

# Migration returnee database and contribution to local development in Thailand

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The 2030 Agenda for Sustainable Development recognizes migration as a catalyst for sustainable development (IOM 2017). Migration contributes to the economy and social development in both sending and receiving countries (Mohieldin and Ratha 2019). For instance, migrants spend on consumption in the host countries, and also send remittances back home.

Thailand has sent migrants overseas in large numbers since

the 1970s. After the political situation changed when the US military shut down operations in Udonthani province, some 100,000 migrants left to work in the Middle Eastern countries including Saudi Arabia, the United Arab Emirates and Bahrain. In the 5th National Economic and Social Development Plan (NESDP) (1982-1986), Thailand's development strategy formally included promoting out-migration, reflecting the growing importance of migrants' contribution to the national economy.



Thai overseas migrants report their travel at the labor control office in Suvarnabhumi airport in Bangkok, Thailand (photo: Sopon Naruchaikusol).



By 1995, the number of Thai overseas migrants had reached 202,300 (DOE 2018). In contrast with some other countries, however, the number significantly declined thereafter. Over the past 20 years, particularly after 1999, the expansion of Thailand's domestic industrial and service sectors led to more domestic demand for labor, which shifted the focus to internal migration.

By 2009, around 74% of Thailand's internal migrants worked in the industrial sector, a rise from 64% in 1999 (National Statistical Office 2012). This was due to internal job opportunities in an expanding national economy and the distribution of development to major regional cities. From 2015 to 2019, the number of Thai overseas migrants declined slightly to 58,826 (Table 1), although the remittance value significantly increased from Thai baht (THB) 100,480 million to THB 194,960 million over the same period (Naruchaikusol 2020).

In addition to remittances, migration has multiple other benefits. These include accumulation of savings, short- and long-term investment planning, and application of skills and knowledge acquired abroad to contribute to human capital development at home—the so-called 'social remittances'. Financial remittances are used for diverse household purposes including consumption spending, debt repayment, children's education, farm investment, new business establishment and house renovation. On the other hand, social remittances contribute to human capital development—for example, through adoption of new business models and farming practices—and thus enhance household adaptation capacity and support local development.

## Why do migrants return to home areas?

Although migrants can earn more in the destination area, many prefer to live and work closer to their families over time or after they have reached certain goals. Migration return decisions are part of household strategies to

temporarily shift to using accumulated savings, or to support household livelihoods, children's education, farm investment, and acquiring skills and knowledge required to set up businesses at home (Wahba 2021).



One returnee brought back savings and new ideas from his work in Israel and South Korea to improve farm irrigation, fertilizing techniques and online marketing in Udonthani province, Thailand (photo: Sopon Naruchaikusol).

**Table 1.** Thai overseas migrants classified by gender and destination region (2015-2020).

Year	Middle East		Africa		Asia		Europe		North & South America		Australia and Oceania		Total
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	
2020 <sup>a</sup>	2,202	70	540	4	14,642	3,965	5,560	1,333	239	171	199	72	28,997
2019	6,598	497	560	25	29,019	8,215	9,381	2,927	541	363	508	192	58,826
2018	6,426	436	1,735	7	32,982	7,928	8,143	2,431	573	479	501	194	61,835
2017	6,141	496	1,383	23	34,622	9,380	6,089	2,028	491	472	552	197	61,874
2016	7,811	644	1,976	36	36,616	9,695	7,698	2,218	552	439	502	230	68,417
2015	8,560	796	938	19	36,850	9,714	8,693	2,359	563	359	583	230	69,664

Source: DOE 2021.

Note: <sup>a</sup> The first case of COVID-19 infection in Thailand was detected in January 2020. The government implemented nationwide lockdown measures in April 2020.

A voluntary return decision involves a number of factors, including planned investment of accumulated savings to start a business and declining household economic pressure (e.g., debt clearance, child education, etc.). However, not all returns are planned. A migrant might decide to return because of a health problem, unemployment or termination of the working contract, or for personal or family reasons, even political and other crises such as the COVID-19 pandemic in the home or destination area. After returning, successful migrants who have acquired savings, skills, knowledge and social capital (e.g., networks, market connections, etc.) are likely to invest capacity in their place of origin.

## Migration benefits

Migration brings broad benefits to places of origin as well as destination areas by filling labor gaps, generating more tax revenue, and contributing to economic growth, innovation, and entrepreneurship. Notably, it provides livelihood opportunities and raises the income and living standards of migrant households and communities. In addition, migration plays a vital role in reducing household vulnerability to poverty and climate change. Migrant remittances can contribute to household investment, and act as a buffer against the adverse impacts of climate and market risks, enabling households to buy safer land and improve irrigation systems. Importantly, remittances and accumulated savings allow households to ease credit constraints and set up businesses (Wahba 2021).

The social remittances returnees bring back with them include ideas, behaviors, identities and social capital (Levitt 1998). Apart from skills, this form of remittances can include networks that can contribute to a change of mindsets, social norms and institutions. They can shape future life aspirations and ways of seeing and doing things (TransRe 2018), such as ways of saving, ideas for community

development (e.g., community internet establishment), family norms and Buddhism's offering ceremony "Thod Phapa". Such changes have significant potential to improve the livelihoods and social status of migrant households, and can also inspire change at the community and even national level if the government adopts policies that encourage returnee investment and integration back into the internal labor market. Effective use of social remittances, therefore, requires strategic planning and investment with proper institutional and policy support provided to assist returnees' efforts to invest their skills and capital in the home area.

## Lack of information on social remittances

Presently, it is the mandate of the Department of Employment (DOE) to monitor overseas migration by Thai nationals. Typically, the migrants report their travel at the DOE labor control checkpoint at the airport when departing and returning. This requires them to undergo a migration survey procedure (called "reporting of re-entry to work overseas of Thai migrant BE 2540" and "reporting of return through the electronic method BE 2561"), which allows the migrants to efficiently process their re-entry. The migration survey, conducted by government agencies such as the National Statistical Office (NSO), DOE and the Bank of Thailand (BOT), records in- and out-migration flows and financial remittances.

However, this reporting system does not work effectively for self-organized migrants who may be part of irregular migration, resulting in missed returnee information. Moreover, social remittances are often overlooked in migration surveys or reporting. This leaves out important information that can help in the design of reintegration policies and initiatives or training programs to assist in applying and disseminating skills acquired overseas in farm irrigation management, digital marketing, etc.



This marigold flower and organic rice berry farm set up by a returnee in Udonthani province, Thailand, uses online marketing to sell its produce (photo: Sopon Naruchaikusol).

## Migration returnee database and implications for development

The 2017-2021 DOE employment strategy of the Overseas Employment Administration Division (OEAD) considers measures to improve the existing migration database (DOE 2018). It plans to fill the aforementioned gaps in the survey process for out-migrants, return migrants and migrants who overstay their work permit. It also aims to expand migrant reporting to digital platforms and other channels with additional information recorded such as skills and knowledge and expected employment position.

This additional migration data can be useful in local development planning. Such information can raise the awareness of local policymakers and leaders in utilizing the benefits of migration to achieve local development goals, given that subnational and local governments are key to achieving greater development effects from migration (IOM 2017). In addition, the migration database can be integrated with other platforms such as geographic information system (GIS) data links to provide a spatial overview of migrant households, their educational levels and working skills to help indicate the human capital required for development needs in a particular area. Migration data collection can also be conducted at the

local level using various methods such as face-to-face interviews and participatory methods during monthly community meetings.

Migrants face difficulties when they return home as their skills may be unrecognized, or there may be a mismatch between skills acquired and job requirements in the local labor market. In addition, an employer's recruitment processes can be strictly focused on formal educational attainment and documentation. The migration database can help improve reintegration of returnees by aiding utilization of skills and knowledge obtained abroad (Testaverde et al. 2017).

Key information from the migration database can be given to policy research analysts to use in designing local development strategies and action plans, which can be further disseminated to sub-district, provincial and national policy bodies. This would help mediate or shape program design for upskilling and reskilling initiatives, and thus strengthen the professional credentials of returnees. In addition, the migration database can display the social capital available in an area, which the local government can explore and use to connect returnee migrants with opportunities in development projects—for example, as resource persons to promote ecotourism in the community, act as tour guides, and engage in improving tourism business networks, accommodation and services.



Data being collected from returnees by local government officials in Chiang Mai province, Thailand (photo: Sopon Naruchaikusol).



Rice fields in Phitsanulok province, Northern Thailand (photo: Sopon Naruchaikusol).

Moreover, the migration database can contribute to agricultural development and enhance climate change adaptation capacities in the place of origin of migrants. Flow of farming knowledge and skills such as new farming practices, irrigation and fertilizing techniques, introduction of new plant varieties and new marketing channels can enhance household income diversification to respond to climate variability. In addition, related government institutions can connect the migration database to the existing agricultural extension program (e.g., the Young Smart Farmer [YSF] program) in order to facilitate exchange of farming knowledge between returnees and the younger generation of farmers.

## Conclusions and policy recommendations

Migration is considered an essential phenomenon involving the economic, social, and political spheres of society in both the place of origin and the destination. A migration database should be a comprehensive collection of empirical data on internal and international migrants, recording the individual or household socioeconomic and migration experience, including destination, migration needs, year of migration, skills and knowledge, remittance flows and usage.

Expanding migration data collection to include social remittance information can help in making better policies

to support national and local development. Policy recommendations by our AGRUMIG project highlight possible options for improving the existing migration database in order to better utilize migration benefits in support of (local) development:

1. Government agencies related to migration should promote various registration/reporting options, including the use of online/mobile applications and community leaders/labor volunteers. In addition, results from data collection efforts should be used to organize capacity-building workshops for local leaders and policymakers on migration and reintegration of returnees. The aim of these workshops should be to better understand migration benefits, particularly the gaining of skills and knowledge from migration, their potential to contribute to regional and local development and the additional support needed.
2. A package of incentives including soft loans, an agricultural innovation fund, upskilling/reskilling programs and employment opportunities in the domestic labor market can help in encouraging returnees to report when they return to the country. In addition, data on social remittances in the form of skills and knowledge must be included in the reporting form and migration survey.

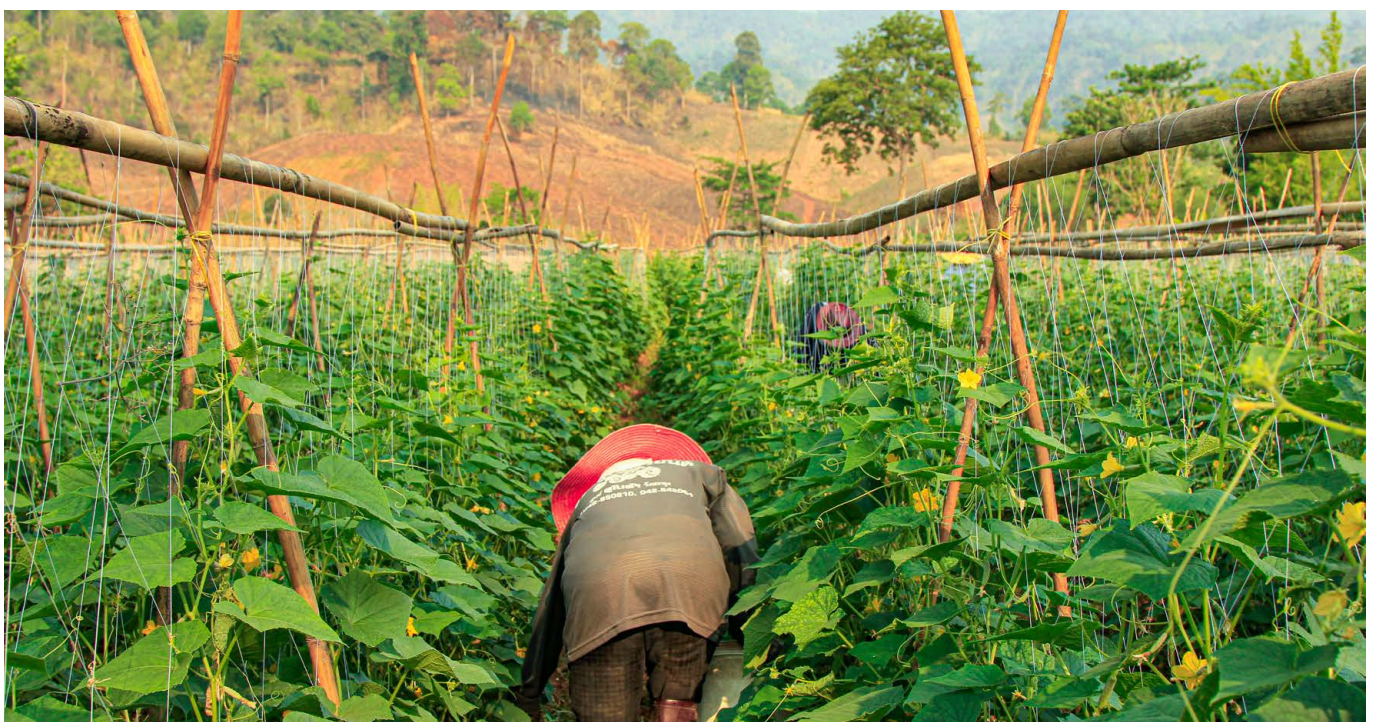


A returnee used remittances and the skills acquired during migration for house renovation in Udonthani province, Thailand (photo: Sopon Naruchaikusol).

3. Related government agencies should provide a platform to encourage returnees to transfer new ideas and norms that can improve rural livelihoods, investments, and economic and political outcomes. In addition, returnees can carry out various activities in the community such as sharing experiences with a community committee, introducing new business models and marketing networks, agricultural innovation development and farm irrigation improvement.
4. Local government should be encouraged to collect migration data together with labor volunteers, particularly on social remittance information, and integrate social remittance utilization into planning processes at the sub-district, district and provincial levels. This will promote use of the skills and knowledge of returnees to support local development activities such as agricultural innovation, tourism and marketing.
5. A mechanism should be instituted to use the professional credentials of returnees (e.g., professional certificate endorsement by the Department of Skill Development [DSD] or related government agencies and recognized employer representatives) to supply the labor market. The establishment of professional credential standards for semi-skilled and skilled labor must be agreed upon and endorsed by both government and employer agencies in order to harness the returnees' skills for the domestic labor market.
6. The returnees' skills acquired abroad might not match the skills needed in the domestic labor market. Therefore, it is necessary to upskill (lift existing skills to fulfil the local labor market needs) and reskill returnees (provide training or advice to enhance new skills to meet the local labor market) and adjust their skill set to meet domestic labor market needs.
7. The reintegration program should aid information flow to returnees on migration benefits and enable networking between them. Returnee activities organized by host country institutions under bilateral agreements (e.g., International Manpower (IM-Japan) and Human Resource Development Service of Korea (HRD-Korea) can be used as a model to network, exchange and share experiences, and feed skilled returnees into local recruitment processes. Moreover, the program should connect returnees to existing innovation and development projects such as the YSF program, small and medium-sized enterprises (SMEs), and community enterprises, as well as loan schemes for agricultural innovation to share the skills and ideas of returnees with local people.

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A returnee working on her cucumber farm in Phitsanulok province, Thailand (photo: Sopon Naruchaikusol).



Migrant remittances have contributed to enhancing the climate change adaptation capacity in Chiang Rai province, Northern Thailand (photo: Sapon Naruchaikusol).

#### **AGRUMIG Policy Brief Series**

This policy brief is one in a series of briefs produced as part of the AGRUMIG project.

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#### **AGRUMIG Project**

The project titled **AGRUMIG 'Leaving something behind' - Migration governance and agricultural & rural change in 'home' communities: Comparative experience from Europe, Asia and Africa** proposes an integrated approach to migration governance to address the two-way relationship between labor mobility and changes in agriculture and the rural sector. Migration creates challenges for rural 'sending' communities in low- and middle-income countries, yet it can also be transformative. The project engages in a comparative analysis of seven countries (China, Ethiopia, Kyrgyzstan, Moldova, Morocco, Nepal and Thailand) to identify the economic, institutional, cultural and agroecological factors which shape these relationships. It will identify the range of governance interventions that can harness migration to stimulate sustainable, gender equitable growth in agriculture, and reduce the distress associated with migration.

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**Project website:** <http://agrurig.iwmi.org>

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This project is part of the MARIS (Migration, Agriculture and Resilience: Initiative for Sustainability) network (<http://maris.iwmi.org>)

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