseas Filipinos Act of 1995 provides for the regulation of recruitment, the protection of Filipino migrants’ rights, and details processes for reintegration upon return. The Act has been amended twice, in 2007 and in 2010, to strengthen the protection measures.

The Philippines has signed multiple MoUs with receiving countries which create access to overseas labor markets and establish relationships with stakeholders in the receiving country. For instance, the MoU with the United Kingdom’s Department of Health grants Filipino health workers access to the UK’s health sector.

The Philippines Overseas Employment Administration (POEA) facilitates and regulates overseas employment by matching skilled unemployed persons with

overseas job opportunities. The Overseas Workers Welfare Administration (OWWA), similar to NiDCOM in Nigeria, protects the interest of overseas workers and caters for their welfare, as well as the welfare of families left behind. Finally, the Philippines has a dedicated agency—Technical Education and Skills Development Agency (TESDA)—that carries out upskilling and skill certification for potential migrants prior to migration. The presence of these agencies makes the Filipino pre-departure model one of the best in terms of supporting the placement of migrant workers overseas.

Finally, the Philippines regularly produces and disseminates data related to migration to inform policy making. In 2018, the Philippines Statistics Authority conducted its first National Migration Survey providing information on the mobility of the Philippines’ population to assist policy makers and program managers in designing and evaluating strategies for improving services and assistance to Filipinos going abroad. In Nigeria, no such exercise has been undertaken. The Labor Force Surveys do not include questions on potential or return migrants, leaving the policy makers in the dark on the stock and flows of Nigerians residing abroad, and the education and job market profile of aspiring and returning migrants.

Compared to the Philippines, the labor sending system in Nigeria lacks clear mandates and an accountability

**Table CCS.2. Comparing Nigeria’s federal overseas employment system to the Philippines’ system provides measures of several gaps in Nigeria’s migration management systems**

Framework	Key Features of the Labor Migration Sending System	The Philippines	Nigeria
<b>Governance tools</b>	National Migration Policy/Act	✓✓✓	✓✓
	Bilateral/Multilateral Labor Agreements/MoUs	✓✓✓	X
	Bilateral Social Security Arrangements	✓✓✓	X
	Policy on Diaspora Matters	✓✓✓	✓✓
<b>Programs, Actions, or Services</b>			
<b>Pre-decision</b>	Programs/Actions to Stop Irregular Migration	✓✓	✓
	Facilitation of labor flows through Government-to-Government arrangements	✓✓✓	X
<b>Pre-departure</b>	Travel documentation	✓✓✓	✓
	Public and Private Employment Intermediation Services	✓✓✓	✓
	Pre-departure orientation	✓✓	✓✓
	Skills training/Certification	✓✓✓	X
	Health/Medical Screening	✓✓	X
<b>During Migration</b>	Legal assistance and representation through Labor Attachés	✓✓✓	✓
	Diaspora services and networks	✓✓✓	✓✓
	Portability of benefits	✓✓	X
	Remittance services	✓✓✓	✓
<b>Post-return</b>	Reintegration assistance through health and social protection services	✓✓✓	✓✓
	Information and referral for wage and self-employment	✓✓	✓
<b>Cross-Cutting</b>	Production and dissemination of data on migration for evidence-based policymaking	✓✓✓	X
	Institutional coordination among stakeholders, including with stakeholders in countries of destination	✓✓	✓

Note: The table provides a stylized comparison of the sixteen key features of the labor migration sending system in The Philippines and Nigeria. Factors considered to perform the comparison includes duration for which the programs/services/policies are under implementation and to what extent they achieve their objectives, quality of services provided, administrative efficiency, grievance redressal etc. Three ticks represent that the feature is in the advance stages of implementation, two ticks represent the intermediate stage, and one tick represent the initial stage. The cross indicates that the feature is yet to commence or not yet available

mechanism across various ministries and departments. To sum up:

- The Philippines has been explicit in its labor-sending system, encouraging labor migration as a development strategy through BLAs, whereas Nigeria does not have a single BLA to facilitate labor flows to destination countries.
- The Philippines has benefitted from labor migration to a diverse set of destination countries and

from Filipino migrants who come from all strata of the skills spectrum. Nigerian migration, on the contrary, has tended to remain predominantly with a small subset of countries with close geographical or historic ties and has largely benefitted the wealthier segment of the Nigerian population.

- The Philippines’ labor export strategy, through POEA, explicitly regulated industries so that labor supply was destination-sector specific, for example,

the construction sector in the Gulf region, and health care as well as domestic care sectors across the globe. Nigeria has no such labor market system to respond to demand.

- The Philippines labor export strategy includes a sustainable approach for return and reintegration through OWWA, whereas Nigeria usually appeals to emergency approaches to evacuate migrants in distress.

## Areas for Policy Considerations

Both economic and demographic contexts in recent years have firmly highlighted the limited job opportunities in the domestic labor market in Nigeria. While the majority of Nigerian youth entering the labor market will need to be supported through domestic job creation initiatives, it is important to acknowledge the growing migratory pressures in recent years, and to recognize that managed labor migration can help unlock unrealized gains for the country's economy. One consequence of inaction has already manifested through an increase in irregular migration to Europe, where Nigerian migrants not only face higher economic costs, but also face physical and psychological abuse along transit corridors in Niger and Libya. As a response to the European migration crisis, several European donors have shown increased interest in the migration policy making space in Nigeria. However, most of the resources and attention have been devoted toward strengthening border controls or creating awareness around irregular migration. While those initiatives are necessary, they are not sufficient to address the challenge of irregular migration, as it overlooks the economic and demographic context under which irregular migration occurs.

Nigerian institutions are well-placed to promote managed migration approaches that help create opportunities for prospective Nigerian jobseekers to find employment internationally. They can also support the design of schemes that increase the returns to human

capital investments for Nigerian youth. Table C.1 provides a summary of 10 areas for consideration for policy makers. They are structured around four thematic areas, namely *expanding legal pathways for regular migration*, *improving support for current migrants*, *strengthening institutions governing labor migration*, and *harnessing better data for migration policymaking*. Each recommendation has a suggested timeframe attached to it: either short-term (6-12 months) or medium-term (1-2 years) based on the urgency of the issue and the capacity of the leading and participating agencies to carry out reforms. The table also assigns responsibility to a lead and participating agencies overseeing each of the 10 areas.

### Expanding Legal Pathways for Regular Migration

1. **Prioritizing the increase of regular migration alongside reducing irregular migration would unlock unrealized gains in Nigeria's economy.** By 2100, Europe's working age population between the ages of 20 and 64 is projected to decline by 30 percent, owing to low birth rates and increased longevity.<sup>103</sup> At the same time, the working age-population in Sub-Saharan Africa is set to expand by another 2 billion, significantly adding to the existing pressure on the local labor market. Emerging labor market trends in Nigeria highlight how worsening joblessness combined with a lack of regular channels for migration is leading to a surge

103. Clemens, M., Dempster, H., and Gough, K. (2019). Promoting New Kinds of Legal Labour Migration Pathways Between Europe and Africa. Available at <https://www.cgdev.org/publication/promoting-new-kinds-legal-labour-migration-pathways-between-europe-and-africa>

**Table C.1.** Areas for policy consideration to improve the migration management framework in Nigeria

Thematic Priority	Recommendation	Timeframe/ Priority	Lead Agency	Participating Agencies
Expanding Legal Pathways for Regular Migration	1. Secure more and larger labor migration partnerships with destination countries	Medium-term	Federal Ministry of Labor and Employment (FMLE)	Office of the Vice President, Federal Ministry of Foreign Affairs, Federal Ministry of Justice, Federal Ministry of Education, Federal Ministry of Health, ECOWAS
	2. Re-enable the International Labor Migration Help Desk (ILMD) to source and provide placement for overseas jobs	Short-term		
	3. Formulate strict compliance and accountability mechanisms for effective functioning of Private Employment Agencies (PEAs) that source foreign employment opportunities	Short-term		
	4. Set up a regional effort to allow talented African professionals to find work within ECOWAS and further afield	Medium-term		
Improving support for current and returning migrants	5. Provide support to migrants in distress abroad through labor attachés and diaspora organizations and through grievance redress mechanisms in Nigeria	Medium-term	Nigerians in Diaspora Commission	Office of the Vice President, Federal Ministry of Labor and Employment, Central Bank of Nigeria
	6. Facilitate labor market reintegration of returning migrants	Short-term		
	7. Coordinate with national and international financial institutions to reduce the cost of sending remittances to Nigeria	Short-term		
Strengthening institutions governing labor migration	8. Mainstream labor migration in key national policy documents	Medium-term	Office of the Vice President	FMLE, Nigerians in Diaspora Commission
	9. Reduce fragmentation and enhance coordination among migration working groups	Medium-term		
Harnessing better data for migration policymaking	10. Collect and disseminate timely data on migration through the regular Labor Force Surveys	Short-term	National Bureau of Statistics	FMLE, Office of the Vice President, Nigerians in Diaspora Commission

in irregular migration. Opening new channels for safe, orderly, and regular channels for young Nigerians to migrate regularly could lead to a win-win scenario, displacing some of the existing irregular flows while allowing Europe to address growing

labor shortages in the region. One way to make use of this opportunity in a pragmatic way is described in detail in the companion report titled *Expanding Legal Pathways from Nigeria to Europe: From Brain Drain to Brain Gain*.<sup>104</sup> This report highlights

104. A Global Skill Partnership is a bilateral labor migration agreement between a country of origin and a country of destination. A country of destination would invest in training and education within the country of origin (in this case, Nigeria) to develop skills needed in both Nigeria and abroad. Those trained

the feasibility of using a Global Skill Partnership between Nigeria and Europe to invest in training and education within Nigeria and to develop skills needed in both Nigeria and Europe. Structured and mutually beneficial migration partnerships with countries of destination, that also take Nigeria's national development ambitions into account, could benefit Nigeria by addressing growing unemployment and skills mismatches and bringing more remittances into its economy. Similarly, the EU's New Pact on Migration and Asylum, highlights specific goals to promote more legal migration pathways with Sub-Saharan Africa. This will not only help Europe address growing labor shortages in key sectors of the economy but will also allow it to build stronger cooperation with countries of origin and transit and benefit from enhanced cooperation for economic development in the process.

**2. Enhancing the technical and financial capacity of platforms such as NELEX and MRC would support the objective of expanding legal migration.** Donor and private sector led efforts are currently underway to build the capacity of FMLE which hosts platforms such as MRC which provides pre-departure orientation and training to potential migrants, and NELEX that helps source domestic and international jobs to match domestic and international employers with Nigerian jobseekers. These platforms suffer from lack of financial and technical resources to carry out international labor intermediation and should be strengthened through government and donor efforts. Similarly, prospective migrants could be better informed on steps involved to migrate through regular means and the harms of irregular migration. As an example, the OWWA in the Philippines provides a comprehensive web platform to disseminate this information.

**3. Addressing gaps in supervising the activities of PEAs would facilitate more effective overseas recruitment.** For now, government policy suspending recruitment for international jobs has not really halted overseas labor recruitment from Nigeria but has rather translated into a suspension of the involvement of FMLE in the process. This not only creates room for unregulated labor recruitment but also creates systems that could expose labor migrants to exploitative practices, including human trafficking and migrant smuggling. The reasons for the suspension of overseas recruitment are linked to the need to review the status and capacity of licensed PEAs, as well as to identify active and functional ones.<sup>105</sup> One way of addressing this problem early could be by mandating PEAs to prove operational capacity for overseas recruitment prior to licensing. This approach could guard against the licensing of speculative PEAs which have little or no capacity to deliver and would curtail the operation of disqualified PEAs within the labor migration sending system. Other gaps that have been identified are in areas such as monitoring of recruitment activities, fixing of uniform recruitment fees, and the handling of recruitment data. Lack of compliance with established regulations in the conduct of recruitment exercised by PEAs needs to be addressed. Some sensitizations could be done through associations such as the Human Capital Providers Association of Nigeria (HuCaPAN) and the National Employers' Consultative Association, to ensure more transparency, accountability and compliance with regulations by the PEAs in dealing with potential labor migrants. To align incentives, PEAs may be required to make an operating deposit to the FMLE as a guarantee of either adhering to established operational guidelines or forfeiting the deposit as penalty for nonadherence.

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under the "away" track would also have access to language and cultural training, and then have their migration facilitated. Those on the "home" track would be plugged back into the Nigerian labor market.

105. Information obtained during the World Bank consultations with FMLE.

Forfeited deposits could be deployed in assisting unsuccessful labor migrants to return home. This could incentivize the PEAs to follow due diligence in ensuring that there is an actual demand for labor before sending prospective migrants abroad.

4. **Working with ECOWAS, Nigeria can help set up a regional labor migration agency that would allow talented African professionals to find work in West Africa and further afield.** Among the benefits that such a regional agency could bring are enabling systematic and safe intra-regional labor mobility through managed migration approaches; facilitating labor intermediation and the certification of skills training and recognition at a regional level; offering social protection services, such as insurance and portability of benefits to migrants; and, facilitating bilateral agreements with countries outside Africa.

## Improving Support for Current and Returning Migrants

5. **Currently, mechanisms to support current migrants in need are not well-established within Nigeria's Federal Overseas Employment System.** When migrants find themselves in risky situations, their best course of action is finding support through labor attachés. A key weakness in Nigeria's Federal Overseas Employment System is the lack of labor representation abroad through labor attachés. The presence of labor attachés is not only crucial for the protection of vulnerable migrants overseas but also to explore employment opportunities within host countries, especially destination countries where ageing populations are leading to job openings and identify sectors within countries with skill shortages. Besides providing support through labor attachés, there are multiple other initiatives that could help Nigeria provide better support to migrants in the diaspora. In the absence of labor attachés in formal diplomatic missions, Nigeria could leverage large

and growing numbers of diaspora organizations to provide support to its migrants. NiDCOM is currently in the process of formalizing a database of all diaspora organizations globally to link them to new migrants as well as migrants in need. Another way of supporting Nigerians in distress abroad is by establishing a dedicated grievance redress hotline that could route all of the issues through an agency like NiDCOM to relevant authorities within Nigeria. Finally, Migrant Welfare Funds could be established to support migrants in need by collecting a small deposit from all outgoing migrants and using the proceeds to help migrants when the need arises. Many South Asian countries such as Pakistan, Bangladesh, and Nepal have utilized such approaches.

6. **Returning migrants, both regular and irregular, need special support for re-integration into Nigeria's difficult labor market.** More than 15,000 Nigerians have been repatriated from various countries since 2016. More migrants could return following the onset of the COVID-19 induced economic crisis in destination countries, that has eroded income-earning opportunities. Returning migrants need to be better equipped with information and referrals on services available in Nigeria (such as applying for a business loan, investing options, getting accredited for skills, searching for jobs, and seeking health and social protection services, among others). Proactive outreach well before and immediately after return, intensive follow-up and handholding after the provision of information and referral services, and a formal link to the services offered for preventing irregular migration and promoting better migration could put returning migrants on a sustainable economic path in Nigeria. NiDCOM offers a suitable platform for hosting these services.
7. **Given the importance of international remittances to Nigeria's economy, a concerted push by the government is required to bring down the**

**cost of sending remittances to Nigeria.** The cost of sending money from abroad to Nigeria remains nearly three times higher than the SDG 17.3 mandated target of 3 percent. Among the top 10 countries receiving the highest volume of remittances, Nigeria is only second to China as the costliest countries to send remittances. The cost of sending remittances to Nigeria are higher from within Africa than from outside of the continent. Since most intra-African migrants are less wealthy and less educated compared to their extra-continental counterparts, these regressive remittance fees are hurting those who could benefit the most from additional dollars going to families instead of service providers. Experts argue that one potential way of reducing these fees is “opening access of money transfer operators (MTOs) to partnerships with national post offices, national banks, and telecommunications companies to remove entry barriers and increase competition in remittance market.”<sup>106</sup> The World Bank is currently supporting the CBN in conducting a Remittances Market Assessment and providing assistance to create a roadmap for reforms to reduce remittance costs.

## Strengthening Institutions Governing Labor Migration

8. **Labor migration needs to be mainstreamed in key national policy documents.** While key sectoral documents such as the National Labor Migration Policy (2014) and National Employment Policy (2017) offer suitable suggestions to leverage managed migration for providing overseas employment opportunities to Nigerian youth, the issue of migration is absent or less salient in the Economic Recovery and Growth Plan (ERGP 2017–2020). With Nigeria receiving more than US\$25 billion in remittances in 2019, the absence of migration as a mainstream development tool to provide jobs to the bulging youth

population is perplexing. The drafting of the new ERGP provides a good opportunity for labor migration to be mainstreamed as one of the key strategies to generate employment for Nigerian jobseekers.

9. **Despite the proliferation of several initiatives in the recent past, international labor migration has remained on the fringes of Nigeria’s main policy-making agenda and lacks a champion coordination body.** The effective coordination of the labor migration process in Nigeria is anchored by several key stakeholders and working groups, as described earlier. It is critical that their responsibilities are clearly delineated, and an effective coordination mechanism established to manage migration, regulate recruitment and remittances, and establish the country’s obligations to its migrants at all stages of migration—before, during, and after. The Office of the Vice President (OoVP) in Nigeria plays a role in coordinating efforts with various line ministries and across many sectors supporting the job creation agenda in the country such as innovation, entrepreneurship, and skills development. The OoVP is thus well suited to coordinate the currently fragmented nature of international migration related initiatives in the country due to its convening power, both among the line ministers as well as among donors who are increasingly more active in the migration space.

## Harnessing Better Data for Migration Policy making

10. **Understanding the characteristics of international migration from Nigeria is challenging due to a lack of comprehensive data on stock and flow of Nigerian migrants, and their education and job market profile before and after migration.** Despite efforts from national statistical agencies and international organizations, data to understand stock

106. Ratha, D. (2021). Keep Remittances Flowing to Africa. Available at <https://brookings.edu/blog/africa-in-focus/2021/03/15/keep-remittances-flowing-to-africa/>



and flows of Nigerians residing in other countries remains incomplete and fragmented. The education and job market profile of Nigerian migrants before migration is not collected in representative household surveys in Nigeria, which makes it difficult to assess their skills and qualification levels prior to migration. Disaggregated data availability on Nigerian migrants in high-income OECD countries has improved considerably in the last two decades but further improvements could be made to enable comparison of migrants across a wider range of criteria in destination countries. Data could also be made available at more frequent intervals. Despite a large share of Nigerian migrants residing within countries in Sub-Saharan Africa, the status of intra-African Nigerian migrants in terms of nature (temporary, circular, or long-term) or motive (business, education, or transit) of migration is hard to assess. Regional bodies such as ECOWAS could play a role in improving and strengthening migration data management systems in its member countries. For bilateral and multilateral agencies, parallel investments on improving migration data systems in Nigeria can aid ongoing efforts in raising awareness against irregular migration and in improving the processes governing regular migration.

Despite the benefits, Nigeria has scant structures in place to reap benefits from international labor migration. This chapter introduced a migration life cycle

framework and presented 16 essential features against which the current international labor migration practices in Nigeria were benchmarked. Even with a plethora of agencies and stakeholders working on managing migration, significant gaps emerge when comparing the labor sending system in Nigeria to that of a mature system such as the one in the Philippines. Prominent gaps in the Nigerian labor sending system include: (i) absence of BLAs and MOUs to strategically place labor abroad; (ii) failure to systematically create and advance regulations on PEAs to place Nigerians into overseas employment; (iii) failure to appoint labor attachés in Nigeria's global diplomatic missions to advance the welfare of Nigerian workers; (iv) lack of understanding of destination-sector specific gaps where Nigerian nationals can help fill labor shortages; (v) lack of data to advance migration policy making; (vi) high costs of sending remittances to Nigeria; and (vii) ad hoc and donor driven return and reintegration approaches as emergency measures without programs and policies to systematically benefit from the skills of returning migrants.

With Nigeria receiving more than US\$25 billion in remittances in 2019, the absence of migration in mainstream policy documents and as a strategy to provide jobs to the bulging youth population is perplexing. The drafting of the new ERGP provides a good opportunity for labor migration to be mainstreamed as one of the key strategies to generate employment for Nigerian jobseekers.

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