

Pursuant to Article 38, paragraph 1, of the Law on the Planning System of the Republic of Serbia ("Official Gazette of RS", No. 30/18),

the Government hereby adopts

**ECONOMIC
MIGRATION STRATEGY OF THE REPUBLIC OF SERBIA
FOR THE PERIOD 2021- 2027**

I. INTRODUCTION

The legal basis for adoption of the Economic Migration Strategy of the Republic of Serbia for the period 2021-2027 is found in the provision of Article 38, paragraph 1 of the Law on the Planning System of the Republic of Serbia ("Official Gazette of RS", no. 30/18- hereinafter referred to as: the Law) setting forth that the national public policy document is to be adopted by the Government, unless otherwise stipulated by a special law. Provision of Article 10, paragraph 2 of the Law defines the public policy documents, inter alia, the strategy and the action plan.

The adoption of the Law laid down in more detail its methodological implementation, namely the steps and elements a public policy needs to contain. Provisions of the planning system envisage ex-ante impact assessments during the public policy document drafting process, and define their mandatory elements, as follows: current situation overview, defining goals and specific objectives and performance indicators, identifying resources and mechanisms for the implementation of measures and the manner of reporting on the implementation outcomes.

Based on the Government Decision and at the proposal of the Ministry of Labour, Employment, Veteran and Social Affairs, on 31 January 2019 Coordination Body Monitoring Flows in the Area of Economic Migration was established in the Republic of Serbia (hereinafter referred to as: the Coordination Body). The Coordination Body launched the initiative for adoption of the Economic Migration Strategy in the Republic of Serbia for the period 2021-2027, whereas the preparation and procedure for its adoption, drafting, and development of the *ex-ante* assessment is coordinated by the Ministry of Labour, Employment, Veteran and Social Affairs.

By passing the Economic Migration Strategy for the period 2021- 2027, Republic of Serbia has demonstrated commitment to systemically address the issue of economic migration.

List of abbreviations:

GDP- gross domestic product

GIZ- German Organisation for International Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH)

EU- European Union

AII- Adriatic and Ionian Initiative

CRM- Commissariat for Refugees and Migration

MSC- Migration Service Centers

PR China- People's Republic of China

NES- National Employment Service
 OECD- Organization for Economic Co-operation and Development
 RS- Republic of Serbia
 NSO- Statistical Office of the Republic of Serbia
 USA- United States of America
 SFRY- Socialist Federal Republic of Yugoslavia
 CRC – Convention on the Rights of the Child
 DC – The District of Columbia
 DDI – Direct Diaspora Investment
 EEPOW – Posting of Workers in Eastern Europe
 ERP – Economic Reform Programme
 EUSAIR – EU Strategy for Adriatic and Ionian region
 ICRMW – International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families
 ILO –International Labour Organization
 IOM –International Organization for Migration
 MGI – Migration Governance Indicators
 MIDWEB – Migration for Development of the Western Balkans
 OECD – Organisation for Economic Cooperation and Development
 UNHCR – United Nations High Commissioner for Refugees
 USAID – United States Agency for International Development

1. THE IMPACT OF ECONOMIC MIGRATION IN THE MODERN WORLD

Population migration represents an important societal phenomenon, present since the very beginning of the human society development. Migration flows, methods and massiveness of these processes have changed in line with societal and historical circumstances. With the globalisation process, these movements have become more frequent, more pronounced and more massive, and the phenomenon itself- more complex. In the last decades of the 20th century and at the beginning at the 21st century, strengthening of the total spatial mobility of population at local, national, regional and global scales have become evident. In addition, changes have occurred in the scope and direction of migration, same as in differentiation of structural features and rise in the number of determining factors and consequences, all affecting the growing complexity of this phenomenon. Nowadays all countries across the world are facing challenges of spatial mobility of population either in the capacity of the migrants' country of origin, destination country or transit country. In that sense, migration today represents one of the major challenges of the modern world, therefore some authors, rightfully, call our time "*The Age of Migration*"¹.

Population migration is affected by geographic, demographic, economic, environmental,

¹Castles, S. & Miller, M. (2009). *Age of Migration: International Population Movements in the Modern World*. Fourth Edition. Revised and Updated, Palgrave Macmillan, Hampshire, New York.

political, cultural, religious and other factors. Still, a rather significant volume of migration in the modern world is stimulated primarily by economic motives, like job-seeking or aiming to improve living standard and conditions. Due to its geographic distribution and numbers, economic migration represents one of the most important forms of population mobility. Population migration, as an integral part of the globalisation process, affects the labour market through mobility of labour force between different continents, regions and states, same as within them. Just alike, this process affects international labour migration, frequently incentivised by financial crises and asymmetry in the development of economic blocks. It is necessary to demonstrate that in forced migration, economic moment often represents a decisive factor for the selection of a destination country², so it becomes increasingly evident that in the modern world population migration is caused by the mixed *push and pull factors*. This combination of two or more factors at the same time resulted in the fact for migration trends in the 21st century to be characterised as “mixed migration flows”, which on the other side represents equally a challenge for the scientific and expert public, and decision-making.

According to the latest report of the International Organisation for Migration³ a rise in the level of international migration in line with modern trends has been identified. In 2019, the number of international migrants at global level was estimated to 272 million, thus representing 3.5% of global population. Compared to the onset of the new millennium, the number of migrants in the world was increased by 122 million, and their share in the total population number by only 0.7%. According to the same report, the number of economic migrants in 2019 amounted to 168 million, or 62% of the total number of international migrants, sending even USD 689 billion in remittances to the countries of origin (which is a five times higher amount than at the beginning of the millennium). Another important piece of data is that 3.5% of global population, made up by this category of people, accounts for 9% of global GDP⁴. Given that migration, driven primarily by economic reasons, also takes place inside the states, it is important to mention that even 700 million people worldwide have participated in internal migration, meaning that every seventh inhabitant in the world had changed the place of their residence at least once during their life time. Likewise, surveys undertaken by the GALLUP Agency in the period from 2015 to 2017 have determined that globally there were 700 million of potential migrants, thinking about moving (abroad) in the near future⁵.

Continuous rise in the population mobility, improved infrastructure, increased diaspora volume and growing inflow of remittances, have intensified the interest of states and individuals in more comprehensive studies of current issues relating to migration, their role and developmental contribution. Positive attitudes are focused on the development potential of international migration

² Poleti, D. (2013). Modern labour migration in European context- economic and political aspects. *Sociology, Vol. LV, No 2*, Belgrade.

³ IOM. (2019). The World Migration Report 2020 (<https://publications.iom.int/books/world-migration-report-2020>) ⁴ IOM. (2018). Migration and the 2030 Agenda. A Guide for Practitioners. (<https://publications.iom.int/books/migration-and-2030-agenda-guide-practitioners>)

⁵ Tjaden, J., Auer, D. & Laczko, F. (2019). Linking Migration Intentions with Flows: Evidence and Potential Use. *International Migration, n Vol. 57 (1)*, IOM.

and substitution of the phrase “brain drain” referring to emigration of high skilled labour, by the phrase “brain gain” emerging through circulation and return of migrants. In addition to monetary remittances, social remittances, namely transfer of knowledge and skills in the countries of origin, are also considered extremely important for the development. At the same time, in the context of growing competition in the global labour market, human capital has become its most important resource. Population migration, as part of the human experience through history, may be the source of progress, innovation and sustainable development, allowing positive performance to be optimised through better migration governance and win-win effect. Likewise, in the countries of origin, emigration may foster development through more rational use of foreign currency remittances and diaspora investments, by reducing pressure on the labour market, and diaspora contribution through transfer of knowledge and skills⁶. Returnees can contribute to their countries of origin through innovation and investment capacities acquired abroad⁷. In many developing regions, population mobility represents a key determinant of sustainable development and poverty mitigation.

Negative attitudes pertain to the fact that in the country of origin migration contributes to poverty and underdevelopment due to leaving of young, reproductive, often highly qualified working population, thus hindering economic growth and modernisation of the society and the state. Emigration is often considered a loss for the countries of origin, especially in regard to *know-how* effect and labour force. Adverse consequences of migration may be reflected in the loss of human capital and skills in the countries of origin, or yet, due to the growing xenophobia it may lead to integration problems, discrimination, exploitation or even abuse in destination countries⁸. Negative effects of migration relate to threats to national security, inclusion of migrants in various criminal activities and other adverse effects.

If migration is recognised as an inevitable feature of the time we live in, and not necessarily as a negative phenomenon, then migration governance policies should be aligned with realistic trends and problems of the migrants, given that restrictively set policies impose stricter rules contravening protection of fundamental human rights⁹. Recognising migration as a development instrument led to creating consensus on the need to include the migration phenomenon in development agendas, strategies and plans at global, regional, national and local levels¹⁰.

⁶ Global Migration Group (2010). *Mainstreaming Migration into Development Planning: A Handbook for Policy-makers and Practitioners*. International Organization for Migration (IOM), Geneva

⁷ United Nations (2013). *World Population Policies 2013*. Department of Population and Social Affairs. Population Division, New York.

⁸ International Organization for Migration (2010). *World Migration Report 2010 — The Future of Migration: Building Capacities for Change*. Geneva, pp. 45, 57, 67

⁹ Polet, D. (2013). Modern labour migration in European context- economic and political aspects. *Sociology, Vol. LV, No 2*, Belgrade.

¹⁰ Rašević, M. (2016). *Migration for Development in Serbia*. International Organisation for Migration (IOM), Belgrade.

2 THE EFFECTIVENESS OF PUBLIC INTERVENTION IN THE AREA OF ECONOMIC MIGRATION

Population migration represents a complex societal phenomenon which, along with the birth rate, directly affects distribution of population and population dynamics of a particular space, namely the change in its demographic potential. Recognising causes, determinants and consequences of migration is of essential importance for understanding the nature and features of development processes in a specific territory.

Republic of Serbia is traditionally an emigration country, but also the country of immigration and transit migration. Historically, emigration was conditioned by economic and political factors. The focus of scientific population studies in the Republic of Serbia in the past decades was on reproduction, while the general understanding was that migration component did not have a particular effect on population dynamics and redistribution of population. Therefore, the solution to population problems was considered through rehabilitation of fertility, whereas migration was observed as a factor of changing volume, but not also as a factor of change in structural characteristics of the population. Today it became clear that population migration had a significant impact on demographic and economic development of the Republic of Serbia¹¹. Emigration of population since the 1960s had both directly and indirectly affected the reduced number of permanent inhabitants. Republic of Serbia had directly lost its population through emigration, and indirectly also their children who were leaving with them or were born abroad¹². The same can be said for internal migration, or transfer of population from rural to urban settlements due to intensive urbanisation processes, industrialisation and de-agrarisation, leading to devastation of rural areas and their depopulation.

At the beginning of the 21st century, Republic of Serbia is in the late stage of demographic transition, characterised by deep biological depopulation, all forms of developed modern internal and international migration, demographic aging, transition of marriage, transition of the family and household. According to the data of the Statistical Office of the Republic of Serbia, in the past 16 years population number has registered a constant decline, from 7,498,001 based on the 2002 Population Census, to 6,982,604 estimated in the mid- 2018¹³. The depopulation trend has continued, with negative birth rate of -5.5 ‰. In line with the latest data, the number of inhabitants as of 1 January 2019 amounted to 6,963,764. This is the result of the growing negative natural population growth, resulting from the low birth rate (63,975 of liveborn infants in 2018) and high mortality rate (101,655 of deceased in 2018), or annual decline in population number of 37,680 persons.

¹¹ Šantić., D. (2018). Challenges in population policy towards migration under conditions of uneven spatial distribution of population in Serbia. *Almanac of Matica Srpska for social sciences*, 167(3), Novi Sad, 651- 662.

¹² Rašević, M. (2017). The Migration Issue in Key National Strategies. Institute for Sociological Research, Faculty of Philosophy University of Belgrade, *Serbian Sociological Society*, Belgrade, 135-150.

¹³ In the territory of AP Kosovo and Metohija Census has not been carried out since the circumstances would not allow it, same as in two municipalities in the South of Serbia, Preševo and Bujanovac, where population census was boycotted by Albanian population.

In addition to the negative birth rate, the reason underlying population decline is intensive emigration of population. Emigration processes in the second part of the 20th century have conditioned the depopulation of rural areas, due to internal rural- urban migration, predominantly of economic character. In this way, the fundamental birth base was reduced, located in the Republic of Serbia precisely in the settlements of this type. At the same time, intensive labour force migration abroad was taking place, which has continued to date. According to the data of the European Union Statistical Office, Eurostat, at the end of 2018 the total number of persons from the Republic of Serbia holding a residence permit in the territory of the European Union amounted to 491,199 persons¹⁴. It has been estimated that there are ca. 4.5-5 million diaspora members living outside the Republic of Serbia, who have in 2019 remitted over USD 4 billion, thus accounting for 7.8% of the national GDP¹⁵.

Qualified and most often highly educated population, is mainly emigrating from Republic of Serbia, therefore emigration has negative effects on the labour force supply and overall economic development. Since in the analysis of national economies, human factor is treated as the first-class economic resource, it is clear that emigration of the most educated population represents an irrecoverable loss for the Republic of Serbia. Economic migration in the past was different to the present one, given that back then unskilled workers unable to find work in domestic labour market were emigrating. The state benefited from these emigrants, as they were sending remittances to their family members remaining in the country.

As a consequence of fertility decline, life expectancy extension, and youth emigration, the average age in the Republic of Serbia is 43 years, thus placing the state among the countries with oldest population on a global scale. The declining process of youth share, and at the same time of increasing elderly share in the total population is continued. The 65+ population number in 2018 amounted to 1,408,336 or 20% of the total population number, which is more compared to the young population number (aged 0-14) of 1,000,596 or 14% of the total population number¹⁶. With the continued process of declining youth share, followed by the increasing share of elderly people, the 21st century will be the century of the old and the century of intensive aging, which will be one of the major challenges for the overall development both of the Republic of Serbia and the world as a whole. Due to the intensive aging process, a significant share of the gross national income will be allocated for pension and social protection system, which will become a very important issue for the state still in the transition of its social and economic system.

According to the 2019 World Bank report, economic situation in the Republic of Serbia is good in the sense that economic growth has been registered in the past couple of years, budget revenues are on the rise and employment data is satisfactory. Despite the notable economic growth rates, economy is still in the transition and economic transformation process, which is the consequence of unfavourable events in the last several decades.

¹⁴ <https://ec.europa.eu/eurostat/statistics-explained/>

¹⁵ World Bank Group, Knomad (2019). Migration and Remittances, Recent developments and Outlook. Migration and Development, Brief 31, April.

¹⁶ <https://www.stat.gov.rs/>

Dynamic, knowledge and innovation- based, sustainable and inclusive economic growth, is imposed as an imperative of economic policy of the Republic of Serbia which will contribute to raised competitiveness of the economy and thus attract workers.

It is important to stress that the European continent, but also the entire developed world, is facing major demographic changes reflected in the phenomenon of insufficient birth rate, reduced labour force and aging population. What is notable is the lack of qualified labour force with significant deficient skills in certain sectors (especially engineering, information technology- IT and health care), negatively affecting the productivity of labour, and thereby economic growth. In this way, the growing global competition in attracting skills and talent affects labour markets in many European Union member states, therefore being one of the decisive factors for economic prosperity of the Republic of Serbia in the years to come. The primary strategic development goal of the Republic of Serbia is sustainable and dynamic industrial development that can be embedded in the single European Union market and sustain the competitive pressure imposed by its members. Sustainable economic growth and macroeconomic stability would not be possible without stable industrial growth, its dominant effect on export, and thus on the balance of payments. Therefore, Republic of Serbia, being the candidate for the membership in the European Union, needs a well-guided economic policy to achieve sustainable and inclusive growth.

Migration governance is intrinsically linked to the issues of economic and social development- especially with the work and aspects of population policy, including human rights, security issues and regional and inter-regional cooperation. The ability to more efficiently address issues relating to migration governance has become the foundation for accountable state management and international relations¹⁷. In the situation of demographic fragility Republic of Serbia has found itself in, the phenomenon of economic migration has to be analysed for the purpose of multi-sector, multi-dimensional and cross-cutting policy making. This new reality requires enhanced inter-governmental, regional and inter-institutional measures and mechanisms to manage this phenomenon.

The issue of economic migration is an issue of general interest for the Republic of Serbia, representing both economic and social challenge. Due to this fact, a need arose for the governmental authorities, institutions, scientific and expert public to become involved in consideration of this complex issue. Pursuant to the Law on Ministries ("Official Gazette of RS", nos. 44/14, 14/15, 54/15, 96/215 – other law and 62/17), Ministry of Labour, Employment, Veteran and Social Affairs (hereinafter referred to as: the Ministry) is, inter alia, in charge of proposing and monitoring implementation of the strategy in the area of migration in the labour market. In the overall comparative analysis of the status quo and trends in the labour market of the Republic of Serbia against the situation in the region and global situation, and being aware of the projections of international institutions on population trends, especially in the European area, Government and the Ministry have demonstrated commitment in efforts for the public administration to dedicate undivided attention to the area of economic migration.

¹⁷ Harns, C. (2011). Issues and models in technical cooperation with government on migration policy and practice. *Migration Policy Practice*, 1 (1)

In accordance with the Government Decision of 31 January 2019, Coordination Body monitoring flows in the area of economic migration in the Republic of Serbia (hereinafter referred to as: the Coordination Body) and Expert Group (“Official Gazette of RS” no. 6/19, 74/19 and 86/19) were established. The basis for the Coordination Body work is the consideration of the current situation in the area of economic migration and identifying solutions to improve this area, aimed at preventing Serbian nationals from leaving abroad and stimulating return of experts from diaspora, same as creating business and economic environment for arrival of foreign students and experts. The Coordination Body scope of work includes proposing new solutions in the view of improving legislation in the domain of economic migration, such as the Economic Migration Strategy which is an important strategic public policy document being passed in the Republic of Serbia *for the first time*.

The precondition for the successful economic migration governance lies in the formulation of a clear and coherent strategy, creation of legal and institutional frameworks for its implementation, consistent and comprehensive delivery of measures and activities and ensuring efficient coordination among all key stakeholders. Drafting of such a document is conditioned by the tendency to recognise the needs of economic migrants, and, as a strategic priority, continuing the EU integration process by harmonising legislative and administrative frameworks of the Republic of Serbia with the European Union standards. Taking into consideration the immense importance of migration driven by economic reasons, improved governance of legal migration flows would lead to transformation and development of this kind of spatial mobility into a positive economic factor.

The document was developed based on the detailed analysis of data collected from competent authorities, stakeholders and positions of the civil society organisations, same as from other available sources, and based on the *ex-ante* impact assessment in the area of external migration. Development of an Action Plan has also been planned to set forth the activities implementing the Strategy, namely which measures and activities will be elaborated to serve the delivery of goals and specific objectives, aiming to slow down leaving of the working population abroad, improve economic climate and attract domestic and foreign investors, same as foreign students. Adoption of the Action Plan as a Strategy instrument will be in direction of monitoring implementation of strategic goals in relation to competences of ministries in charge, which will enable competent authorities to have an overview of measures and activities under their responsibility and participate in their delivery.

In developing the Baseline in the area of external migration, on 21 November 2019 meetings were held with stakeholders, same as a Round table to the topic “Labour Force Emigration” in cooperation with the Secretariat of the Adriatic and Ionian Initiative, with the support of the Ministry of Foreign Affairs, attended by the representatives of Coordination Body, international organisations, European Commission and governmental authorities of the Republic of Serbia and other countries, whereat the concept of *ex-ante* impact assessment was presented. The subject of discussion were the structure, content and directions for action of the new strategic document, and planning preparatory steps in its drafting. The purpose of passing the *ex-ante* impact assessment was to analyse the existing and forecast the desired state of affairs, which would serve as a basis for identifying changes to be achieved

and conditions for their delivery and causality between them. Also considered were the issues of economic migration governance, integrated system for data collection and exchange in the area of economic migration; issues pertaining to capacity building for downsizing the volume of emigration of highly professional and highly educated staff, same as the issues pertaining to strengthening capacities of the state to attract people from broad, primarily diaspora. The importance of knowledge transfer was highlighted in the form of return of experts, design of professional training and labour market regulations, and private sector development.

The starting premise in passing public policy documents focusing on migration governance is that migration is both the cause and consequence of globalisation, with its effects on the migrants' country of origin, in the specific case on the Republic of Serbia, mainly depending on internal factors in such countries, institutional capacities and commitment to monitoring and studying this phenomenon. Due to this reason, Strategy should include a set of objectives and measures used by the Government to intervene so as to maintain adequate balance in the area of human resources, and create conditions for the necessary stability and required mobility of the labour force. The purpose of the strategic document of this kind is, as pointed out by Antonio Guterres, Secretary General of the United Nations, to make migration useful for all.

3. METODOLOGICAL REMARKS

Methodology underlying the development of this document included the use of primary and secondary sources of data and SWOT analysis, as one of the most frequently used strategic management techniques. For an appropriate analysis of the status quo and forecast for the future, greatest importance lies in reliable and quality data on the subject matter concerned, since this is the only way to reach quality conclusions and corresponding measures and recommendations. Moreover, it is necessary to assess the success in implementation of already introduced regulatory measures, and to briefly reflect on international examples of good practice with a view of comparative analysis. The analysis of the strategic framework was undertaken in relation to implementers and results of strategies, period covered, issues addressed and implementation method. The analysis of normative framework was conducted by mapping key areas relevant for economic migration governance, and existing legal acts addressing the respective area. Bearing in mind that desk analysis represents a method of collecting secondary data sources, it was required for selection and organising available data applying the rationality principle requiring the use of meaningful and useful data.

The proponents of public policy documents are obliged to, in the course of a planning document drafting or implementation of *ex-ante* impact assessment, conduct consultations with representatives of all target groups and other stakeholders "using the appropriate consultation technique"¹⁸. Consultation method was adapted to the problems being

¹⁸ Article 11. of the Decree on the public policy management methodology, public policy and regulatory impact assessment and content of individual public policy documents ("Official Gazette of RS", no. 8/19).

analysed, time available and accessibility of potential participants in the consultation process. The use of the listed methods and techniques enabled comparison of findings obtained from different sources, based on different criteria.

In drafting the Strategy, the data used included Population Census and vital statistics, the source of which is the Statistical Office of the Republic of Serbia, data contained in the Migration Profile developed by the Commissariat for Refugees and Migration (CRM). In addition, also used were relevant reports, projects' outputs, demographic, economic and other sources and references. It should be pointed out that the data stated for the Republic of Serbia exclude the data for AP Kosovo and Metohija. In the part of the Strategy addressing migration phenomenon in national and sector strategies, an overview was done of all relevant documents of the Government, which directly, or in one of their segments, address the area of economic migration regulation.

There are multiple methodological challenges pertaining to the collection of data on external migration. The data on the number of emigrated highly skilled Serbian labour force, their mobility- geographic and professional, is rather scarce. Due to the harmonisation with international standards and European Union acquis, statistical data on external migration is being processed applying a new methodology since 2002. In defining total population, the 2002 Population Census applied for the first time the concept of permanent, or habitual place of residence and introduced the period of one year or longer as a basic criterion for including or excluding a person from total population. The 2011 Population Census also applied the concept of habitual residence and introduced for the first time the intention of presence/ absence as an additional criterion for excluding a person from the total population. Given the small coverage of national statistics on the number of persons abroad, statistical data of the migrants' final destination countries needs to be used. Statistical records of immigration countries register migrants based on the country of their birth, or based on their citizenship at the time of immigration. When it comes to the citizens of the Republic of Serbia in the diaspora, their number and basic characteristics, situation is very complex. Another problem lies in the fact that in the past two decades Republic of Serbia changed its state status several times, which led to problems in foreign immigration statistics, given that citizens held personal documents issued in different periods and in different states. Moreover, in the Republic of Serbia there is no population register based on which it would be possible to identify a reliable number of habitual (permanent) population, same as of immigrants and emigrants, both in internal and external migration. The permanent and temporary residence records are maintained by the Ministry of Interior, and data is taken over by the Statistical Office of the Republic of Serbia, however such data is insufficiently precise to obtain a reliable indicator of net migration.

Taking into consideration methodological limitations, all presented conclusions based on statistical data need to be taken, in the first place, as an illustrative approximation of trends, and by no means as accurate indicators, primarily on the number of emigrants, but also on the number of persons participating in internal migration.

II. PLANNING DOCUMENTS AND NORMATIVE FRAMEWORK

Republic of Serbia developed and adopted a set of laws and bylaws, strategies, action plans, thus creating legal framework directly or indirectly regulating the issue of migration at national level. National legislation has been partially harmonised with the European *acquis* in the area of migration and asylum, which is a key element for implementation of common policies in the area of migration and efficient governance. A set of international treaties has been signed or ratified, of which most important are bilateral readmission agreements, agreements on temporary employment abroad, on social security, creating in this way legal framework for migration flow management¹⁹. The International Organisation for Migration has determined indicators²⁰ allowing member states to focus governance in key public policy domains. General assessment of this organisation is that this area is legally well-regulated, and that the Republic of Serbia has good potential for its further development²¹.

The *European Union Roadmap* for development of a comprehensive migration governance strategy in the Republic of Serbia, was developed by International Organisation for Migration at the request of the Commissariat for Refugees and Migration, aimed at development of the migration strategy and action plan in the Republic of Serbia. This strategy and action plan represent a key factor for improved management of many challenges in the area of migration faced by the Republic of Serbia, same as meeting the criteria which led to visa liberalisation. The highest priority in the area of migration is reflected in the implementation of the European Union Roadmap for Visa Free Regime with the Republic of Serbia of May 2008, which followed after the successful conclusion and ratification of the Agreement between the Republic of Serbia and the European Community on the facilitation of the issuance of visas in November 2007, same as entering into force of the Agreement between the Republic of Serbia and the European Community on the readmission of illegally staying persons in January 2008, which shortly after led to the dialogue on the visa regime with the Republic of Serbia (together with other Western Balkan countries). The Roadmap envisages a gradual process of the visa regime liberalisation in return for a well-defined process in the area of document security, illegal migration, public order and security as well as external relations items linked to the movement of persons, and effective implementation of the Readmission Agreement and visa facilitation. Inter alia, this required introduction of biometric travel documents, new legislation and infrastructure in the border management domain, adoption and implementation of the Law on Asylum, and on the entry, movement and stay of foreign nationals, National Strategy on Integration of Returnees, and mechanism for migratory flows monitoring.

¹⁹ ILO Migration for Employment Convention (Revised). 1949 (No. 97) (ratified 2000); Convention relating to the Status of Refugees. 1951 (1959); Convention relating to the Status of Stateless Persons. 1954 (2001); Convention on the Reduction of Statelessness. 1961 (2011); ILO Migrant Workers (Supplementary Provisions) Convention. 1975 (No. 143) (2000); Convention on the Rights of the Child (CRC). 1989 (1991); International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (ICRMW). 1990 (2004. signed but not ratified).

²⁰ The Migration Governance Indicators (MGI).

²¹ IOM, Migration Governance Profile: Republic of Serbia, May 2018.

Identical issues on the measures and amendments to legislation are reflected in the Stabilisation and Association Agreement between the Republic of Serbia and European Union signed in 2008. Under this agreement, Republic of Serbia assumed obligations to harmonise its legislation in all areas, including the area Justice, Freedom and Security, accompanied by the defined Action Plan for Negotiating Chapter 24 for accession to the European Union. One of the more important strategic documents of the Government is the National Programme for Integration of the Republic of Serbia to the European Union which, inter alia, contains an overview of planned legislative and other activities in the area of migration governance, visa policy and asylum, same as on the Economic Reform Programme for the period 2020- 2022. As a structural reform, this programme defines creating conditions for monitoring, stimulating and supporting circular migration.

2.1. National normative framework

Having in mind the character of challenges faced by the Republic of Serbia and goals it strives to achieve, special attention needs to be paid to the large number of legislative documents directly or indirectly regulating the area of migration governance, with a special focus on the achievement of objectives in the area of economic migration.

Constitution of the Republic of Serbia is the highest legal act setting forth that the Republic of Serbia is the state of Serbian people and all citizens living in it, based on the rule of law and social justice, principles of civic democracy, human and minority rights and freedoms and affiliation to European principles and values. Inter alia, the Constitution guarantees fundamental human rights and freedoms, like non-discrimination, protection of human and minority rights and freedoms, dignity and free personal development, right to life, right to freedom and security, freedom of movement, right to work, right to legal aid, health care, social protection. As the fundamental legal act of the Republic of Serbia, it provides a basis for legislative regulation of various areas, whereas the laws regulating in detail individual areas need to be harmonised with the principles laid down in this legal act.

2.1.1. Laws

Given that negotiations for the accession of the Republic of Serbia to the European Union are the priority for the state, in the past several years Government had drafted laws on the path of harmonising national legislation with the European Union acquis: Law on Migration Management, “Official Gazette of RS”, no. 107/12), Law on Foreigners (“Official Gazette of RS”, nos. 24/18 and 31/19), Law on Border Control (“Official Gazette of RS”, nos. 24/18) and Law on Asylum and Temporary Protection (“Official Gazette of RS”, no. 24/18). The area of migration is also regulated under the Law on Employment of Foreigners (“Official Gazette of RS”, nos. 128/14, 113/17, 50/18 and 31/19).

One of the key laws in this area is the **Law on Migration Management** (“Official Gazette of RS”, no. 107/12) defining different forms of migration and competences and procedures for their regulation. Adoption of this law established coordinated migration management system, defined the principles, same as the governmental authority for migration management and unified system for collection and exchange of data in this area. Additionally, the law envisages proposing and undertaking measures for the migration policy implementation. Migration

management is to contribute to a balanced and planned economic development of the Republic of Serbia, taking into consideration strategies and policies of economic development and international economic relations, active labour market policy measures, population policies, and policies in the area of science and education, including strengthening links with the diaspora, and reintegration of returnees under the Readmission Agreements.

Law on the Diaspora and Serbs in the Region (“Official Gazette of RS”, no. 88/09) is the first systemic law regulating relations between the home country and the diaspora, same as between the home country and Serbs in the region, and as such represents a normative basis for a long-term policy focusing on Serbian emigrants. It represents a comprehensive legal act opening broad possibilities for cooperation between the diaspora, Serbs in the region and country of origin, institutionalisation of such cooperation and provides framework for articulation of interests of the diaspora and Serbs in the region in relation to their homeland, all contributing to promotion of the Republic of Serbia and affirmation of its state and national interest. The document sets forth the manner of maintaining, strengthening and establishing links between the diaspora and Serbs in the region with their home country, competence and mutual relationship between the authorities of the Republic of Serbia in performing tasks regarding the relations with the diaspora and Serbs in the region. Institutionalisation of such cooperation is achieved through formation of the Assembly of the Diaspora and Serbs in the region and related councils, while the establishment of the Council for relations with the Serbs in the region and the Council for the diaspora indicate the commitment of the Republic of Serbia to significantly improve its cooperation with the diaspora and Serbs in the region and enhance assistance and influence in mutual interest. Registration of organisations in the diaspora and organisation of Serbs in the region opens greater opportunities for the protection of interests of the Republic of Serbia, its nationals and legal entities abroad in cooperation with ministries and institutions in charge of relations with the diaspora and undertaking measures to improve relations with emigrants abroad. The purpose is to develop all forms of cooperation serving mutual interest of developing overall relations between our peoples and states, where our diaspora should and can represent this important “bridge of cooperation”.

Law on Foreigners (“Official Gazette of RS”, nos. 24/18 and 31/19) sets forth the conditions for entry, movement, stay and return of foreigners, same as competence and tasks of public administration authorities of the Republic of Serbia regarding the entry, movement, stay of foreigners in the territory of the Republic of Serbia and their return from the Republic of Serbia. Moreover, the law lays down the conditions for issuance of temporary residence permits to foreign nationals in the Republic of Serbia intending to stay in the Republic of Serbia for longer than 90 days, inter alia, based on employment, studies, professional specialisation, training and practice, scientific and research work or other scientific and educational activity, family reunification, etc.

Law on Border Control (“Official Gazette of RS”, no. 24/18) regulates border control, police powers in exercising border control, and cooperation among public administration authorities in charge of integrated border management. In accordance with this law, irregular migration is defined as any movement of population from one state to another, contrary to legislation in force, same as residence contrary to applicable legislation. Moreover, crossing of the state border is defined as any movement of people across the state border. State border shall be crossed at the border crossing with the valid travel document or other document prescribed for the state border crossing, during the working hours of the border crossing and in line with

international treaties.

Law on Employment of Foreigners (“Official Gazette of RS”, nos. 128/14, 113/17, 50/18 and 31/19) regulates conditions and procedures for employment of foreigners in the Republic of Serbia and other issues of relevance for employment and work of foreigners in the Republic of Serbia. A foreigner shall be employed in the Republic of Serbia if all conditions laid down in the law or international treaty are met. A foreigner employed in the Republic of Serbia in accordance with this law, shall enjoy equal rights and responsibilities in respect to labour, employment and self-employment as its own nationals, provided that the conditions have been met in accordance with the law. The right to free access to the labour market, namely the right to employment, self-employment and exercising the right in the case of unemployment, unless stipulated otherwise in an international treaty binding for the Republic of Serbia, shall be granted to the citizens of the European Union and family members of the citizens of the European Union who are not nationals of the European Union but have temporary residence permit for the members of their family or permanent residence in such states, proving their right to free access to the labour market²². Employment of foreigners is realised provided they hold a visa for a longer stay based on employment, temporary residence or permanent residence permit and work permit, unless defined otherwise in accordance with this law.

Labour Law (“Official Gazette of RS”, nos. 24/05, 61/05, 54/09, 32/13, 75/14, 13/07 – UCC, 113/17 and 95/18 – authentic interpretation) contains general provisions sanctioning employment contrary to legal provisions. On the other side, the Law on Employment of Foreigners envisages misdemeanor liability of employers, but not criminal, in the case of employment of migrants who have illegally entered Republic of Serbia.

Law on Employment and Insurance in the case of Unemployment (“Official Gazette of RS”, nos. 36/09, 88/10, 38/15, 113/17 – other law and 113/17) is based on the principles of non-discrimination, in accordance with the law, non-bias in performance of employment tasks, gender equality, affirmative action focused on the hard-to-employ unemployed persons, freedom in the choice of profession and job, and free-of-charge employment mediation services for the unemployed. Employment tasks in the sense of this law refer to provision of information on opportunities and conditions for employment, employment mediation in the country and abroad, professional orientation and career guidance, implementation of active labour market measures, issuance of work permit to a foreigner and stateless person, in accordance with the law. Providers of employment services are the National Employment Service and employment agencies.

²² Provisions shall enter into force on the day when the Republic of Serbia has become full-fledged member of the European Union. Family members of citizens of the European Union are as follows: 1) married or unmarried spouses of the European Union citizens, in accordance with the law; 2) direct descendants of the European Union citizens under 21 years of age or direct descendants of their married or unmarried spouse under 21 years of age; 3) adopted children under 21 years of age or stepchildren of the European Union citizen or their married or unmarried spouse under 21 years of age; 4) persons referred to in point 2) and 3) hereof above 21 years of age unable to sustain themselves, i.e. are sustained by the citizen of the European Union or their married or unmarried spouse; 5) direct ancestors of the citizens of the European Union or direct ancestors of their married or unmarried spouse, financially supported by the citizen of the European Union or their married or unmarried spouse.

Law on the Requirements for Posting Employees to Temporary Work Abroad and their Protection (“Official Gazette of RS”, no. 91/15 and 50/18) comprehensively regulates the rights of employees posted to temporary work abroad, protection of employees posted to temporary work abroad, conditions, procedure and obligations of employer regarding posting employees to temporary work abroad, cooperation between authorities and organisations performing public administration tasks in relation to the protection of rights of employees temporarily working abroad and oversight of the implementation of this law. This law shall apply to employers posting employees to temporary work abroad, on the grounds of: 1) work in scope of execution of investment and other works or service provision, based on the contract on business cooperation or other adequate grounds; 2) work or professional training and development for the needs of employer in employer’s business units abroad, based on the posting act or other corresponding grounds; 3) work or professional training or development for the needs of employer within inter-company movements based on the letter of invitation, inter-company posting policy or other corresponding grounds. In addition, posting staff to temporary work abroad plays an important role in business upscaling and creating business opportunities, and as such represents an important source of foreign currency revenues for the posting countries.

Law on Primary Education and Upbringing (“Official Gazette of RS” no. 55/13, 101/17, 27/18 – other law and 10/19), **Law on Secondary Education and Upbringing** (“Official Gazette of RS” no. 55/13, 101/17, 27/18 – other law and 6/20), **Law on Higher Education** (“Official Gazette of RS” no. 88/17, 27/18 – other law, 73/18, 67/19 and 6/20) regulate issues relevant for education of nationals of the Republic of Serbia abroad and foreigners and stateless persons in the Republic of Serbia. **Law on the Foundations of Education and Upbringing** (“Official Gazette of RS”, Nos. 88/17, 27/18 - other laws, 10/19 and 6/20) sets the foundations of the preschool, primary and secondary education and upbringing system and adult education. Foreign national, stateless person and citizenship seeker are entitled to education and upbringing under the same conditions and in the manner prescribed for the nationals of the Republic of Serbia.

Law on the Permanent and Temporary Residence of Citizens (“Official Gazette of RS”, no. 87/11) regulates registration and deregistration of permanent and temporary residence, registration of temporary residence abroad, competence and manner of maintaining corresponding records. Citizens going abroad intending to stay abroad in continuity not longer than 90 days, and extend their stay, shall report their temporary stay abroad exceeding 90 days to the competent authority, via a diplomatic- consular mission. The applicant reporting temporary stay abroad and return from abroad shall be issued a corresponding certificate.

In addition to the listed legal solutions, there is a set of intergovernmental agreements on regulation of labour migration with destination countries of Serbian citizens. Republic of Serbia adopted multiple international conventions addressing this domain of migration. International cooperation in the area of labour migration is aimed at promoting legal migration flows, based on the comprehensive information and ensuring social protection of migrant workers which is one of the underlying factors for deciding on emigration from the place of origin.

2.1.2. Strategies

In identification of applicable public policy documents, below listed and analysed are

Government strategies directly or indirectly addressing the area of migration governance, namely those serving as the basis for formation of the state migration policy.

Migration Management Strategy (“Official Gazette of RS”, no. 59/09) and 2011 Action Plan are the umbrella documents preceding the drafting of the law. Migration management implies a regulated system consisting of a clear migration policy and planned and organised management of migration flows, with corresponding contribution to migration regulation at regional and global levels. Planned and organised migration management implies monitoring internal and external migration flows and implementation of activities leading to stimulating regular and combating irregular migration. Fundamental elements of the migration management system are the visa policy, integrated border management, regulated stay of foreigners, mechanisms for integration of migrants in the society, overall protection of nationals working or residing abroad, and active labour market policy.

Strategy on preserving and strengthening relations between the home country and the diaspora and home country and Serbs in the region (“Official Gazette of RS”, nos. 4/11 and 14/11) is focused on establishing continuity in preserving and strengthening relations between home country and the diaspora, and home country and Serbs in the region. Relations towards the diaspora and Serbs in the region are based on Article 13. of Constitution of the Republic of Serbia, pursuant to which Republic of Serbia shall protect the rights and interests of its nationals abroad and develop and enhance relations of the Serbs living abroad with their home country. By adopting this strategy, Republic of Serbia tends to ensure adequate material, social and political conditions for the successful development and conservation of Serbian language, Cyrillic alphabet, culture and identity of Serbian nationals and compatriots living and working outside the Republic of Serbia. The purpose was positioning and defining the role of the Republic of Serbia as a home country of all its nationals living abroad, Serbs in the region and members of the Serbian people, emigrants from the territory of the Republic of Serbia and from the region and their descendants. Pursuant to this strategy, it can be achieved by: restoring trust of the diaspora in their home country, improving position of the diaspora and Serbs in the region and in foreign countries where they live, awareness raising in domestic public on the importance of the diaspora and Serbs in the region and networking. As one of the key problems, this strategy recognises emigration of highly skilled labour force and indicates that economic and cultural ties of the diaspora members, their knowledge and experience of work in the European Union countries may contribute to accelerating the process of accession to the European Union. In the chapter addressing better utilisation of the diaspora capacities, one of the envisaged activities pertains to strengthening scientific, technological, cultural, educational, sports and other development of the country through utilisation of knowledge and skills of the highly skilled labour force who had left the country. This strategy also recognises the expert circulation programme as a good mechanism, and also stresses the necessity of mapping the number of experts abroad and creating an adequate database.

Strategy on the reintegration of returnees under the Readmission Agreement (“Official Gazette of RS”, no. 15/09) sets institutional framework, measures, activities and implementers of activities for sustainable reintegration of returnees.

One of the goals of this strategy is the efficient and successful reception and sustainable socio-economic reintegration of returnees under the Readmission Agreement. This strategy foresees development and establishment of a comprehensive database on returnees and their needs.

Strategy for combating irregular migration in the Republic of Serbia for the period 2009- 2014, and then for the period 2018- 2020, with the implementing Action Plan ("Official Gazette of RS", no. 105/18) sets forth the policy in the area of establishing an efficient system for combating irregular migration, sets frameworks for the development of implementation plans, defines roles and responsibilities of public entities, identifies strategic goals and determines basic directions of action in the process of establishing and achieving long-term sustainability and efficiency of the system for combating irregular migration. The adopted strategy developed a comprehensive systemic response to irregular migration faced by the Republic of Serbia, along with the protection of security and economic interests of the country and guaranteed rights of migrants. Moreover, the strategy also includes the response to transitional measure of the European Union referring to development of human resources for work in the area of irregular migration.

National Youth Strategy for the period 2015- 2025 ("Official Gazette of RS", no. 22/15) and Action Plan for the period 2018-2020 are documents presenting systemic solutions to the most important issues in various areas of life of youth in the Republic of Serbia, as a long-term plan. Successful implementation of the National Youth Strategy will improve employment and employability of young women and men, quality and opportunities for acquiring qualifications and developing competences and innovativeness of youth, active participation of youth of both sexes in the society, health and wellbeing of young people of both sexes, conditions for development of youth security structure, support to social inclusion of youth from the categories at-risk of social exclusion, mobility, scope of international cooperation of youth and support to young migrants, youth information system and knowledge on the youth and utilisation and participation of youth in creation of cultural content.

Official Statistics Development Strategy in the Republic of Serbia in the period 2016- 2020 ("Official Gazette RS", no. 23/15) is focused on harmonisation with the European Union standards and practice. Monitoring and measuring results of these activities, especially in economic domain represents, to a large extent, an obligation of official statistics. Given that this is an obligation of a permanent character and that it will continue having immense importance even in the period even after the accession to the European Union, it is required to invest efforts in strengthening and developing the official statistics system. The most important task of the official statistics is to provide a realistic picture of social and economic trends in the country, and to ensure reliable grounds for decision-making at various levels, from public administration, via legal entities, to interested citizens.

National Employment Strategy for the period 2011- 2020 ("Official Gazette of RS", no. 37/11) defined the fundamental objective of employment policy, implying establishment of an efficient, stable and sustainable employment growth trend in the Republic of Serbia by the end of 2020, and full harmonisation of employment policy and labour market institutions with the European Union acquis. Basic instrument of the active labour market policy implementation

at annual level is the National Employment Action Plan. The employment policy priorities in 2019 were as follows:

- enhancing the labour market conditions and improving the labour market institutions;
- stimulating employment and inclusion of hard-to-employ persons in the labour market and support to regional and local employment policies;
- enhancing labour force quality and investing into human capital.

Industrial Development Strategy of the Republic of Serbia for the period 2011- 2020 ("Official Gazette of RS", no. 55/11) replaces the Strategy of Competitive and Innovative Small and Medium-sized Enterprises Development for the period 2008- 2013 and represents first development document defining in a consistent and complete manner basic industrial development priorities of the Republic of Serbia and manners of their achievement in the coming decade. It defines basic objectives and strategic directions of industrial development of the Republic of Serbia on its path towards building a new competitive industrial structure, based on the analysis and realistic assessment of available development advantages of the Republic of Serbia in the context of global trends in the European and global markets and long-term changes in global demand, with a view to European Union directives.

Strategy for Supporting the Development of Small and Medium-sized Enterprises, Entrepreneurship and Competitiveness in the period 2015-2020 ("Official Gazette of RS", No. 35/15) is rooted in the fact that the precondition for realising sustainable socio-economic development and successful completion of the European integration process of the Republic of Serbia lies in development of the economy. Long-term competitiveness must be built on the private entrepreneurial initiative, implementation of new technologies and innovativeness, complementary with the previously adopted documents in this area, primarily with the improved business environment, improved access to sources of funding, continued development of human resources, strengthening sustainability and competitiveness, improved access to new markets and development and promotion of entrepreneurial spirit and stimulating entrepreneurship of women, youth and social entrepreneurship.

Integrated Border Management Strategy in the Republic of Serbia 2017-2020 ("Official Gazette of RS", No. 9/17) and implementing Action Plan were passed aiming to establish necessary conditions for preservation of citizens' security, eliminating threats to national border, protection of public order and security in the Republic of Serbia, preservation of health and the environment, same as of financial interests and international trade facilitation. By achieving the stated objectives, besides the Republic of Serbia and its citizens, citizens of neighbouring European Union countries are indirectly being protected as well.

National Security Strategy ("Official Gazette of RS", no. 94/19) addresses objective state of protection of national values and interests against any threats, and subjective feeling of security of the citizens in the Republic of Serbia. It represents the result of impact of strategic environment and measures and activities undertaken by governmental authorities and institutions in discharging security functions, and actions of other entities in all areas of social life.

The National Security Strategy of the Republic of Serbia is the highest strategic document the implementation of which protects national values and interests of the Republic of

Serbia against challenges, risks and threats to security in all areas of social life. It is rooted in: protection of sovereignty and territorial integrity, military neutrality, care of Serbian people outside the borders of the Republic of Serbia, EU integration and efficient legal state.

The National Security Strategy fully reflects commitment of the Republic of Serbia to general civilisational and moral values, respect for its own state-building tradition, rule of law, social justice, democracy, human and minority rights and freedoms, economic progress, cooperative security and multi-faceted international cooperation. The tendencies presented in this document especially reflect the readiness of the Republic of Serbia for active participation in the processes of cooperation and joint action with other states and entities in international relations in building and improving national, regional and global security.

Strategy for Education Development in Serbia (“Official Gazette of RS”, no. 107/12) determines the purpose, objectives, directions, instruments and mechanisms for education system development in the Republic of Serbia by 2020. Education system is to ensure the fundamental foundation for life and development of each individual, knowledge- based society and the state. Some of the objectives of long-term education development defined under this strategy include reaching and maintaining relevance of education, by harmonising the education structure with direct and developmental needs of an individual, economic, social, cultural, media, research, educational, public, administrative and other systems and establishing links between higher education and labour market.

Strategy of Agriculture and Rural Development of the Republic of Serbia for the period 2014-2024 (“Official Gazette of RS”, no. 85/14) strives to establish new agricultural policy, defined in line with the modern principles of public policy management and in line with the European model of support to agriculture. The goal is to reduce lagging in technological development behind the competitive countries and enable more efficient handling of agriculture sector with effects of climate changes. In addition, it is necessary to increase the efficiency of the food chain and competitiveness of agricultural and food sectors. One of the priorities is to ensure stable income and business environment for agricultural producers and other entrepreneurs, achieving economic, environmental and social objectives of sustainable development goals, where multifunctional agriculture and rural development hold a special place.

Besides strategic documents directly addressing the idea of migration or related to these issues, one should be aware of the assessment and data found in some other strategic documents. This is primarily due to the complexity of the causality problem of economic migration and its multidisciplinary character. In this view, one should take into account strategic orientations contained in strategic documents addressing demographic and overall societal development, population policy, spatial planning, national security, education, scientific and technological development, the environment, rural development, etc. Some of them are the following: National Strategy for Resolving the Problems of Refugees and Internally Displaced Persons for the period 2015- 2020 (“Official Gazette of RS”, no. 62/15), Strategy of Prevention and Suppression of Trafficking in Human Beings, especially Women and Children and Protection of Victims 2017-2022 (“Official Gazette of RS”, no. 77/17), Strategy of Sustainable Survival and Return to Kosovo and Metohija (“Official Gazette of RS”, no 32/10), Public Health Strategy in the Republic of Serbia 2018- 2026 (“Official Gazette of RS”, no. 61/18), Strategy

for the Social Inclusion of Roma in the Republic of Serbia for the period 2016- 2025 (“Official Gazette of RS”, no. 25/16), Strategy for the Encouragement of Childbirth (“Official Gazette of RS”, no. 25/18), Information Society Development Strategy in the Republic of Serbia by 2020 (“Official Gazette of RS”, no. 51/10).

2.2. Institutional framework

The area of migration governance in the Republic of Serbia is by its nature of multisector character, which is why different aspects of migration are under the competence of multiple ministries and other state authorities. Institutional framework in the area of migration monitoring in the Republic of Serbia comprises all relevant institutions involved in the migration system in accordance with laws and normative acts, and strategies, primarily the following: Ministry of Labour, Employment, Veteran and Social Affairs, Ministry of Interior, Ministry of Foreign Affairs, Ministry of Youth and Sports, Ministry of Education, Science and Technological Development, Ministry of Economy, Ministry of Public Administration and Local Self -Government and Commissariat for Refugees and Migration.

Ministry of Labour, Employment, Veteran and Social Affairs performs the public administration tasks, related, inter alia, to: occupational health and safety; exercising and protection of employment rights of workers temporarily working abroad; concluding agreements on posting employees to work abroad and posting employees to temporary work abroad; records in the area of labour; cooperation with international organisations in the area of labour and employment; international conventions in the area of labour, occupational health and safety; anti-discrimination policy; social protection system; family legal protection system; marriage; gender equality; population policy; family planning, family and children; exercising the rights and integration of refugees and displaced persons; returnees under the readmission agreements, Roma population and other socially disadvantaged groups; participating in drafting, conclusion and implementation of international treaties on social insurance. The Ministry performs public administration tasks in regard to: employment in the country and abroad; referring unemployed citizens to work abroad, monitoring situation and trends in the domestic and foreign labour markets, records in the area of employment, enhancing and stimulating employment, strategy, programme and active and passive labour market measures, employment of persons with disabilities and other hard-to-employ persons, developing and securing social employment and social entrepreneurship, surplus of employees; exercising rights on the grounds of insurance in the case of unemployment, other rights of unemployed persons and surplus employees; drafting national qualification standard and proposing measures for improvement of adult education system, proposing and monitoring implementation of strategies in the area of migration in the labour market; participating in conclusion of employment contracts with foreign employers and other employment-related contracts, same as other tasks envisaged in the law.

Ministry of Interior performs public administration tasks that, inter alia, include: security of state border and control of border crossing, movement and stay in the border area; residence of foreigners; citizenship; permanent and temporary residence of citizens; ID cards; travel documents; international assistance and other forms of international cooperation in the area of internal affairs, including readmission; illegal migration; asylum.

Ministry of Foreign Affairs performs public administration tasks that, inter alia, include:

protection of rights and interest of the Republic of Serbia and its citizens and legal entities abroad; the area of relations of the Republic of Serbia with the diaspora and Serbs in the region; informing foreign public on the policy of the Republic of Serbia; collecting, storing and publishing documents on the foreign policy of the Republic of Serbia; and other tasks set forth under the law regulating foreign affairs and other laws.

Office for Cooperation with the Diaspora and Serbs in the Region, as an administrative body under the Ministry of Foreign Affairs, performs public administration and professional tasks in regard to: monitoring the position of Serbian citizens living outside the Republic of Serbia; supporting the process of improving conditions for Serbian citizens living abroad to exercise their voting rights; supporting the preservation and development of the spiritual, national and cultural identity of Serbs outside the Republic of Serbia; improving ties between emigrants, Serbian citizens living abroad and their organizations with the Republic of Serbia; keeping emigrants, Serbian citizens living abroad informed about the policies of the Republic of Serbia; supporting the process of inclusion of emigrants, people of Serbian origin, people originating from Serbia and Serbian citizens living abroad into the political, economic and cultural life of the Republic of Serbia and their return to the Republic of Serbia; as well as other activities set forth by the law.

Ministry of Youth and Sports performs public administration tasks that, inter alia, include: system, development and improvement of youth policy, implementation of national policy and national youth strategy and action plans and programmes; encouraging youth to organise and associate and participate in social trends, advising youth and teaching youth concerning the employment and volunteering; stimulating non-formal youth education; monitoring and assessing the place and role of youth in the Republic of Serbia, creating conditions for establishment and operation of the national and regional youth offices; as well as other activities set forth by the law.

Ministry of Education, Science and Technological Development performs public administration tasks that, inter alia, include: research, planning and development of preschool, primary, secondary and higher education and pupil and student standards; additional education of children of Serbian citizens abroad; system, development and improvement of scientific and research activities serving scientific, technological and economic development; proposing and implementing policies and strategies of scientific and technological development; drafting and implementing programmes of scientific, technological and developmental research, professional development of scientific and research staff; proposing and implementing innovation policy; stimulating techno-entrepreneurship, knowledge and technology transfer in industry; developing and improving innovation system in the Republic of Serbia; bylaws in the area of protection and trade in intellectual property rights; developing functioning of scientific and technological information systems and programmes for development of scientific and technological infrastructure; as well as other activities set forth by the law.

Ministry of Economy performs public administration tasks that, inter alia, include: economy and economic development; position and networking of companies and other organisational forms for performance of business activities; stimulating development and structural harmonisation of the economy; determining policies and strategies of economic development; proposing measures and monitoring implementation of economic policy aimed at economic growth; proposing measures for stimulating investment and coordination of tasks pertaining to investment; coordinating work of the public agency in charge of export and

investment promotion; economic policy measures for development of crafts, small and medium-sized enterprises and entrepreneurship; loans to industry and insurance of bank loans; lending and insurance of export and investments abroad; subsidising loans; coordinating activities related to linking companies with strategic investors; proposing and implementing financial and other measures to stimulate business, competitiveness and liquidity of companies in the Republic of Serbia; business and financial transformation of companies and other forms of business; as well as other activities set forth by the law.

Ministry of Economy performs public administration tasks in regard to: regional development; analysis of available resources and potential for regional and national development; stimulating balanced regional development and reducing regional disparities; improving business climate at regional level.

Quick Response Administration, as a body under the Ministry of Economy, performs public administration and professional tasks in connection with improving conditions for attracting foreign investment.

Ministry of Finance performs public administration tasks that, inter alia, include: oversight of the enforcement of legislation regarding the international trade in goods and services and doing business abroad from the perspective of foreign exchange operations and international loan arrangements and other tasks of the foreign exchange inspection, in accordance with the law; system of international financial relations and international financing organisations; drafting, concluding and implementing international agreements of avoiding double taxation; customs system, customs tariff, non-customs protection measures and free zones; credit and monetary system, payment system and payment operations; securities and capital market; exercising alimony claims from abroad; clearance of goods, customs control and other tasks pertaining to control of passengers and international trade in goods and services; as well as other activities set forth by the law.

Ministry of Public Administration and Local Self -Government performs public administration tasks that, inter alia, include: drafting legislation on human and minority rights; local self-government and territorial autonomy system; guidance and support to local self-government units in ensuring legality and efficiency of work; capacity building and professional development of local self-government unit staff; labour relations and salaries in local self-government units and autonomous provinces; territorial organisation of the Republic of Serbia, as well as other activities set forth by the law. The Ministry of Public Administration and Local Self -Government performs public administration tasks in regard to: creating conditions for access and implementation of projects under the purview of that ministry, financed from the European Union pre-accession funds, grants and other forms of development assistance, as well as other activities set forth by the law.

Office for Kosovo and Metohija performs professional tasks for the needs of the Government and competent ministries, including, inter alia: functioning of institutions of the Republic of Serbia in the territory of the Autonomous Province of Kosovo and Metohija; education, health care, social policy, culture, infrastructure, local self-government system and telecommunications in Serbian areas of Kosovo and Metohija; cooperation with the Commissariat for Refugees and Migration in part relating to internally displaced persons from Kosovo and Metohija; cooperation with civil and military mission of the United Nations in the territory of the Autonomous Province of Kosovo and Metohija (UNMIK and KFOR) based on the Security Council Resolution 1244; In addition, the Office performs professional and

operating tasks in the negotiating process with Provisional Institutions of Self-Government in Pristina.

Commissariat for Refugees and Migration, as a special organisation in the public administration system was established pursuant to the Law on Refugees (“Official Gazette of RS”, no. 18/92, “Official Journal of SRY”, no. 42/02- CC and “Official Gazette of RS”, No. 30/10) for performance of professional and other tasks related to care, return and integration of refugees set forth by this law and related administrative tasks. For the area of legal and irregular migration, most important competences of the Commissariat are laid down in Article 10. of the Migration Management Law and imply monitoring implementation of migration policy measures, collection, consolidation and analysis of data and indicators relevant for migration management, determining, proposing and implementing measures for reintegration of returnees under the readmission agreements, proposing programmes for foreigners illegally staying in the Republic of Serbia and proposing programmes for support to voluntary return of foreigners illegally staying in the territory of the Republic of Serbia to their country of origin.

Statistical Office of the Republic of Serbia performs professional tasks related to, inter alia: organisation and implementation of statistical studies, development of methodology, collection, processing, statistical analysis and publishing of statistical data; preparing and passing unified statistical standards; development, maintenance and utilisation of national administrative and statistical registries; cooperation and expert coordination with authorities and organisations authorised for statistical studies; cooperation with international organisations aimed at standardisation and ensuring comparability of data.

Serbian Chamber of Commerce and Industry performs the tasks related, inter alia, to: harmonisation, formulation, representation and protection of interests of its members before competent state authorities and institutions in regulation of economic system and defining economic policy measures, launching initiatives for adoption of laws and other regulations relevant for the economy, international economic cooperation, improving entrepreneurship development, preparing business training curricula, etc. (Article 14. of the Statute of the Serbian Chamber of Commerce and Industry). The Diaspora Business Council was established under the Chamber of Commerce, comprising members of the diaspora and representatives of line ministries. In addition, a virtual Diaspora Club was formed, Diaspora Info newsletter is being published, and 12 Diaspora Offices were established under the local chambers of commerce.

On 31 January 2019 Government passed the Decision on establishing the *Coordination Body for Monitoring Flows in the area of Economic Migration in the Republic of Serbia*. Main task of this body is to direct operation of public administration authorities in considering state-of-affairs in the area of economic migration and identifying solutions for improvement of this area.

Social and Economic Council, inter alia, considers issues concerning the impact of economic policy and its implementing measures on social development and stability, employment policies, salary and pricing policies, competitiveness and productivity, education and professional training, health and social care and security, demographic trends and other issues in accordance with the *Law on Social and Economic Council* (“Official Gazette of RS”, no. 125/04) and other acts of the Council.

Employment Council of the Republic of Serbia issues opinions and recommendations to the Government regarding the issues of interest for enhancing employment, as follows: employment plans; active labour market policy programmes and measures; employment

legislation; other issues of interest for employment. The Council gathers representatives of the Government, representative trade unions and employers' associations, National Employment Service, associations relevant in the area of employment and experts in the employment domain.

Office for Human and Minority Rights is a governmental authority in charge of performing professional tasks for the needs of the Government and competent ministries in relation to protection of human rights and provision of assistance to vulnerable groups and migrants, such as refugees and displaced persons, returnees under the readmission agreements and asylum-seekers; monitoring and harmonising national legal framework with international treaties and European Union standards and initiating amendments to the national legislative framework; providing assistance to vulnerable groups of migrants.

Council for Reintegration of Returnees under the Readmission Agreements is responsible for: considering and proposing measures and activities for the delivery of reception, care and integration of returnees; providing support in establishing and implementing measures at the local self-government level aimed at assisting returnees; proposing framework for dialogue between countries regarding the issues of protection and exercising the rights of migrants and problems related to illegal migration, etc.

Commission for Monitoring Visa Free Travel Regime with the European Union is responsible for considering issues related to increasing number of false asylum-seekers in the European Union countries coming from the territory of the Republic of Serbia, and proposing such considerations to the Government and passing decisions in regard to the measures focused on reducing the number of false asylum applications.

All decisions of the ministries and public administration authorities are subject to court review. Administrative Court, pursuant to the Law on Organisation of Courts ("Official Gazette of RS" no. 116/08, 104/09, 101/10, 31/11 – other law, 78/11 – other law, 101/11, 101/13, 106/15, 40/15 – other law, 13/06, 108/16, 113/17, 65/18 – US, 87/18 and 88/18 – CC) adjudicates in administrative disputes. The Law on Administrative Disputes ("Official Gazette of RS", no. 111/09) sets forth that the court shall decide in administrative disputes on the lawfulness of final administrative acts, besides those for which different court protection is envisaged. The party and competent public prosecutor can file the request for the review of the final decision of the Administrative Court to the Supreme Court of Cassation. The Law on Civil Procedure ("Official Gazette of RS", nos. 72/11, 49/13 – CC, 74/13 – CC, 55/14 and 87/18) sets forth that parties can file a request for review of the final decision rendered in second instance within 30 days of the day of the decision delivery. The Supreme Court of Cassation decides on the review.

Pursuant to Article 170. of the Constitution, constitutional appeal may be filed against individual acts or actions of governmental authorities or organisations discharging public powers, violating or denying human or minority rights and freedoms guaranteed under Constitution, if other legal remedies for their protection are exhausted or not envisaged. Migration related legislation often refers to the competences of misdemeanor courts. The Misdemeanor Court adjudicates in misdemeanor proceedings, save in the cases when administrative bodies are competent, provides international legal aid in line with its competences and performs other activities set forth by the law. The Misdemeanor Appellate Court decides on the appeals against the decisions of misdemeanor courts and on the appeals against the decisions rendered by administrative bodies in misdemeanor proceedings, on the conflict and transfer of territorial jurisdiction of misdemeanor courts and performs other

activities set forth by the law.

2.3. The role and importance of international organisations and the most relevant documents

Civil society organisations and international organisations are also stakeholders involved in the migration governance domain in the Republic of Serbia. International organisations dedicate significant attention to international economic migration and their effect on development, both in reception countries and in the migrants' countries of origin. United Nations have directly supported the migration and development concept by establishing the Global Commission on International Migration in 2003, First and Second Dialogue on International Migration and Development in 2006 and 2013 and by creating the Global Forum on Migration and Development in 2007. International Organisation for Migration (IOM) focuses its activities to achieving orderly and humane migration governance and finding practical solutions to problems concerning this phenomenon. Migration reports of this organisation are being published since 2000, and some of them were focused on the specific subject matters: Managing migration- challenges and responses for people on the move (2003), costs and benefits of international migration (2005), managing labour mobility in the evolving global economy (2008), the future of migration- building capacities for change (2010), communicating effectively about migration (2011), migrant wellbeing and development (2013), migrants and cities- new partnership to manage mobility (2015).

The UN 2030 Agenda for Sustainable Development provides a comprehensive framework for understanding complex and dynamic relationship between migration and development, namely how migration can shape the development outcomes and the other way round. The Agenda recognises migration as a development issue, therefore the subject of migration was for the first time integrated in the global development programme. The most important target of this document addressing migration is 10.7: "Facilitate orderly, safe, regular and responsible migration and mobility of people, including through the implementation of planned and well-managed migration policies". Apart from recognising migrants as drivers of development, the Sustainable Development Goals also provide framework for transformation of the dominant approach to economic, social and environmental issues. International cooperation is of crucial importance for the achievement of this target. Accurate, consistent and timely data on international migration is of key importance for the assessment of current and future needs and setting policy priorities to promote inclusive and fair development for all²³.

Global Compact for Safe, Orderly and Regular Migration, adopted on 10 December 2018, represents a historical achievement of international community addressing the phenomenon of spatial mobility of the population. The document is of declarative character, and envisages establishing a framework for safe, orderly and regular migration aimed at regulating global governance and coordination of international migration flows. It covers human rights, security and cooperation of the states on this issue and is not legally binding. It is founded on the goals and principles of the United Nations Charter, Sustainable Development Agenda (Target 10.7), and on the Universal Declaration of Human Rights,

²³ IOM (2018). Migration and the 2030 Agenda, A Guide for Practitioners. (<https://publications.iom.int/books/migration-and-2030-agenda-guide-practitioners>)

Social and Cultural Rights, United Nations Convention against Transnational Organised Crime, including the Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, and Protocol against the Smuggling of Migrants by Land, Sea and Air, Slavery Convention, UN Framework Convention on Climate Change, United Nations Convention to Combat Desertification, Paris Agreement, conventions of the International Organisation for Migration on dignified work and labour migration, Adis Abeba Action Plan, Sendai Framework for Disaster Risk Reduction, and New Urban Agenda. The Republic of Serbia is one of 164 states which have ratified the Global Compact on Migration²⁴.

The adoption of the Global Compact on Safe, Orderly and Regular Migration was preceded by the adoption of declaration on refugees and migrants by the United Nations General Assembly entitled *New York Declaration on Refugees and Migrants* of 19 September 2016. This Declaration marked the beginning of a new dialogue and reflection of political will to improve the protection of refugees, especially in terms of division of accountability. Protection and rights of refugees directly affect regulation and management of migration flows²⁵.

The International Labour Organisation (ILO) Economic Migration Programme offers to governments, employers and labour organisations technical and policy advice on international labour migration and promotion of dignified work for migrant workers, same as for displaced persons and refugees. It additionally promotes national and multilateral migration systems, with a special focus on major presence of migrant workers in shadow economy and migrants in irregular and vulnerable situation. Advisory services of the International Labour Organisation and capacity building promote decent work for migrant workers, including the area of working conditions and salaries, equal treatment, gender equality and non-discrimination, labour market institutions, occupational health and safety, recognition of professional skills and certificates, access to social insurance and employment benefits in the countries where this organisation is providing its services²⁶.

In the past decades, European Union has been developing common immigration policy entitled *Global Approach to Migration and Mobility*, approaching legal migration by individual sectors. This has led to a common legal framework regulating the reception of certain categories of persons, enabling exercising of their rights and sanctioning of violations of the migrants. It also nurtures joint commitment of the member states in connection with integration and return of the migrants. A framework migration governance plan *Agenda for Migration* which represents the foundation for managing this phenomenon was adopted in 2015. Although the document is focused on regulation of irregular migration, one of the four pillars is the new policy of regular migration, and combating illegal employment

²⁴ <https://www.iom.int/global-compact-migration>

²⁵ <https://refugeesmigrants.un.org/declaration>

²⁶ https://www.ilo.org/actrav/areas/WCMS_DOC_ATR_ARE_MIG_EN/lang--en/index.htm

of irregular migrants, and addresses the subject of economic needs of the European Union, taking into account the current demographic picture of the European Union and shrinking labour force volume. The European Union is taking measures to regulate conditions for consistent implementation of legislation in the area of regular migration. The goal is to create a coherent, common migration policy, addressing short-term and long-term economic needs. The European Union needs labour force, therefore it is necessary to ensure consistency between migration and employment, education, development and trade policy, and short-term movement of highly skilled experts. By attracting and retaining foreign students, and by promoting education among migrants legally staying in the European Union member states, production of necessary skills that will be unavoidable in the future labour market of the European Union will be facilitated²⁷

III. SITUATION ANALYSIS AND LATEST TRENDS IN THE AREA OF EXTERNAL MIGRATION

3.1. Demographic footprint of the Republic of Serbia at the beginning of the 21st century

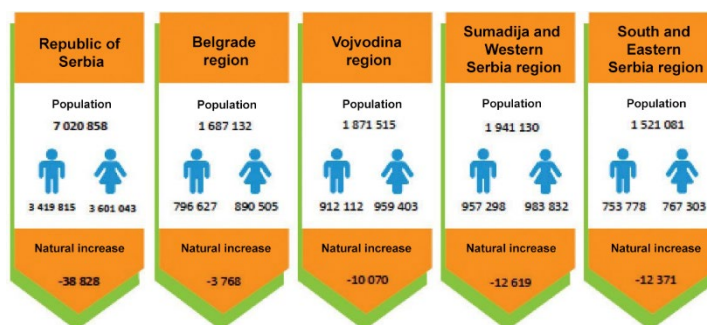
The features of a modern demographic development of the Republic of Serbia are reflected in the low birth rate, significantly under the need for the change of generations, delaying childbirth, high values of indicators of population illness and ageing, unfavourable age structure, intensive migration. As the result of everything listed, for several decades already in the large part of the territory of the Republic of Serbia we are witnessing biological and total depopulation. The state is facing the problem of demographic deficit which has become social, economic, political and national issue given that the bases of biological survival of the population are at risk. Biological depopulation areas are being homogenised and emigration zones are spreading with pronounced demographic disproportion.

The results of the 2011 Population Census²⁸ in the Republic of Serbia show that demographic trends, especially in rural areas, are becoming increasingly unfavourable. In the period 2002- 2011, total population number was reduced by 4.2% (from 7,498,001 to 7,186,862), which is consequence of negative birth rate and emigration. The population number in rural settlements registered a decline in the same period by 10.9% (by 311,139 persons), nowadays accounting for 40.6% of the total population of the Republic of Serbia. The only region in Serbia registering an increase in the population number in the period concerned is the region of Belgrade, where population potential in the period concerned was increased by 83,316 persons (from 1,576,124 to 1,659,440) which is exclusively the effect of positive migration balance. On the other hand, major decline in the population number in the last inter-census period was registered in the region of Southern and Eastern Serbia by even 189,088 persons (from 1,753,004 to 1,563,916 persons).

²⁷ https://ec.europa.eu/home-affairs/what-we-do/policies/european-agenda-migration_en

²⁸ In the territory of AP Kosovo and Metohija Statistical Office of the Republic of Serbia did not carry out Population Census in 2002 and 2011, because necessary conditions were not met (http://popis2011.stat.rs/?page_id=27)

The most pronounced depopulation in this region was registered in predominantly agricultural municipalities of Crna Trava, Babušnica, Gadžin Han, Bosilegrad, Trgovište, where intensive economic migration started back in the 1960s, and caused a significant decline of population potential and basis for demographic renewal. In rural settlements of Southern and Eastern Serbia, in nine years population number declined by 19%.



Source: Regions in the Republic of Serbia, 2017

In the period after the Population Census (2011-2018) trends in population dynamics remained unchanged, with intensified reversed demographic processes. According to estimations of the Statistical Office of the Republic of Serbia, population decline had continued and today amounts to under seven million (6,982,604 people in 2018). Birth rate is negative at the rate of -5,4‰ at national level. All regions in the Republic of Serbia have registered negative birth rates, while the highest was recorded in the region of South and East Serbia of -8,0‰. The only municipalities in the Republic of Serbia with the positive value of this indicators in 2018 were Tutin, Novi Pazar, Preševo, Bujanovac, Novi Sad and Belgrade municipality of Zvezdara. In 2018, 122,193 individuals have changed their permanent residence, namely they have permanently moved from one place to another in the Republic of Serbia. In the Belgrade region and Vojvodina region positive migration balance was registered, whereas in only 41 municipalities/towns out of 168 of them in total, positive value of this indicator was registered²⁹.

All aforementioned values result from the cumulative negative demographic effects over a longer period of time. Natural and migratory component of population development are inter-dependent via a joint part of determining basis and consequences (consequences of one phenomenon directly affect other phenomenon and vice versa), but are however connected via the political response aimed at brighter demographic future of the Republic of Serbia (Rašević, 2016). What is required is an intensive systemic action of societal stakeholders in all spheres of demographic development, onto: increased birth rate, reduced death rate and migration (internal and international) for the purpose of increasing labour and fertile potential necessary for reproduction of new generations and continuation of social and economic development and demographic growth. The experiences of developed countries show that without positive contribution of migratory component and positive net migration, reversal of trends

²⁹ <https://publikacije.stat.gov.rs/G2019/pdf/G201914016.pdf>

implying a decline in total, but also fertile and economically active population is extremely complex and long-lasting. Positive net migration enables compensation of negative demographic effects in the relatively short period of time.

3.2. Basic characteristics of migration trends in the Republic of Serbia

Monitoring migration trends is crucial for efficient migration governance, especially in terms of achieving positive effects of migration on social and economic development of the Republic of Serbia³⁰. As a consequence of extremely turbulent political and social and economic events in the Republic of Serbia and the region in the past thirty years, basic characteristics of migratory trends in this region are: emigration of young and educated population abroad, increase in inter-regional migration, rising concentration of working and reproductive and educated population in the region of Belgrade, emergence and care of the refugees, displaced and exiled persons, returnees under the Readmission Agreement and increased number of irregular migrants in transit and asylum- seekers. If we take into account internal displacement, primarily on the village to city relation, and then towards larger regional centers and the capital resulting in rearrangement of population and spread of extreme depopulation zones, a conclusion is imposed that migration represents one of the most important challenges in the Republic of Serbia.

Migration affects the overall population potential, birth rate and death rate, and structural characteristics of population (biological, social, economic, ethnic, etc.). Internal migration do not change the total population number at national level, but distribution of population potential within a certain territory. The most frequent ones are those of village- city type, and by their character they are spontaneous and voluntary. External (international) migration led to the change in population number, both in the country of origin and in the migrants' destination country, so in one country population number declines, whereas in other it increases. Applicable legislation plays an important role in this type of migration, namely, migration policy, primarily of the states receiving migrants. Both internal and external migration have different demographic, economic, social, political and other consequences in the countries of origin and destination. Youth emigration, whether in internal or external migration, leads to negative trends in the place of origin: demographic (depopulation and increased share of the elderly), economic (declining GDP growth and slowed down economic growth), and they also have adverse effects on the social and pension system.

Such migratory picture puts pressure on institutions engaged in migration governance, both in organisational and financial terms, to find efficient measures and requirements same as coordinated approach and ongoing cooperation of all relevant authorities at national and local levels.

³⁰ www.kirs.gov.rs

32.1. Positions and intentions of population of the Republic of Serbia on emigration, 2010- 2019

As indicators of potential migration usually surveyed are the positions, intentions, plans and steps taken for their implementation. These indicators basically imply the manner of understanding global and specific aspects of population migration as an important component of demographic development. Therefore, one of the objectives of the representative study carried out in 2010 was to determine emigration potential of Serbian population. The study covered 1,090 respondents above 18 years of age, 880 respondents from general sample and 210 interviewees from a special sample comprising returnees from abroad. The results have shown that if, hypothetically, Republic of Serbia had already become the member of the European Union, each fourth respondent (26.4%) would *certainly* look for work in some other European Union country. The response *probably* was selected by every sixth surveyed person (15.2%). In other words, 41.6% of the respondents from general sample have demonstrated manifest or latent readiness to seek employment outside the Republic of Serbia.

Another survey on the attachment to the place of residence and on migratory intentions was implemented in the period 2013- 2015 in eight Serbian towns on the sample of 2,572 respondents³¹. The objective of the study was to determine the attachment of population to a place as development potential, with consideration of migratory intentions. The results have shown that the large number of respondents wished to move. The lowest number of such respondents was in Kragujevac (each third respondent), in Šabac, Užice, Zrenjanin and Zaječar ca. 40%, in Sombor almost every second respondent, while in Leskovac and Novi Pazar more than a half of respondents expressed the desire to move somewhere else. However, the study has shown that the picture changed significantly when observing the shares of respondents who were actually planning on moving. In all towns their share was notably lower, so in Kragujevac, Šabac and Novi Pazar it was under 10%, which corresponded to the level of emotional attachment of respondents in the towns concerned. The largest share of respondents planning to move was registered in Zrenjanin, 26.3%. Concerning the planned moving destinations, majority opted to move abroad (Leskovac and Zaječar over 15% of respondents), followed by Belgrade, Novi Sad and Niš.

Survey of population positions and intentions regarding moving in four local self-government units³² (Šantić et al, 2019) was undertaken in 2019 applying qualitative method on the sample of 3,424 respondents (closed type surveys). Over 120 interviews were conducted on the representative sample with local decision-makers, young population (aged 20-34), families with underage children, the elderly (65+) and rural population. Focus group surveys were conducted with

³¹ Petrović, M., Backović, V. & Petrović, I. (2017). Attachment to a place and migration intentions of the population: an example of eight towns in Serbia. *Population*, 55(2): 1-24.

³² Šantić, D. et al (2019). The survey of the positions and intentions of the population concerning moving and the effect of migration on demographic ageing in four local self-government units aimed at designing population policy measures in respect to migration. The Office of the minister without a portfolio in charge of demographics and population policy, University of Belgrade- Faculty of Geography

high school graduates in each of the selected local government units. The respondents supporting or entirely supporting moving comprised 41.1% of the total number of respondents, therefore this response was predominant. Moving was entirely supported or supported in the largest percent by the inhabitants of the Town of Zaječar (53.7%), while with respondents in other local self-governments this share was more balanced amounting to ca. 40%. In the Town of Zrenjanin, moving was most supported by the youngest respondents aged 20-24, in the Town of Leskovac respondents aged 30-34, and in the Town of Zaječar middle aged population 40-44 years of age. The intentions of moving, namely current and future migratory potential comprises even 42.3% of the respondents who said they were thinking about moving. In urban settlements this was the response of 44.7% of respondents, whereas in rural settlements this amounted to 36.2% respondents. The majority of respondents, almost 50% would move abroad, while only 17% would move to Belgrade or some other regional center. The major share of respondents would move permanently or for a period longer than one year. Basic samples for such a position, respondents found in economic sphere, namely they would move due to the poor economic situation (17.4%), better paid jobs (17%) and inability to find a job (9.1%). The results obtained on the general consent of the positions and intentions on moving by all surveyed segments in content and spatial terms result in general positions for the national level.

3.2.2. Characteristics of internal migration

The data on internal migration is collected for all persons moving permanently within the boundaries of the Republic of Serbia (excluding data for AP Kosovo and Metohija), who then file residence registration- deregistration application to the Ministry of Interior responsible for maintaining the residence registries.

Transition of migration phenomena in the Republic of Serbia in the second half of the 20th century is characterised by the transition from dominance of local migration on the relation village- city back in the 1960s, towards the dominance of regional migration and village-city migration as of 1980s, to refugee migration starting in the 1990s. Through transitional stages in spatial mobility of population, also transformed were the origin, spatial distribution and composition of population in the geo-space of the Republic of Serbia. At the same time with strengthening and transformation of internal migration, international economic migration to Western European countries emerged as a new phenomenon.

Due to the industrialisation, urbanisation and deagrarian process, since the 1950s all forms of spatial and social population mobility have been strengthening, with intensive migration on the relation village- city, underdeveloped- developed regions, with an increase in inter-republic migration. Rural population abandoned villages leaving to closest urban and municipal centers looking for work. Mass economic emigration had demographically wiped out small settlements in terms of population number, with urban settlements becoming the drivers of population increase. Due to weakening of human potential caused by emigration, main characteristics of rural settlements have become underdevelopment, poverty and social exclusion, causing weakened capacities of local communities. Economic crisis which emerged in the 1990s and current transition, have caused an additional burden for limited capabilities of these regions of the Republic of Serbia.

According to the latest 2011 Population Census, 3,237,591 or 45% inhabitants of the Republic of Serbia (excluding Kosovo and Metohija) participated in migration, with their

average age being 28 years. Observed based on the share of immigrants in total population, only 22 municipalities registered more immigrants than original population, and these were primarily municipalities in the composition of the two largest immigration centers in the state: the City of Novi Sad and the City of Belgrade, and their gravitating zones. This group includes municipalities with significant tourism function (Vrnjačka Banja), but also those with a significant share of refugee population from the 1990s (municipalities in Srem)³³.

The results of the 2018 migratory statistics show that 122,193 persons participated in migrations within the Republic of Serbia, with their average age being 34.2 years. Observed by administrative regions, positive migration balance was registered in the region of Belgrade and the region of Vojvodina. According to the migration type, dominant were migrations between municipalities within the same area (39.1%), while the least represented were local migration, from one settlement to another within same municipalities (23.6%). This testifies on the increased migration distance and significant weakening of local migration due to the reduced demographic base for emigration in rural areas of the Republic of Serbia. As per age structure, the most mobile population is between 20 and 35 years of age, therefore fertile and working population. From the perspective of economic activity, 58% of migrants were dependents, 34% active persons, while the share of persons with personal income amounted to 8%, so it may be concluded that basic reasons for migration within the state were job-seeking and better living conditions³⁴.

3.2.3. Characteristics of external migration

The Migration Management Law ("Official Gazette of PC", no. 107/12) defines migration as external migration from the Republic of Serbia lasting or expected to last longer than 12 months. Monitoring emigration flows represents a particularly complex problem. National records do not enable comprehensive, nor accurate insight in the size and features of emigrant population, while the statistics of foreign countries towards which Serbian emigrants gravitate traditionally, are often not available or accurate³⁵.

The middle of the 1960s was a breaking point in the Yugoslav economic life, but also in the domain of external labour migration. The number of migrants registered in the 1971 Census (203,882), was increased by 1981 by 65,000, or by one third (31.9%). In the inter-census period 1981-1991, there was a notable stagnation in this type of external migration caused by the restrictive employment policy and incentive financial measures for the return of workers to their home countries.

³³ <https://publikacije.stat.gov.rs/G2013/Pdf/G201318009.pdf>

³⁴ <https://www.stat.gov.rs/sr-cyrl/oblasti/stanovnistvo/migracije-stanovnistva/>

³⁵ www.kirs.gov.rs

In 2002³⁶ 414,839 individuals (5.3% of total population of the Republic of Serbia) were registered abroad, thus making an increase of 54% compared to the 1991 situation. If 1971 and 2002 censuses are compared, it may be concluded that the number of external migrants was more than doubled (index: 203.5). In the last set of inter-census periods (2002- 2011), a significant decline in the number of emigrants by one fourth was registered (index: 75.6). Out of the total number of individuals “working- staying” abroad (313,411), 53.1% refers to the working individuals, 36.4% to their family members, 3.9% to students and 6.7% to others³⁷. It is necessary to point out here that due to the changed census methodology, Statistical Office of the Republic of Serbia does not have complete records on the persons emigrating from the country, therefore it is difficult to provide even a rough estimate of the volume of emigration from the Republic of Serbia and international migration balance, nor to reliably assess changes in these indicators over time³⁸.

In the first decade of the 21st century, ca. 150,000 people emigrated from the Republic of Serbia or 16,000 annually on average, average age of emigrants was 28.7 years, and one fifth held college or university degrees³⁹. Still, one should bear in mind that the largest number of emigrants do not deregister their residence in the Republic of Serbia, which is why they are not included in this data. Therefore, the actual value of this indicator is significantly higher due to the changed census methodology, and due to the lack of migration statistics and population register data. Organisation for European Cooperation and Development (OECD) estimates that since the beginning of the new millennium, 598,200 people have emigrated from the Republic of Serbia only to the member states. The average annual number of emigrants only to this organisation’s member states amounted to 31,000 in the period 2005- 2014. In 2014, 57,000 people emigrated, whereas in 2015 this number reached a record breaking 60,000. On the ranking list of 50 countries with the largest emigration, Republic of Serbia took 31st position⁴⁰. Various studies have shown that the volume of annual emigration from the Republic of Serbia amounts to 30,000-60,000 individuals⁴¹, while the latest World Bank report states that in the past two decades 14% of the population⁴² had left the Republic of Serbia. The Eurostat data shows that at the end of 2018 number of persons from the Republic of Serbia in possession of residence permit amounted to 491,199. Practically, those are residents in the European Union with the residence permit, and compared to 2018 their number declined by 1.6%. On the other side, in 2018 only, residence permit in the territory of the European Union was granted for the first time to 52,049 persons from the Republic of Serbia (new residents), which is almost 12,000 persons more than in 2017⁴³.

³⁶ Population censuses at the beginning of the 21st century (2002 and 2011) applied changed methodology for registration of permanent population. All residents residing abroad longer than one year were not included in the permanent, usual population, while foreigners residing in the country for more than a year were included in permanent, usual population.

³⁷ Stanković, V. (2014). *Serbia in the process of external migration*. Belgrade: Statistical Office of the Republic of Serbia

³⁸ Nikitović, V. (2019). *Towards regional depopulation in Serbia*. Institute of Social Sciences, Belgrade 115

³⁹ <https://www.stat.gov.rs/>

⁴⁰ <https://www.oecd.org/migration/international-migration-outlook-1999124x.htm>

⁴¹ <http://iri.rs/uploads/documents/projects/institut-za-razvoj-i-inovacije-troskovi-emigracije-mladih-u-srbiji.pdf>

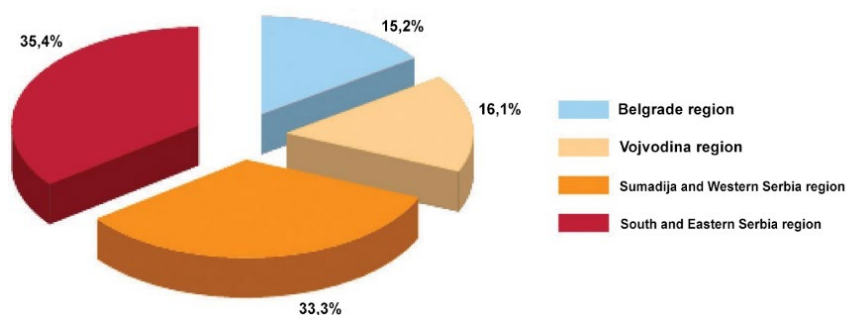
⁴² World Bank Group, Knomad (2019). *Migration and Remittances, Recent developments and Outlook*. Migration and Development, Brief 31, April.

⁴³ <https://ec.europa.eu/eurostat/statistics-explained/>

The grounds for granting the residence permit are primarily employment (more than a half), family reunification (every third person), while education was the reason in less than 10% of people.

Due to the uneven regional development and disproportion in economic, infrastructure and cultural development of different parts of the Republic of Serbia, problems of economic and social nature (poverty, unemployment) are also unevenly distributed, therefore the emigration volume also varies. Three large emigration zones⁴⁴ are identified in the Republic of Serbia. Eastern Serbia has been a traditional emigration zone since the 1960s. This zone comprises Braničevo, Pomoravlje and Bor districts. The largest shares of population abroad are registered in the municipalities of: Malo Crniće, Žabari, Kučevo, Negotin, Petrovac na Mlavi, Kladovo with ca. 30% of population. The two newer emigration zones from the 1990s are located in Southwestern Serbia (municipalities in Zlatibor and Raška districts) and in Southern Serbia (parts of Pčinja district– municipalities of Preševo and Bujanovac). In five municipalities in the Southwest of Serbia: Novi Pazar, Sjenica, Tutin, Prijepolje and Priboj, in the period between 1991 and 2002 the number of emigrants was increased from 5,400 to 30,900. This emigration zone is characterised by smaller share of women abroad, and higher share of children and youth up to 20 years of age. In all three zones, share of rural population is rather significant. Emigration municipalities (up to 20% of emigrants in total population) include Velika Plana, Prijepolje, Požarevac, Varvarin, Tutin, Čuprija, Žagubica, Golubac, Negotin, Veliko Gradište, Svilajnac and Despotovac. In the total population of emigrants, largest share pertains to young and predominantly male population⁴⁵.

**Chart 1: Share of external migrants from regions in the Republic of Serbia
in the total number of external migrants from the Republic of Serbia**



Source: Stanković, V. 2014

The average age of external migrants in 2011 amounted to 28 years, which is much more favourable than in total population (43 years). The largest share belongs to working population (15- 64 years of age), 80.5%, followed by children up to 14 years of age (16.2%), while the smallest share pertains to the elderly (65+) accounting for 3.3%. In the population of external migrants, the most represented is the age group of 20-39 years of age (38.3%), second is

⁴⁴ Penev, G. & Predojević Despić, J. (2012). Spatial aspects of emigration from Serbia. Three “hot” emigration zones. *Population*, Institute of Social Sciences, 50(2), Belgrade, 35-64

⁴⁵ Bobić, M., Vesković Anđelković, M. & V. Kokotović Kanazir (2016), Study on external and internal migration of serbian citizens with a special focus on youth. Belgrade: IOM.

the age group 40-59 years (30.8%). Almost every fifth individual belongs to the age group 0-19, while 60+ are least represented with only 8.3% in external migrants⁴⁶.

3.2.3.1. Geographic distribution of emigrants from the Republic of Serbia

Observed from the aspect of migrants' destination countries, the largest share of population from Central Serbia is found in Austria, Germany and France. Population from five municipalities from five municipalities in Zlatibor and Raška administrative districts account for one fifth of all individuals from Central Serbia in Germany. In Switzerland largest share of emigrants comes from Pomoravlje district and municipalities of Bujanovac and Preševo.

According to the Eurostat data, at the end of 2018, the highest number of citizens of the Republic of Serbia holding residence permits was registered in Germany, 232,338 or 47.3%. Germany is followed by Austria with 108,800 persons or 21.3% of the total number of migrants in the European Union, and Italy with 40,797 or 8.3%. In 2018 the largest number of Serbian nationals were granted German citizenship (21%), then Swedish (20%) and Italian (19%)⁴⁷. Germany was the first destination of emigrants from Serbia, since even 21,445 persons emigrated to this country in 2018. The average age of these persons was 31.4 years⁴⁸. The largest number of work permits in 2018 were issued by Germany, 31%, Slovenia, 9.9% and Croatia 9%, and all other European Union countries the remaining 50%.

In total, a slightly higher share of men participates in international migration compared to women, i.e. 58% of men against 42% of women. Unlike Austria and Sweden where the share of migrants of both sexes was almost equal, mostly male population emigrated to Slovenia and Hungary, even 80% of the total number of emigrants. On the other hand, the number of women opting to leave to Switzerland, Italy and Norway is higher than the number of men, According to the OECD⁵⁰ data, the largest number of emigrants from the Republic of Serbia was found in Germany (27.4%), Austria (16.1%), Switzerland (10.4%), France (10.0%), Italy (6.2%), Canada (4.9%) and Australia (3.2%).

The average number of years spent by a person from the Republic of Serbia abroad was 11 years in 2018. First on the list was France (14 years), followed by Switzerland and Germany (12.8 years), Austria (12.4), Australia (12.1), Sweden (11.9), the Netherlands (11.2), Canada (10.4), Great Britain (8.9) and the USA (8.6 years)⁵¹. New destinations of emigrants from the Republic of Serbia in the past two decades include Italy, Slovenia, Cyprus, Malta, United Arab Emirates, etc.

⁴⁶ Stanković, V. (2014). *Serbia in the process of external migration*. Belgrade: Statistical Office of the Republic of Serbia

⁴⁷ <https://ec.europa.eu/eurostat/statistics-explained/>

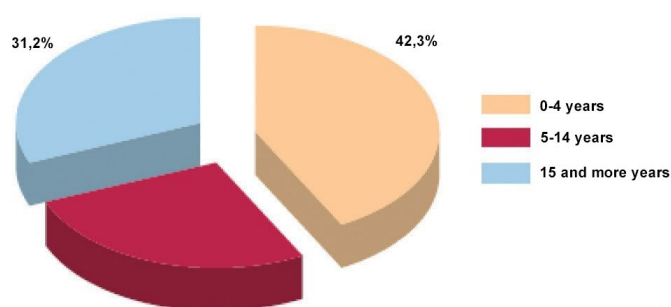
⁴⁸ <https://www.destatis.de/>

⁴⁹ <https://ec.europa.eu/eurostat/statistics-explained/>

⁵⁰ OECD (2015) *Connecting with Emigrants: A Global Profile of Diasporas*.

⁵¹ Stanković, V. (2014). *Serbia in the process of external migration*. Belgrade: National Statistical Office

Chart 2: Share of external migrants based on their work duration, stay abroad, 2011



Source: Stanković V., 2014.

3.2.3.2. Youth emigration and “brain drain”

According to the 2011 Population Census, over 150,000 of citizens of the Republic of Serbia of average age of ca. 29 have left abroad. Among them, almost every fifth person (19%) holds a college or university degree. In this period, the largest share of highly educated people emigrated to Germany, USA, Austria, Switzerland and Canada. Holders of MSc and PhD degrees, around 5,625 of them, mostly emigrated to the USA, Germany, United Kingdom, Austria and Canada. According to the OECD report, the share of highly educated in the total number of emigrants from the Republic of Serbia was the highest in Germany (9.3%), followed by Austria, Switzerland, France, Italy, Canada and Australia. According to the latest census data, 12,092 students went abroad for studies, of whom 5,483 (45.3%) for basic studies, 4,711 (39.05) master studies and 1,859 (15.4%) for PhD studies. Among the students, the USA stands out as the most attractive destination for education, since almost 16% of our students attend university or PhD studies in this country⁵².

Educational structure of emigrants shows a significant progress in the last census. Namely, it is reflected in the growing share of higher education levels and drastic decline in uneducated external migrants. Almost every fifth person (15.7%) holds a college or university degree. In this period, the largest share of highly educated people emigrated to Germany, USA, Austria, Switzerland and Canada. Holders of MSc and PhD degrees, around 5,625 of them, mostly emigrated to the USA, Germany, United Kingdom, Austria and Canada. According to the OECD report, the share of highly educated in the total number of emigrants from the Republic of Serbia was the highest in Germany (9.3%), followed by Austria, Switzerland, France, Italy, Canada and Australia.

“Brain drain” is a term referring to emigration of highly educated population taking place in two directions: one internationally, and second towards larger cities within the Republic of Serbia. In both cases these concern migrations from undeveloped or underdeveloped to developed areas. In this way, certain regions are not only becoming demographically empty, but they are also losing their development potential

⁵² Stanković, V. (2014). *Serbia in the process of external migration*. Belgrade National Statistical Office

which seriously puts their economic and demographic survival at risk. Migration of highly educated labour force is most often the consequence of situation in the labour market in the country of origin and better paid jobs and working conditions in destination countries, but also opportunities for professional development and advancement. The growing number of highly educated and highly skilled individuals abroad may be the capital of the Republic of Serbia. Successful and integrated migrants are motivated as a rule, and have resources (knowledge, skills, ideas, money, contacts) to contribute to the development of their country of origin⁵³. On the other side, emigration of highly educated labour force may evoke disruption in the labour market, given that it negatively affects economic development and successful implementation of reforms. This type of migration causes fiscal losses reflected primarily in the lost tax revenues.

The study entitled *Migration of Students*⁵⁴ was aimed at examining students' plans regarding the future migratory movements. In total 11,013 students participated in this study. Even one third of respondents said they were planning on leaving abroad after graduation, and over 90% among them was fully supported by their parents in doing so, while 70% had relatives and friends abroad whose help they were counting on. Basic reasons for leaving abroad indicated by the students were the inability of finding job in their profession (27%), low-paid job in their profession (21%) and low living standard (20%). In terms of the planned length of stay abroad, 50% of the students wishing to leave the Republic of Serbia do not plan on coming back, 19% would like to come back once they have ensured enough money to start their own business, while 13.8% would return once economic situation would become better and more stable. Among the students planning to leave the Republic of Serbia, leading position belongs to students of information and communication technology (36.5%) and students in the area of medical science (more than 30%), with a smaller share of students in the area of social science. The most desirable state among the students is Germany where every fourth student plans to emigrate (11%), Switzerland (10.7%), Austria (8.7%) and Norway (6.3%). The most drastic piece of data in the entire study was that one fourth of those who would like to leave have already firmly decided to do so, irrespective of the measures the state would implement to retain them in the Republic of Serbia.

Social consequences of youth emigration are visible in the loss of the invested capital in their upbringing and education. Young people emigrating take with them the previous investments of the society and family in their upbringing and education. The state enables them to acquire education, good students are awarded scholarships and provided with professional development, however it is not rare that these experts the society needs most, leave and find better employment in other countries. To date there is no accurate data on the state allocation for education of an individual in the entire educational process, but these estimations vary around the figure of EUR 100,000 per one graduated student. Only for education of students the state allocated EUR 30,000- 35,000 per person. Leaving of the highly educated abroad means that the destination country of these migrants acquired experts at minimum cost.

⁵³ Rašević, M. (2016). Migration and development in Serbia. International Organisation for Migration (IOM), Belgrade.

⁵⁴ www.mdpp.gov.rs

The study *Costs of youth emigration in Serbia*⁵⁵ has shown that due to the inexistence of adequate database on structural characteristics of external migrants, it is not possible to calculate total loss of the Republic of Serbia due to population emigration. Therefore, six possible scenarios were developed, ranging from the most optimistic to the most pessimistic one. The research results have demonstrated that total costs allocated by the state and family for completion of primary education amount to EUR 13,572 per person, while by the end of the secondary school this amount rises to EUR 20,854, basic studies increase the financial expenditures to EUR 34,134, while for the entire educational cycle including PhD studies EUR 54,576 need to be invested. When this is applied to the data from the possible migration scenarios, in the most favourable case, the investment to be used by some other country is worth ca. EUR 300 million, and in the most pessimistic scenario even EUR 1.2 billion. It has been determined that the state does not only incur loss because people whose education significant capital was invested in are leaving, but also because the potential for GDP generation declines by EUR 19,446 per person annually, including reduced consumption by the number of people who have left, and thus the potential of the economy for new jobs, and finally the induced effect shows that demographic potential is on the decline due to the emigration of predominantly young people, and this the possibility of economy for a more serious development. On these grounds, GDP potential was reduced by EUR 0.9 billion. If the amount invested in education of those who had left is added, a loss of EUR 1.2 to over 2 billion annually arises. The study conducted also pointed out positive consequences of emigration, primarily reflected in monetary remittances, and their annual amount makes Republic of Serbia one of the leaders in the region.

Young population leaving will have children, marry, form families, divorce and die in the country of destination. In addition to demographic consequences of youth emigration, very important are the consequences of economic character mirrored in economic development of the place or country of destination. If emigration of highly educated and highly skilled labour force from one country to another is excessive with the continuous upward tendency, its effects will be negative and affect the economy and society of migrants' home country. The effects of youth emigration abroad include losses in tax revenues, potential future entrepreneurs, lack of qualified labour, innovative ideas, money invested in education and the loss in health care and education services. In this way, the state is losing its investment in upbringing, schooling, education and training of high-achievers, but at the same time it loses because the investment capital in education and training is not being returned to the home country, but is given as a present to the country receiving highly educated and expert labour. This, therefore, concerns the expected but lost profit of highly educated and professional people. This is why positive changes are needed in the economic landscape of the Republic of Serbia in the foreseeable future, that could affect the flows of such migration the most.

⁵⁵ <http://iri.rs/uploads/documents/projects/institut-za-razvoj-i-inovacije-troskovi-emigracije-mladih-u-srbiji.pdf>

3.2.3.3. Employment of emigrants from the Republic of Serbia

Freedom of movement and labour force mobility, as a fundamental principle of the European Union single market functioning, represent a part of the negotiating process for the accession of the Republic of Serbia to the European Union. Although adequate chapters for posting of workers from the Republic of Serbia to the European Union member states have not yet been opened, the number of posted workers had increased in the past three years after their introduction to legislation⁵⁶. Detachment, or international agreement on posting of workers from the Republic of Serbia, was signed with Germany and it regulates the types of jobs and annual quotas for workers (ca. 2,000 persons). The Chamber of Commerce and Industry is responsible for setting quotas. Additionally, bilateral agreements on temporary employment and agreements on social protection regulating social insurance were also concluded. Apart from private employment agencies (127), employment mediation activities in the Republic of Serbia are performed by the National Employment Service (NES). Oversight of the work of the National Employment Service and employment agencies is undertaken by the Ministry of Labour, Employment, Veteran and Social Affairs.

The 2011 data on the persons abroad according to activity shows greater share of labour-active migrants (56.6%) compared to inactive migrants (43.4%). Among such active external migrants, even 95.9% of persons were engaged in a profession, while among the inactive migrants, largest share pertains to children under 15 (37.5%), ca. 20% to students and 12.3% to pensioners. Among the external migrants who had left abroad in the 1960s, almost a half of were farmers, whereas today this share is under 1%, which clearly shows substitution of agricultural professions by non-agricultural ones. On the other hand, each fifth emigrant belonged to the extended category of “experts and artists”, i.e. to the category of occupations with higher education⁵⁷.

Migration due to economic reasons include economically active population emigrating for employment, higher salary or better work conditions. In 2018 via the National Employment Service, at the request of foreign employers 60 persons were employed in Germany, 15 in Slovenia, 19 in Croatia and 4 in Portugal. Besides this, 106 persons were employed in Germany following mediation activities implemented under the “Triple Win” project, same as 351 citizens of the Republic of Serbia for the needs of a known employer in Germany. Based on the reports of employment agencies, in 2018 6,580 nationals of the Republic of Serbia were employed by foreign employers.

According to the 2018 data of the Central Register of Compulsory Social Insurance, 901 employers from the Republic of Serbia posted 15,503 staff to temporary work in 107 countries. This is a significant increase in the number compared to 607 workers posted in 2015⁵⁸.

⁵⁶Law on referral of employees to temporary work abroad and their protection, 2015/2018

⁵⁷ Stanković, V. (2014). Republic of Serbia in the process of external migration. Belgrade Statistical Office of the Republic of Serbia

⁵⁸ Đurić, K. & Todorović G. Posting of workers in Eastern Europe (EEPOW) (<https://www.euro.centre.org/projects/detail/1673>).

The largest number of workers were referred to temporary work to Germany (5,205), Slovakia (3,704), Croatia (679), Russian Federation (541), Hungary (519), Montenegro (472), Austria (217), Czech Republic (195) and Slovenia (180)⁵⁹.

Through the established network of migration service centers (Belgrade, Niš, Novi Pazar, Novi Sad, Kraljevo, Kruševac and Bor), formed under the National Employment Service, migrants and potential workers are provided with information on the rights of migrants, visa issuance procedures, work and residence permits, opportunities for employment and studies abroad, access to health care and education abroad, risks of irregular migration, etc. This contributes to efficient informing on legal migration flows and preparedness for potential leaving through adequate adaptation to conditions and regulations in destination country. In 2018 services of these service centers were used by 908 persons (66.5% of men and 33.5% of women). The users of these services included 70.7% of the unemployed, of whom majority from rural environments. However, the largest number of citizens of the Republic of Serbia had left abroad individually, without the mediation of the state.

The volume of emigration of population of the Republic of Serbia at the beginning of the 21st century is increasingly intensive, and taking into account the current concerning demographic trends, it significantly affects labour market, destabilisation of economic, health care, social, educational and pension systems on the long run due to the expected loss of tax and fiscal base. Disruptions in the labour market as the consequence of emigration include destabilisation of the base and structure of the labour force, reduced number and share of working population, reduced employment rate and consequently, declining productivity and gross social product. "Brain drain" or emigration of highly educated population abroad is in the focus of domestic expert and general public given that this concerns predominantly young people whose education was heavily supported by the state. Undoubtedly, this phenomenon has a rather negative impact on economic and demographic situation in the Republic of Serbia, but it seems that even more devastating consequences were caused by migration of unqualified, manual labour force, which has been ongoing for half a century already⁶⁰.

Emigration trend will continue in the future, for at least two reasons. Causes and emigration intentions in the Republic of Serbia are changing slowly, while the need for labour force, especially qualified personnel in Europe, becomes increasingly pronounced. Even if the demand for labour force in the developed part of the world would be reduced quantitatively, it would qualitatively be differentiated and oriented towards attracting the top quality and most educated labour force and most wanted profiles of workers, who are able to drive an increase in productivity and competitiveness of the economy.

⁵⁹ Migration Profile of RS (2019) www.kirs.gov.rs

⁶⁰ Stanković, V. (2014). *Serbia in the process of external migration*. Belgrade: Statistical Office of the Republic of Serbia

3.2.4. Characteristics of immigration in the Republic of Serbia

Immigration is set forth in Article 2. of the Migration Management Law (“Official Gazette of RS”, no. 107/12) as migration to the Republic of Serbia from some other state, lasting or expected to last longer than 12 months. Between the two last population censuses, 67,000 people have moved back to the Republic of Serbia from abroad, of whom almost one third from Bosnia and Herzegovina (31%), followed by Montenegro (17.2%), Croatia (9.1%) and Germany (8.2%). In addition to immigrants from European states, immigrants also originated from the USA and PR of China. The basic characteristic of this group of population is that predominant among the immigrants are the Serbs from the region and those who have returned from abroad mainly as pensioners. The immigrants included the returnees under the Readmission Agreement, but also those who have voluntarily returned to the country after staying abroad. Foreign nationals comprised a smaller portion of the immigrant population, namely every fourth immigrant was not from the Republic of Serbia by origin (13,800 persons)⁶¹.

The analysis of data from Migration Profiles 2011-2019⁶² identified an upward trend in the number of foreign nationals moving to the Republic of Serbia. Same as in the previous years, in 2018, the major share of migrants was from the People’s Republic of China (32.5%), Romania (25.6%) and Russia (13.5%). What is evident is the almost double share of immigrants from the PR of China and even four times higher share of immigrants from the neighbouring Romania compared to the previous year. Immigrants from North Macedonia and Libya registered double numbers in the period concerned, while the share of immigrant population from Russia is stable. Unlike the beginning of the decade, Ukrainian citizens were not registered as immigrants in the territory of the Republic of Serbia in a considerable percentage.

In 2018, in the Republic of Serbia there were 7,866 resident foreigners, which was an increase in comparison to 2017 when there were 7,369 of them. Among the resident foreigners, largest number pertains to the nationals of the PR of China (22.9%), Romania (13.8%) and Russia (10.2%). The largest number of foreigners hold permanent residence on the grounds of marriage (69.6%), implying that family reasons are by far dominant in filing applications for permanent residence in the Republic of Serbia. Employment share is 16.7% which is proportionally a small percentage knowing that economic migration is the most frequent type of migration, both in the Republic of Serbia and worldwide. The largest number of people with permanent residence who have been granted work permit are citizens of the PR of China (29%), followed by the nationals of North Macedonia and Russia, where female population is dominant.

In the same year, in total 21,102 approved temporary residence permits were issued to foreigners, which is a minimum increase compared to 2017 (20,524). The highest number of approvals was issued to citizens of the PR of China (15.5%) and Russia (14.2%), and there was also a notable share of persons from the former SFRY republics, mainly from North Macedonia (1,315 persons). Likewise, 7,591 temporary residence approvals were issued for the first time. The largest number of such approvals was issued to citizens of the PR of China (13.2%) and Russia (10.7%).

⁶¹ Migration Profile of RS (2019), www.kirs.gov.rs

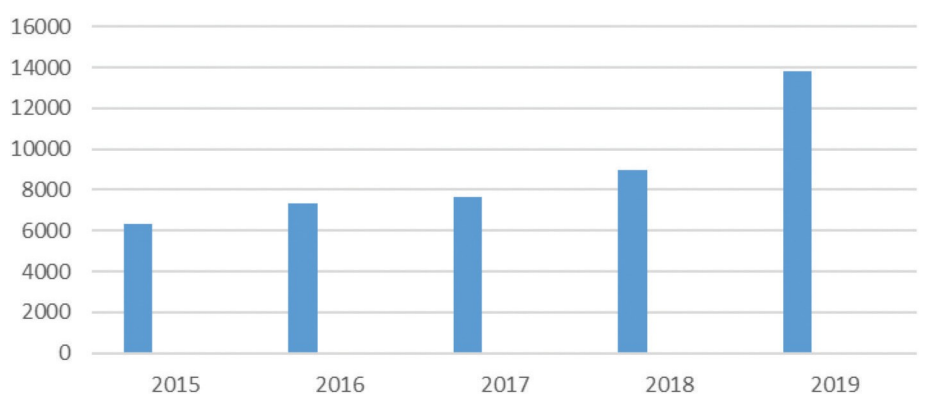
⁶² Migration Profile of RS (-2019), www.kirs.gov.rs

At the end of 2018, 1,683 foreigners were in the Republic of Serbia on the grounds of studies, which is a minimum decline in comparison to 2017 when there were 1,753 of them. The largest number of these persons are the citizens of Libya (28.1%), while citizens of the Russian Federation (6.8%), Montenegro (4.3%) and Greece (4.2%) were represented in a considerably lower share. Citizens of Libya have for almost a decade been by far the most numerous group of persons with valid temporary residence permits on the grounds of studies. Observed by genders, among the persons with granted temporary residence, for the first time male population is dominant on the grounds of labour, while in family reunification female population is dominant, and in applications on the grounds of studies, the share of genders is balanced.

3.2.4.1. Employment of foreigners in the Republic of Serbia

Temporary residence on the grounds of employment was granted to 8,283 foreigners in 2018, which was an increase compared to 2017 when this number amounted to 7,550 persons. Out of the total number of foreigners, largest number of permits of this type was issued to citizens of the PR of China (27%), Russia (8.6%) and Turkey (6.8%). In 2018, National Employment Service issued 8,990 work permits in total to foreign nationals as follows: 1,254 personal work permits, 3,851 work permits for employment, 572 work permits to posted persons, 1,012 work permits for movement within the company, 11 work permits for independent professionals, 2,256 work permits for self-employment and 34 work permits for professional development and upskilling. The largest number of work permits was issued at the Branch Office for the City of Belgrade (62.0% of the total number). In 2018, 300 work permits were issued to foreigners with permanent residence, of which 55% to female population. In terms of citizenship, citizens of the PR of China are in the leading position. Employment is increasingly present in sectors which traditionally employ the largest portion of the labour force: construction, and trade and services. As of 31 December 2018, there were in total 552,513 unemployed persons in the records of the National Employment Service, of which 0.13% were registered as foreign citizens (733 persons). The largest number of the unemployed belonged to the group of middle-aged population between 30 and 49 years of age (62.2%).

Chart 3: Work permits issued to foreign nationals, 2015- 2019

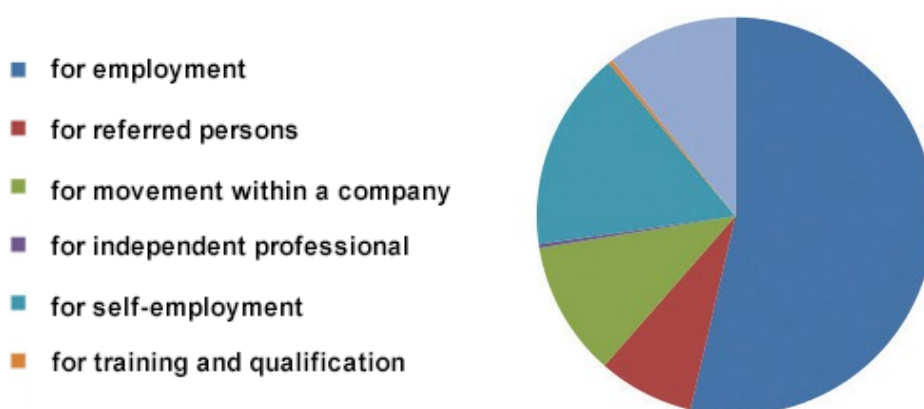


Source: NES

Although economic incentives and opportunities for employment of immigrants in the Republic of Serbia are still rather low to attract them in larger numbers, situation will probably change in the coming period, similarly to once emigration countries like Spain, Italy, Ireland and Czech Republic, which are nowadays the labour force immigration countries.

In 2019, with 13,809 work permits issued, it may be concluded that the trend of rising interest of foreign citizens for work in the Republic of Serbia has continued⁶³. Out of the mentioned 13,809 work permits issued in 2019, 2,684 (19.4%) work permits were issued to female population.

Chart 4: Work permits by type, 2019



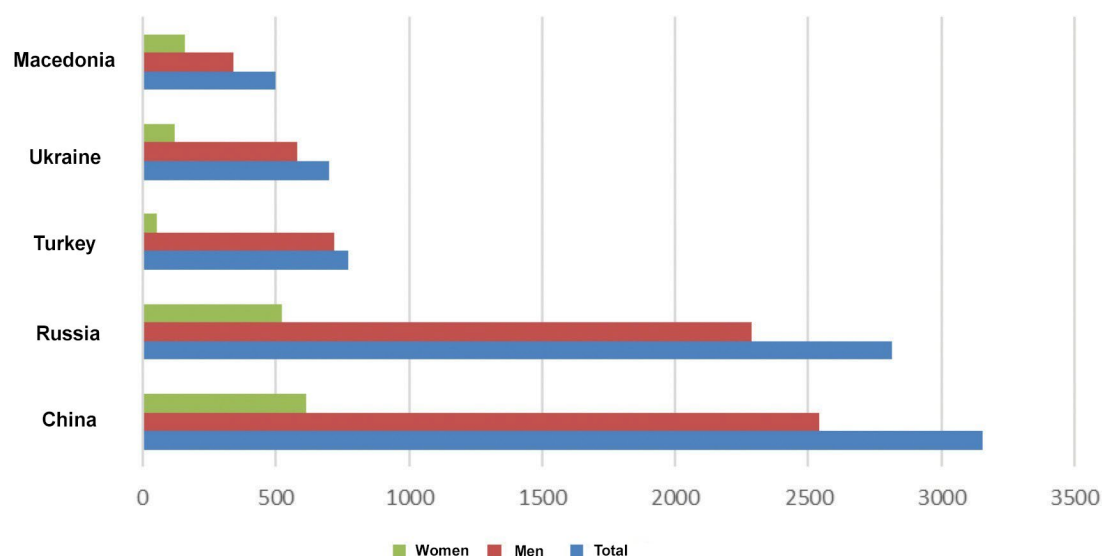
Source: NES, 2019

442 work permits were issued to foreigners with permanent residence, of which 47.7% to female population. According to the citizenship, citizens of the PR of China (22.83%) are still leading, followed by the citizens of the Russian Federation (20.37%), Turkey (5.59%) and Ukraine (5.05%)⁶⁴.

⁶³ Migration Profiles 2011-2019, www.kirs.gov.rs

⁶⁴ NES, 2019, documentation tables.

Chart 5: Work permits by citizenship and gender, 2019



Source: NSZ, 2019

3.2.5. Forced migration

3.2.5.1. Refugees

Pursuant to the Law on Refugees (“Official Gazette of RS”, no. 18/92, “Official Journal of SRY”, no. 42/02 - CC and “Official Gazette of RS”, no. 30/10), a refugee is a person who has, due to the events taking place in the period between 1991 and 1998 and their consequences, taken refuge or was exiled from former Yugoslav republics to the territory of the Republic of Serbia. According to the 1996 Refugee Census, there were 537,937 persons in the territory of the Republic of Serbia with this status. Since then their number has significantly declined by more than 80%, so nowadays in the Republic of Serbia there are 26,502 refugees. The declining number of refugees mainly results from their integration in the Republic of Serbia. Out of 537,937 refugees and 79,791 persons threatened by war registered in the 1996 Census, more than 350,000 persons have obtained citizenship of the Republic of Serbia which is the largest process of refugee integration in modern Europe.

Despite the large number of refugees, exiled and persons threatened by war being integrated, these people still require help in addressing housing issues, same as in exercising their rights in the country of their origin, which would significantly facilitate economic aspect of integration process in local communities in the Republic of Serbia. Besides major progress made, primarily in resolving existential problems of this population and dynamic of ensuring permanent housing solutions, the issue of refugees in this region has not yet been closed⁶⁵.

⁶⁵ www.kirs.gov.rs

3.2.5.2. Internally displaced persons

Internally displaced persons are individuals or groups of people, forced to run or leave their homes or places of residence, without crossing the internationally recognised border. In 20000, Commissariat for Refugees and Migration in cooperation with the United Nations High Commissariat for Refugees (UNHCR) organised the Census of internally displaced persons from the AP Kosovo and Metohija, when 187,129 persons were registered. In the period between 2000 to 2005, from the territory of AP Kosovo and Metohija ca. 20,000 persons were additionally displaced, so at the end of 2005 the number of internally displaced persons in the Republic of Serbia excluding AP Kosovo and Metohija, amounted to 209,021 persons, and currently there are 199,584 of them⁶⁶.

3.2.5.3. Refugees pursuant to the Law on Asylum and Temporary Protection and Asylum-Seekers

Due to its geographic position, Republic of Serbia is an important transit area for migrants from Asia and Africa on their journey to the European Union. This is the reason why it is one of the countries which were affected most by the “migrant crisis”, given that it is located on the Balkan migrant route. This was especially notable in 2015 and 2016 when culmination of mass mixed migration over the Balkans territory took place. According to the data of the Ministry of Interior, in 2015 577,955 persons have crossed the territory of the Republic of Serbia. With formal closure of the Balkan migration route in March 2016, the migration volume declined, however it was not stopped, but only extended the stay of migrants in the territory of the Republic of Serbia. Migrants are accommodated in five Asylum Centers and 14 transit drop-in centers, with three transit drop-in centers being on stand-by due to the cost rationalisation. According to the data from January 2019, these centers accommodated 4,212 persons. Majority of them came from Afghanistan and Iran⁶⁷.

In 2018, there were 8,410 expressed intentions for asylum in the Republic of Serbia. Countries of origin of the largest number of asylum-seekers were Afghanistan (31.2%), Pakistan (21.8%) and Iran (19.2%). Still, only 341 persons or 4.1% of the total number have applied for asylum, mainly citizens of Iran and Afghanistan. The Asylum Office passed 17 decisions granting asylum (for 25 people) and 34 decisions denying asylum (for 45 people). It should be pointed out that for the largest number of asylum-seekers procedure was discontinued since the majority of them continued migrating further, not waiting for the first-instance decision on their asylum application⁶⁸.

3.2.5.4. Returnees under the Readmission Agreement

According to the records of the Ministry of Interior, in 2018 2,396 readmission applications were received, of which 1,721 were approved, while in the same period

⁶⁶ www.kirs.gov.rs

⁶⁷ www.kirs.gov.rs

⁶⁸ Migration Profile of RS (2019), www.kirs.gov.rs

2,489 citizens of the Republic of Serbia have returned. Out of the total number of received readmission applications in 2018, 62.6% was filed from Germany, followed by Austria with 177 applications (7.4% of the total number) and France with 165 applications (6.6% of the total number).

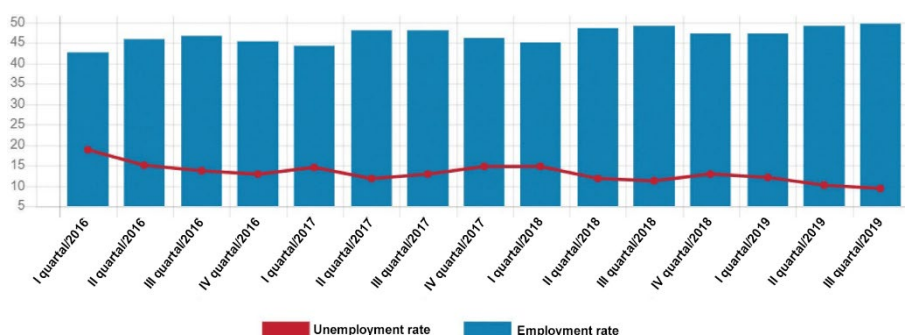
3.3. Basic characteristics of labour market in the Republic of Serbia

There were significant improvements in the labour market in the past years, however structural problems and demographic challenges still need to be addressed. In 2018 based on the stronger economic growth, labour market indicators had reached best results since the beginning of the (revised) labour force study in 2014. Activity and employment rates were at the highest level while unemployment (for 15 and more years) registered up to 12.7%. Although the long-term unemployment and women and youth unemployment are still present, the trend is downward, and youth activity rate is declining. The share of youth aged 15 to 24 who are unemployed was reduced to 16.5% in 2018. The share of informal employment, of which two thirds were in agriculture, dropped to ca. 20%.

In the third quarter of 2019, the number of the employed amounted to 2,938,700, while the number of the unemployed amounted to 308,400. The employment rate in the period concerned amounted to 49.6%, and unemployment rate 9.5%. Compared to the third quarter of 2018, the employment rate was higher by 0.4 percentage points (p.p.), whereas the unemployment rate went down by 1.8 p.p. The inter-annual rise in the number of the employed was 9,500, while the inter-annual drop in the number of the unemployed was 63,400. The unemployment decline was partially spilled over to employment growth (by 9,500), but in its larger part it was the consequence of inactivity (by 23,000) and declining population aged 15+ (by 31,000) in the past year⁶⁹.

However, the declining number of working population adversely affects the labour force supply. Constant decline in population number, along with emigration and brain drain, remains the key mid-term and long-term economic challenge. In addition, the mismatch in skills and large regional disparities are still the leading problem in the labour market, which resulted in high structural unemployment.

Chart 6: Employment/ unemployment rates trends in population 15+, 2019



Source: Statistical Office of the Republic of Serbia, 2019 ⁷⁰

⁶⁹ <https://www.stat.gov.rs/vesti/20191129-kretanja-na-trzistu-rada-u-trecem-kvartalu-2019/?s=2400>

⁷⁰ <https://www.stat.gov.rs/oblasti/trziste-rada/anketa-o-radnoj-snazi/>

3.4. MIGRATION AND DEVELOPMENT

The need for better work and living conditions of migrants is the underlying link between migration and development. Acknowledging migration as a development instrument is not a recent phenomenon. Specific aspects of migration and development were explored even before the World War II. However, in the past two decades, with intensification of international migration and increase in the inflow of foreign currency remittances, migration-development nexus, or contribution of migration to development, has climbed to the very top of global agendas.

The relationship between migration and development is complex, so on one side migration can be seen as a limiting factor for development, while on the other, it can serve development. The 2030 Agenda for Sustainable Development recognised migration as a strong driver of sustainable development, both for migrants and their communities. Mobility contributes to significant benefits in terms of skills, strengthening of labour force, investment and cultural diversity and improved living standards in the communities of migrants' origin, through transfer of knowledge and financial resources. However, the benefit can not be observed only from the perspective of what migrants can bring to a particular territory. The relationship between migration and development is much more complex: political, social and economic processes in destination countries will also determine how, where and when migration will take place. In addition, poor migration governance may negatively affect development. Migrants can be exposed to risk and communities can be under pressure. What is required in order for migration to actually serve development is primarily decisiveness of the state in designing a clear migration policy, since migration per se do not contribute to development⁷¹.

The link between migration and development can be seen through the 3R platform, implying recruitment of workers, remittances and returns. Who is emigrating, how much money migrants send back to the country of origin and how are such funds being used, same as when migrants come back and what they do upon their return, also affects the development and thus future migration flows. Development also affects migration, especially when economic migration reflected in free trade and investment is concerned, by accelerating changes in the countries of origin. Emigration should not be considered a loss for the country of origin, since such a state can use remittances and return of migrants with new skills in the best possible way, as engines of development. In the globalisation era, characterised by free trade agreements and investment agreements, volume, trends and flows of migration need to be taken into account, especially in those regions where changes in the labour market and dislocation of jobs are taking place. If migration flows are not managed properly, economic integration may be slowed down, whereas economic migration represents a safe road to prosperity and development. Moreover, there is no unique and generally accepted mechanism for managing 3R platform and migration flows. Instead, international migration governance regime needs to be transformed from bilateral into regional agreements, since their best elements are embedded in the global framework agreements on labour and institutions, which is one of the major challenges of International Labour Organisation in modern times⁷².

⁷¹ <https://www.iom.int/migration-and-development>

⁷² Martin, P. L. (2004). Migration and development: Toward sustainable solutions. International Institute for Labour Studies, Decent Work Research Programme, *Discussion paper*, DP/153/2004

International migration contributes to the development of migrants- their knowledge and skills, development of communities they are going to, but also of the communities they are leaving, therefore in the modern times the issue of migration and development becomes broadly present among the policy-makers. Given that more and more people are crossing state borders searching for work, it is necessary to design, adopt and implement efficient policies protecting the rights of migrant workers and reducing the costs of labour migration. Including migration in development policies will be crucial for achieving economic growth and improving living conditions, both for the migrant workers and members of their families, and for their countries of origin and destination. Migration have to include development component of the states, but one should bear in mind that the effect and consequences of migration are primarily reflected at local level, whether integration, labour market conditions or creating opportunities for employment of migrants are concerned. This implies that local stakeholders are the ones playing a key role for sustainability and implementation of the migration and development concept⁷³.

The issue of migration in the Republic of Serbia was addressed under several programmes and projects, such as: the regional project *Migration for Development in the Western Balkans (MIDWEB)* 2011-2012 focused on providing assistance in legal migration from the Western Balkans to European Union member states and contributing to positive effect of labour migration on social and economic development of the region; global project *Mainstreaming Migration in National Development Strategies (IOM)*, which is to contribute to capacity building of the states in mainstreaming the link between migration and development in development strategies, and provide assistance to states in issues related to migration and development; programme *Migration and Development* of the German Organisation for International Cooperation (Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) treating migration as a circular process and benefit for the country, provided that people who have left the country for the purpose of professional development would return to the country of origin and contribute to its development.

What is needed is for the migrants to be recognised as important agents of change, or development potential of the society. Development of the state needs to be stimulated via economic, scientific, technological, cultural and educational cooperation with the diaspora, but the diaspora also needs to assist in the European Union integration process and enhance the reputation of the Republic of Serbia in the world. However, the study on the positions and intentions of the population on emigration conducted in four selected local government-units in Serbia⁷⁴ has shown that even 56.1% of respondents perceive migration as a threat to development, mostly in Zaječar even 65.9%, followed by Leskovac 56.8%, Zrenjanin 53.8%, while this share is lowest in Užice and amounts to 50.6%. Only 6.6% see a positive link between migration and development at the level of local self-government and the entire state. Generally, it may be concluded that population of the Republic of Serbia insufficiently perceives the importance of cash remittances, and fails to see the opportunity and benefit brought about by the return and circular migration flows, knowledge transfer and innovation. This is confirmed by the fact that the largest share of the respondents

⁷³ Mitrović, O. (2017). *Handbook on migration and local development*. Global joint programme IOM- UNDP: Mainstreaming Migration in National Development Strategies, IOM, SDC, UNDP.

⁷⁴ Šantić, D. et al (2019). The survey of the positions and intentions of the population concerning emigration and the effect of migration on demographic ageing in four local self-government units aimed at designing population policy measures in respect to migration. The Office of the minister without a portfolio in charge of demographics

and population policy, University of Belgrade- Faculty of Geography

do not have a clearly defined position on this issue, so even 19.6% of the total number of respondents did not know the answer. Besides, 16.7% of total respondents experience population migration both as a threat and as an opportunity for the development of local self-government. This shows that education, dialogue and cooperation are necessary to maximise the benefits of migration and ensure that migration contributes to development, by creating opportunities for all.

3.5. DIASPORA

In modern times, diaspora is perceived as one of the key partners in enhancing the development of the home country. Governments of the states around the world are intensively developing policies for engagement of their diasporas, whether in facilitating transfer of remittances, promoting investments in the home country, or launching initiatives to attract highly educated people and circulation of knowledge. Specific contribution of the diaspora therefore depends on the stakeholders involved, form of their action, reasons for their involvement in the development process and nature of their activities. Sending remittances, transfer of knowledge and skills, investment and establishing transnational links are all mechanisms contributing to development of the place of origin. Members of the diaspora, being transnational actors themselves, may be involved in the development process in different ways: from the place of destination, in the case of permanent return- to the place of origin, through temporary return or virtual return and knowledge circulation. To activate potential and establish cooperation with the diaspora, it is primarily necessary to map the diaspora and existing associations, but also to conduct comprehensive consultations with the diaspora prior to engaging in specific forms of cooperation.

3.5.1. Fundamentals of the diaspora of the Republic of Serbia

Pursuant to the Law on the Diaspora and Serbs in the Region (Article 2, paragraph 1), the diaspora includes citizens of the Republic of Serbia living abroad, members of the Serbian people and emigrants from the territory of the Republic of Serbia and the region, same as their descendants. Therefore, the diaspora comprises all members of the Serbian people and persons of Serbian origin, independently of their place of birth and length of stay abroad. Serbian diaspora is not a homogeneous group, and entails several generations of migrants like labour migrants since the 1960s onwards, refugees from the 1990s, and the wave of highly educated younger migrants who have recently left the country searching for better economic opportunities abroad. Based on the share of diaspora members against the total population number in the state, Republic of Serbia is considered a country with an extremely numerous diaspora, given that it has been estimated that ca. 4.5 to 5 million people live outside of the country. Such a large number of the diaspora members abroad and Serbs in the region is the result of a long history of population emigration due to various reasons in different periods, ranging from economic, religious, cultural, family reasons, to forced migration and emigration under the threat of violence and exile.

Emigration from the Republic of Serbia and the region has been going on for more than one century. By mid-20th century, emigration was focused mainly overseas, to the USA and South America (Argentina, Chile, Venezuela, Brazil). In the past 50 years, migration flows were redirected towards the European states, like: Germany, France, Switzerland, Austria, United Kingdom, Scandinavia, Belgium, Denmark, etc. These migration flows included mainly unskilled or low-skilled workers and members of their families. The last decade of the previous and the beginning of the new century was characterised by a significant rise in emigration of highly educated experts, with the rising share among migrants comprising female population. The overall census of the diaspora and Serbs in the region⁷⁵ was never conducted, so the estimation is, as already mentioned, that their number amounts to between 4.5 and 5 million people. Out of that number, ca. million and a half are citizens of the Republic of Serbia, with a considerable number having dual citizenship of both the country of origin and destination. The largest number of persons live in the region, or ex-Yugoslav republics and neighbouring states. Outside of the region, largest numbers live in the Western Europe, North America, Australia and New Zealand.

3.5.2. Diaspora as an agent of development

Diaspora may play a key role in the present and future development of the state, primarily via investment and knowledge transfer. It is perceived as a separate channel facilitating two-way flow of capital- social, or human, intellectual, political, cultural and financial. Migrants represent bridges connecting places of origin and destination, that can improve the dialogue owing to transnational ties they maintain, transfer of knowledge and experience and financial resources which can help enhance the situation in the local community. In this way, they assist establishing cooperation and stimulate development ideas. International migration is taking place via 3R approach, namely via three transfers with developmental dimension, contributing to migrants being recognised as important agents of change, or development potential of the societies⁷⁶:

1. **Transfer of social capital-** Social capital enables exchange of information, values and ideas via migrant networks. It can connect different groups- from migrant families, homeland associations, to professional networks and groups gathered around local initiatives or even formal groups for diaspora. Social capital is the basic element of the migration and development concept because the flow of other resources is enabled through these networks: human, financial and cultural capital. **Transfer of cultural capital-** Norms, ideas, values and habits that migrants possess and acquire during their migratory experience, determining the way in which a migrant identifies themselves, perceives themselves and others, based on which they are identified in the place of destination, represent

⁷⁵ Pursuant to the Law on the Diaspora and Serbs in the region (“Official Gazette of RS”, no. 88/09), the term “Serbs in the region” means members of the Serbian people living in Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, North Macedonia, Romania, Albania and Hungary (Article 2.).

⁷⁶ Mitrović, O. (2017). Handbook on migration and local development. Global joint programme IOM- UNDP: Mainstreaming Migration in National Development Strategies, IOM, SDC, UNDP.

cultural capital. Having in mind that it entails affiliation, cultural capital represents a key element in establishing migrant communities and associations. Adequate environment and local and national policies enable social and political integration, and in that way maximise development potential of migrants. It has been estimated that there are over 1,300 different associations in the diaspora gathering emigrants from the Republic of Serbia on all five continents, with their number being highest in the European Union countries, North America and Australia.

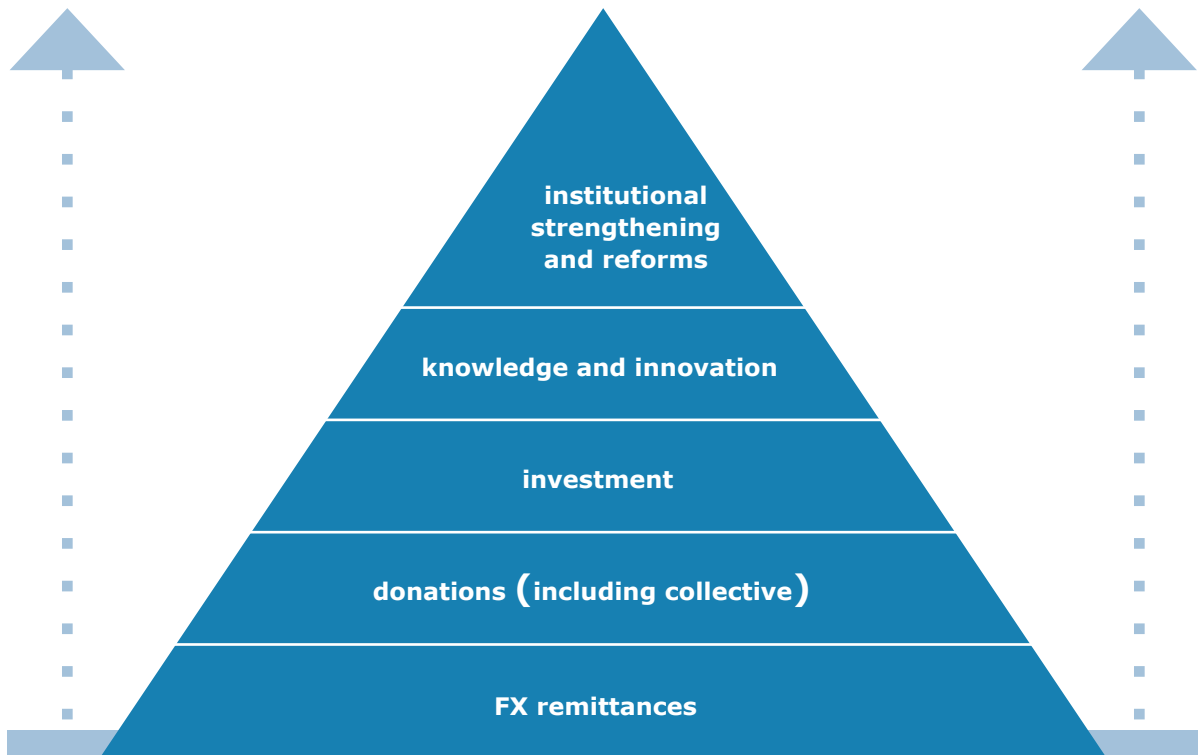
- 2 **Knowledge transfer-** Reflected in human capital characteristics. Education of migrants, their professional development and training, knowledge and skills, all represent an advantage for development. Besides qualifications and business capabilities, human capital also includes the skills found in a person. Skills and knowledge of migrants define their ability for finding work. Still, skills are not always sufficient if they are not recognised. We often speak of “brain waste” when migrants do the jobs they are overqualified for. If there is an established multilateral system for recognition of degrees and qualifications, qualification recognising institutions can significantly contribute to proper use of resources found in migrants. Moreover, an efficient process of recognition of acquired degrees contributes to potential return of the highly qualified experts to the country.
- 3 **Financial transfers-** financial capital. Due to the volume of remittances migrants have globally sent to developing countries, financial capital of migrants attracted major attention during the past decade. Despite the economic and financial crisis, a continuous rise in remittances was registered. Although financial capital most often implies remittances and investments, this type of capital also includes establishing trade relations between the country of origin and country of destination, migrants’ savings, business investments, purchase of real estates, and even charity donations.

3.5.3. Contributions of the diaspora in the countries of origin

One of the starting points in discussions about the diaspora is the analysis of its possibly higher contribution to the home country development. The results of the 2013 survey⁷⁷ (Figure 1.) illustrate the direction to be followed, and represent the hierarchy of the diaspora contribution to developing countries: starting from foreign currency remittances at the bottom of the pyramid, to institutional strengthening and reforms at the top. Clearly improved institutional context will support further and deeper engagement of the diaspora and its initiatives for engagement in the home country, and the focus can be on overachievers.

⁷⁷ Kuznetsov, Y. (2013). *How Can Talent Abroad Induce Development at Home? Towards a Pragmatic Diaspora Agenda*. Migration Policy Institute, Washington, D.C.

Figure 1: Hierarchy of the diaspora influence



(a) Foreign currency remittances

When talking about remittances in general, one primarily refers to transfer of emigrants' money to the country of origin. Money is transferred by formal and informal channels. Foreign currency remittances are not important only for the families of migrants and emigrants, but also for the balance of payments in the country of origin, and even for its macroeconomic stability which is an important precondition for new jobs. Employers are stimulated to open new jobs when the overall policy horizon is stable. Literature mentions different types/ forms of remittances. There are two basic types of contributions of the diaspora, via:

1. material remittances;
2. non-material remittances;

Material diaspora remittances include cash and non-monetary transfers (various types of items, including clothes, footwear, sports equipment, books, etc.). Monetary- material remittances contain all monetary and material forms, such as:

- Family/ individual remittances;
- Collective remittances;
- Direct investments of the diaspora members in cash;
- Import of production and consumption items.

There are three key issues in the context of achieving maximum effects of foreign currency remittances:

- How to increase their inflow?
- How to stimulate and facilitate their transfer?
- How to use them in the most possible cost-effective and productive manner?

In the past decades, cash remittances were the only flow of international money growing despite the global crisis, from USD 149.4 billion in 2002 to USD 689 billion in 2019⁷⁸. The amount of cash remittances thus exceeded three times the total level of international assistance provided to developing countries. Given that remittances are primarily used for private consumption, in international donor circles “remittance euphoria” emerged, with the constant increase and volume of remittances leading to them being perceived as the source of financing for development⁷⁹. In relation to other development instruments, supporters of the use of remittances for development purposes point out positive features of remittances: this is a stable source of foreign currency inflow on a short run, they directly affect poverty reduction and may be used to achieve Sustainable Development Goals, they are focused directly on households. Moreover, given that they represent direct assistance, remittances do not carry the risk of conditioning, as it is the case with donor funds. It is also important to stress negative features of remittances: they increase inequality and create a gap within rural environments, negatively affect labour market by creating “the culture of dependency” at the level of a household and the state, which leads to losing incentive to look for work and create possibility for additional emigration⁸⁰.

Foreign currency remittances of migrants represent a channel for generating positive effects for the country of origin. The fact is that foreign currency remittances of workers and emigrants often account for a significant GDP share and represent an important source of income in developing countries. In 2019, members of the diaspora have sent more than USD 4 billion to the Republic of Serbia, accounting for 7.8% of national GDP⁸¹. It has been estimated that each citizen of the Republic of Serbia on average receives ca. USD 700 from the diaspora. The inflow of migrants’ foreign currency remittances to the home country is often higher than the inflow of foreign direct investments in the Republic of Serbia (even by 36% in 2016). In 64% of the cases, remittances arrived from the European Union countries. Main corridors for transfer of remittances from the European countries are Switzerland- Republic of Serbia and Germany- Republic of Serbia. Cash transfer from emigrants to persons close to them in the country of origin, by all means contributes to better life of their recipients. At the same time, there are macroeconomic and social benefits of this type of resources. Same as in the 1960s

⁷⁸ IOM (2019). The World Migration Report 2020 (<https://publications.iom.int/books/world-migration-report-2020>)

⁷⁹ Mitrović, O. (2017). Handbook on migration and local development. Global joint programme IOM- UNDP: Mainstreaming Migration in National Development Strategies, IOM, SDC, UNDP.

⁸⁰ Mitrović, O. (2017). Handbook on migration and local development. Global joint programme IOM- UNDP: Mainstreaming Migration in National Development Strategies, IOM, SDC, UNDP.

⁸¹ World Bank Group, Knomad (2019). Migration and Remittances, Recent developments and Outlook. Migration and Development, Brief 31, April.

and 1970s when gastarbeiters were sending their cash remittances to the home country and in that way fed, sustained, assisted their families, it should be assumed that the same trend is present nowadays in a certain sense. However, the desired goal of the majority of countries, therefore of the Republic of Serbia as well, is for them to contribute to the development of the country in a measurable way.

Non-material remittances refer to diffusion of various types of social practices:

- habits, ideas transferred to the migrants' country of origin;
- technical and technological transfers (knowledge, skills, technological solutions), especially when they are taking place in conjunction with the return of the migrant.

Non-material remittances include ideas, behaviours and social capital transferred from the migrants' destination country to the countries of their origin. There are three types of non-material remittances: normative structures, practice systems and social capital. The exchange of non-material remittances is carried out in several ways:

- when migrants return to the country of origin or when they come for a visit;
- when relatives and friends visit migrants abroad;
- via social media.

Non-material remittances are transferred among individuals, within organisations or via informal organised groups and social media connecting formal organisations. Mechanisms for transfer of non-material remittances differ from other types of global culture spread, because the transfer of non-material remittances happens between individuals who know each other personally or are connected via social networks⁸².

(b) Diaspora donations

Philanthropy of the diaspora implies private donations of the diaspora members supporting various activities in their home countries, primarily in the area of education of health care. Motivation, objectives and capacities of donors from the diaspora vary, same as the effect of their donations. Sometimes donations are forwarded via intermediaries, such as the homeland associations, religious organisation, professional networks, diaspora foundations or charity platforms⁸³. In some initiatives, governments have worked together with private corporations and migrant associations to attract funding for particular development projects in the country or community of migrants' origin.

In the Republic of Serbia there is no accurate data on the amount and type of donations.

⁸² Levitt, P. (1998). Social Remittances: Migration Driven Local-Level Forms of Cultural Diffusion. *International Migration Review*, 32 (4): 926-948.

⁸³ Agunias, D. & Newland, K. (2012). *Developing a Road Map for Engaging Diasporas in Development: A Handbook for Policymakers and Practitioners in Home and Host Countries*. Washington D.C. and Geneva: Migration Policy Institute and International Organization for Migration.

The members of diaspora donate money for the public good. However, they rarely disclose how much and where they have donated. The USAID study has shown that members of the diaspora focus their donations to the specific persons in need for help. The largest number of donations is forwarded for addressing health issues, mainly personally to the persons in need of urgent medical assistance, while the most frequent donating method was payment to bank account. Each fifth member of the diaspora has donated in this way in the Republic of Serbia in 2018⁸⁴. This is followed by donations to socially vulnerable persons and desire to help in improving economy, education, health care and sports in the Republic of Serbia. The Red Cross in the Republic of Serbia is an organisation enjoying greatest trust among the diaspora members. Each third respondent considers that this institution is working in the best interest of the Serbian society, while only 16% of them consider this is done by government institutions. Donors from the diaspora mainly perceive governmental institutions as unprofessional, inefficient and non-transparent. This is the reason why they donate money personally, via foundations or charity campaigns.

(c) Direct diaspora investments

Direct diaspora investments can be important for economic growth and development of the country of origin, however this potential is currently underused. Successful examples of the return of diaspora members to Ireland and India are reflected in the actual and potential impact of this form using transnational networks. Remittances, circular migration and inflow of highly educated labour force are parts of such networks which may serve the purpose of overall development of the country of origin. These parts are also natural preconditions for direct investments, a resource which may stimulate larger foreign investments. Their characteristic is that they reduce insecurity between investors and investments due to the already existing social and economic ties.

The so called “horizontal spill over” occurs when local companies want to apply the practice of foreign investors or domestic workers leave foreign companies to start their own businesses, taking along with them advanced technology and *know-how* investment. In addition, it may emerge when multinational investments stimulate entrance of other international companies in the labour market, such as brokerage and consulting companies. Some foreign entrepreneurs often do not want to share their technology or institutional knowledge with local labour force, thinking these workers could use such knowledge elsewhere and become potential competitors. The so called “vertical spill over” occurs when multinational companies supply local suppliers and customers with new technology. This is the strategy for establishment of efficient supply chains for multinational companies, thus improving quality and reducing prices. Foreign investors sometimes tend to prevent these “spill overs” considering this is bad for their economy⁸⁵.

By 2020, diaspora investments in the Republic of Serbia have reached over

⁸⁴ The Study of the “Ana and Vlade Divac” foundation was implemented on the representative sample of 5,281 respondents from 83 countries around the world, in the period between 11 September and 9 October 2018.

⁸⁵ Ardovino, M. (2009). DDI: Direct Diaspora Investment – The Untapped Resource for Development, *Technical Report*. United States Agency for International Development.

USD 80 billion, while in the period 2000-2012 diaspora invested USD 550 million. It has been estimated that this capital was used to establish over 1,000 small and medium-sized enterprises, employing ca.25,000 workers⁸⁶. Still, when it is taken into account that in other states customary ratio between remittances and investments is 50-50%, in the Republic of Serbia this ratio amounts to 90-10% in favour of remittances, therefore it becomes clear that diaspora investments still remain the untapped potential. The studies have shown that there is a large interest of diaspora members in investing in the Republic of Serbia, but their more intensive engagement would require adoption of a set of measures providing the diaspora with economic incentive for investments.

(d) Knowledge and innovation networks

Countries of origin with a pronounced population emigration process, primarily emigration of highly educated and talented persons, may by establishing and maintaining ties, via informal networks or specific programmes, through knowledge transfer get access to knowledge and skills found in their diaspora⁸⁷. Due to the importance of this process, growing number of migrants' countries of origin design migration policies focused on quality transfer of human capital from the diaspora. Three categories of such policies have been identified: policy aimed at filling up key sectors by the diaspora returnee staff, whether permanently or temporarily, policy of engaging diaspora as a partner through long-term exchange of means and knowledge, and policy of setting up or providing support to scientific, technical and business networks which may increase research, business and investment opportunities in the migrants' country of origin⁸⁸.

Among the first programmes which have attempted to use the skills and talents from the diaspora were those encouraging return, whether temporarily or permanently. Some of these programmes relied only on altruism of the diaspora members to help their country of origin, envisaging they are to volunteer for some time and provide expert services in specific projects⁸⁹. Contrary to that, some other measures were aimed at stimulating return of talented emigrants by offering incentives, both of material and non-material nature. After having identified successful emigrants, governments have tried to attract them to the country of origin through incentive measures, to engage in research activities or start businesses. These incentives were reflected in financing the cost of moving, satisfactory salaries, provision of start-up funding or other financial support to enterprises willing to invest.

⁸⁶ <https://grupa484.org.rs/wp-content/uploads/2013/06/Dijaspora-kao-resurs-lokalnog-razvoja-2013.pdf>

⁸⁷ Agunias, D. & Newland, K. (2012). *Developing a Road Map for Engaging Diasporas in Development: A Handbook for Policymakers and Practitioners in Home and Host Countries*. Washington D.C. and Geneva: Migration Policy Institute and International Organization for Migration.

⁸⁸ Ibid.

⁸⁹ Ibid.

(e) Institutional development and reforms

Diaspora is often linked to institutional development of the country of origin, since it may stimulate more competitive environment and may be of relevance in the process of implementing reforms in different areas, like public finance, education, innovation, health care and infrastructure construction. Members of the diaspora were often identified as a potential source of talent and capabilities⁹⁰. These two factors are important because they enable potential economic growth⁹¹. Still, an issue arises on how to mobilise highly qualified and highly skilled diaspora in these regards, given that creative diaspora did not play an appropriate role in institutional development and reforms so far. This is why the attention needs to be focused on the successful diaspora members, the so called overachievers⁹².

Members of emigrant communities, especially overachievers, may contribute to the place and country of origin due to the very strong motivation to contribute to development, despite having opportunities, knowledge and expertise to succeed in any country. The knowledge of local circumstances and specificities opens new opportunities for them to start development processes. When the resources in the country of origin and destination country are combined, the impact on the home country development may be significant. By definition, overachievers in the diaspora have already earned certain status in the society. Therefore, concerning their engagement in the country of origin where they are provided with new professional opportunities, they can ensure the required professional and financial resources that exceed those available to them in early stages of their professional career.

Experiences of countries that achieved good results in projects engaging overachievers from the diaspora, show that they were focused on the first generation of emigrants, which implies this was done for practical reasons, given that these people remain firmly tied to their country. They have a tendency to realise business ventures, invest in the country of origin irrespective of the existing barrier, but due to the long-term planning they become first and proper drivers of development (first movers)⁹³.

3.5.4. The forms of business organisation of cooperation between the diaspora and the country of origin

In the past years, many organisations have promoted activities including networking, mentoring, investment, capital investments and strategic partnerships. Networking of organisations promotes entrepreneurship of the diaspora, by providing opportunities for connecting with businessmen and professionals in the country of origin

⁹⁰ Kuznetsov, Y. (2013). *How Can Talent Abroad Induce Development at Home? Towards a Pragmatic Diaspora Agenda*. Policy Migration Institute, Washington, DC

⁹¹ Rodriguez-Montemayor, E. (2012). *Diaspora direct investment: policy options for development*. Inter-American Development Bank Washington DC.

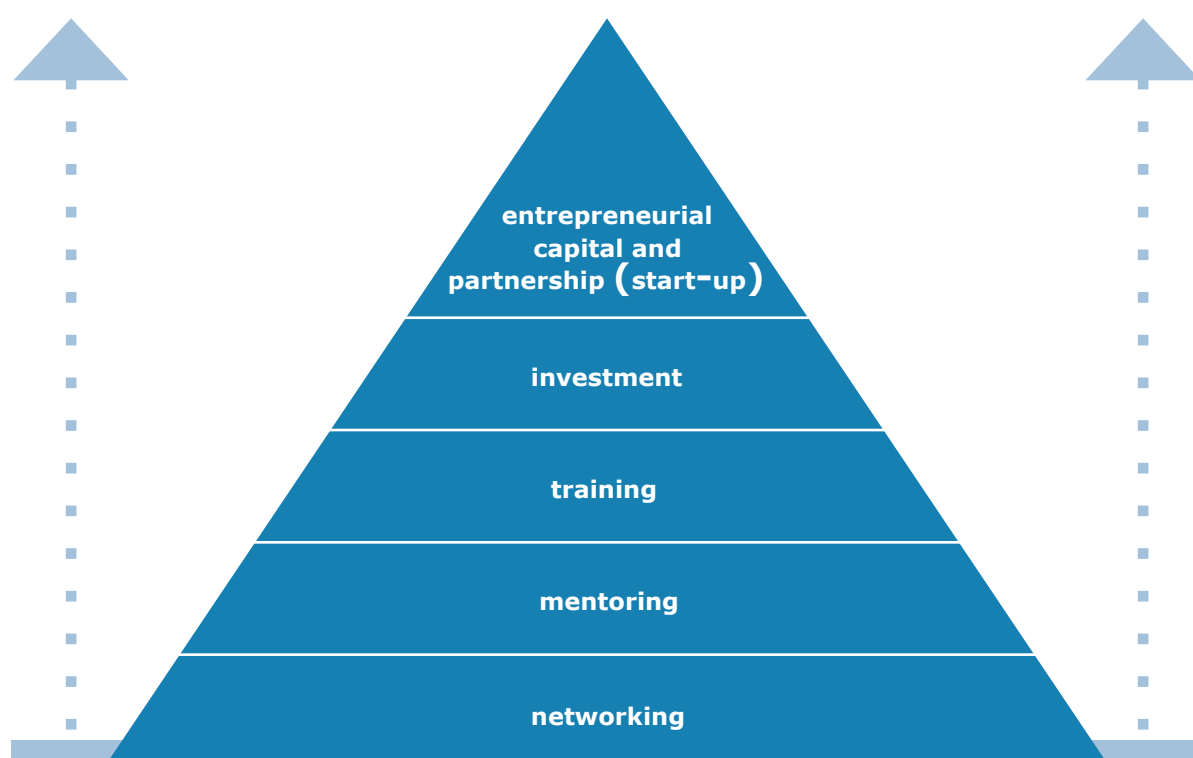
⁹² Kuznetsov, Y. (2013). *How Can Talent Abroad Induce Development at Home? Towards a Pragmatic Diaspora Agenda*. Migration Policy Institute, Washington, DC.

⁹³ Kuznetsov, Y. (2013). *How Can Talent Abroad Induce Development at Home? Towards a Pragmatic Diaspora Agenda*. Migration Policy Institute, Washington, DC.

or local community, get in contact with others (personally or via Internet) and consider potential business and investment opportunities. Networking can also mean networking of individuals: those who have stayed in the country of origin and those who have left or networking of the diaspora business leaders to stimulate partnerships in the country of origin⁹⁴.

Organisations supporting diaspora entrepreneurship play multiple roles, sometimes creating opportunities for networking among business leaders, they establish strategic institutional partnerships to stimulate long-term economic growth in knowledge-intensive sectors. Five types of levels of including mentioned partnerships- networking, mentoring, training, investment and investing in new, technology-oriented enterprises (start-up) and mutual partnership- describe the levels of growing commitment of entrepreneurial project (Figure 2). Combination of all five levels of engagement is an incentive for entrepreneurship including access to resources, and various actors at all levels⁹⁵.

Figure 2: Levels of commitment to diaspora entrepreneurship



Source: Newland, K & Tanaka, H. (2010). *Mobilizing Diaspora Entrepreneurship for Development*. Washington, DC: Migration Policy Institute, p. 18.

The diaspora can assist in accelerating development of the country of origin. But, diaspora can not be an alternative for development entities in the home country.

⁹⁴ Newland, K. & Tanaka, H. (2010). *Mobilizing Diaspora Entrepreneurship for Development*. Washington, DC: Migration Policy Institute.

⁹⁵ Ibid.

3.5.5. Return from the diaspora

Return migration is a process involving a person or persons returning to their place or country of origin after having spent certain time in another country or another place in their own country, intending to stay at least for a year. Reasons for the return may vary:

1. *Return of failure*: migrants who were unable to find employment;
2. *Return of conservatism*: migrants who have failed in integrating and embracing different living conditions and cultural conditions in destination country;
3. *Return of retirement*: after retirement migrants decide to return to the country of origin, and
4. *Return of innovation*: a term corresponding the term *brain gain*, relating to a group of people who have returned to the country of origin to initiate development.

The latest Population Census shows that the number of returns from work- stay abroad amounted to 234,932 persons. The largest number of returns is from Germany (23.5% of the total number of returns) and Austria (12.7%), followed by Switzerland (8%), Italy (7.5%), France (6.4%), Russia (6.1%), USA (6.1%), Sweden (2.2%), Canada (2.1%) and others. In the group of returnees, relative share of men is 56.9%. Majority of returnees have completed primary school (22.4%) and secondary school (39.8%). Higher and college education accounted for 18.9% of the total number. The reasons for return were as follows: family reasons (59.4%), job (14.6%), education (3.9%), readmission agreement (0.5%) and other (21.8%).

Observed by age groups, there are significant differences between the group of external migrants and returnees. In regard to children aged 0 to 14, their relative share among external migrants amounted to 16.2%, and among the returnees only 2.2%. The share of working population (15-64 years) was higher in the group of external migrants, than among the returnees (80.5% vs. 67.7%). The elderly group (65+) reflects the greatest age difference among external migrants and returnees, since the share of the oldest among the returnees was higher by ca. 27% than the same share among external migrants. Out of the total number of returnees, 62.9% pertains to inactive population dominated by pensioners, and persons with personal income comprising two thirds (66.2%) of returnees.

3.5.6. Integration of foreign labour force and returnees from the diaspora

Republic of Serbia does not have special programmes and mechanisms in place for integration of returnees from abroad and labour force in the national economy and society.

⁹⁶ Stanković, V. (2014), *Serbia in the process of external migration*. Belgrade: Statistical Office of the Republic of Serbia.

However, such a document should be the starting point for development of a comprehensive integration strategy. The key principles would be based on the provisions of the Constitution of the Republic of Serbia and other laws. Public policies focused on improving the state of play in the area of external migration are based on the following principles:

- partnership between the Government and non-governmental stakeholders in the area concerned;
- link between the integration policy and measures of broader social inclusion, strategies and initiatives;
- clear public policy focused on avoiding creation of parallel societies, communities and ghetto-like parts of the cities, primarily in regard to public services provided by the Government to local self-government units;
- commitment to creating efficient mechanisms at local level for emigrants and returnees, and for the domicile community;
- focus on the role of local authorities, sports associations, religious groups adhering to the principle of equality in building an integrated community, especially when it comes to financial support to these areas.

Republic of Serbia is in the situation when it is supposed to start managing economic migration in a holistic manner, so as to transform them into the positive component of further economic and social development of the country, and mutually beneficial component both for the countries of origin and for destination countries. To achieve this, it is necessary to design a clear and coherent strategy of economic migration governance, and institutional framework providing incentives for the consistent policy implementation. Including the diaspora in stimulating economic growth in the Republic of Serbia (through productive investments or skills transfer) is not an easy task and it will require significant efforts over a longer period of time to restore their trust in political and economic institutions of the Republic of Serbia.

IV. CHANGES TO BE ACHIEVED BY IMPLEMENTING PUBLIC POLICY MEASURES

Designing efficient measures and recommendations to manage economic migration is one of the greatest challenges of national, regional and global policies. It is intrinsically linked to the issues of economic and social development, with aspects of population policy, human rights, security issues and regional and inter-regional cooperation. Migration can be understood as a cycle, from the moment when a migrant makes the decision on migrating, up until their potential return. The migration cycle consists of four phases: phase before making the decision on emigration (preventive phase), decision-making phase (phase before leaving), migration phase and return phase.

Each phase of this cycle entails challenges, but also opportunities for development, therefore it is extremely important for the migration policy to include all of its segments. Mitigating emigration, promotion of return migration and diaspora knowledge transfer,

designing professional training and regulations in the labour market, balanced regional development and private sector development, are just some of the important aspects of development of the state.

VISION

Republic of Serbia is a country where sustainable development goals are achieved, with full contribution of emigrants, foreigners living in the country and working population wishing to stay in the country.

Problem identification

Based on the data on the economic migration trend in the Republic of Serbia and legal and institutional frameworks, the following key criteria were identified:

- lack of the system response to the problem of economic migration;
- necessity of setting priorities and improving multisector cooperation;
- lacking implementation of law and strategies in place, their recommendations, measures and activities, which directly or indirectly address the subject of economic migration, same as advisory bodies which have never been functionally established;
- absence of proactive approach in addressing this subject matter;
- lack of comprehensive measures to reduce causes for emigration;
- lack of consensus on the issue of economic migration;
- lack of unified system for collection of data on economic migration;
- increased volume of economic migration both inside and outside the Republic of Serbia;
- untapped development potential of the diaspora;
- insufficient incentives for the return and circular migration;
- necessity of education on the importance of migration processes for the development of a particular region;
- lack of developed measures and programmes for (re)integration of returnees;
- insufficiently developed measures and programmes for attracting foreign students and experts, or programmes for their integration in the society.

V. GOALS AND SPECIFIC OBJECTIVES OF THE STRATEGY

The Strategy is aimed at identifying the most efficient solutions to economic migration governance, and it is based on the set of general principles, such as legality, accountability, sovereignty, cooperation and coherence, respect of fundamental human rights and freedoms, joint action and transparency. The Strategy covers a set of topics in connection with the phenomenon of economic migration, its governance, correlation between migration and development, same as the role of the diaspora as a driver of (local) development. In order for the strategic goals to be achieved, identified key target groups are as follows:

- working population;
- diaspora and returnees from abroad;
- foreigners of various educational profiles.

Stakeholders in the successful implementation of the Strategy are:

- decision- makers at national and local levels;
- business entities registered in the Republic of Serbia;
- potential returnees and investors from the diaspora;
- the entire society.

5.1. GOAL

The goal of the Strategy is creation of economic and social environment to slow down emigration of working population, strengthen ties with the diaspora, stimulate return and circular migration, and attract foreigners of various educational profiles. The goal defined in this way requires systemic approach to studying and monitoring the listed phenomena, aimed at creating the most efficient response to current economic migration trends, with promotion of regular, safe and orderly migration.

INDICATORS: quantitative indicators of reduced emigration, number of returnees, increase in diaspora investments, increase in the number of labour force from abroad in deficient professions

5.2. SPECIFIC OBJECTIVES

In line with the vision, and indicated principles of the Strategy and overall goal, the following specific, strategic development objectives have been identified by analysing the phenomenon:

- **SPECIFIC OBJECTIVE 1:** Building and strengthening institutional capacities to monitor and improve the quality of data on economic migration
- **SPECIFIC OBJECTIVE 2:** Improving the living and work conditions in economic and social sectors.

- **SPECIFIC OBJECTIVE 3:** Harmonisation of education system with industry demand, with the focus on tracking investments brought about by the fourth industrial revolution, especially in the sphere of developing new occupations and professional profiles and creating conditions for attracting foreign students.
- **SPECIFIC OBJECTIVE 4:** Improving cooperation between the diaspora and home country and stimulating transnational entrepreneurship.
- **SPECIFIC OBJECTIVE 5:** Creating conditions for monitoring, stimulating and supporting circular and return migration
- **SPECIFIC OBJECTIVE 6:** Creating conditions for more efficient governance of internal migration flows.

SPECIFIC OBJECTIVE 1: Building and strengthening institutional capacities to monitor and improve the quality of data on economic migration

MEASURES:

1. Capacity building of institutions responsible for monitoring migration flows (by type combined: regulatory and management- organisational);
2. Upgrading/ reforming the existing institutional framework in line with the needs for the more efficient economic migration governance, (by type- combined: regulatory and management - organisational);
3. Establishing a higher degree of coordination to support inclusion of the economic migration concept in development policies, (by type- combined: institutional, management and provision of goods and services);
4. Establishing regular, up-to-date, synchronised statistical database to monitor migration flows in the Republic of Serbia, (by type- combined; institutional, management, and provision of goods and services).

IT IS REQUIRED:

- the existing Coordination Body for monitoring flows in the area of economic migration to consider all issues related to this type of migration and guide the work of public administration authorities in connection with economic migration;
- to strengthen human resources in terms of additional engagement of staff in key institutions of the Republic of Serbia in this area (ministries, organisations, diplomatic and consular missions, National Employment Service, Statistical Office of the Republic of Serbia, Migration Councils, etc.);
- to additionally educate civil servants engaged in the activities in the area of economic migration governance;
- to strengthen the role and extend the scope of competences of the Migration Service Centers, starting from the fact that their role is of great importance in informing potential migrants, providing information on the protection at

work abroad, danger of exploitation, etc;

- to achieve better coordination at local level, namely strategic and operational networking of Local Migration Councils with Youth Offices and Local Employment Councils;
- to conclude bilateral agreements with bodies and organisations in destination countries, with the purposes of more efficient monitoring of economic migration flows;
- to strengthen human and material resources for reporting and implementation of the Strategy, same as for collection of relevant statistical data, and especially of the Group for Normative and Study and Analytical Affairs in the area of employment and economic migration and oversight in the area of employment, and of the Statistical Office of the Republic of Serbia.

INDICATORS: successful implementation of incentive measures; number of trainings and expertise of the staff in the area of economic migration; concluded bilateral agreements; updated database; web-based platform for monitoring this phenomenon; published statistical sources;

SPECIFIC OBJECTIVE 2: Improving the living and work conditions in economic and social sectors.

MEASURES:

1. Continued implementation of structural reforms and increased efficiency of public sector (by type- combined: institutional- management and provision of goods and services);
2. Institutional capacity building for designing incentives to attract direct investments, (by type- combined: institutional- management and provision of goods and services);
3. Developing a programme to retain human capacities in the category of deficient occupations (by type- incentive);
4. Capacity building of market economy in line with strategic recommendations of the European Union, (by type- incentive);
5. Developing a programme to attract and include foreigners of different educational profiles in the labour market of the Republic of Serbia (by type- combined: regulatory and incentive);
6. Strengthening the fight for the rule of law, against corruption and nepotism, (by type- combined: regulatory and management - organisational).

IT IS REQUIRED:

- to enable employment through development of innovative entrepreneurship and establishment of small and medium-sized enterprises;

- to increase the investment rates from the current 17-18% to over 20%, the average rate level in the countries of Central and Eastern Europe;
- to create incentives for business start-ups;
- to develop knowledge and innovation-based economy;
- to align economic development with European Union development trends.

INDICATORS: amounts of domestic and foreign investments, number of newly established small and medium sized-enterprises, number of new jobs, movements of average salary at the consumer prices level; number of issued work permits, number of foreigners who moved into the country.

SPECIFIC OBJECTIVE 3: Harmonisation of education system with labour market demand, with the focus on tracking investments brought about by the fourth industrial revolution, especially in the sphere of developing new occupations and professional profiles and creating conditions for attracting foreign students.

MEASURES:

1. Harmonising enrollment policy with the labour market needs (by type- combined: regulatory and management - organisational);
2. Developing a mechanism for cooperation between science and economy through introduction of incentives for greater industry allocations for research and development, same as to increase the number of researchers in the economy, number of patents and technical solutions, (by type- combined: institutional- management and incentive);
3. Designing special programmes and projects for the return of the highly educated labour force (by type- combined: institutional- management and incentive);
4. Ensuring adequate skills training and professional development of youth and creating conditions for their return, (by type- combined: regulatory and management - organisational and incentive);
5. Stimulate mobility of students and researchers and strengthening capacities of higher education institutions to attract foreign students and researchers, (by type- combined: institutional- management and incentive);

IT IS REQUIRED:

- to further harmonise educational system with the industry needs;
- to continue educational system reforms, primarily in innovating curricula of all types and levels of education, same as in creating educational system based on the needs of the society, with the focus on learning outcomes;
- to stress the importance of dual education;
- to ensure support to further development of youth career info- desks;
- to develop cooperation with student organisations abroad;

- to intensify activities on establishing and strengthening international cooperation with research and development institutions abroad through education and exchange of knowledge and experiences, that can be implemented through mobility of students and scientific workers;
- to promote funds providing support for further improvement of pupils and students, supporting development of innovative entrepreneurship and strengthening links between science, technology and economy;
- to continue opening science and technology and industrial parks, as advanced instruments of regional development, that are currently being constructed in university centers, to serve attracting highly educated staff in line with experiences and model developed at the Science and Technology Park in Belgrade, through offer of favourable conditions and diverse services (establishing start-ups, opening development sections of foreign companies to investments in innovation).

INDICATORS: harmonisation between educational profiles and labour market, increased GDP share for research, development and innovation from the current 0.87% to over 2% in 2027; number of employees in the area of research and development; number of highly educated returnees and experts; efficient knowledge transfer.

SPECIFIC OBJECTIVE 4: Improving cooperation between the diaspora and home country and stimulating transnational entrepreneurship.

MEASURES:

1. Improving the mechanism for online informing of diaspora on all relevant information (by type- combined: regulatory and educational- informative);
2. Stimulating material and non-material investments of the diaspora and continue developing investment guides, (by type- incentive);
3. Creating conditions for optimisation of diaspora potential through formal flows of foreign currency remittances, increased impact of foreign currency remittances on development and greater engagement of the diaspora at local level (by type- combined: institutional- management and incentive);
4. Strengthening transnational entrepreneurship with returnees and diaspora members maintaining business links with the Republic of Serbia, (by type- combined: institutional- management and incentive).

IT IS REQUIRED:

- to restore the trust of the diaspora in the home country;
- to activate and guide development potential of the diaspora in the country of origin

aimed at strengthening industrial, economic, scientific, technological and other development of the country;

- to strengthen cooperation between experts of different educational profiles in the country of origin and in the diaspora in joint adoption of measures and their implementation for the purpose of sustainable development;
- to develop investment projects and analyses on potential investors, same as in the examples of diaspora investments at regional and local levels (example: Diaspora Investment Guide: Overview of conditions for business and investment in Eastern Serbia, Regional Development Agency of Eastern Serbia);
- to dedicate more attention to issues of foreign currency remittances and development while reducing the cost of cash transfer from the diaspora to the home country;
- to stimulate development of transnational entrepreneurship through enabling business climate;
- to design programmes like “The Return of Business” (Republic of Ireland) or facilitate return after acquiring new knowledge and skills, same as mediation in investment and other activities;
- to create a proactive attitude of the local self-government towards the diaspora and assessments on which types of cooperation and policies can be successfully implemented;
- to include diaspora in development projects of the Republic of Serbia.

INDICATORS: designed web platform/ portal; intensifying transnational entrepreneurship; number of investment projects and programmes; number of investment guides; increased volume of foreign currency remittances.

SPECIFIC OBJECTIVE 5: Creating conditions for monitoring, encouraging and supporting return and circular migrations

MEASURES:

1. establishing and institutionalising programmes of return and circular migration and their greater social affirmation, (by type- combined: institutional- governance and incentive);
2. developing mechanisms for monitoring return and circular migration (by type- combined: institutional- governance and incentive).

IT IS REQUIRED:

- to strengthen appropriate technical and human capacities to improve collection of data on return and circular migration;
- to carry out quantitative and qualitative studies of the phenomenon, since these types of movement have not been sufficiently recognised as development opportunity;

- Creating measures and programmes of support for inclusion of returnees, designed as a dynamic, two-way process of mutual interaction, requiring not only activities of national, regional and local authorities, but also commitment of the local community and returnees.

INDICATORS: monitoring results relevant for circular migration and return like the number of recognised foreign degrees, number of local communities included in the measures and programmes for inclusion of returnees.

The subject of return and circular migration is addressed in the Economic Reform Programme (ERP) 2020-2022 and it covers creation of conditions for monitoring, stimulating and supporting circular migration. It indicates it is necessary to create mechanisms for monitoring movements of the highly qualified Serbian diaspora with facilitated procedure for the return of the diaspora to the country and creating enabling environment for attracting highly qualified Serbian and foreign citizens in deficient professions.

SPECIFIC OBJECTIVE 6: Creating conditions for more efficient governance of internal migration flows.

MEASURES:

1. Improving labour force skills and competences in rural environments, aimed at raising entrepreneurial potential, (by type- combined: regulatory and educational-informative);
2. Creating incentive employment policies with the purpose of transformation of these regions into immigration regions, primarily for youth, (by type- combined: incentive, regulatory and management - organisational);
3. Capacity building of local stakeholders for planning and implementation of migration and development projects, (by type- combined: regulatory and educational-informative);

IT IS REQUIRED:

- to invest in measures of polycentric and balanced spatial development, primarily of small and mid-sized towns, their infrastructure, as preconditions for mitigation of regional disparities in living standards, and thus intensive emigration;
- to design measures and programmes for more efficient use of human resources for development of the country aimed at reducing unemployment and poverty, same as regional disparities.

INDICATORS: more efficient internal migration governance; indicators of more balanced regional development.

VI. THE ANALYSIS OF ALTERNATIVES FOR ACHIEVEMENT OF OBJECTIVES

The subject of economic migration is not quite predictable. The factors determining internal and external migration of the Republic of Serbia can not be affected much in the short period of time, but migration processes can be managed via public policies, especially in regard to their inherent risk, and to the same extent, contribute to circular migration. It is neither possible nor desirable to fully prevent emigration from the Republic of Serbia, same as from other countries, however through systemic measures, it is necessary to affect the reduction in emigration dynamics, especially in population which is most important for the future demographic and overall development.

Starting from the limitations of demographic framework, and having in mind global changes in migratory directions, same as strategic goal of accession of the Republic of Serbia to the European Union, it is not unreal for this region to become an immigration region by the middle of this century, according to the migration cycle theory. Although there are many, primarily economic, barriers on this path, it seems that greatest are those pertaining to the readiness of local population to embrace the inflow of migrants. This is where the role of public policies could be crucial, as demonstrated by the experiences of other countries which have experienced or are still experiencing migration transition. We could be speaking about brain circulation or intellectual capital exchange, implying that the Republic of Serbia could attract highly educated people from the countries with similar level of economic development.

The negative indirect effect of migration on population dynamics would be significantly reduced in circumstances of immigration. Therefore, the transition of migration towards the balanced and positive migration balance will become increasingly important in the coming decades, bearing in mind the negative population momentum we are currently in. Moreover, long-term reaching of positive migration balance should be included in the final objectives of policies addressing population development in our country. However, Republic of Serbia is currently far both from the significant fertility rise and from being attractive to immigrants. Due to this reason, in addition to incentives for increased childbirth rates, reduced emigration should be one of the primary tasks of the population and economic policies in the forthcoming period.

The positive effect of reduced emigration and potentially increased immigration is most important short-term, while the results of the fertility boost policy could be visible only after a longer period of time. Furthermore, best results would be achieved by simultaneous implementation of all policies (childbirth incentives, migration pattern change, reduced mortality of newborns, but also of elderly middle aged people, increased economic activity), thus it should be recommended as a choice, given that at the same time it efficiently reduces the coefficient of economic dependency, slows down shrinking of population and improves age structure. In the case of the Republic of Serbia, this would mean that minimising emigration, with the assumed economic recovery, would speed up the path towards achieving sustainable demographic development, being aware of the deeply rooted phenomenon of insufficient childbirth. In that sense, it is quite clear how big a significance migration transition would have on the long-term sustainability of this region as a whole.

VII. IMPLEMENTATION, MONITORING, REPORTING AND EVALUATION

Implementation of the Strategy

The Strategy implementation represents internal, operationally led activity including budgeting, motivation, monitoring, reporting and evaluation, and leads towards the achievement of all goals set in the Strategy, relying on the Action Plan. The implementation of a strategic document implies definition of processes, instruments and procedures, to enable collection of adequate data and engagement of human resources, and set time frames and thus ensure preconditions for unobstructed monitoring of implementation progress. The Strategy requires planning and coordinated engagement of institutions at national, regional and local levels. This Strategy is implemented by central and local government authorities in the Republic of Serbia in scope of their competences. In cases when certain activity falls under the competence of multiple authorities, the authority with predominant competence takes over the accountability for its delivery, and all others are designated as partners.

Monitoring, reporting and evaluation

Managing the Strategy implies monitoring, reporting and evaluation of the Strategy implementation, thus assessing the effectiveness, efficiency and relevance of all implemented activities. This allows to analyse in more detail problems and barriers emerged in the Strategy implementation process, to recognise realised improvements in operation so as to create conditions for proposal of necessary amendments and supplements. For the purpose of monitoring and reporting on the Strategy implementation, Ministry of Labour, Employment, Veteran and Social Affairs, within the Group for Normative and Study and Analytical Affairs in the area of employment and economic migration and oversight in the area of employment, has systematised tasks in the area of economic migration, i.e. monitoring and implementation of this Strategy, that should be additionally strengthened. Furthermore, implementation and monitoring of this Strategy implementation will be undertaken by the Coordination Body for monitoring flows in the area of economic migration in the Republic of Serbia.

Monitoring and evaluation of delivery of planned reform activities are necessary for ongoing adjustment of the process, to enable timely response and introduction of corrective measures in case of identified delays or deviations. Monitoring and evaluation will be used to track Strategy performance and measure level of delivery of its objectives, and defined activities in particular. The monitoring system in this process is based on the regular processing of collected data from regular and extraordinary reports. Therefore, it is necessary to establish a complete and efficient system for monitoring and evaluation of outputs of delivered activities. Monitoring process is performed by institutions with the broad participation of stakeholders.

Pursuant to the Law on the Planning System of the Republic of Serbia, public administration authority, namely Ministry of Labour, Employment, Veteran and Social Affairs is to report to the Government on the Strategy implementation results within 120 days following

the expiry of each third calendar year of the day of its adoption, same as to submit a final report not later than six months after the expiry of the Strategy implementation.

In addition to interim (semi-annual) reports on the implemented monitoring, competent service at the end of the year drafts the Narrative Annual Report, containing the following:

- summary of important information on the implementation of the Strategy and Action Plan with the most important achieved results in the year concerned, that can be disseminated to the public and stakeholders;
- assessment of the most important activities which have not been delivered as planned and their potential impact on the Strategy implementation;
- proposed measures and activities to overcome deviations from the plan;
- priority actions for the coming year and defining potential amendments and supplements to the Action Plan based on the implemented monitoring.

The Coordination Body for monitoring flows of economic migration in the Republic of Serbia guides the work of the public administration in consideration of the current state of affairs in the area of economic migration and finding solution to improve this area, aimed at preventing Serbian nationals from leaving abroad and at stimulating the return of experts from the diaspora, same as creating business and economic environment for arrival of foreign experts. In addition, the scope of work of the Coordination Body includes proposing new solutions in terms of improving bylaws in the area of economic migration. The Coordination Body has a Coordination Body Expert Group, tasked with expert tasks in regard to current issues in the area of economic migration, and proposing new solutions for improvement of legislation in the area of economic migration.

The Coordination Body reports to the Government on its work every 90 days.

The Coordination Body meets once every two months and as needed.

VIII. CONSULTATIONS WITH STAKEHOLDERS

In the process of Strategy drafting, the Baseline in the area of external migration was delivered for the purpose of drafting the Economic Migration Strategy for the period 2021-2027 to the members of the Coordination Body for monitoring flows in the area of economic migration in the Republic of Serbia and Expert Group established by the Government, comprising representatives of governmental authorities, academicians, state institutions, trade unions, employers, professors and other experts in the area of economic migration. Suggestions and remarks of the Coordination Body and Expert Group members have been embedded in the text of the Strategy. Moreover, within the chairmanship of the Republic of Serbia of the Adriatic and Ionian Initiative (AII) and European Union Strategy for the Adriatic and Ionian Region (EUSAIR) of 1 June 2029, the Ministry of Labour, Employment, Veteran and Social Affairs organised a round table to the topic of labour force emigration in cooperation with the Secretariat of the Adriatic and Ionian Initiative with the support of the Ministry of Foreign Affairs of the Republic of Serbia.

The meeting was attended, inter alia, by the Coordination Team members and representative of GIZ. At the meeting the Baseline for the development of the Economic Migration Strategy for the period 2021- 2027 was presented, same as the Strategy itself, allowing the attendees to state their views on the presented material. In addition to representatives of governmental institutions, the round table was attended by representatives of the civil sector. Both group and individual meetings were organised for the exchange of opinions with interested parties. Following the drafting of the Proposed Economic Migration Strategy for the period 2021- 2027, public debates were organised in the period between 13 December 2019 and 3 January 2020, while the text of the Proposed Strategy was posted on the website of the Ministry of Labour, Employment, Veteran and Social Affairs and on the e-Government portal. In the course of the public debate, in cooperation with the Serbian Chamber of Commerce and Industry, six round tables were delivered entitled “Presentation and discussion on the proposed Economic Migration Strategy for the period 2021- 2027”, as follows: 16 December in Niš, 17 December in Novi Sad, 18 December Subotica, 20 December in Novi Pazar, 23 December in Kragujevac and 24 December in Belgrade. At organised round tables large number of participants welcomed the adoption of the Strategy aimed at identifying solutions for improving the area of economic migration, with the final goal of establishing the efficient prevention of further emigration of the citizens of the Republic of Serbia abroad and stimulating return of experts from the diaspora, same as creating business and economic climate for the arrival of foreign experts. The proposals for a clearer and more accurate definition of proposed measures for achieving objectives entailed that the Strategy should be supplemented by description of each of the listed measures and analysis of their effect, all geared towards the more efficient economic migration governance (more details about the conclusions may be found in the Report on the implemented public debate on the proposed Economic Migration Strategy for the period 2021- 2027, at <https://www.minrzs.gov.rs/sr/dokumenti/ostalo/javna-rasprava-o-predlogu-strategije-o-ekonomskim-migracijama-za-period-od-2021-do-2027>).

IX. THE ASSESSMENT OF FUNDING FOR IMPLEMENTATION OF MEASURES AND FINANCIAL EFFECTS OF IMPLEMENTATION

Financial effects of the implementation of this strategy will be elaborated in detail in the Action Plan to be passed within 90 days of the day the Strategy was adopted, and aligned with the mid-term expenditure framework laid down in the 2020 budget procedure, and in line with the limits set by the Ministry of Finance for the coming years with appropriate allocations. The Strategy primarily establishes better coordination between line ministries in development of annual programmes of operation and financial plans preceding compilation of the Memorandum on the Budget, with projections for the two coming fiscal years and annual budget laws of the Republic of Serbia. This is required because of the different sectors encountering in their work issued pertaining to perseverance and strengthening of relations between the home country and the diaspora, same as between the home country and Serbs in the region, aimed at necessary implementation of joint projects in this heterogeneous area.

X. ACTION PLAN

The Government will pass three-year action plans for the implementation of this Strategy. The first Action Plan implementing this Strategy will be passed within 90 days of the day of the Strategy adoption.

The Action Plan will be developed pursuant to Article 58. of the Decree on the public policy management methodology, public policy and regulatory impact assessment and content of individual public policy documents ("Official Gazette of RS", no. 8/19).

THE EFFECTS OF PUBLIC POLICY MEASURES IMPLEMENTATION

Based on the SWOT analysis, below presented are the strengths and weaknesses of the economic migration governance system, same as opportunities and threats.

- Republic of Serbia has the necessary strength to, through implementation of public policy measures, achieve more dynamic development- attractive and diverse business environment, authentic scientific and technological prospects (and progress), and make its capital, with attractive cultural heritage, recognisable image in the Western Balkans, more competitive for experts and professionals.
- Legislation provides good framework for modern and efficient organisation of science, development and innovation and industries related to this sector;
- Despite the good legal basis, the sector has not yet been regulated in a satisfactory manner, management (professional management) and national marketing lack capacities and necessary public investments, all slowing down the development and innovation process.
- Weaknesses mainly stem from internal barriers which have to be eliminated in the short term. Threats are connected with further failure to act and poor coordination, same as with absence of a more active role of local authorities, which is important for strengthening competitiveness of the Republic of Serbia in international and domestic market, given that in this way, all relevant opportunities may be capitalised, that are being opened by modern trends towards the European economic area and further progress on the path of EU integration.

Table 1: SWOT analysis

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Coordination Body for monitoring flows in the area of economic migration in the Republic of Serbia is in place with continuity in coordination of activities • Basic infrastructure necessary for implementation of activities is in place • Raised awareness on the importance of economic migration at national, regional and local levels • Long-term trend of positive social and economic development • Numerous and distributed diaspora 	<ul style="list-style-type: none"> • No systemic approach • No long-term commitment of governmental authorities • Insufficient human and material capacities • Failure to recognize the importance of economic migration at local level • Increased volume of external migration • Insufficient information in the diaspora on the networking and investment opportunities
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Awareness raising on the importance of the problem with the majority of stakeholders in the system • Setting appropriate national legal framework for the system functioning • Implementation of national strategies focused on creating enabling economic and social conditions in the country • More balanced regional development to reduce emigration and stimulate return of youth in their places of origin • Reversing migration flows within the country • Return of highly educated labour force and experts from abroad • Development of transnational entrepreneurship • Attracting direct investments • Harmonisation with the European Union policy and practice 	<ul style="list-style-type: none"> • Lack of coordination and more active role of local self-government units • Insufficient and irregular statistical records • Unaligned definitions • Insufficient coordination with external actors • Low citizen awareness on the importance of economic migration for development of the country • Emigration of young, reproductive and working population • Loss of human capital through emigration • Lack of attractive development opportunities for returnees from abroad • Uncontrolled migration accelerating biological depopulation in emigration regions

XI. FINAL REMARKS

This Strategy shall be published on the Government website, website of the Ministry of Labour, Employment, Veteran and Social Affairs and e-Government portal, within seven working days of the day of its adoption.

This Strategy shall be published in the “Official Gazette of the Republic of Serbia”.

05 No: 019-1819/2020-3

In Belgrade, 27 February 2020

PRIME MINISTER
Ana Brnabić, undersigned