

## 17th OSCE ECONOMIC AND ENVIRONMENTAL FORUM

**“Migration management and its linkages with economic, social and environmental policies to the benefit of stability and security in the OSCE region”.**

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Mr. Chairman, Ladies and Gentlemen,

I would like to express my appreciation to the Government of Albania for hosting this meeting. I would also like to thank Greece as Chairman-in-Office for bringing us together in Tirana today. Let me also commend the Office of the Co-ordinator of OSCE Economic and Environmental Activities for their excellent preparations for this meeting. The chosen theme could not have been more pertinent.

We are going through difficult economic times. And when times are difficult the OSCE is more important to us than ever. It is important because it brings together 56 countries in a constant political dialogue on key issues for the stability of our area. It is important also because it covers so many of the various components – security, political and human dimension - that we need to address. Migration management and its linkages with economic, social and environmental policies is indeed a key issue for the stability of the OSCE area.

Migrants are important contributors to the economy of many if not all OSCE countries, both countries of origin and countries of destination. In fact, most OSCE countries are both countries of origin, transit and destination for migrants. And many migrants or people with immigrant background from OSCE countries are today an integral part of the societies of destination countries in the OSCE region.

I would like to focus my intervention on the following two issues: Firstly, an assessment on how migration can contribute to economic development and how we can maximise the development impact of migration. This is an issue that has in recent years received increasing international attention. It is even more crucial to address it in times of economic crisis, combined with increased competition for scarce financial resources and for highly qualified migrants. The OSCE can undoubtedly have an important role in enhancing the link between migration and economic development in the region.

Secondly, I would like to propose a brief update on Norway’s policy on migration and on the nexus between migration and development, including concrete measures that the Norwegian Government is undertaking in this field.

Turning to the first issue, let us start with the global picture regarding **international migration and its contribution to economic development**. According to World Bank figures, there are some 200 million migrants in the world today. And migrants send

remittances to developing countries amounting to approximately 300 billion USD per year. 200 million people represent some 3% of the world's population. So even if international migration is an increasing phenomenon as a result of globalisation, it is still quite limited. In fact, the same proportion of the world's population migrated some 100 years ago, when 750 000 Norwegians and millions of other Europeans went to the United States to look for a better life. As a result, over 5 million Americans today are of Norwegian origin, corresponding to the current population of Norway, and they have contributed a lot to the strong relationship between our two countries.

The 300 billion USD sent every year by migrants to their countries of origin represent the same amount as all international direct financial investments to developing countries, and they represent 3 times more than all international development assistance.

Among the top 10 remittance recipient developing countries in 2008 were after India, China, Mexico and the Philippines, the OSCE countries Polen as number 5 in absolute figures with USD 11 billion and Romania as number 7 with USD 9 billion. As percentage of GDP, two OSCE countries figure at the top of the list: number 1 is Tajikistan with 45% of GDP, and number 2 is Moldova with 38% of its GDP.

In countries of origin, remittances contribute both to national economy, to local economy and to poverty alleviation for millions of people. Thanks to remittances, children can receive better education, families can afford health services, and investments are made in housing, in small enterprises and in a number of other social and economic sectors.

In these times of financial crises, many migrants from OSCE countries have had to leave their country of destination and return home, often to countries that are affected even harder by economic and social hardship. As a consequence, remittances are declining, resulting in a negative spiral.

However, there is, at least until now, clear evidence that remittances are declining far less than other financial resources. The World Bank speaks in this regard about the "resilience" of remittances. In fact, remittances still increased from 2007 to 2008. And in 2009, the World Bank expects remittance flows to developing countries to fall by 1-6% globally.

As capital flows and development assistance are expected to decline far more in many poor countries, remittances will become even more important as a source of external financing and for poverty alleviation.

In a longer term perspective, it is likely that labour migration will continue to increase, due to the demographic situation in most OECD countries as well as in some countries in Asia.

In the current context of financial crisis, it is more important than ever to consider **how the economic development impact of migration can be maximised.**

Two measures seem particularly evident: the first is to facilitate and reduce costs of remittances. Remittance flows could also be made easier, safer and utilized more effectively for leveraging credit. The second is to cooperate more closely with migrants and diasporas in

economic and social development activities undertaken in their countries of origin. These measures can be undertaken by both countries of origin and countries of destination. In our view, the OSCE is very well suited to contribute in this respect by providing a platform for cooperation, by providing information on best practices, and by providing information and technical assistance.

The economic development impact of migration in the OSCE region will continue to depend to a large degree on the political, social and economic conditions in countries of origin, including the human rights situation, the rule of law and the investment climate. The OSCE has proven to have added value with regard to the strengthening of democracy and human rights in the region. This should continue to be high on our agenda in the coming years if we are to succeed in linking migration even closer with economic development.

The most effective migration management that can be put in place by both countries of origin and of destination in the OSCE region is one that ensures protection of the human rights of migrants and their families and decent work for all workers, including migrant workers. The main elements of effective protection of migrants are implementation of human rights obligations, decent work, gender equality, well distributed wealth in society and general welfare. Protection must begin at home and continue until the return of migrants.

Migrant workers, with their families, account for almost 90 per cent of total international migrants. Consequently, policies and regulations ensuring decent work for all workers, including on a non-discriminatory basis migrant workers, are key. All the eight fundamental ILO Conventions generally apply to migrants workers as well, because of their status as workers.

Norway is now a rich country. But when we got our first Workers Protection Act in 1892, together with our first Labor Inspectorate, we were among the poorest countries in Europe. The social dialogue between government, independent worker's and employer's organizations has been a crucial factor for our economic and social development.

Improved working conditions foster good economic development and makes economic growth sustainable. It is already clear that adverse economic development following the current crisis may have long term implications also for working conditions. The economic crisis therefore makes the task of improving working conditions even more important.

Protection of migrants is particularly important for lower skilled temporary workers, women and children. Almost half of the world's 200 million migrants are women, and they are increasingly migrating on their own for the purpose of work. Migration can also be an empowering experience for women, and this should be supported by States.

Finally, in particular during this period of economic and social hardship, effective measures should be taken by states and by the OSCE to prevent discrimination, xenophobia and racism in the larger society and to recognize migrant workers as needed members of society.

## **Norway's policy on migration and on migration and development**

Norway is today a destination country of migration with a current foreign born population of 460 000 representing some 10 per cent of the population. Norway's immigrant population consists of people from 213 different countries and independent regions. They have come either as refugees, as labour migrants, to study, or to join family living in Norway. Almost 50% have a European background. The majority of the immigrants are from Poland, Sweden, Iraq and Denmark. Approximately 40% of the immigrants have Norwegian citizenship.

In Norway as in many other European countries, there has been a shift in migration policy from primarily reducing migratory pressure to an approach making migration a positive force for economic development. There is also increased recognition of the importance of closer policy cohesion to enhance the developmental impacts from migration.

Especially after the EU enlargement in 2004, Norway has experienced a rapidly growing labour migration from the new EU-member states in Eastern Europe. Norway has been part of a common Nordic labour market for many years and is also part of the EU labour market. The vast majority of labour migrants in Norway originate from the other Nordic countries, Poland and the Baltic states.

Norway adopted in 2008 a new policy on Labour migration. It includes a number of measures which give a more user-friendly, transparent and predictable policy towards labour migration.

The Government aims to facilitate good mobility of labour in the **High North** by stimulating mobility between Northern Norway and Northwest Russia. The following measures have therefore been decided: Temporary work permits are given for Russians from the Barents region, with no qualification requirements, and permitting work within all industries in the three northernmost regions of Norway. Permits are also provided for part-time work for cross-border commuters from Russia. The establishment of a joint information and processing office in Kirkenes has been decided. In addition, measures have been taken to simplify travel and border crossings through amended visa rules and modified visa checking practises.

**To ensure increased cohesion between migration and development and to address concern of countries of origin**, the Norwegian government has adopted, inter alia, the following 3 measures: First: to contribute to the establishment of international standards to prevent the active recruitment of employees with higher education and qualifications of whom there is a major shortage in developing countries, in particular in the health sector. The Government will, until international standards are in place, prepare its own standards. Second: Norway will examine the possibility of granting unskilled employees from developing countries, under the framework of development projects, permits for temporary work in Norway. Such arrangements can form part of the development of arrangements for circular migration. Third: The Government will pursue a dialogue with the financial sectors both in Norway and in developing countries, and with the authorities in their countries of origin, as to how remittances to the countries of origin of labour immigrants can be made simpler and cheaper.

In a new white paper on Norway's policy on international development cooperation recently presented by the Government it is clearly stated that a main objective of Norway's policy on migration and development is to increase the benefits of migration for developing countries. This is done in particular through facilitating and increasing the benefits of remittances, and by strengthening the partnership with diasporas in development cooperation.

Norway is implementing a pilot program concerning the mobilization of immigrants from developing countries that live in Norway in development cooperation in their home countries. This includes co-financing by the Norwegian development assistance funds and migrants of projects in the countries of origin based on 50-50 % funding between private and public sources. It includes important competence building elements.

Immigrants in Norway and Norwegians with immigrant background send important amounts of remittances to family and relatives in their countries of origin. The costs of sending remittances can be very high, up to 20 per cent. The MFA has initiated dialogue with relevant ministries, public institutions, private financial institutions, banks and diaspora organisations to contribute to cheaper and more effective remittances. The Government has decided to develop a website called [Finansportalen.no](http://Finansportalen.no) with a so called "sending money home" function including information to contribute to transparency and increased competition.

**In concluding**, the economic benefits to both sending and receiving countries can be substantial if both the migration policy and the international development assistance policy are geared towards maximizing them. We need to take better advantage of the potential of migrants as a powerful resource for the development in the countries of origin.

Many recommendations regarding the role of the OSCE in maximising the economic development impact of migration have already been put forward. The OSCE could further promote and facilitate the exchange of best practices and lessons learned as well as capacity-building activities for government officials and civil society. This conference in Tirana is a good example in this regard.

Thank you for your attention.