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| **Coronavirus Disease – COVID-19**  **MIGRATION** |



Covid-19 Impact

Covid-19 will have a considerable socio-economic impact in the Republic of Moldova over the coming years and Moldova’s migration profile will be a deciding factor in this regard. Four key issues stand out;

1. Expected high levels of unemployment due to Covid-19 among the one third of the Moldovan citizens that live and work abroad, leading to high rates of returns increasing pressure on domestic job markets,
2. Moldova’s migratory patterns have created a class of vulnerable family members left behind, many now cut off from remittances which for many is a principal source of disposable income,
3. The serious challenges of retaining essential talent within Moldova’s domestic workforce, such as health-care professionals and educators, will weigh heavy on early recovery post-Covid-19,
4. Moldovan economic growth is in part tied to consumption fueled by remittances, which also contributes to fiscal revenue. These financial flows (some 16% of GDP) are likely to decrease under Covid-19.

In recent years, at any given moment, some 350.000 Moldovan citizens migrate on short term basis. An unregulated recruitment agency sector has often led to poor contractual arrangements for these migrants. Also, they have been employed in service-sectors that are being wiped out by Covid-19 and therefore many will return in 2020, jobless and indebted. The government has put in stopgap measures enabling returnees to file for unemployment benefits, but medium-term targeted job creation efforts will be needed. Part of the solution can also be opportunities to “re-migrate” under fair conditions to fill labour market gaps as economies open.

It is estimated that one in three households in Moldova receives remittances, and for half of these, remittances constitute more than 50% of the disposable income. Dependency on remittances is even more acute in rural areas. Only 63% of Moldova’s children live with both parents and 11% live without biological parents. Among this group there are findings of lower education results and anti-social behavior. This often due to migration of parents. The vulnerabilities of children left behind have for years alluded the grasp of the existing social welfare infrastructure. Covid-19 is likely to take remittance dependent households even deeper into poverty.

New figures emerging from the National Bureau for Statistics prior to the Covid-19 outbreak indicate very large outward migration. For the period 2014-18 around 50-60.000 Moldovan migrated per year. The Moldovan migrants of working age are 36% of the Moldovan citizenry in the same age category. Moreover, the share of Moldovan migrants aged 18-29 years increased from 55% to 66% in the last four years. Moldova has in recent years been hemorrhaging its talent, especially among health personnel and educators. There is a deficit of 2.800 doctors and nurses. A quarter of all doctors and half of the teachers are past retirement age. Despite these stark demographic and human capital realities programs creating opportunities retention or return of talent have been few and far between. These trends are likely to exacerbated because of Covid-19.

Needs and Challenges

* Analyzing dynamics of return flows under Covid-19 and needs of returnees and family members left behind
* Attracting and retaining skills key to human capital development
* Up-to-date assessments of remittances and directing them from consumption to savings/investments

Way Forward

* Digital solutions for smooth delivery of income-replacement payments and activation programs
* Targeted outreach to high-skilled Moldovans to support essential work to contrast Covid-19
* On-the-ground surveying of house-holds dependent of remittances
* Using Bigdata to survey and track situation, intentions and movements of the Moldovan diaspora