

**ANALYSIS OF LABOUR
MOBILITY BETWEEN
SERBIA AND THE WESTERN
BALKAN COUNTRIES**



**МОБИЛНОСТ
РАДНЕ
СНАГЕ**



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I SUMMARY

The arrival of foreign workers in the Serbian labour market is an inevitability, given the lack of labour supply in Serbia. This trend is expected to continue in the future. It is estimated that within the next decade, Serbia's labour market will lack between 80,000 and 100,000 workers. On the other hand, United Nations data shows that 15% of Serbia's population lives outside the "motherland" - most commonly in European Union countries such as Austria and Germany, as well as in other developed economies (the USA, Australia, etc.).

Serbia is the only country in the region that strategically addresses economic migration. With the adoption of the Economic Migration Strategy 2021–2027, Serbia has set as a goal to attract the foreign workers of various educational profiles, recognising through strategic documents that migration can positively impact the growth of the domestic economy. On the other hand, although local governments have been developing their strategic documents for managing migration, none have yet addressed the potential of migrants to fill vacant positions at the local level.

A significant improvement in the procedure for granting work permits to foreigners in Serbia has come with the introduction of the so-called unified residence and work permit for foreigners, which began to be implemented in February 2024. This has shortened the issuance period from over a month to just 15 days in the regulations, while the entire process has been digitalised, meaning that neither the employer nor the foreign worker needs to navigate

through counters or consulates. From February up to August 2024, a total of 14,693 unified permits have been issued.

For years, Serbia has been witnessing an increase in the number of foreign workers. In 2023, there were: 29,442 long-term stay visas issued, 81,710 foreigners holding residence permits, and the National Employment Service issued 52,178 work permits. The largest number of these permits has been issued to citizens of the Russian Federation, the People's Republic of China, India, and Turkey. Very few permits are issued to citizens from Western Balkan countries. Even the opportunities provided by the Open Balkan initiative have not led to an increase in the number of permits. In 2024, only 174 approvals for free access to the labour market were issued based on the Open Balkan initiative.

Although there is significant potential for creating a "common labour market" in the Western Balkan countries, in practice, labour migration is not occurring. Most of the migration from the Western Balkans is directed towards European Union countries. Albanian citizens primarily emigrate to Italy, those from North Macedonia, among others, move to Greece; meanwhile, residents from other countries, including Serbia, mainly emigrate to Germany, Switzerland, or Austria.

There is potential to increase labour mobility among seasonal workers, particularly in border areas. Further efforts are needed to simplify procedures, as well as to ensure better infrastructure, including road and rail systems, and new border crossings that would expedite and shorten travel times between border municipalities.

II INTRODUCTION

"Like a parallel to the ancient 'Great Migration of People,' contemporary international migration can be termed the 'Great Migration of Working People,' which, in terms of mobility, does not lag behind its predecessor."¹

This is how the phenomenon of labour migration is described in the Census Book, which discusses Serbia in the context of external migration based on the 2011 census. Although international labour migration is not a recent phenomenon, it has reached unprecedented levels in the last five decades, making it highly relevant in both academic circles and among policymakers.

Data indicates that one in seven people worldwide has changed their permanent residence at least once during their life. Numerous geographical, demographic, ecological, political, religious, and other factors influence population migration. However, a significant portion of contemporary migrations is primarily driven by economic motives, such as the search for employment and the improvement of living standards and conditions². Given that migrations motivated mainly by economic reasons also occur within countries, data show that around 700 million people globally have participated in internal relocations.

In light of depopulation in Serbia, an ageing population, and the emigration of Serbian citizens to European Union (EU) countries, Serbia is already facing a crisis of labour shortages in certain sectors. A situation is expected to deepen in the coming decades. Consequently, decision-makers have begun implementing a set of policies aimed at attracting foreign investments as well as foreign workers to fill vacant positions.

The primary research question this analysis seeks to address is: "Is there potential for greater labour mobility among the countries of the Western Balkans?". The Serbian economy is the largest among the countries of the Western Balkans, and the unemployment rate in other Western Balkan countries is higher, raising the legitimate question of whether the 'surplus' labour from these countries could flow into the Serbian labour market. Therefore, this analysis first outlines the strategic, legal, and institutional framework in the Republic of Serbia, examining potential obstacles to the easier engagement of foreigners. It then reviews the policies governing labour migration in Western Balkan countries and provides an overview of the impact of regional initiatives such as the Open Balkan and the Berlin Process. Finally, it analyses trends in labour emigration from Serbia and labour immigration to Serbia, focusing on Western Balkan countries, and presents the conclusions of the analysis.

¹ Book of the Census, Census 2011 – Serbia in the Process of External Migrations, 2014, V. Stanković, Republic Statistical Office

² Age of Migration: International Population Movements in the Modern World. Fourth Edition. Revised and Updated, Palgrave Macmillan, Hampshire, New York, 2019, Castles, S. & Miller, M.

III STRATEGIC, LEGAL, AND INSTITUTIONAL FRAMEWORK OF LABOUR MIGRATION IN SERBIA

Although adopted in 2009, the overarching strategic document in the field of migration policy is undoubtedly the Migration Management Strategy. This strategy sets out three strategic goals:

- 1) Establishing and implementing mechanisms for comprehensive and consistent monitoring of migration flows in the Republic of Serbia;
- 2) Complementing the strategic, legal, and institutional framework for unified migration management;
- 3) Protecting the rights of migrants, creating conditions for integration and social inclusion, and raising awareness of the significance of migration.

The key legal framework is provided by the Law on Migration Management, which regulates, among other things, the work of the Commissariat for Refugees and Migration, the role of local governments in managing migrations, the accommodation and integration of refugees, and the methods for collecting and processing migration data.

Paradoxically, migration movements are least influenced by migration policies in a narrow sense, while the key factors (push and pull) lie in economic and social reasons³ that often fall outside the scope of these policies.

Therefore, it is essential to consider numerous sectoral policies and their alignment with migration policy. In the context of this analysis, these primarily include the strategic and regulatory framework that affects so-called economic migrations. The European Commission defines economic migration as situations where an individual leaves their country of origin solely for economic reasons that are in no way connected to asylum. Thus, in simplified terms, economic migration refers to the relocation of populations due to finding employment in other countries.

The Republic of Serbia began to strategically address economic migration only in 2021 with the adoption of the Economic Migration Strategy for 2021–2027. The general objective of the strategy is to create an economic and social environment that slows the emigration of the working-age population, as well as strengthening ties with the diaspora, encouraging return and circular migrations, and attracting foreigners with various educational profiles. In this way, it has been recognised through strategic documents that migration can also be a positive phenomenon that can be leveraged for economic development.

³ Managing Migration at the Local Level – Local Action Plans and Migration Guidance, 2024, V. Petronijević, Commissioner for Refugees and Migration, International Organization for Migration, Government of Switzerland

Particular attention in the strategy is devoted to attracting and integrating foreigners into the labour market of the Republic of Serbia, aiming to bring new knowledge and innovations into business. Specifically, through special objective 2: Improving living and working conditions in the economic and social sectors, measure 5 has been proposed: Developing programmes to attract and integrate foreigners with various educational profiles into the labour market. This measure includes activities such as: facilitating employment through the development of innovative entrepreneurship and the establishment of small and medium-sized enterprises; increasing investment rates from the current 17% to over 20%; and creating incentives for starting one's own business.

According to the Law on Foreigners, the employment of foreigners is realized on the condition that the foreigner: a) possesses a long-stay visa for employment purposes, for those countries that require a visa; b) possesses approval for temporary residence or permanent settlement in Serbia; and c) possesses a work permit in Serbia, with prescribed exceptions. Article 18 of the Law on Foreigners establishes three types of visas: a) airport transit visa (visa A), b) short-stay visa (visa C), and c) long-stay visa (visa D). Only the long-stay visa, in accordance with Article 22, provides the right to employment in Serbia⁴. If the basis for issuing the visa is employment, since 2020, obtaining this visa automatically grants a residence and work permit in the Republic of Serbia. However, if the visa is issued on another basis, the employer must also submit a request for a work permit to the National Employment Service, allowing the processes for visa and work

⁴ Except in exceptional cases when a short-stay visa can also provide this.

permit approval to proceed concurrently. If a foreigner does not require a visa to enter Serbia, they must submit a request for a so-called unified permit before starting work, which will be elaborated upon further in this analysis. If a foreigner has already obtained approval for temporary or permanent residence in Serbia on another basis⁵, they acquire the right to work without the issuance of a unified permit. Furthermore, the Law on Employment of Foreigners stipulates that citizens of the EU, as well as family members of EU citizens, have the right to free access to the labour market in Serbia without work permits, provided they do not become an unreasonable burden on the social protection system, meaning they must ensure sufficient means for their own and their family's sustenance.

A significant improvement in the process of granting work permits to foreigners in Serbia has come with the introduction of the so-called unified permit for residence and work, which began to be implemented in February 2024. Until this point, the approval for temporary residence in Serbia and the work permit represented two separate administrative procedures, involving two different authorities: the Ministry of Internal Affairs (for temporary residence) and the National Employment Service (for the work permit). This meant that each authority had its own specific deadlines for issuing permits, which resulted in longer waiting times for resolving cases. As of February 2024, with amendments to the Law on Foreigners, the procedure for issuing the unified permit has commenced, consolidating these permits.

⁵ For more information, see the Law on Employment of Foreigners, Article 3. Other grounds for obtaining temporary residence may include, among others, family reunification, ownership of real estate, humanitarian residence, studying, engaging in authorial work for a company, etc.

⁶ На линку <https://welcome-toserbia.gov.rs/>

The application for the unified permit is submitted by the employer on behalf of the foreigner (the future employee) electronically through the unified Portal for Foreigners⁶. The competent authority for decision-making is the Ministry of Internal Affairs, with a mandatory involvement of the National Employment Service, and the total timeframe for issuance is just 15 days. Additional flexibility has been introduced through the possibility for a foreigner who has received a unified permit to change employers during the duration of the permit, which can be done based on consent issued by the National Employment Service.

The Portal for Foreigners allows for electronic applications for a visa, temporary residence, or unified permit for residence and work in Serbia. For the requests to be submitted electronically, the employer in the Republic of Serbia must be registered on the e-government portal using unique electronic identification (eID). After completing the electronic application and attaching the required documentation, a state administrative fee of approximately 21,000 dinars is payable, depending on the foreigner's country of origin. Additionally, a service called e-Foreigner has been developed on the e-government portal, allowing for the electronic registration of foreigners' residences. The employer can simultaneously submit a residence registration for multiple individuals on the same basis, allowing for a group application and thus saving time on administrative procedures; a fee of 320 dinars is payable for each application.

While digitalisation facilitates a more flexible engagement of foreigners, control mechanisms have been introduced to protect the domestic market.

Specifically, for an employer to employ or engage a foreigner, they must conduct a labour market test. This involves obtaining consent from the National Employment Service, confirming that there are no domestic candidates who meet the requirements for the specific job. Article 16a of the Law on Employment of Foreigners regulates the labour market test conducted by the National Employment Service at the employer's request. This test is an integral part of the application for the issuance of the unified permit and is submitted electronically through the e-Foreigners portal. Furthermore, if an application for engaging a foreigner has been submitted, the employer must not dismiss domestic employees within 90 days of the application submission due to technological, economic, or organisational changes in the positions where the foreigner is being sought.

A foreigner in Serbia can obtain a work permit, or a unified permit, for a) employment, b) self-employment, or c) special cases of employment⁷.

According to the Law on Employment of Foreigners, a foreigner employed in Serbia enjoys equal status and rights as domestic employees. On the other hand, Article 24 of the Law on Employment of Foreigners introduces the possibility for the Government to limit the number of foreigners to whom unified permits are issued, or to establish quotas to protect the domestic labour market, although this has not yet occurred.

⁷ Such as employment for posted workers, movement within the same company that has different branches, for independent professionals providing services to a local employer, and the training and development of workers.

Seasonal workers, particularly in agriculture, are permitted simplified engagement without the need for a work permit. Specifically, Article 17 of the Law on Employment of Foreigners stipulates that for seasonal work, a foreigner must meet the following conditions: a) have regulated residence, b) have a signed employment contract with the employer, and c) the employer's act defines accommodation and food arrangements. Furthermore, the Law on Seasonal Employment in Certain Activities, which specifically regulates the engagement of seasonal workers in agriculture, states in Article 3 that foreign nationals who are engaged in seasonal agricultural work while residing in Serbia are not subject to special conditions for the employment of foreigners. In practice, this means that employers can engage seasonal workers from abroad through the electronic portal for Seasonal Workers⁸, provided these foreigners have a registered residence in Serbia, specifically with a unique registration number for foreigners. The employer submits a request for the issuance of unique registration number for foreigners to the local police department on behalf of the prospective worker, and it is possible to submit a request for up to 10 individuals simultaneously. For this request, the employer pays a state administrative fee of 320 dinars.

⁸ At the link <https://www.sezonskiradnici.gov.rs/>

Regarding the institutional framework, and considering that this phenomenon affects many areas of life, the management of (labour) migration is a domain that involves multiple institutions and ministries. In 2019, the Government established a Coordination Body to monitor economic migration flows, as well as a Professional Group within this body aimed at monitoring and analysing migration flows, primarily labour migration.

However, alongside the Coordination Body as a "temporary" entity, the key role in monitoring migration flows in Serbia is held by the Commissariat for Refugees and Migration. The most significant responsibilities of the Commissariat include monitoring the implementation of migration policy measures, collecting, consolidating, and analysing data and indicators relevant to migration management, and so on. Concerning labour migration, the Ministry of Labour, Employment, Veterans and Social Affairs plays a special role, as it is responsible for domestic and foreign employment, monitoring the state and trends in the labour market both domestically and abroad, maintaining records in the field of labour and employment, proposing and monitoring the implementation of strategies in the field of migration in the labour market. The Ministry of Internal Affairs handles state administration tasks that, among other things, relate to border control, the residence of foreigners, and the issuance of residence permits. The Ministry of Foreign Affairs is responsible for issuing visas through diplomatic and consular representations.

The National Employment Service operationally carries out many tasks related to the employment of workers from the Republic of Serbia abroad, but it also engages foreign workers in Serbia. The National Employment Service has established a network of seven migration service centres (Belgrade, Niš, Novi Pazar, Novi Sad, Kraljevo, Kruševac, and Bor) that provide migrants with information about procedures for obtaining visas, work and residence permits, opportunities for work and study in Serbia, access to education, healthcare, etc. During 2018, the services of these service centres were used by 908 individuals, but the majority of Serbian

citizens still migrated abroad individually, without state mediation.

In the engagement of domestic workers abroad, as well as vice versa, alongside public institutions, other organisations such as the Serbian Chamber of Commerce and Industry and private employment agencies also play a role. For example, the international agreement on the deployment of workers from Serbia signed with the Federal Republic of Germany (known as detachment) specifies the types of jobs and annual quotas of workers who can be sent to work in Germany. The Serbian Chamber of Commerce and Industry is responsible for determining the quota levels as it encompasses all economic entities within its membership. Additionally, alongside the National Employment Service, private employment agencies play a significant role in matching the supply and demand for labour.

Local governments can influence migration management in their territories through local migration councils and local plans. However, research findings from 2024⁹ show that only about one-third of local governments currently have valid local migration management plans, and there are only 42 local migration councils in Serbia. Such plans rarely address economic migration and are mainly focused on measures related to the integration of returnees or those concerning refugees. Evaluations even suggest that there is an extremely low level of coordination between local plans and the overall operation of local migration councils with other local policies, including employment support policies.

⁹ Managing Migration at the Local Level – Local Action Plans and Migration Guidance, 2024, V. Petronijević, Commissioner for Refugees and Migration, International Organization for Migration, Government of Switzerland

IV OVERVIEW OF MIGRATION MANAGEMENT IN THE WESTERN BALKAN COUNTRIES

The latest report from the International Organization for Migration in 2022 records over 192,000 migrants in the Western Balkan countries, marking an increase of 59.5% compared to 2021. These are primarily migrants who use the Western Balkans as a transit zone to reach their final destinations, which are most commonly Germany (26%), Italy (19%), or France (13%). The most active route involves entry through North Macedonia, passage through Serbia, and then entry into EU countries via the border with

Hungary. Alternatively, migrants may head towards Bosnia and Herzegovina, where they enter the EU¹⁰ by crossing into Croatia. In recent years, almost all Western Balkan countries have faced significant growth in migrant populations, with the largest increase recorded in Serbia, where over 120,000 migrants were noted in 2022, accounting for two-thirds of the total number of migrants in the Western Balkans.

¹⁰ Migration Trends in The Western Balkans In 2022, International Organization for Migration – IOM

TABLE 1. THE NUMBER OF MIGRANTS IN THE WESTERN BALKANS

	2018	2019	2020	2021	2022
ALBANIA	1,627	3,067	3,628	18,496	12,216
BOSNIA AND HERZEGOVINA	24,067	29,196	16,150	15,740	27,429
MONTENEGRO	4,645	8,695	3,007	3,336	8,318
NORTH MACEDONIA	2,132	19,716	37,937	17,919	22,379
SERBIA	8,827	17,611	39,648	63,535	120,883
KOSOVO*	594	2,038	3,001	1,487	1,041
TOTAL	42,892	80,323	103,371	120,513	192,266

Source: International Organization for Migration Report, 2022

¹¹ <https://mb.gov.al/wp-content/uploads/2024/05/Strategjia-Komb%C3%ABtare-p%C3%ABr-Migracionin-2024-2030.pdf>

¹² <https://north-macedonia.iom.int/sites/g/files/tmzbd12301/-files/documents/2023-02/Resolution%20on%20Migration%20Policy%20of%20The%20Republic%20of%20North%20Macedonia.pdf>

¹³ <https://www.zzzcg.me/wp-content/uploads/2022/02/strategija-o-migracijama-i-reintegracij-povratnika-u-crnoj-gori-2021-2025g-s-akcionim-planom-za-2021-i-2022-g-1.pdf>

¹⁴ <https://sps.gov.ba/dokumenti/strateski/strategija21-25.pdf>

Considering the substantial migrant population, the countries of the Western Balkans are "forced" to strategically address migration issues. However, most countries focus on managing migration in areas such as asylum regulation, reintegration of returnees, or readmission. For instance, Albania has a National Migration Strategy for 2024–2030¹¹, which aims for effective migration management and recognises the importance of employing the migrant population to positively impact Albania's local socio-economic development. North Macedonia has a Resolution on Migration Policies for 2021–2025¹², Montenegro has a Strategy on Migration and Reintegration of Returnees for 2021–2025¹³, and Bosnia and Herzegovina has a Strategy in the field of Migration and Asylum for 2021–2025¹⁴. Most measures in these strategies focus on supporting returnees, readmission, and asylum, with no initiatives directed towards the economic migration of foreigners and their potential impact on the local economy.

Serbia is the only country that, alongside its strategy for "transit" migration management, has a strategy specifically addressing economic migration. This strategy outlines measures and activities that can help Serbia leverage the presence of foreigners on its territory for economic growth. In 2021, Serbia adopted a Strategy on Economic Migration, which includes measures aimed at curbing the emigration of its working-age population, strengthening ties with the diaspora, encouraging return and circular migration, and attracting foreigners with diverse educational backgrounds—this is particularly significant in the context of the demographic challenges Serbia faces (such as low fertility rates and an ageing population). In this way, through strategic documents, Serbia addresses the migration of its population while recognising and reinforcing the positive phenomena that migration can lead to, such as knowledge transfer, the introduction of technology into Serbia, and the promotion of Serbian culture in the host countries of its migrants—thus enhancing Serbia's "voice" in the world.



V ABOUT REGIONAL INITIATIVES: OPEN BALKAN AND THE BERLIN PROCESS

¹⁵ The Impact of Regional Organizations and Initiatives in the Western Balkans, 2021, Nedžma Džananović, Donika Emini, Ledion Krisafi, Ivan Nikolovski, Anamarija Velinovska, International Visegrad Fund

¹⁶ Ibid.

¹⁷ Central European Free Trade Agreement – CEFTA

¹⁸ Migration, Asylum, Refugees Regional Initiative (MARRI)

¹⁹ Network of Associations of Local Authorities in South-East Europe (NALAS)

²⁰ Western Balkans Fund – WBF

²¹ Regional Cooperation Council (RCC)

There are around 60 regional organisations and initiatives involving all or some of the countries in the Western Balkans¹⁵. These regional bodies are an integral part of contemporary international relations, fostering dialogue and cooperation between economies. In theory, regional initiatives facilitate the transition from a bilateral cooperation model to a multilateral one, enabling the creation of a larger market, although this depends on many factors¹⁶ in practice. Some of the most prominent regional initiatives or organisations include the Berlin Process, Open Balkan, CEFTA¹⁷, MARRI¹⁸, NALAS¹⁹, WBF²⁰, and the Regional Cooperation Council, among others.

The Berlin Process is a platform primarily aimed at increasing cooperation between the countries of the Western Balkans and the host countries of the Berlin Process, as well as generally within the EU. Its projects are mainly focused on infrastructure development and networking. Launched in 2014, the platform lacks a formal structure, such as a central coordination mechanism (office/organisation), and besides the Western Balkan countries, it includes nine EU member states (Austria, Bulgaria, Croatia, France, Greece, Germany, Italy, Poland, and Slovenia), as well as the United Kingdom.

Although not the only activity, the most recognisable is the annual summit, which gathers heads of state from all Western Balkan countries, as well as EU countries, accompanied by ministerial meetings. Over time, numerous other accompanying events have been organised, such as the Digital Summit, Youth Forum, Civil Society Forum, and others. Through various activities, the Berlin Process supports the Western Balkan countries in numerous regulatory activities, including economic development, energy transition and stability, green agendas, combating organised crime, and cybersecurity.

Open Balkan is a regional initiative of the Republic of Serbia, the Republic of Albania, and the Republic of North Macedonia aimed at establishing an economic zone with the goal to increase trade and cooperation, as well as improving bilateral relations. It primarily focuses on enabling the free movement of people and goods. In 2021, agreements were signed among these countries to remove barriers hindering trade and free movement, and to facilitate the use of electronic services within these initiatives. Although the initiative was launched earlier, with numerous meetings of the highest state officials held in 2019, 2020, and 2021, the COVID-19 pandemic slowed implementation, and the first agreements were signed in Tirana in December 2021.

At that time, the Agreement on Conditions for Free Access to the Labour Market in the Western Balkans, the Agreement on Connecting Citizen Electronic Identification Schemes, the Agreement on Cooperation in Veterinary, Phytosanitary, and Food and Animal Feed Safety, and agreements on mutual recognition of approved economic operators for security and safety between Serbia and Albania and between Albania and North Macedonia were signed. Thus, unlike the Berlin Process, Open Balkan does not primarily focus on infrastructure projects but rather on opening borders for easier movement of people and goods.

In practice, Open Balkan brings benefits to citizens and the economy, such as a) the ability to travel without a passport, using only a national ID card, b) the option to use toll payment tags²² (Serbia – North Macedonia), and c) free access to the labour market without the need for residence and work permits. However, to access the labour market freely within the countries of Open Balkan, approval is required. This is obtained electronically through the official electronic portals of the country where the citizen wishes to work. For example, if citizens of Albania or North Macedonia wish to work in Serbia, they need to request approval through Serbia's e-government portal (<https://euprava.gov.rs/openbalkan>), which is issued by the Ministry of Interior Affairs of Serbia. To access the e-government portal, citizens must be registered on the electronic portals of their home country and obtain a so-called Open Balkan identification number.

The request for free access to the labour market in Serbia can be submitted from abroad or from within Serbia, and the approval is granted for a duration of two years without any fees for issuing permits, which are typically present in regular procedures. After receiving approval, the individual must register their residence within 24 hours of entering Serbia. In addition to this approval, citizens of Open Balkan member states can seek employment assistance from the National Employment Service in Serbia, with all services available free of charge. Similarly, citizens of the Republic of Serbia, by registering on e-government, receive an Open Balkan identification number, which they can use for accessing services on the official portals of Albania (e-Albania) and North Macedonia (Uslugi.gov.mk - Почетна).

Although numerous joint projects have been implemented, the results of the Berlin Process and Open Balkan are not visible across all countries in the Western Balkans when considered individually. According to the official website²³ of the Berlin Process, over its ten years of existence, more than 37 projects in transport/infrastructure, 8 energy projects, and 2 sustainability projects (renewable energy) have been implemented. Additionally, a regional roaming agreement has been implemented, and investments have been made in broadband infrastructure, among other initiatives. However, the results vary from country to country. This is primarily due to specific positions and internal conditions, as Bosnia and Herzegovina, along with Kosovo*, have a limited number of regional projects and still do not enjoy significant benefits from regional initiatives.

²² More at: <https://openbalkan-etc.com/home>
<https://www.putevi-srbije.rs/index.php/%D0%B-F%D1%83%D1%82%D0%B0%D1%80%D0%B8%D0%BD%D0%B5-%D0%B1%D0%BB%D0%BE%D0%B3/web-servis-za-elektronsku-naplatu-putarine-3>

²³ <https://www.berlinprocess.de/>

Montenegro, on the other hand, due to its size and consequent dependence on trade with the region, is currently a member of 35 regional initiatives, demonstrating its readiness for regional cooperation. It was the initiator of the "Western Balkan 6" regional platform, which was an, at best, moderately successful precursor to the Berlin Process. Regarding Albania, although expectations for regional cooperation²⁴ were high, some assessments indicate that Albania has yet to see substantial effects from such cooperation. Studies suggest that Albania remains primarily oriented towards trade with EU countries and Italy rather than with other Western Balkan countries

Only in the past few years, with the launch of Open Balkan, has trade between Albania and Serbia begun to grow, yet it has not yet surpassed trade levels with countries outside the Western Balkans. Furthermore, although six infrastructure projects were initiated under the auspices of the Berlin Process in Albania, none have been completed to date, meaning the results of these investments are still not visible. Concerning North Macedonia, statements from the government suggest that the Berlin Process has brought numerous benefits to the country and has encouraged many additional regional initiatives such as Open Balkan. The same applies to Serbia, which is a member of several regional initiatives. Bosnia and Herzegovina, Montenegro, and Kosovo* have opted not to participate in Open Balkan, expressing concerns that this initiative is unnecessary, overlaps with existing frameworks, and is not sufficiently inclusive. Albania, North Macedonia, and Serbia initiated the Open Balkan initiative and signed several concrete agreements, particularly in the areas of free access to the labour market and digitalisation, which have quickly yielded "concrete" and visible results for citizens, thus enhancing its positive image.

²⁴ The Impact of Regional Organizations and Initiatives in the Western Balkans, 2021, Nedžma Džananović, Donika Emini, Ledion Krisafi, Ivan Nikolovski, Anamarija Velinovska, International Visegrad Fund

VI TRENDS IN LABOUR EMIGRATION FROM SERBIA WITH A FOCUS ON EMIGRATION TO THE WESTERN BALKAN COUNTRIES

In the last three decades, the countries of the Western Balkans have experienced the phenomenon of mass emigration, with over 20% of the population having relocated by 2020.²⁵ Specifically, United Nations²⁶ data indicates that in 2020, 4.77 million people from the Western Balkans lived abroad, out of a total population of approximately 17.5 million. According to this data, Bosnia and Herzegovina (49%) and Albania (44%) have the highest share of migrants relative to their total populations, while Serbia has the lowest share at 15%²⁷. Regarding emigration destinations, the majority of Albanians choose Italy (43%) and Greece (35%) as their primary locations, although in recent years the United States, Canada, and the United Kingdom have also emerged as popular emigration destinations.

Other notable destinations include Germany, Austria, Sweden, and Switzerland, while Turkey is a significant destination for North Macedonians, with around one-third of migrants opting for this country.

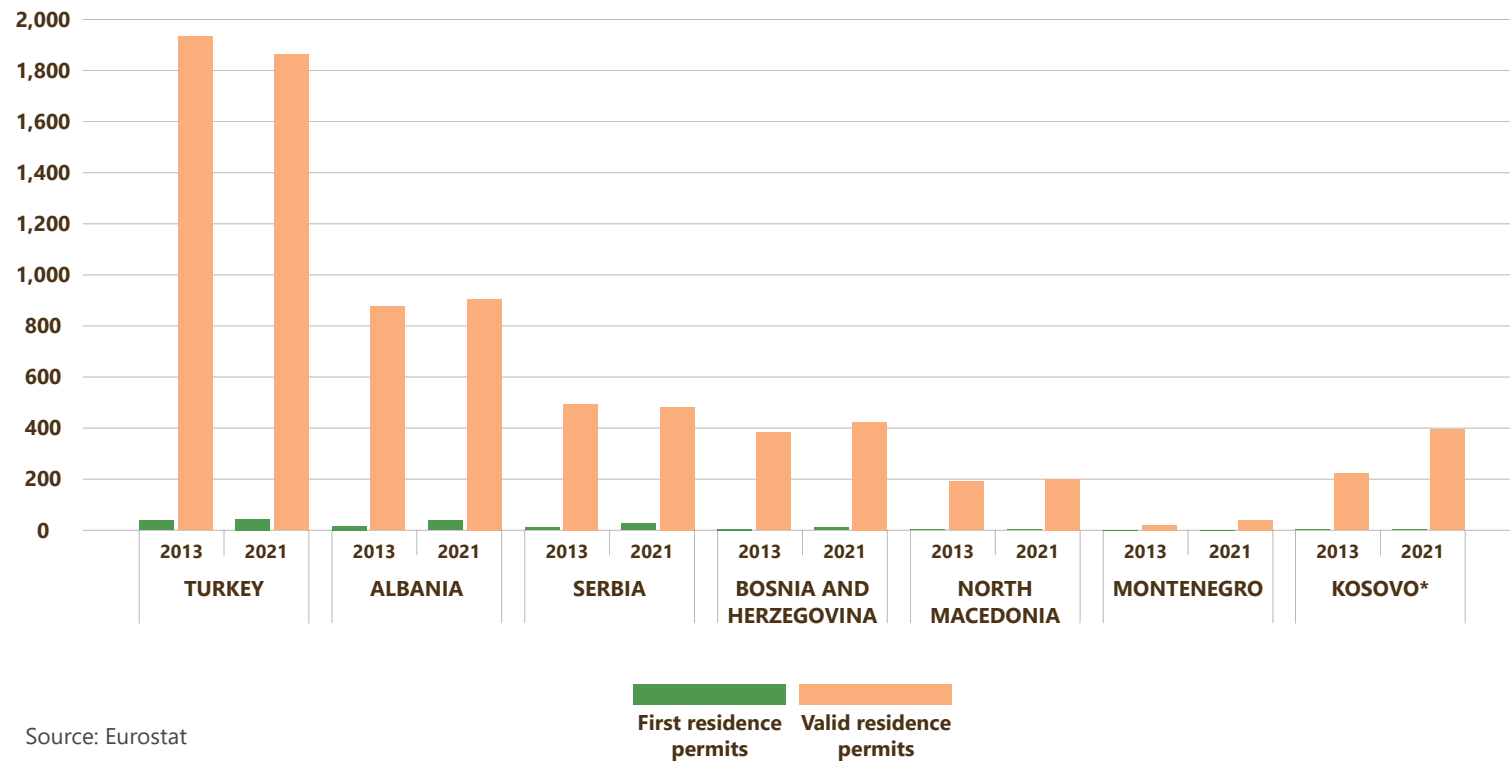
Eurostat data shows that in 2021, over 236,000 citizens from the Western Balkans and Turkey obtained residence permits for the first time in various EU countries, marking a 56% increase compared to 2013. The largest share among these migrants comes from Turkey (28%), followed by Albania (23%), Serbia (14%), and Bosnia and Herzegovina (14%). Other countries fall below 10%, with Kosovo* at 9%, North Macedonia at 6%, and Montenegro at 1%.

²⁵ Labour Migration in the Western Balkans, 2024, Foundation for European Progressive Studies

²⁶ United Nations Department of Economic and Social Affairs' (UNDESA)

²⁷ Kosovo* is not included in the data.

Graph 1: NUMBER OF FIRST-TIME ISSUED RESIDENCE PERMITS AND TOTAL NUMBER OF VALID RESIDENCE PERMITS FOR CITIZENS FROM THE WESTERN BALKANS AND TURKEY IN EU COUNTRIES, 2013 AND 2021.



²⁸ Multilayered Nature of Depopulation in Serbia – New Trends and Prospects, 2022, V. Nikitović, Human Development Report, UNDP

²⁹ Book of the Census, Census 2011 – Serbia in the Process of External Migrations, 2014, V. Stanković, Republic Statistical Office

³⁰ Lutz, W., Gailey, N. (2020). Depopulation as a Policy Challenge in the Context of Global Demographic Trends. Belgrade: UNDP

³¹ Costs of Youth Emigration, 2019, Institute for Development and Innovation – IRI and Westminster Foundation for Democracy

³² Migration and the Labour Market, 2022, M. Arandarenko, Human Development Report, UNDP

³³ Book of the Census, Census 2011 – Serbia in the Process of External Migrations, 2014, V. Stanković, Republic Statistical Office

Serbia is traditionally a country of emigration²⁸. In a ranking of 50 countries with the highest emigration rates, Serbia is positioned as the 31st country²⁹.

Although precise data on the number of residents leaving Serbia annually is lacking, attempts to estimate this number can be found in various studies. For instance, Lutz and Gailey³⁰ suggest that approximately 60,000 individuals emigrate from Serbia each year, while between 15,000 and 20,000 return annually. The Institute for Development and Innovation, in its 2019 study on the Costs of Youth Emigration³¹, stated that between 15,700 and around 49,000 people emigrate from Serbia each year, noting that the upper limit is unrealistic as a significant portion of these migrations is temporary. Arandarenko, in a study³², estimates that between 4,000 and 13,000 residents emigrate annually. Based on the 2022 Census, officials from the Republic Statistical Office have estimated that between 25,000 and 27,000 people net emigrated from Serbia annually from 2011 to 2022. This data should serve as a foundational basis for further expert discussions and the creation of economic policies. The reasons for emigration among the population are varied, and in modern times, particularly following the world wars, labour migration undoubtedly constitutes a significant portion of external migrations³³.

The beginning of monitoring Serbian external labour migration is linked to the Yugoslav Census of 1971, which was the first time a census of individuals working temporarily abroad was conducted. At that time, alongside the regular questions in the census forms, additional questions were included regarding the foreign country in which individuals worked and the year of their last departure from the country, as well as information about family members who had accompanied them abroad.

In subsequent censuses, the methodology was somewhat altered, adding new questions for individuals abroad. By 1991, the term "temporary" was removed from the forms, reflecting the data on the low number of returnees collected since 1981. Questions about individuals working and residing abroad were answered by family members remaining in the country, and certain questions in the census forms have been methodologically criticised for allowing excessive subjectivity in the responses³⁴.

The latest available data from the 2011 census indicate that over 310,000 citizens of Serbia were working or residing abroad, and unofficial data from the 2022 census, obtained through direct communication with representatives of the Republic Statistical Office, confirm this figure³⁵.

The mid-1960s marked a turning point in Yugoslavia's economic life, triggering waves of external labour migration. Following the "opening of the economy," many surplus workers from socialist enterprises viewed emigration from Yugoslavia at that time as the only way to escape unemployment, seeking employment in more developed Western European countries. They were soon joined by farmers, who, due to rapid industrialisation, could not secure work outside agriculture. According to the 1971 census, the representation of industrial workers and farmers among external migrants from Serbia was nearly 75%³⁶. After the wars of the 1990s, the number of external migrants surged from around 270,000 in the 1991 census to nearly 415,000 in the 2002 census.

³⁴ An example is the question "How much longer does the person intend to be absent?" which is asked of a family member or neighbour providing information to the census taker instead of the person who is abroad.

³⁵ The estimate based on the 2022 Census is approximately 300,000 individuals, obtained via email from representatives of the Republic Statistical Office

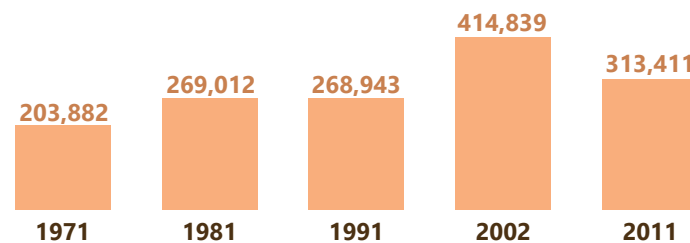
³⁶ Book of the Census, Census 2011 – Serbia in the Process of External Migrations, 2014, V. Stanković, Republic Statistical Office

Although the data from the 2011 census are not directly comparable to previous waves, this period marked a stabilisation of individuals working or residing abroad at around 313,000, a figure closely mirrored in the 2022 census (approximately 300,000). Furthermore, studies indicate that the factors influencing external migration have somewhat shifted from narrow existential needs and problems to the pursuit of a higher standard of living for the modern individual³⁷.

³⁷ Ibid.

Eurostat data indicates even higher figures. By the end of 2018, the number of individuals from the Republic of Serbia with residence permits in one of the EU countries stood at 491,199. This number decreased by 1.6% compared to 2008. In 2018 alone, 52,049 individuals from the Republic of Serbia (new residents) received a residence permit for the first time in the EU, which is nearly 12,000 more than in 2017.

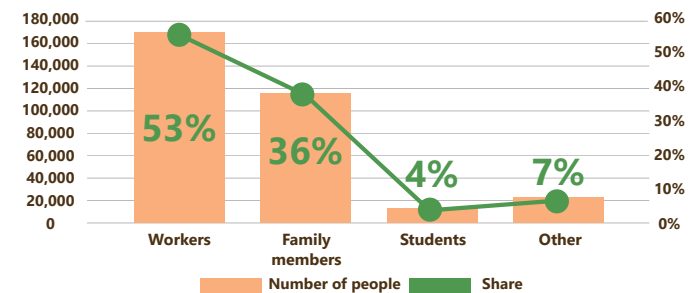
Graph 2: CITIZENS FROM THE TERRITORY OF THE REPUBLIC OF SERBIA WORKING AND RESIDING ABROAD AS OBSERVED IN THE CENSUSES



Source: Statistical Office of the Republic of Serbia

The most common reason for Serbian citizens residing abroad is work, with over 166,000 individuals migrating for this purpose, staying abroad for an average of 12 years. This group includes not only those employed by foreign employers or self-employed abroad but also their family members, students, and those residing abroad for other reasons (e.g. for medical treatment). According to the 2011 census, of the 313,411 individuals working and residing abroad, 53% cited work as their reason for migration. On average, these individuals stay abroad for 12 years, and after three and a half years, they bring their families to join them. Family members of workers make up 36% of the total, with these family members staying abroad for an average of 8.6 years. Students represented only 4% of the total number of individuals abroad, amounting to about 12,000 individuals, according to the 2011 census.

Graph 3: PROPORTION AND NUMBER OF INDIVIDUALS WORKING AND RESIDING ABROAD ACCORDING TO THE 2011 CENSUS, BY REASON FOR EMIGRATION

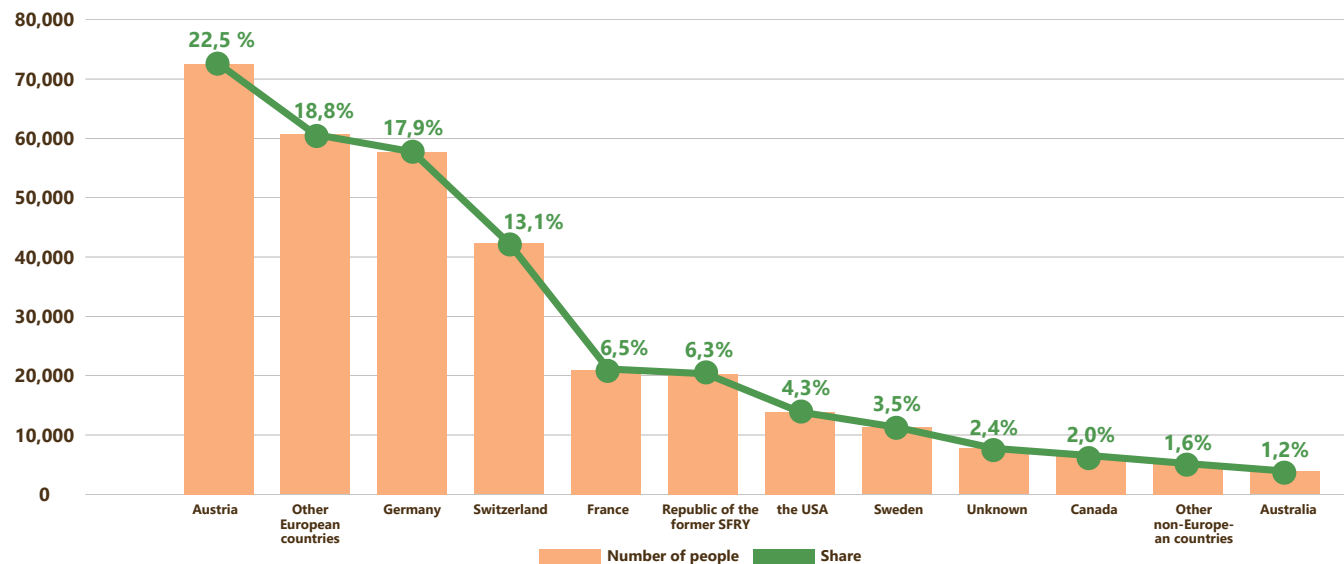


Source: Statistical Office of the Republic of Serbia, 2011 Census

The most common emigration destinations for citizens of the Republic of Serbia who work and reside abroad are Austria (22.5%) and Germany (17.9%), although there is a trend of decreasing shares in these countries. The first generation of external migrants primarily migrated to Germany, with nearly half (46%) of all migrants having worked there. A decade later, there was a significant reduction in the number of migrations to Germany, while at the same time, the shares of migrants to Switzerland increased

initially, followed by other European countries, where in 2011, 18.8% of Serbian migrants were employed. The shares of migrants to non-European countries remained relatively stable across all censuses, with no significant fluctuations. During the 1990s, notable changes were only recorded in migrations to "unknown" countries, primarily due to the impact of the disintegration of the Socialist Federal Republic of Yugoslavia and the subsequent wars.

Graph 4: NUMBER AND PROPORTION OF PEOPLE WORKING AND RESIDING ABROAD ACCORDING TO THE 2011 CENSUS, BY COUNTRY OF WORK



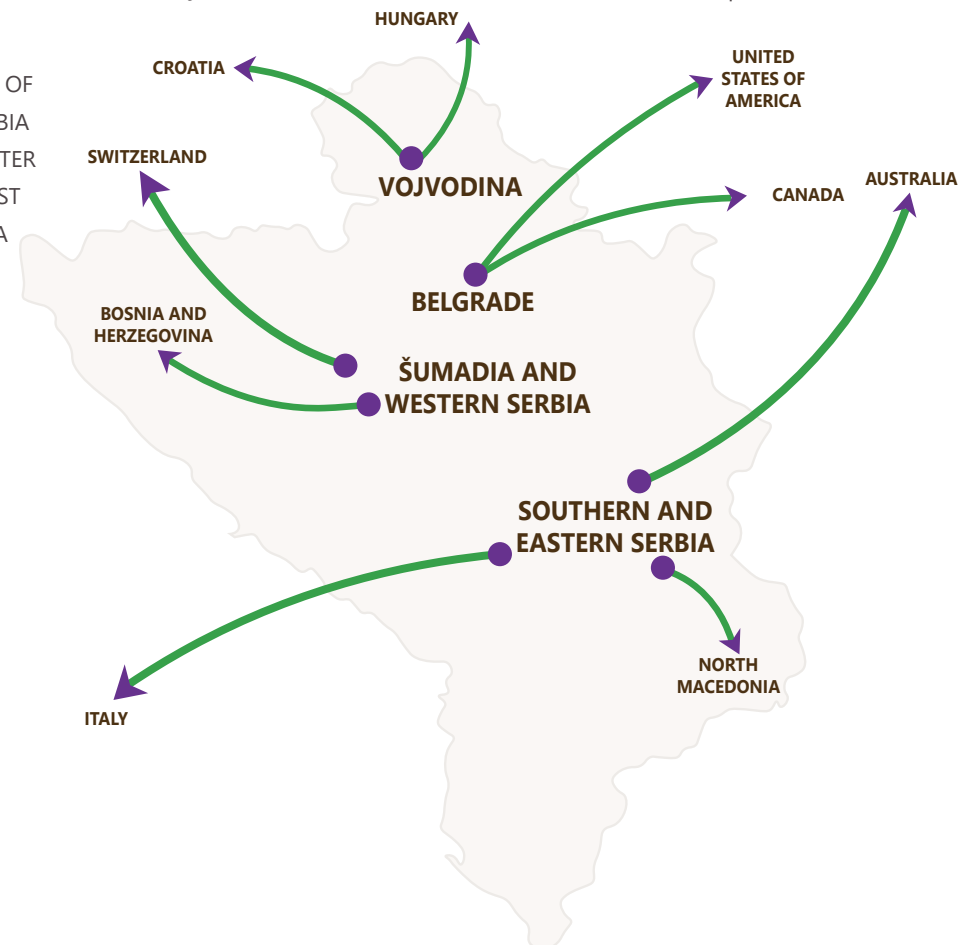
Source: Statistical Office of the Republic of Serbia, 2011 Census

A significant portion of Serbia's external migrants historically migrated to countries in the Western Balkans, specifically to former Yugoslav republics. The 2011 census recorded nearly 20,000 citizens of the Republic of Serbia working in one of the Western Balkan countries, although it does not provide a detailed breakdown of these migrants. However, it does offer an overview of which regions of Serbia are most commonly associated with migration to former Yugoslav countries. Migrants from the Southern and Eastern Serbia regions make up the majority of those migrating to Italy, Austria, and North Macedonia. Those from the Sumadija and Western

Serbia regions predominantly migrate to Switzerland and Bosnia and Herzegovina. The Vojvodina region tends to direct its migrants towards Hungary and Croatia, while migrants from the Belgrade region primarily seek opportunities outside the Balkans, migrating to the USA or Canada. In 2018, according to Eurostat data, Germany remained the most common destination for emigrants from Serbia. However, Slovenia issued the second highest number of residence permits to Serbian citizens (9.9% of approximately 12,000 "new permits"), followed closely by Croatia (9% of the total number of "new permits")³⁸.

³⁸ Strategy on Economic Migration 2021–2027, Source: Eurostat

Illustration 1: EMIGRATION TRENDS OF CITIZENS OF THE REPUBLIC OF SERBIA TOWARDS COUNTRIES FORMED AFTER THE DISSOLUTION OF THE SOCIALIST FEDERAL REPUBLIC OF YUGOSLAVIA



Source: Eurostat

Daily migration can also be a good indicator of market openness in the Western Balkans. In the Republic of Serbia, according to the 2022 Census results, a total of 795,000 workers migrate daily from their place of residence for work, but only 2,858 of these workers migrate abroad. The population in border areas can take advantage of open job opportunities in neighbouring countries. The "Open Balkan" initiative even allows for this type of engagement without work permits. However, the small proportion of migrants moving abroad highlights the difficulties of working outside the country's borders.

Most daily migrants typically move to other settlements within the same municipality where they live (50%) or within the same region (29%). Of the 2,858 daily migrants to foreign countries, 59% are from the Vojvodina Region, and 37% from the Sumadija and Western Serbia Region, primarily explained by the proximity of these regions to EU countries. On the other hand, only 4% of daily migrants come from the Southern and Eastern Serbia Region. Additionally, the majority of these workers are men (approximately 60% across all regions).

Table 2. STRUCTURE OF DAILY MIGRANTS BY REGIONS

	TOTAL NUMBER OF DAILY MIGRANTS	PROPORTION OF TOTAL DAILY MIGRANTS TO FOREIGN COUNTRIES	TOTAL NUMBER OF MEN	PROPORTION OF TOTAL DAILY MIGRANTS FROM A SPECIFIC REGION
REGION OF VOJVODINA	1,693	59%	1,108	65%
REGION OF ŠUMADIJA AND WESTERN SERBIA	1,057	37%	593	56%
REGION OF SOUTHERN AND EASTERN SERBIA	108	4%	69	64%

Source: Census 2022, Republic Statistical Office

³⁹ The data presented are not comparable among countries because the measurement methodologies are often not aligned. For some countries, data on residence permits are available, while for others, only estimates based on the census are accessible.

⁴⁰ Source: https://www.in-stat.gov.al/media/13790/publikimi-te-hua-jt-ne-shqiperi-2023_anglisht.pdf

⁴¹ This does not mean that this is the current number of individuals from Western Balkan countries residing in North Macedonia; rather, it is the total of all individuals from these countries who have at least once resided in North Macedonia from 2005 to the present.

Examining data on the immigration of foreigners to the remaining countries of the Western Balkans³⁹, it can be concluded that for citizens of the Republic of Serbia, these countries are not among the "preferred" destinations and that overall, labour migration within the Western Balkans remains at a very low level.

Official statistics from Albania indicate that in 2023, 12,430 individuals applied for a residence permit, the largest number of whom came from Italy (2,201), Kosovo* (1,343), and Turkey (1,142)⁴⁰. Currently, over 20,000 foreigners reside in the country. Most foreigners (48%) come to Albania for work; however, the reasons vary according to the migrants' countries of origin. For those from Turkey and Italy, work is the most common reason for migration (71% and 49% respectively), while for migrants from Kosovo*, family reunification predominates as the reason (43%).

Data from the official statistics of North Macedonia show that during 2023, a total of 3,176 individuals immigrated to North Macedonia, of which 16% (522) were returning citizens of North Macedonia, while the remaining 84% (2,654) were foreigners. The largest group of foreigners comes from Turkey (77% or 2,049). Overall, from the Western Balkans to North Macedonia, only 227 individuals migrated in 2023. However, since 2005, a total of 12,235 residents from Western Balkan countries⁴¹ have settled in North Macedonia, representing about one-third of the total immigrants in the country.

The largest groups originate from Albania (33%), followed by Serbia (29%) and Kosovo* (25%).

Regarding Bosnia and Herzegovina, the latest available data from the 2013 Census shows that in 2013, 30,408 foreigners lived in Bosnia and Herzegovina, primarily from Croatia (37%) and Serbia (19%). However, most of these foreigners did not come for work but rather for family reasons (40%).

Montenegro has had quotas in place for the employment of foreigners for some time to protect the domestic market. Nevertheless, the number of foreign workers being employed continues to rise, with a certain number being engaged beyond the quotas, reflecting market needs. Although not representative, due to the impacts of the COVID-19 pandemic, data from 2020 indicate that a total of 19,354 permits for temporary residence and work for foreigners were issued, of which 11,289 were within the quota. Of these permits issued under the quota, 10,942 were for the engagement of foreigners, and 347 for seasonal workers. In previous years, the number of engaged seasonal workers was significantly higher, ranging between 2,800 and 3,400. In 2024, the quota for the employment of foreigners has been set at over 28,000 workers.

VII TRENDS IN LABOUR IMMIGRATION TO SERBIA WITH A FOCUS ON IMMIGRATION FROM WESTERN BALKAN COUNTRIES

Unlike data on emigration, which is often based on estimates, immigration statistics for Serbia are more precise, primarily due to the obligations undertaken by the Republic of Serbia in the process of visa liberalisation and the methods of monitoring the immigration population in Serbia⁴². However, tracking labour migration remains a challenge. As described in the previous sections of the analysis, depending on their country of origin, foreigners face different conditions for working in the Republic of Serbia: a) they must possess a long-stay visa if they are from a country subject to visa requirements, b) they must hold a temporary or permanent residence permit, c) they must have a work permit, except in specified exemptions, d) they must have approval for free access to the labour market if they are residents of Open Balkan member countries, or e) they can access the labour market freely if coming from an EU member state.

The Serbian labour market is facing a crisis of labour shortages, primarily due to an ageing population, depopulation, and emigration. Estimates suggest that in the next decade, Serbia will lack between 80,000 and 100,000 workers⁴³, with a solution emerging in the "import of workers."

The Strategy on Economic Migration indicates that Serbia is experiencing a shortage of qualified labour in numerous sectors, negatively impacting productivity and further economic growth. Areas affected include engineering, information technology, healthcare, and others. Due to this reality, many procedures related to work permits have been simplified in recent years to attract a larger number of foreign workers.

From 2010 to 2023, Serbia issued 178,879 visas, including a record 29,442 in 2023. Official data from the Ministry of Foreign Affairs show that after a low number of visas issued in 2020 and 2021 due to the COVID-19 pandemic, the number of issued visas began to rise sharply in 2022. In 2022, 21,841 visas were issued, and in 2023, 29,442. The largest number of visas were issued to citizens of the People's Republic of China (35%), India (13%), and Egypt (6%), with a trend of increasing visas for nationals of these countries, observed over the past few years, indicating a focus on labour migration

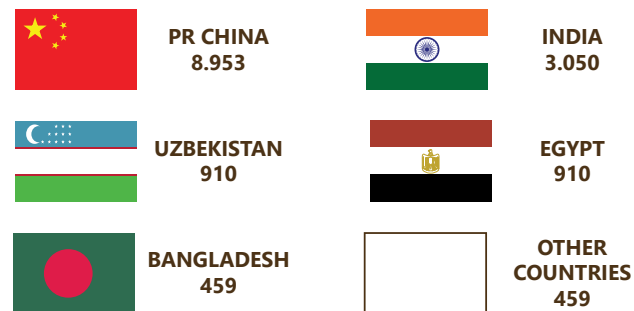
⁴² Analysis of Immigration to the Republic of Serbia, 2021, Institute for Development and Innovation

⁴³ Employment in Light of Faster Economic Development, 2017, Nikolić I. et al. Proceedings of the Symposium held on December 4 and 5, 2017, Serbian Academy of Sciences and Arts

In 2023, the methodology for monitoring visa types was finally changed, allowing for tracking how many long-stay visas (Type D) were issued, which is particularly important for labour migration, given that the majority of Type D visas allow for employment in Serbia⁴⁴. In 2023, 20,276 Type D visas were issued, most notably to citizens of the People's Republic of China (44%).

⁴⁴ With certain exceptions when this is also provided by a type C visa for short stays.

Graph 5: NUMBER OF LONG-STAY VISAS ISSUED IN 2023.

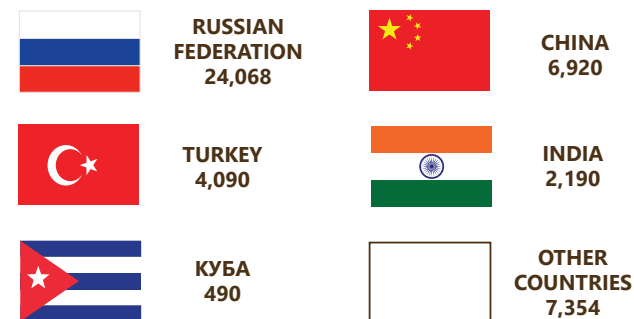


Source: Ministry of Foreign Affairs, Migration Profile of the Republic of Serbia 2023, Commissariat for Refugees and Migration of the Republic of Serbia

During 2023, a total of 81,710 foreigners resided in Serbia, with the majority (56%) due to employment. The number of issued visas can only serve as an indicator of the potential for labour migration in Serbia, primarily because many foreigners residing in Serbia are not required to obtain visas, and visas can be issued for other reasons beyond employment.

A temporary residence permit may automatically grant foreigners the right to work in Serbia in certain cases, and in others, it may be issued alongside a work permit. Data from the Ministry of Interior Affairs shows that in 2023, a total of 45,112 temporary residence permits were issued for the first time, while a total of 81,710 permits were active at the same time. If we consider only the permits issued in 2023, the largest number was granted to citizens of the Russian Federation (as many as 24,068), confirming the trend from 2022 when there was a sharp increase in the number of temporary residence permits issued to Russians, primarily due to the war in Ukraine. As many as 59% of temporary residence permits were issued based on employment, while 30% were issued for family reunification.

Graph 6: NUMBER OF TEMPORARY RESIDENCE PERMITS ISSUED IN 2023.



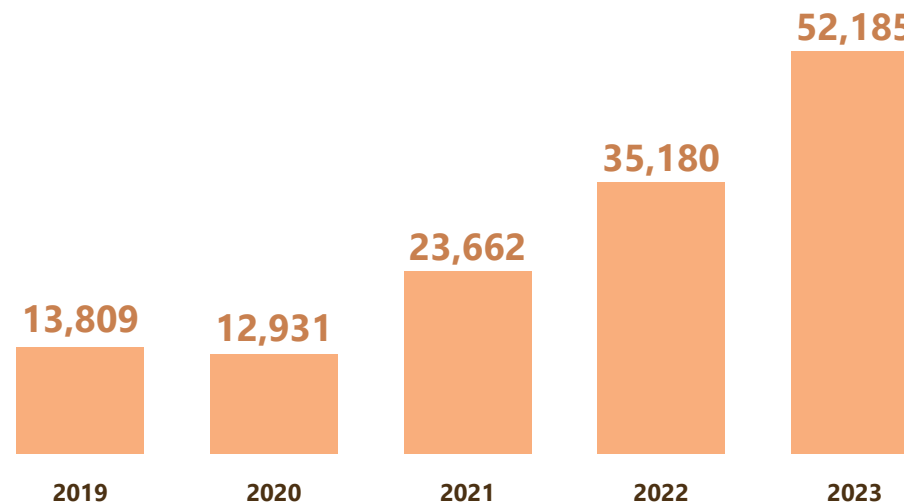
Source: Ministry of Foreign Affairs, Migration Profile of the Republic of Serbia 2023, Commissariat for Refugees and Migration of the Republic of Serbia

In previous years, citizens of Western Balkan countries accounted for a very small share of the temporary residence permits issued in Serbia. Specifically, from 2010 until the COVID-19 pandemic, citizens of North Macedonia, Bosnia and Herzegovina, Montenegro, as well as Croatia and Bulgaria, frequently ranked among the top ten countries for the most temporary residence permits issued. Some of these permits (in the case of North Macedonia) may have potentially been replaced during 2022 or 2023 with permits for access to Serbia's labour market due to the establishment of the Open Balkan initiative.

However, the data indicate that Serbia relies more on the workforce from "distant" countries than from its bordering nations.

In 2023, the National Employment Service issued a total of 52,178 work permits. The data show that the number of issued work permits has consistently increased, with the exception of 2020 due to the impact of the COVID-19 pandemic. From 2019 to 2023, over 137,000 work permits were issued, and the growth rate of permits issued in recent years has exceeded 50%.

Graph 7: NUMBER OF WORK PERMITS ISSUED FROM 2019 TO 2023.

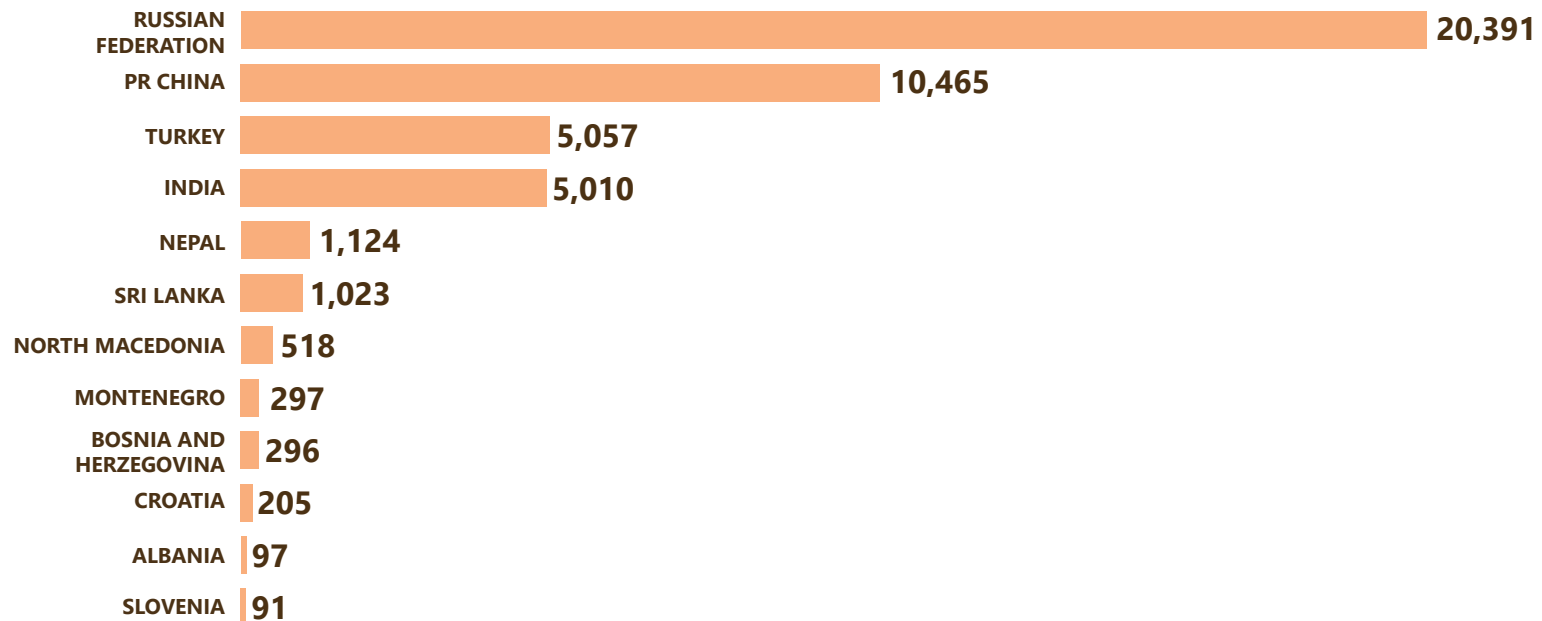


Source: National Employment Service

In 2023, the largest number of work permits was issued to citizens of the Russian Federation (39%) and the People's Republic of China (20%). Data from the National Employment Service indicates that out of the total number of permits issued in 2023, 547 were personal permits granted to foreigners with permanent residence in Serbia, while 51,631 were issued to foreigners with temporary residence in Serbia.

The structure of the permits remains the same regardless of the type of residence held by the foreigners. The majority of foreigners come from the Russian Federation (39%) and the People's Republic of China (20%), followed by Turkey (10%) and India (10%). Overall, only 2% of work permits were issued to citizens of Western Balkan countries, once again highlighting the low labour mobility in the Balkans.

Graph 8: NUMBER OF WORK PERMITS ISSUED BY COUNTRY OF ORIGIN IN 2023.



Source: National Employment Service

In the first seven months since the introduction of the unified permit, a total of 14,693 unified permits for foreigners have been issued. The unified permit, which combines a work permit and residence permit, came into effect on 1st February 2024, and the results of this simplification process are yet to be seen. The largest number of unified permits was issued to citizens of the Russian Federation (46%), followed by the People’s Republic of China (18%) and India (9%).

Out of the total number of issued unified permits, only 243 were granted to citizens of Western Balkan countries, while an additional 174 applied for approval for free access to the labour market based on the Open Balkan initiative. In this context, the largest number of unified permits was issued to citizens of North Macedonia (39%), followed by Bosnia and Herzegovina (31%), Montenegro (31%), and only 9% from Albania.

Graph 9: NUMBER OF UNIFIED PERMITS ISSUED FROM 1ST FEBRUARY TO 31ST AUGUST 2024



Source: Ministry of Interior Affairs

Graph 10: NUMBER OF UNIFIED PERMITS ISSUED TO CITIZENS OF WESTERN BALKAN COUNTRIES FROM 1ST FEBRUARY TO 31ST AUGUST 2024.

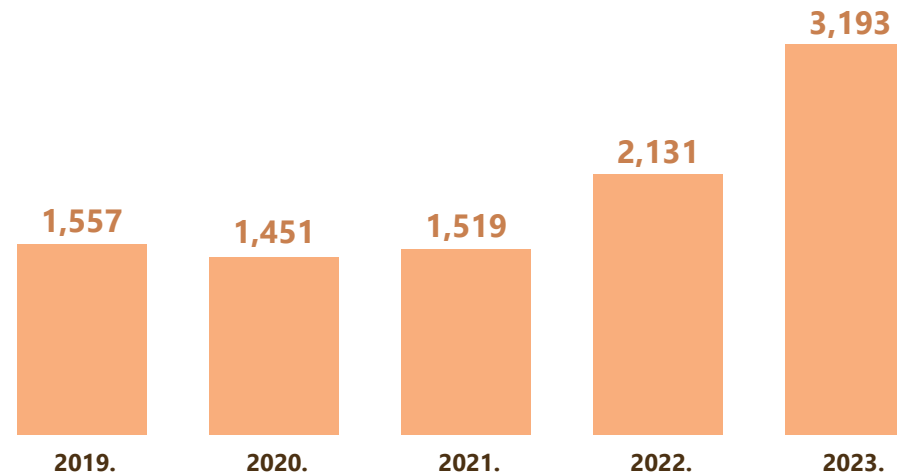


Source: Ministry of Interior Affairs

Permits for temporary residence issued based on education represent a significant potential for the permanent immigration of foreigners to Serbia. In recent years, there has been a noticeable trend of growth in these permits, averaging around 20% annually. The Republic of Serbia, with its study conditions and universities, is an attractive destination for students from the region, particularly from Montenegro. During 2023, a total of 3,193 temporary residence permits were issued based on education, which is nearly 50% more compared to 2022. The largest number of permits was granted to citizens of the Russian Federation (32%), while all other

countries in the top five accounted for less than 10%. Although represented, students from Western Balkan countries make up a small portion of the student population in Serbia. Only Montenegro stands out with 96 permits issued during 2023, maintaining a stable number of students compared to previous years. Looking at a slightly longer timeframe, considering that studies last 3 or 4 years, it is evident that from 2016 to 2021, the total number of foreign students was 68,099, the largest portion of whom came from Bosnia and Herzegovina (54% or 36,983), followed by Montenegro (25% or 17,320).

Graph 11: NUMBER OF TEMPORARY RESIDENCE PERMITS ISSUED BASED ON EDUCATION FROM 2019 TO 2023.



Source: Ministry of Foreign Affairs, Migration Profile of the Republic of Serbia 2019-2023, Commissariat for Refugees and Migration of the Republic of Serbia

There is a significant demand for foreign workers in sectors considered to have a seasonal nature, such as agriculture, tourism, and construction. In these sectors, the organisation of work is such that a large number of workers are expected to be engaged in a relatively short period. Data from the portal for engaging seasonal workers in agriculture shows that from 2019 to date, 97,775⁴⁵ seasonal workers have been employed. The majority of these workers come from Serbia - over 97% - while only 3% (around 3,000 seasonal workers) are foreigners. The composition of foreign seasonal workers does not differ significantly from that of workers coming on work permits. The largest portion of foreign seasonal workers comes from Uzbekistan (56%), followed by Egypt (17.5%) and India (14%). The share of seasonal workers from Western Balkan countries combined does not exceed 1%. However, this refers to the statistics of registered seasonal workers. Considering that numerous studies indicate a very high⁴⁶ proportion of unregistered seasonal workers in agriculture, it is a justified assumption that a certain number of workers from abroad are operating in the "grey zone." As for data regarding other sectors such as tourism and construction, information is not easily accessible, given that official statistics do not record data on the sectors where workers are engaged.

⁴⁵ Data obtained in collaboration with NALED.

⁴⁶ Over 70%.



VIII CONCLUSION AND RESULTS OF THE CONSULTATIVE PROCESS

Although the potential for creating a "common labour market" in the Western Balkan countries is significant, labour migration does not occur in practice. Most migrations from the Western Balkan countries are directed towards European Union countries. While Albanian residents primarily emigrate to Italy, residents of North Macedonia also migrate to Greece, and the remaining Western Balkan countries mainly see emigration to Germany, Switzerland, or Austria.

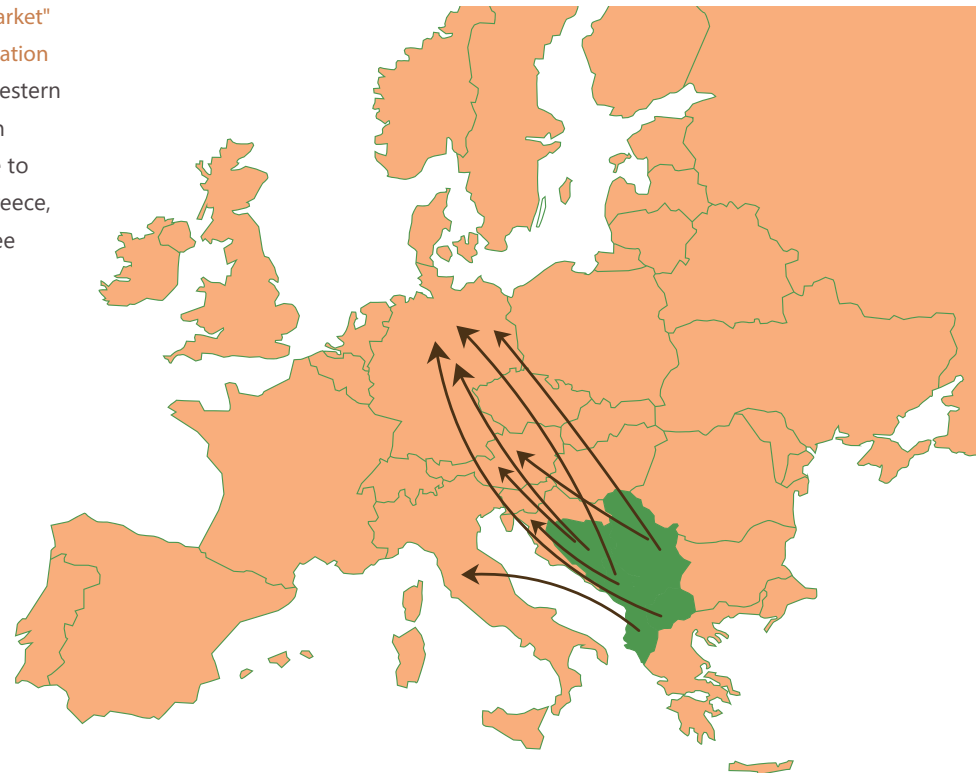


Illustration 2: Main Emigration Routes

However, the results of the consultative process show that there is significant potential for increasing worker mobility, particularly in the area of seasonal labour in the Western Balkans. In this regard, although there are no official data, it is observed in practice that residents of Albania are directed towards Montenegro and North Macedonia, residents of North Macedonia towards Serbia, while the workforce from Serbia heads to Montenegro during the tourist season. While Serbia has digitised and simplified its procedures for engaging workers, especially seasonal workers, this cannot be said for other Western Balkan countries. Focus should be placed on Montenegro, where a large number of seasonal workers are directed during the summer season. Additionally, efforts should be made to improve the position of seasonal workers.

Furthermore, local experts indicate the need to build better infrastructure, especially in border areas, to facilitate easier worker mobility. Experts highlighted the needs of workers in border regions for a smoother border crossing process or better-organised transport (ideally by rail).

Infrastructure issues were also emphasised, particularly the lack of border crossings, which forces workers to travel too long to the nearest crossing, even when potential jobs are "just across the road". Additionally, there is a lack of road and rail infrastructure that would ease worker mobility.

The analysis shows that only Serbia strategically addresses economic migration, but it does not focus on labour migration at the level of local governments, where local markets could benefit from the potential of migrant labour. Specifically, Serbia is the only country in the Western Balkans with a Strategy on Economic Migration, which includes activities in its action plan aimed at involving and motivating foreigners to access the Serbian labour market. Furthermore, although most local government units have migration councils and migration management action plans, they primarily deal with "transit" migrants and do not foresee any activities for potentially utilising migrants for local labour markets.

ANNEX – METHODOLOGICAL FRAMEWORK OF THE ANALYSIS

The aim of conducting the analysis was to answer the main research question: Is there potential for greater workforce mobility among the countries of the Western Balkans?

Additional research questions that the analysis sought to address are:

1. What are labour migrations and workforce mobility? What are the global trends, and what has been done so far in Serbia and the Western Balkan countries regarding this issue?
2. What are the potentials for workforce mobility in the Western Balkans in the context of the development of individual countries' labour markets?
3. What have been the movements of the workforce to and from Serbia in recent years?
4. Have the Berlin Process and the Open Balkans as regional initiatives influenced changes in the patterns of workforce mobility?

In this study, the following research methods were used:

DESK RESEARCH

To describe the strategic, legal, and institutional framework, desk research was conducted on all regulations relevant to the field of economic migration. Two strategies and six laws were analysed, namely:

- Strategy on Migration Management 2009;
- Strategy on Economic Migration 2021-2027;
- Law on Foreigners;
- Law on Employment of Foreigners;
- Labour Law;
- Law on Seasonal Employment of Workers in Certain Activities;
- Law on Conditions for Sending Employees to Temporary Work Abroad and their Protection;
- Law on Residence and Stay of Citizens;
- Local Action Plans for Employment and Migration Management.

For the analysis of the strategic framework for migration management in the Western Balkan countries, strategies from all Western Balkan nations were examined with the aim of identifying measures and activities aimed at supporting economic migration and

utilising the potential that economic migration has for local development.

To present the regional initiatives of the Open Balkan and the Berlin Process, official web presentations of these initiatives were analysed, along with studies and analyses that assessed their impact on cooperation among the Western Balkan countries.

ANALYSIS OF PUBLICLY AVAILABLE DATA – DESCRIPTIVE METHOD

For the analysis of publicly available data on demographic trends, a descriptive method was used. Data was collected from official statistics websites:

- Statistical Office of the Republic of Serbia <https://www.stat.gov.rs/sr-Latn>
- Statistical Office of Montenegro – Monstat <https://www.monstat.org/cg/>
- Agency for Statistics of Bosnia and Herzegovina <https://bhas.gov.ba/>
- State Statistical Office of North Macedonia <https://www.stat.gov.mk/>
- Institute of Statistics of Albania (Instat) <https://www.instat.gov.al/en/>
- Eurostat <https://ec.europa.eu/eurostat>

Additionally, data from relevant institutions such as:

- Commissariat for Refugees and Migration of Serbia <https://kirs.gov.rs/cir>
- National Employment Service <https://www.nsz.gov.rs/>
- Information of public interest was also requested from the Ministry of the Interior Affairs regarding the number of issued unique permits and approvals for free access to the labour market in Serbia.

With the support of the National Alliance for Local Economic Development (NALED), data was also obtained from the electronic portal for hiring seasonal labour, which is managed by the Ministry of Labour, Employment, Veteran and Social Policy, on the number of seasonal workers coming from the countries of the Western Balkans.

ROUND TABLES

To discuss issues related to labour migration in the Western Balkans, three round tables were organised: one with representatives from the non-governmental sector, employer associations, and trade unions; one with representatives from the academic community; and one with journalists. The results of these discussions were used for fine-tuning the analysis.

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