

From poverty to complexity? The challenge of out-migration and development policy in Ethiopia

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Key messages

- Ethiopia is experiencing significant rural out-migration, both internally and internationally.
- There is a lack of a coherent national migration policy in the country, which is a potential development hindrance.
- Establishing a national migration policy and improving bilateral arrangements with receiving countries could help Ethiopia reap greater positive impacts from migration and remittance income, including assisting in crucial processes of social transformation in rural areas.

Background

Migration, particularly labor migration, is a complex social phenomenon with many facets. These include regular and irregular migration patterns, international and internal migration pathways, and short- and long-term movements. In policy and literature, migration is often linked to other global concerns, including poverty and economic development, political conflict and enduring social inequalities, land degradation and climate variability (World Bank 2016a; OECD 2013; ISSC, IDS and UNESCO 2016; Hermans-Neumann et al. 2017). During the process of establishing the United Nations Sustainable Development Goals (SDGs) (ODI 2018), migration has increasingly become a development topic that has gained importance globally. These factors highlight how closely interlinked types of migration are with different patterns of inequality, poverty and political change.

In Africa, there has been an increasing trend in migration over the last decade. This has been one of the continent's most salient development concerns, generating calls for urgent attention (African Union Commission 2018). Migration within (and out of) Africa has also drawn in the European Union, with increased funding provided through its Emergency Trust Fund for Africa (EUTF for Africa). This fund aims to address the "root causes" of irregular migration, and contribute to better management and governance of migration (European Commission 2019).



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Migration in the Ethiopian context

This brief assesses the current state of migration-related policies in Ethiopia, and provides some early recommendations and policy pointers based on work carried out under the AGRUMIG project, including consultations held at national and subnational levels. Migration in Ethiopia, both internal and international, has been increasing in recent decades driven by structural factors in the country's economy and society. In 2005, rural-urban migration was 24%, but this increased to 33% in 2013 (FDRE 2014). Due to the absence of centralized registration and the prevalence of irregular, informal migration, the exact number of migrant Ethiopians abroad is unknown. The most recent estimate is that about two million Ethiopians are living and working abroad, but this could be a significant underestimation of the actual number, especially since out-migration has increased in recent years (ILO 2017). According to the 2015 Ethiopian Migration Profile, the international migrant stock of Ethiopians living abroad has increased over the years, from 662,444 people in 2000 to 1,072,949 in 2015 (ILO 2017). It is estimated that around 460,000 Ethiopians legally migrated to Saudi Arabia, Kuwait and Dubai between September 2008 and August 2013 (ILO 2017). However, the number of irregular migrants living and working in the Gulf states is assumed to be twice the number of officially registered migrants (Lindgren et al. 2018).

Demographically, Ethiopia is the second most populous country in Africa after Nigeria, with a population exceeding 100 million people (WorldAtlas 2019). Youth (below the age of 29) represent almost 70% of the population, with a very high unemployment rate and demand for employment far exceeding provision in the labor market (ILO 2018). Ethiopia's economy remains predominantly rural, with the agriculture sector accounting for approximately 85% of employment, 45-50% of gross domestic product (GDP) and providing 90% of export earnings (FAO 2011; FDRE 2010).

Lack of employment opportunities in the country, beyond self-employed farming, remains one of the most important drivers of out-migration. Many rural youth, having received basic education and acquiring literacy and numeracy, no longer wish to remain in the rural sector. Income generation in the rural economy remains tied to seasons and is impacted by climate uncertainty. Through remittances, migration

significantly contributes to national and local cash economies for family members left behind, providing cash liquidity and capacity to support consumption. At a national level, remittances are a significant source of foreign exchange (when officially transferred) for Ethiopia, which is ranked one of the top ten remittance recipient countries in Africa (Geda and Irving 2011; World Bank 2016b). However, a large proportion of remittances is informal (Isaacs 2017). Official remittance transfers have steadily increased in recent years, from USD 53 million in 2000 to USD 1.796 billion in 2014 (World Bank 2018). Irregular remittance inflows, however, are likely to be much higher than what is officially recorded (Isaacs 2017). Migration also paves the way for acquiring new knowledge and skills that can help to improve people's living standards.

Migration policy in Ethiopia

The contextual factors that drive out-migration, the scale of such movements and the potential benefits of migration have crucial policy implications. However, Ethiopia has no migration policy as yet. The absence of such a national framework makes it difficult to properly govern migration practices, and manage migration-related development initiatives and processes. Given the huge impact of migration on the economy and society, this is a major policy gap. This was discussed during a meeting held between the AGRUMIG project team and the government's development partners, including the International Labour Organization (ILO), in September 2019. As a result of the discussions, it became evident that the government is working on a migration policy with the support of partners, but there is little information on the process (including any stakeholder consultation) and on the content. In our discussions at subnational level in Ethiopia, some officials stated that migration did not support development and hence should not be encouraged. A migration policy would at least help set a national position, and assist in orienting stakeholder engagement to improve migration conditions and links to national and local development. Stakeholder engagement would also provide the opportunity for challenging some of the current narratives about migration.



A review of legal documents and official literature, however, points to the existence of policy documents and legislation related to labor migration. The Ethiopian Labor Proclamation No. 377/2003 (FDRE 2004) addresses labor laws in the Ethiopian context and contains important articles about working abroad, but does not explicitly address migration. Article 175 of the proclamation states that an Ethiopian national may be employed abroad provided that the Ministry of Labour and Social Affairs has obtained adequate assurances that the person's rights and dignity shall be respected in the country of employment. This differs starkly from realities on the ground where most migration takes place in the absence of bilateral agreements and sometimes at great risk to the migrants themselves.

The Private Employment Agency Proclamation, Proclamation No. 104/1998 (FDRE 1998), focuses on private employment agencies which hire and send Ethiopians abroad. According to the proclamation, a private employment agency must provide the necessary orientation to the migrant worker regarding the work to be carried out in the destination country before signing the contract of employment. It is also required to facilitate the sending of remittances back to Ethiopia in accordance with the laws of the country of employment.



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However, many migrants have reported instances when there is a mismatch between the proclamation's stipulations and common practice. There is a lack of monitoring the operations and accountability of such agencies by the government, despite their proliferation in recent years (ILO 2019; The Freedom Fund 2019).



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The Ethiopian Overseas Employment Proclamation No. 923/2016 (FDRE 2016) is the latest piece of legislation related to migration. Providing employment exchange services is a core element of this proclamation (FDRE 2016), as it emphasizes the need for a bilateral agreement between Ethiopia and the recipient country to send workers for overseas employment. This legislation is a positive step toward better governance of labor migration. Yet, its success depends upon effective bilateral agreements and state-to-state relationships. Thus far, Ethiopia has signed bilateral agreements with Saudi Arabia, Qatar and Jordan (The Freedom Fund 2019).

The importance of the Ethiopian Overseas Employment Proclamation should also be seen in the context of the government ban on overseas labor migration in 2013. Following increased reports and incidences of abuse and suffering of migrant workers

in the Gulf states, and the deportation of 165,000 undocumented Ethiopian migrants from Saudi Arabia, the government banned contract labor and unskilled labor migrations to the Gulf states (Lecadet and Melkamu 2016; Zewdu 2018; ILO 2017; IOM 2015). Unsurprisingly, this ban reportedly had the perverse effect of encouraging the proliferation of ‘illegal’ routes and covert migration networks, exacerbating the already existing vulnerabilities of migrants to human trafficking and exploitation (Lecadet and Melkamu 2016; Zewdu 2018). It remains to be seen how the Overseas Employment Proclamation is translated into action and its impact on migration.



The Prevention and Suppression of Trafficking in Persons and Smuggling of Migrants Proclamation No. 909/2015 (FDRE 2015) is another piece of legislation related to migration. This proclamation endorsed strong sanctions and penalties against trafficking in persons and assisting and facilitating such actions. The aim of this proclamation was to deter irregular migration and encourage safer migration. Yet, to what extent this goal can be realized depends on how the proclamation is effectively implemented and enforced.

While largely focusing on international labor migration, the above government legislations and proclamations all play important roles in migration governance. In relation to migration within Ethiopia, there is no policy to guide rural-urban migration practices. What exists, however, are government policies that are not related to migration which constrain and disregard rural-urban migration initiatives, processes and practices. These policies particularly refer to land, development and agricultural policies, but disregard the multifaceted dimensions of rural-urban migration, including its potential to make a positive contribution to rural social transformation. Some of these issues may also contribute to the reasons for people going abroad, instead of moving internally within the country. While the land policy stipulates access to rural land only through government arrangements, there has been no new land allocation to youth for over two decades. The ensuing lack of land is one of the main factors pushing youth to migrate abroad for better employment opportunities. Ethnic-based regionalism may also discourage interregional migration except for movements within their home regions, as migrants may face difficulties in finding land or permanent employment (Pankhurst et al. 2013).





To better understand the linkages between migration and agriculture and the different impacts of migration, the AGRUMIG project team in Ethiopia conducted a set of national (in Addis Ababa) and regional (in Tigray and Southern Nation, Nationalities, and People's Region [SNNPR]) stakeholder policy dialogues on migration and agriculture. The following key issues raised by the participants highlight the main linkages between migration and agriculture:

- The contribution of remittances to the rural economy and for agricultural investments – people need cash for purchasing agricultural inputs. Rural agriculture is increasingly linked with access to inputs. Therefore, remittance income can be invested in agriculture and lead to improvements in rural livelihoods.
- The role of migration on livelihood diversification – people may not be able to depend solely on agriculture as a source of livelihood throughout their lives due to several reasons, e.g., lack of/shortage of land, lack of sufficient water for farming and rainfall fluctuations. Failures in agricultural policy and support mechanisms also exacerbate such problems. Thus, migration can provide alternative livelihood options. This can be through seasonal migration or family members migrating and sending back remittances.
- The impact of migration on agricultural labor availability – migration leads to the withdrawal of the agricultural labor force and creates a shortage of the most productive farm labor force.
- Linkages between rural unemployment and migration – the lack of land for farming and limited rural non-farm employment opportunities constitute a significant factor driving out-migration. Changing aspirations of young people away from agriculture also leads to out-migration.

- Problems and insecurities related to irregular migration – a combination of factors including political and economic contexts that necessitate out-migration, the lack of a migration governance framework, and the industry of irregular migration (human trafficking) and linked networks contribute to insecurities and problems related to irregular migration. The lack of access to safer mechanisms for sending remittances also leads to the possibility of losing hard-earned money sent through informal channels, creating conflicts between neighbors, friends and families.

Conclusion and recommendations

In Ethiopia, the scale of migration and its impacts on rural and urban transformations are underestimated and probably increasing. This means that the lack of an effective and more comprehensive policy is likely to impede development benefits and widen the scope for increased migrant vulnerability and exploitation. Based on our detailed analysis of existing legislation and governance interventions, and consultations held with national and regional stakeholders, the following policy pointers emerge:

- Formulating a strong national migration policy and governance framework should bring stakeholders together to help create an understanding of key sector relationships and linkages between migration and development in rural areas (and small towns).
- Such a migration policy should aim to improve practices that facilitate appropriate overseas labor mobility, and monitor the operations of private employment agencies to ensure effective protection of migrants. Agencies must be accountable for the well-being of migrants during their period of employment overseas.

- Government agricultural and development policies should not seek to restrict internal labor mobility – either deliberately or inadvertently. Similarly, different government sectors should consider the potential contributions and impacts of migration in relation to their respective sectoral programs. Migration should be an integral part of agricultural development and planning, including under the third Growth and Transformation Plan (GTP III).
- It is important to create strong bilateral relationships between Ethiopia and receiving countries. This should involve strengthening state-to-state relationships in relation to labor mobility, better matching skills to work, establishing more effective training before departure, and ensuring the well-being of migrants while abroad (including stronger registration and protection under a new Ethiopian Migration Agency). This new agency should aim to reduce the impact of traffickers and agents acting clandestinely.
- Ensure safer and affordable remittance transfer mechanisms to reduce informal financial flows that encourage criminality and add to migration risk – before, during and after migration. Methods that can reduce the costs of transferring remittances should be considered. Otherwise, the high transfer costs can still undermine the benefits of remittances (Watkins and Quattri 2014).
- Build effective inter-institutional coordination mechanisms among government agencies involved in migration work, including clarifying institutional mandates and missions of different government agencies and sectors working on migration issues – from the security of migrants to remittance income, training, capacity development and education. This should also involve building cross-sectoral working groups on migration, e.g., aimed specifically at strengthening gender and youth dimensions to support risk reduction and improve understanding of the risks involved in migration.
- Facilitate livelihood diversification in rural and urban areas, including expanding the creation of employment opportunities and credit provision through government sectors, microfinance institutions and development partners, in tandem with training linked to migration work experience abroad. Arranging foreign investments facilitated by the government in areas where migrants come from can also provide access to employment opportunities. Links between, for example, the EUTF for Africa and areas of significant out-migration in Ethiopia should be improved.
- Establish monitoring and mentoring systems whereby returnee migrants can share their lessons and experiences to empower and inform potential future migrants, particularly youth at secondary education level and, specifically, female migrants.



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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.

Donor: European Union (EU) Horizon 2020 Framework Programme (H2020) under grant agreement number 822730

(Call: Towards forward-looking migration governance: Addressing the challenges, assessing capacities and designing future strategies)

Project website: <http://agrumig.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>)

