

**Policy Conference on "From Data to Policy: Evidence and Insights  
from The Egypt Labor Market Panel Survey 2023"**

# **Migration during Economic Crisis: The Case of Egypt**

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# Aims

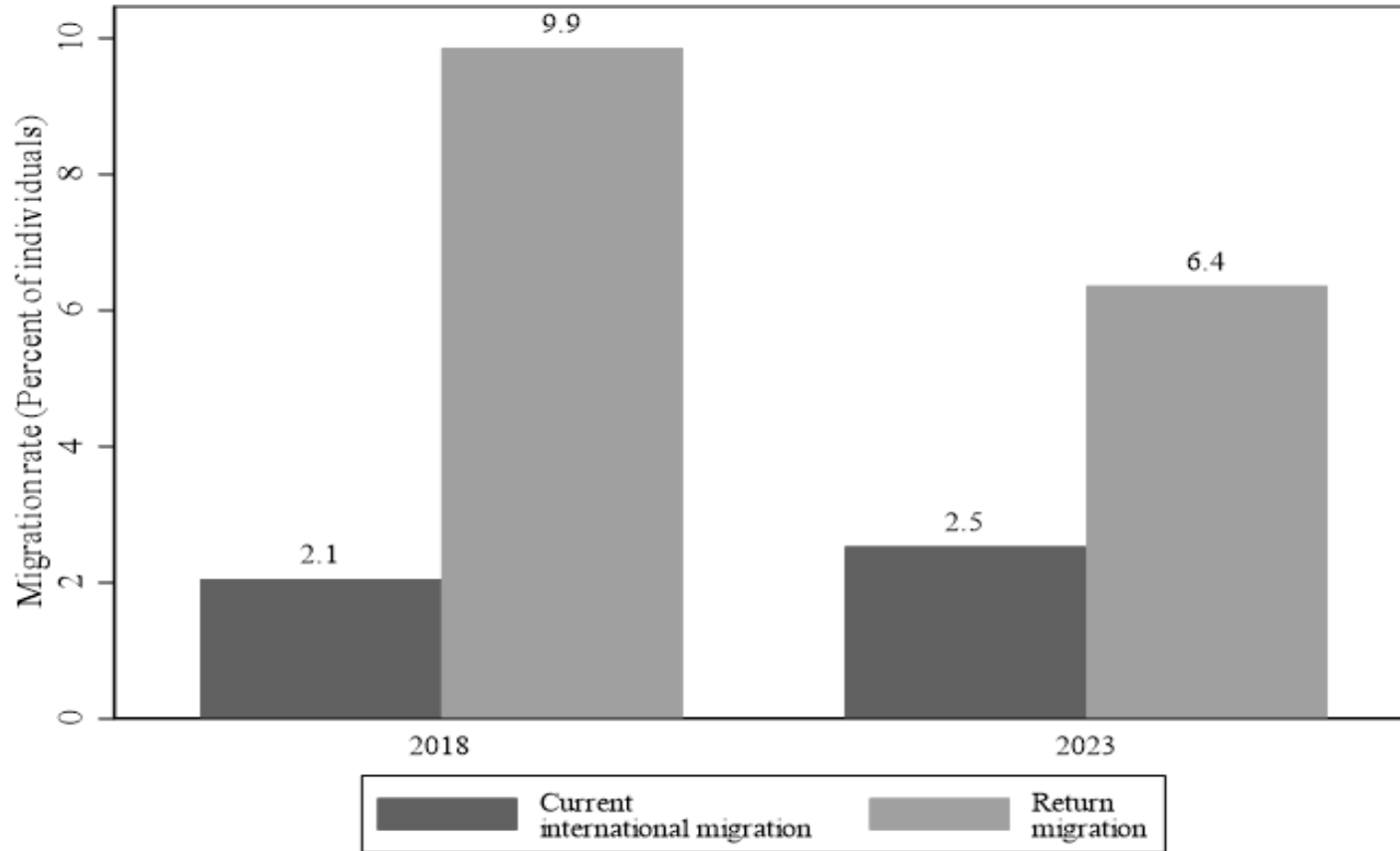
- Egypt has experienced a major economic crisis since March 2022, following the COVID-19 pandemic and the Russian invasion of Ukraine, which has had significant impacts on food inflation and standards of living.
- This paper investigates the role played by international migration and remittances as a livelihood strategy during the recent economic crisis.
- We examine both the evolution of the flows and characteristics of international migrants and the profiles of returnees, as well as the intentions to migrate.

# Data

- We rely on two survey waves of the ELMPS: 2018 and 2023 to compare before and after COVID-19 and the economic crisis.
- Mainly focus on individuals aged between 15 and 59 years old.

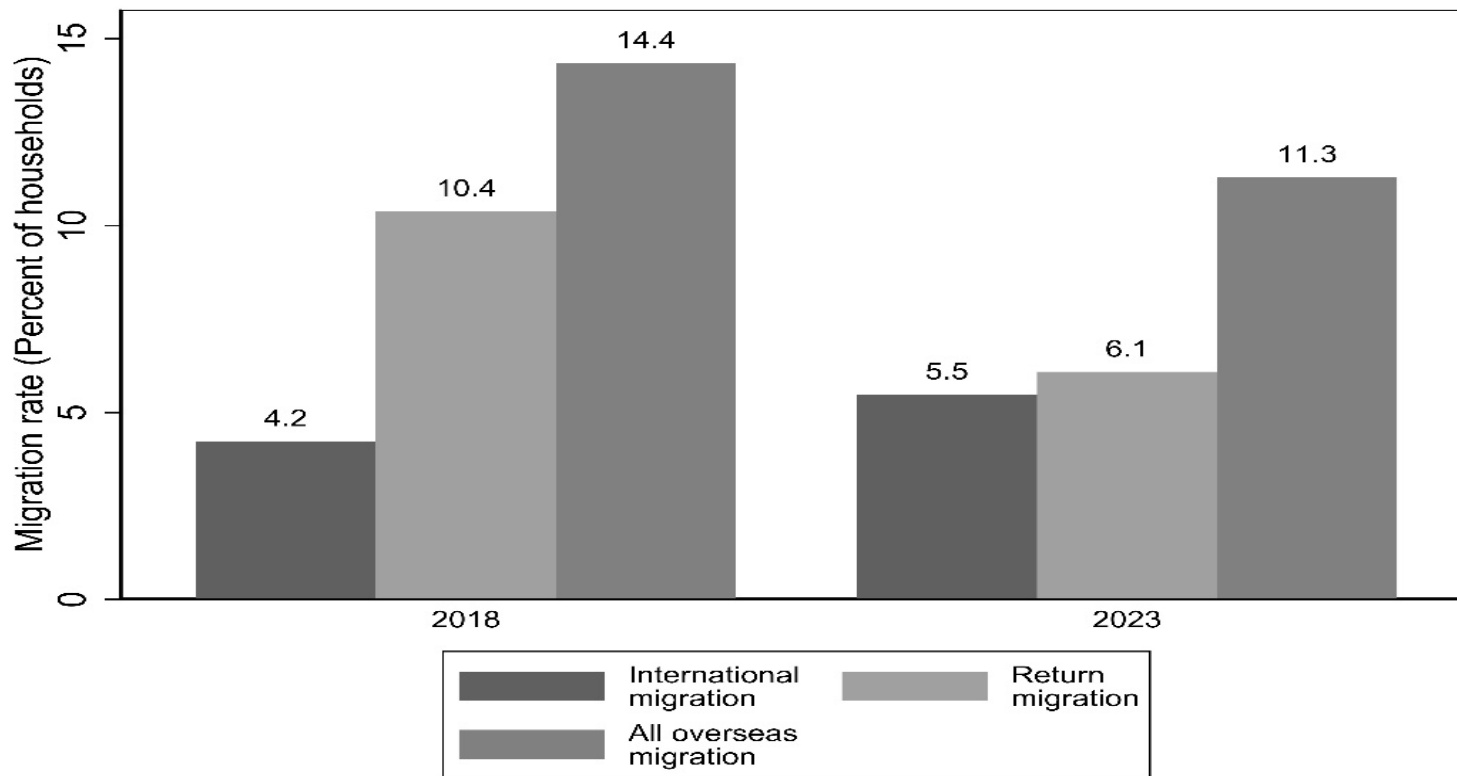
# International Migration Trends: 2018-2023

Figure 1: Return and current international migration rates (percentage of individuals) in 2018 and 2023 (ages 15-59)



Higher emigration rate and lower return migration rate in 2023 compared to 2018.

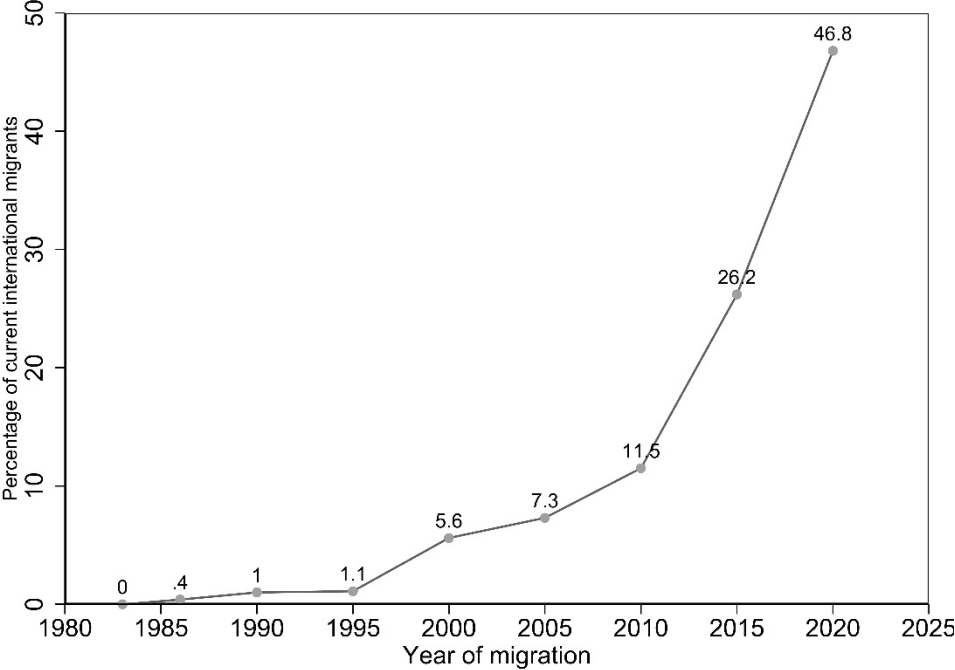
**Figure 2: Return and current international migration rates (percentage of households) in 2018 and 2023**



Lower share of households exposed to international migration in 2023 due to lower return migration rates and higher share of current international migration. The recent economic crisis has pushed more Egyptians to emigrate and fewer Egyptians emigrants to return.

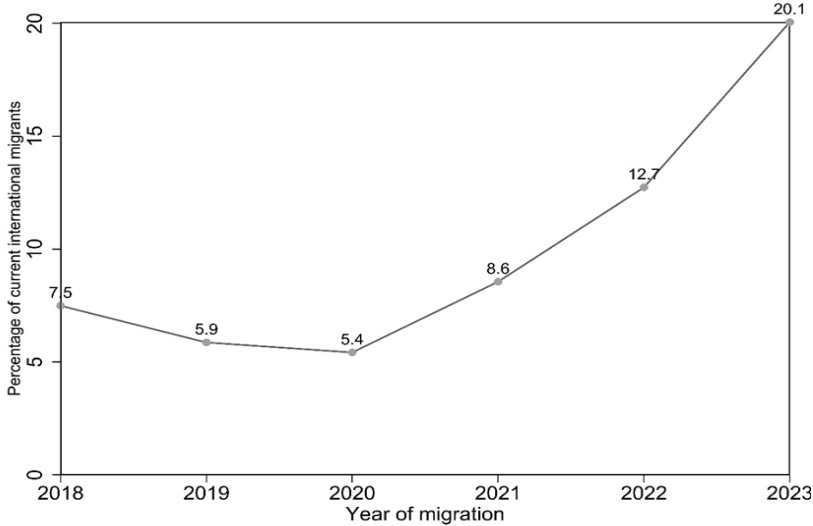
# Figures 3 & 4: Current international migrants by year of migration (percentage)

### Five-year

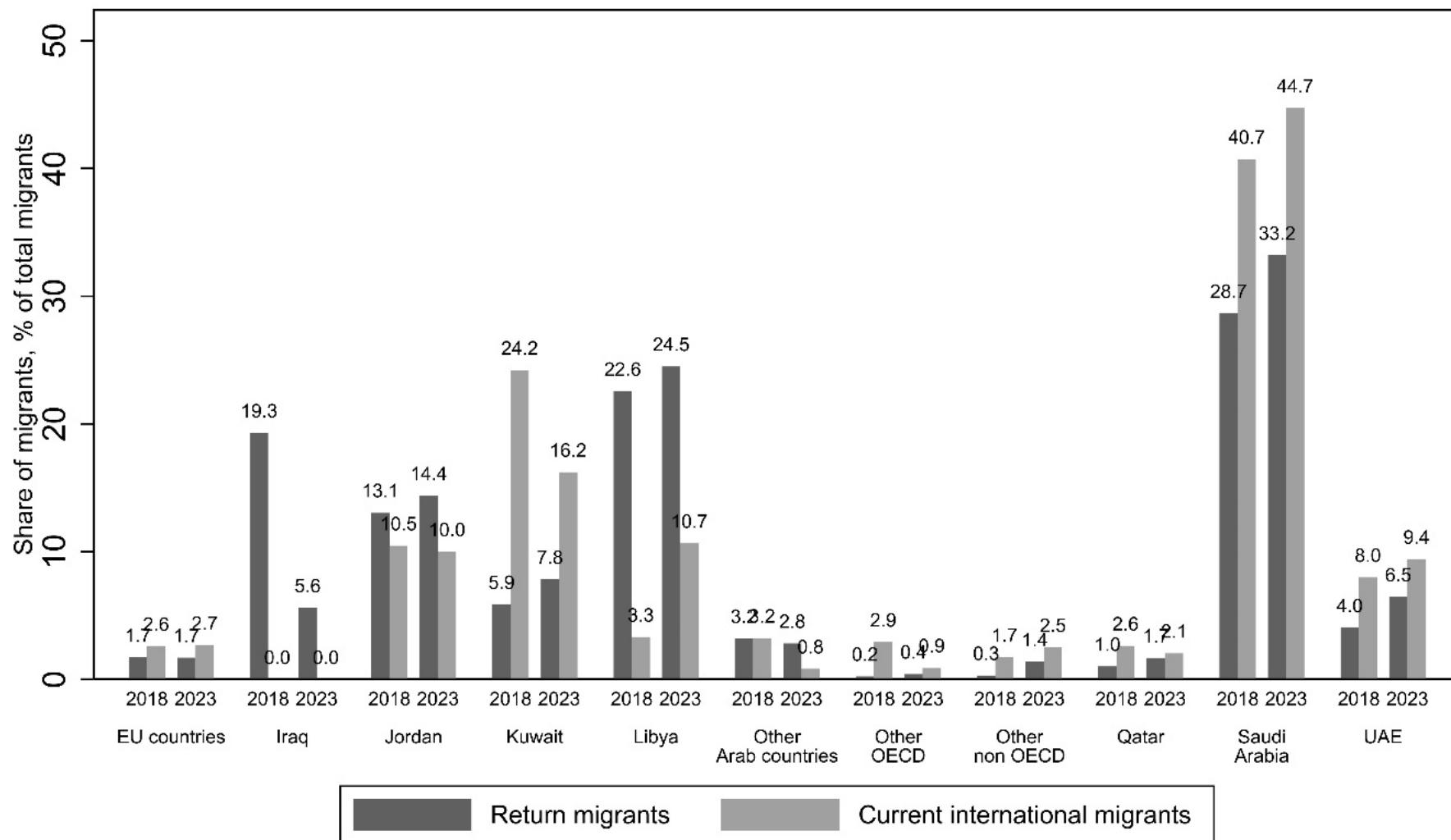


Slowdown in migration rates due to COVID-19 in 2020 and sharp increase in current international migration afterward as global mobility resumed but also as Egypt faced economic challenges.

### Annual



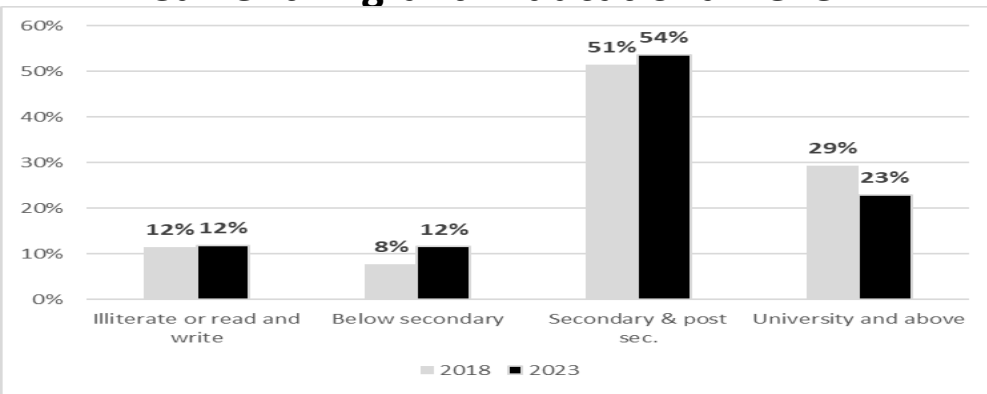
**Figure 5: Destination countries of current international migrants and return migrants (percentages) in 2018 and 2023**



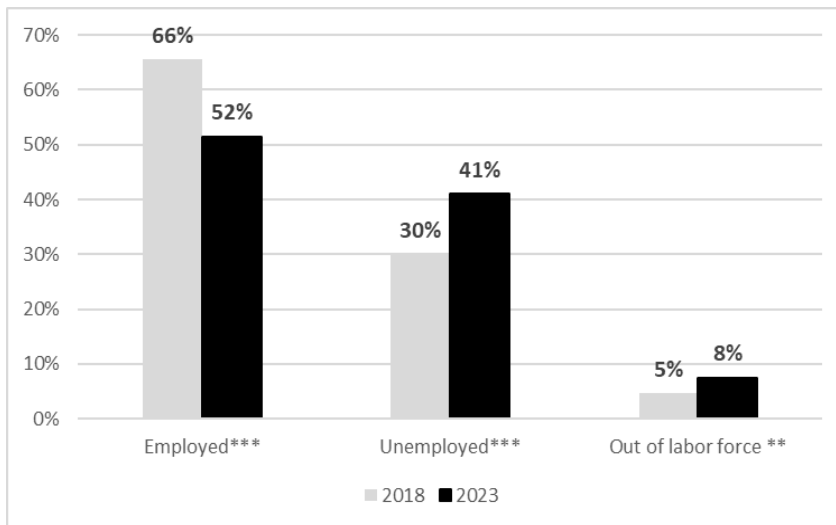
A slight diversification in destinations since 2018

**Table 1: Characteristics of current international migrants in 2018 and 2023**

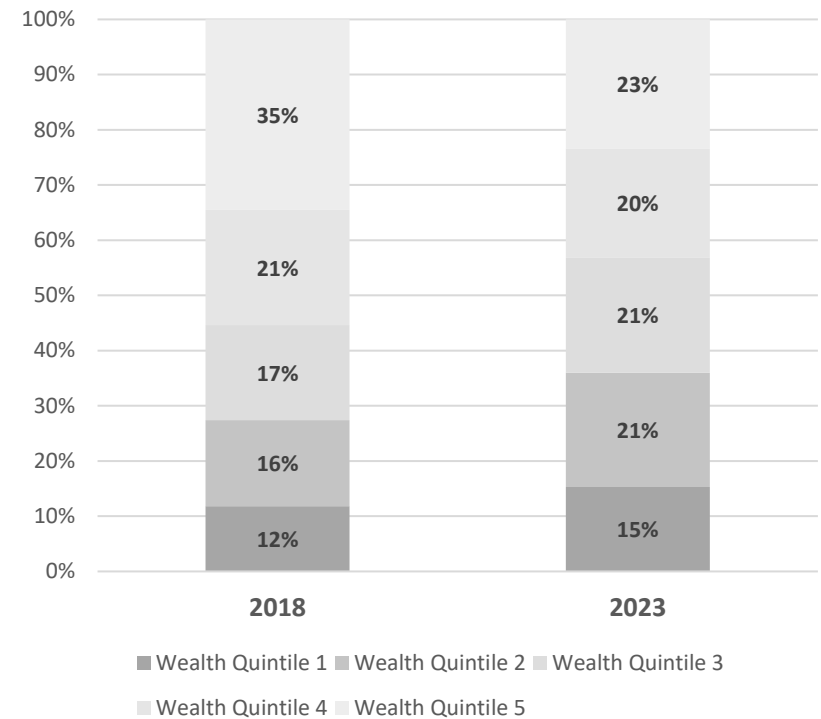
**Current Migrant : Educational Level**



**Current Migrant: Work Status before migrating**



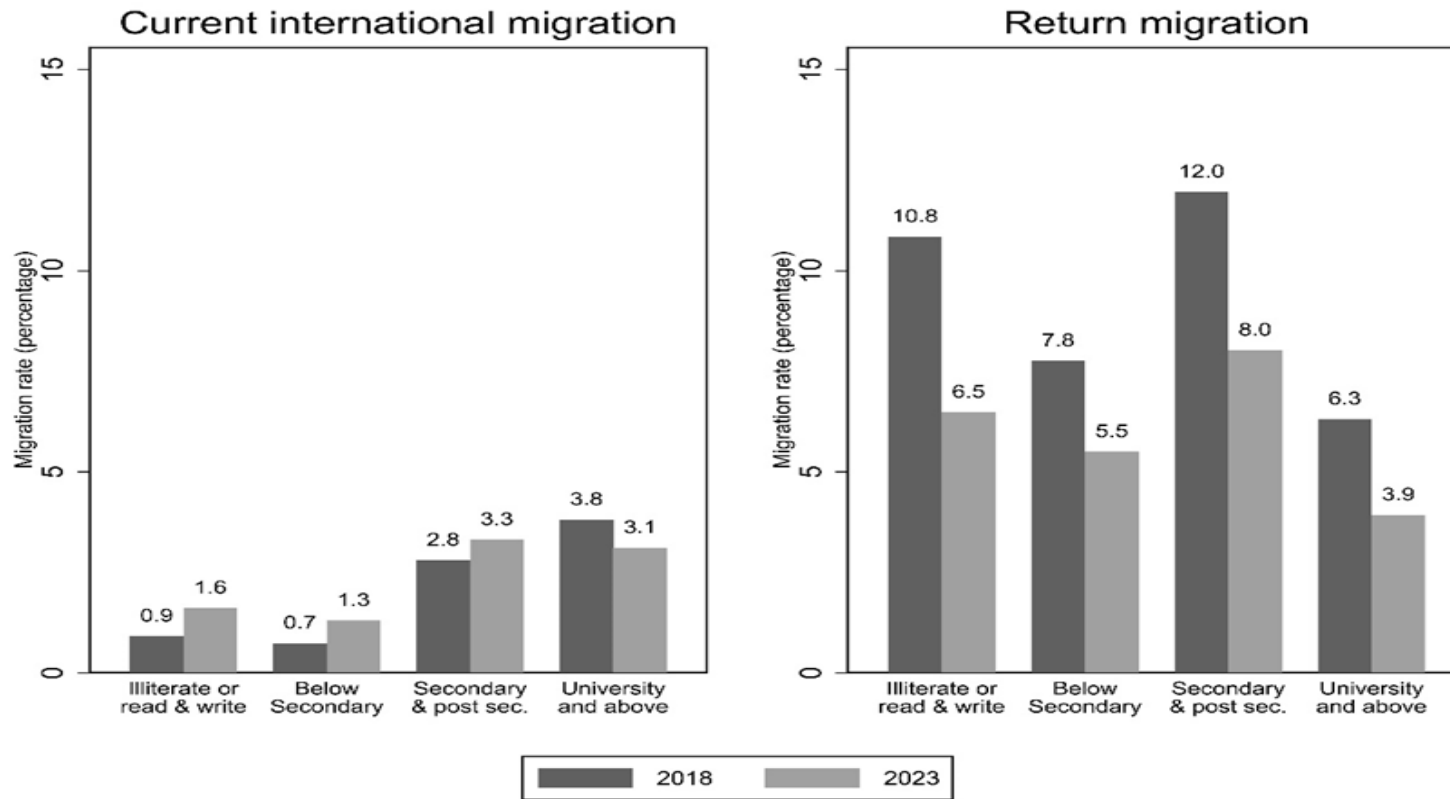
**Wealth Quintile of Household in Egypt**



Current migrants in 2023: were less educated, more likely to be unemployed, less likely to be working before migrating and more likely to be in lowest wealth quintiles.

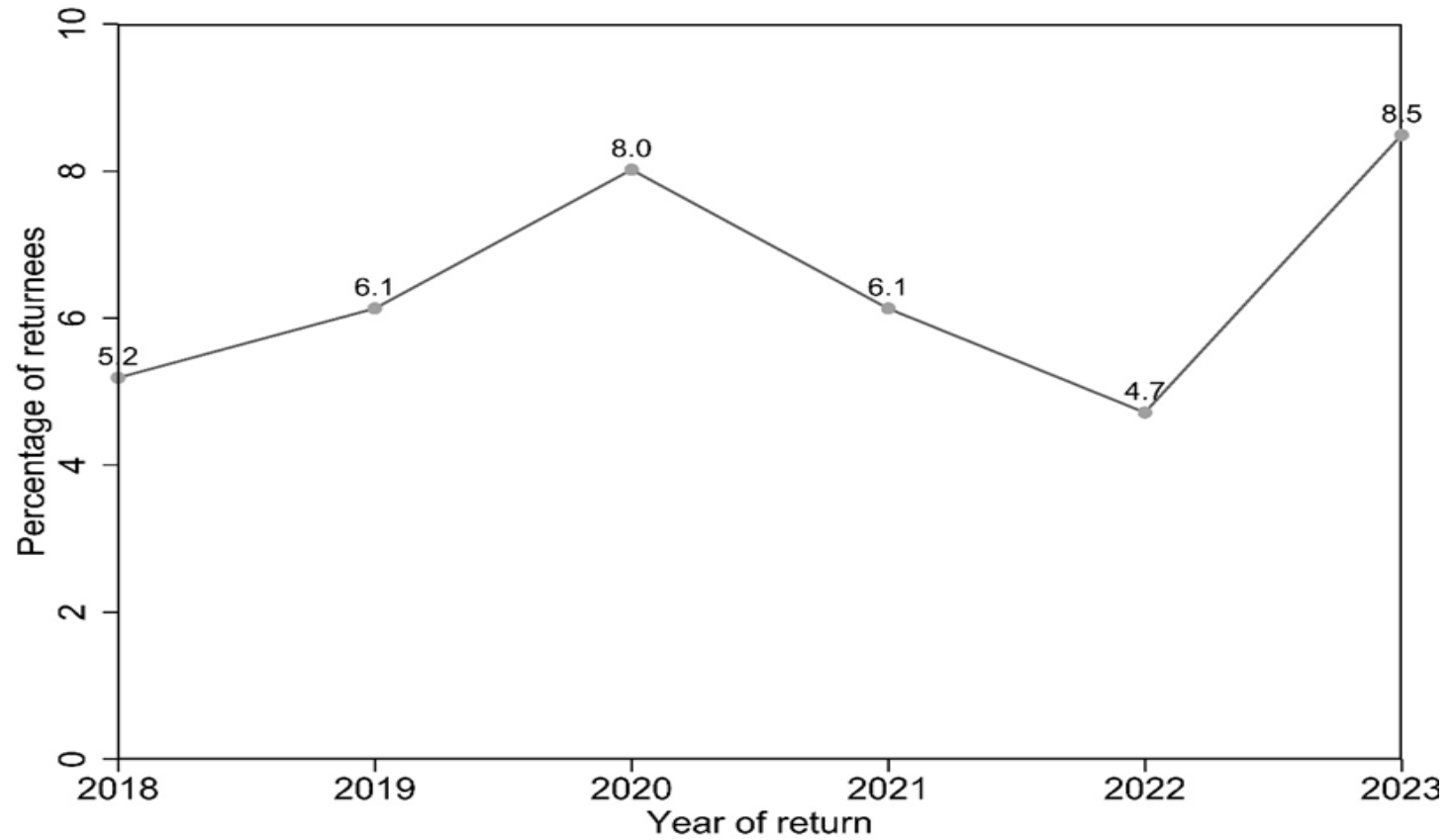


**Figure 7: Migration rates by education (ages 15-59) and type of migration in 2018**

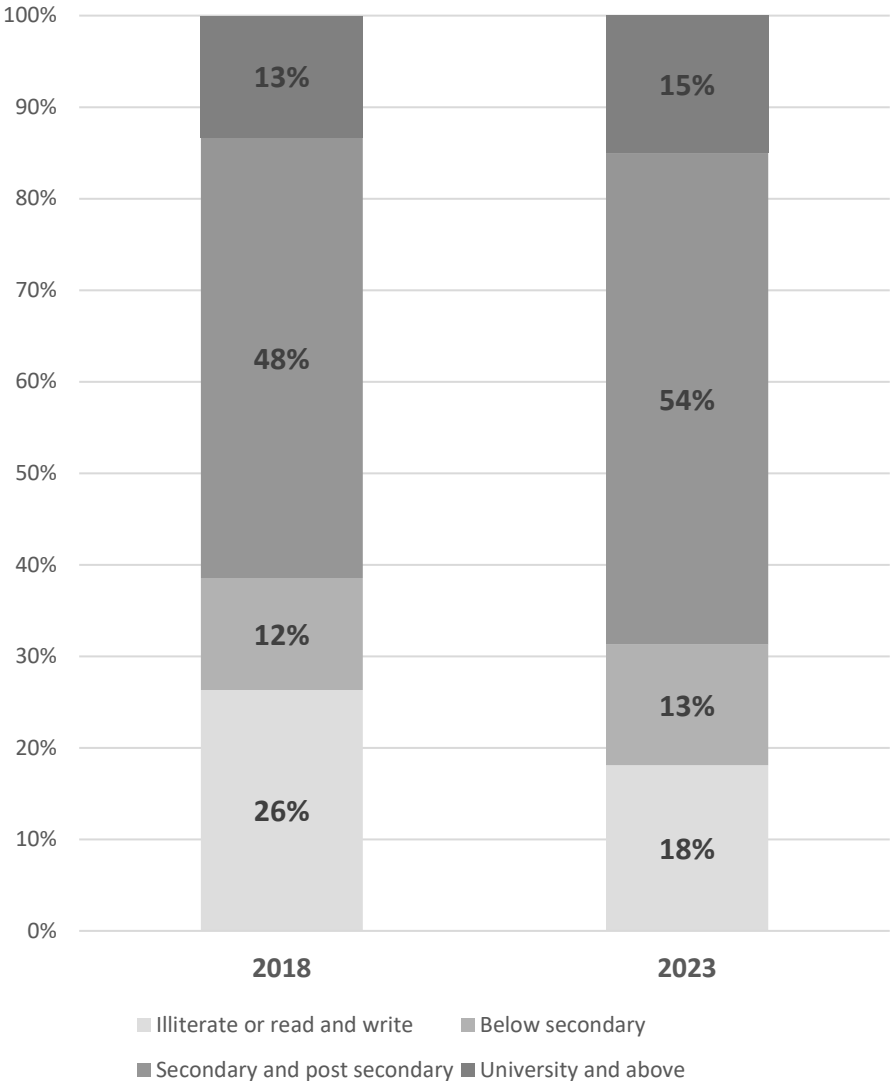


- All educational groups except the university educated experienced an increase in emigration rate.
- The emigration rate of secondary and above increased and became similar to the emigration rate of university degree holders.
- The rate of return migration declined, but was higher than the current migration rate for all educational groups
- Those with university degrees had the lowest return migration rate despite having a high emigration rate.

**Figure 7: Percent of return migrants, by year of final most recent return**



**Table 3: Characteristics of return migrants in 2018 and 2023, Educational Level**



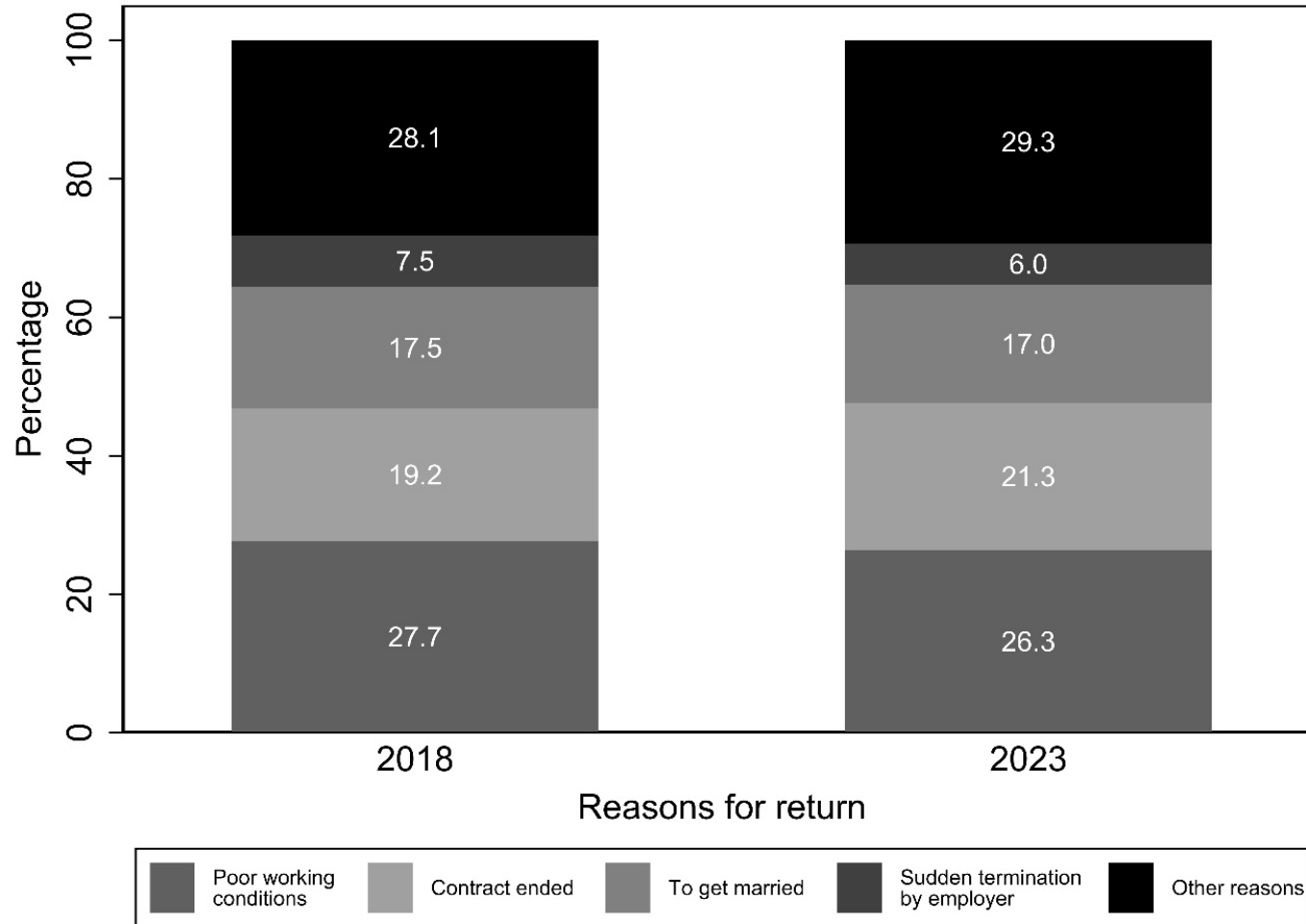
In 2023, returnees were more educated.

The share of returnees who wanted to travel abroad permanently increased.

They were less likely to have migrated in the first place because they were not employed as was the case for the most recent current migrants in 2023.

Returnees were more likely to be employed and less likely to be out of the labor force which was more common for earlier cohorts of return migrants.

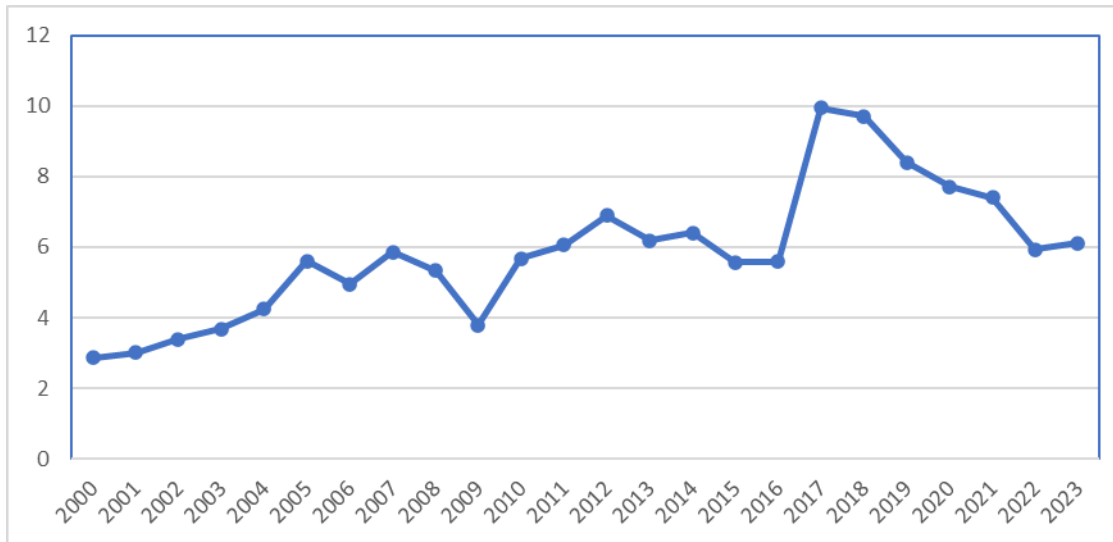
**Figure 9: Reasons for return migration from final most recent migration in 2018 and 2023**



The return due to poor working conditions was slightly lower, while the return at the end of the contract increased slightly in 2023.

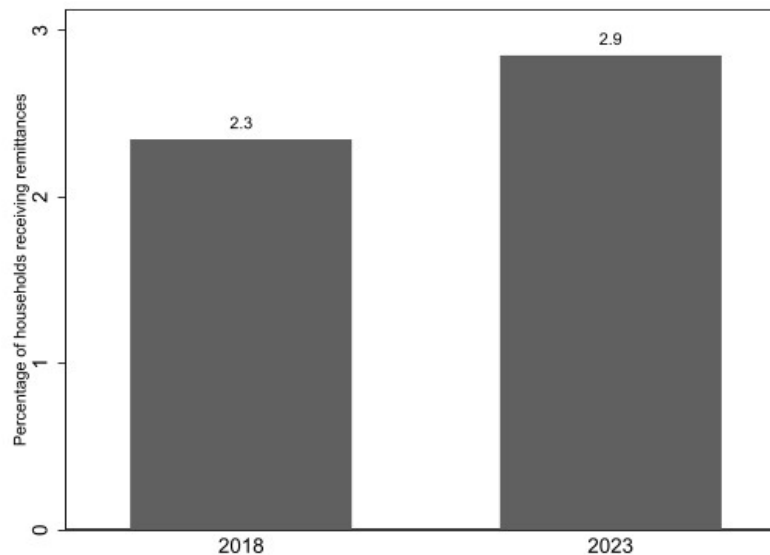
# Remittances

**Figure 9: Remittances transfers into Egypt (percentage of GDP), 2000-2023, WDI**



The large divergence between official and parallel foreign exchange rates in Egypt in 2022 and 2023 led to lower remittances flows sent through official channels.

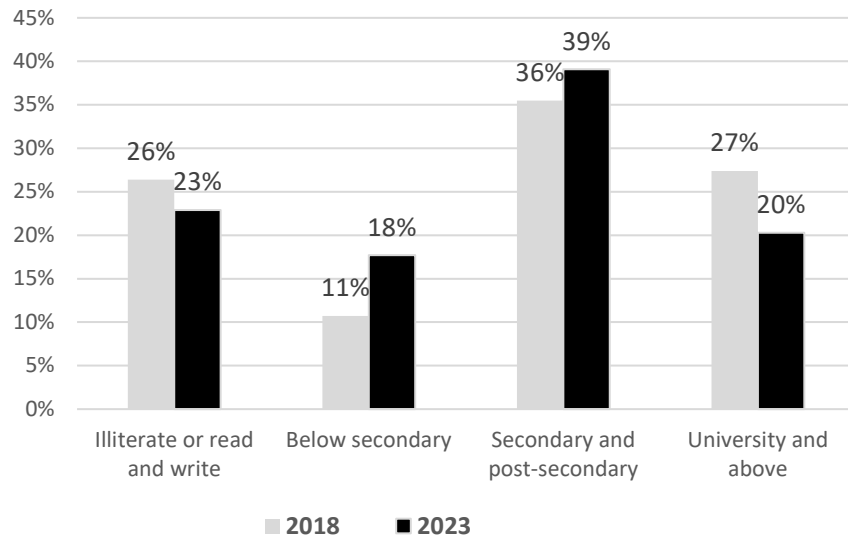
**Figure 10: Households receiving remittances in 2018 and 2023 (percentages)**



# Characteristics of HHH recipients of remittances

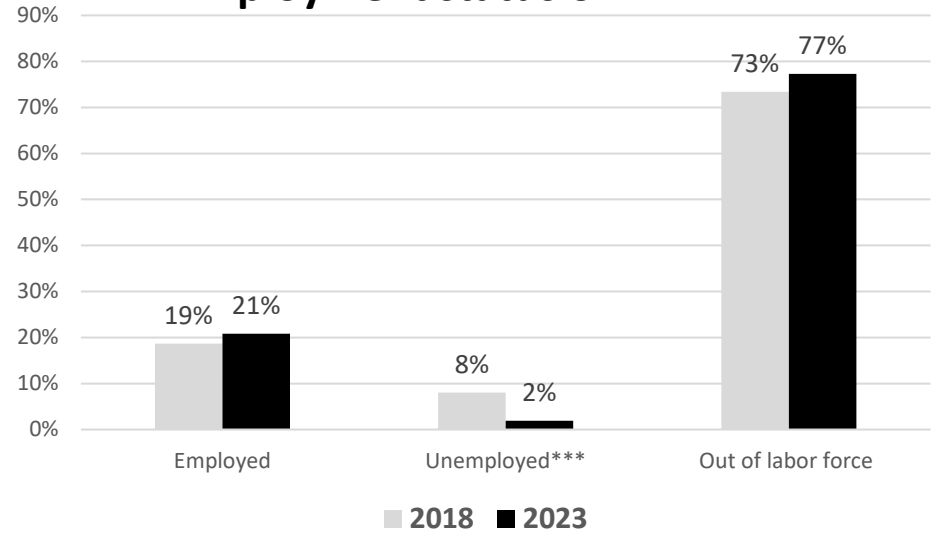
Recipient heads of households were more likely to have below secondary education and be unemployed.

## Educational Level of HHH

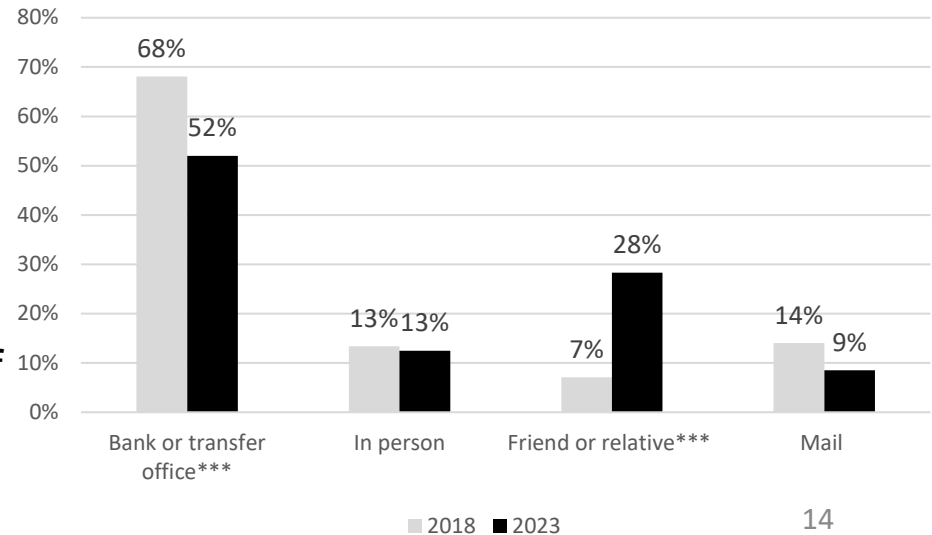


Decline in money sent through banks and official channels and a higher share of money sent informally through friends and family in 2023 compared to 2018.

## Employment status of HHH

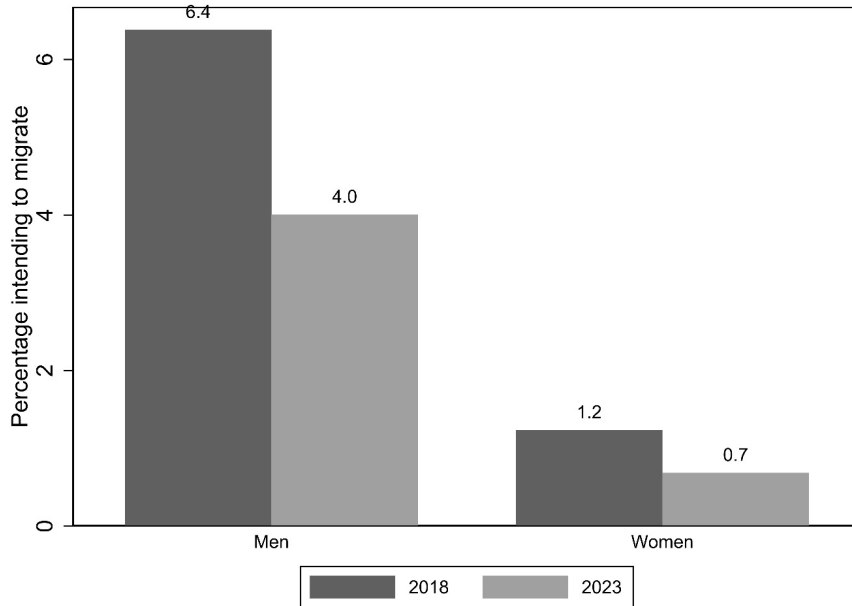


## Means of sending remittances



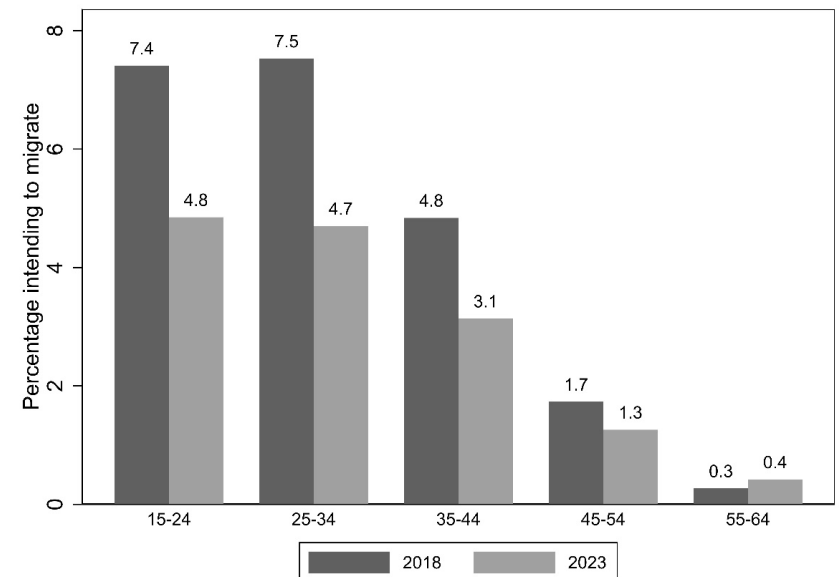
# Migration Intentions in the next 5 years

**Figure 11: Migration intentions in the next 5 years (percentage) by gender in 2018 and 2023 (ages 15-45)**

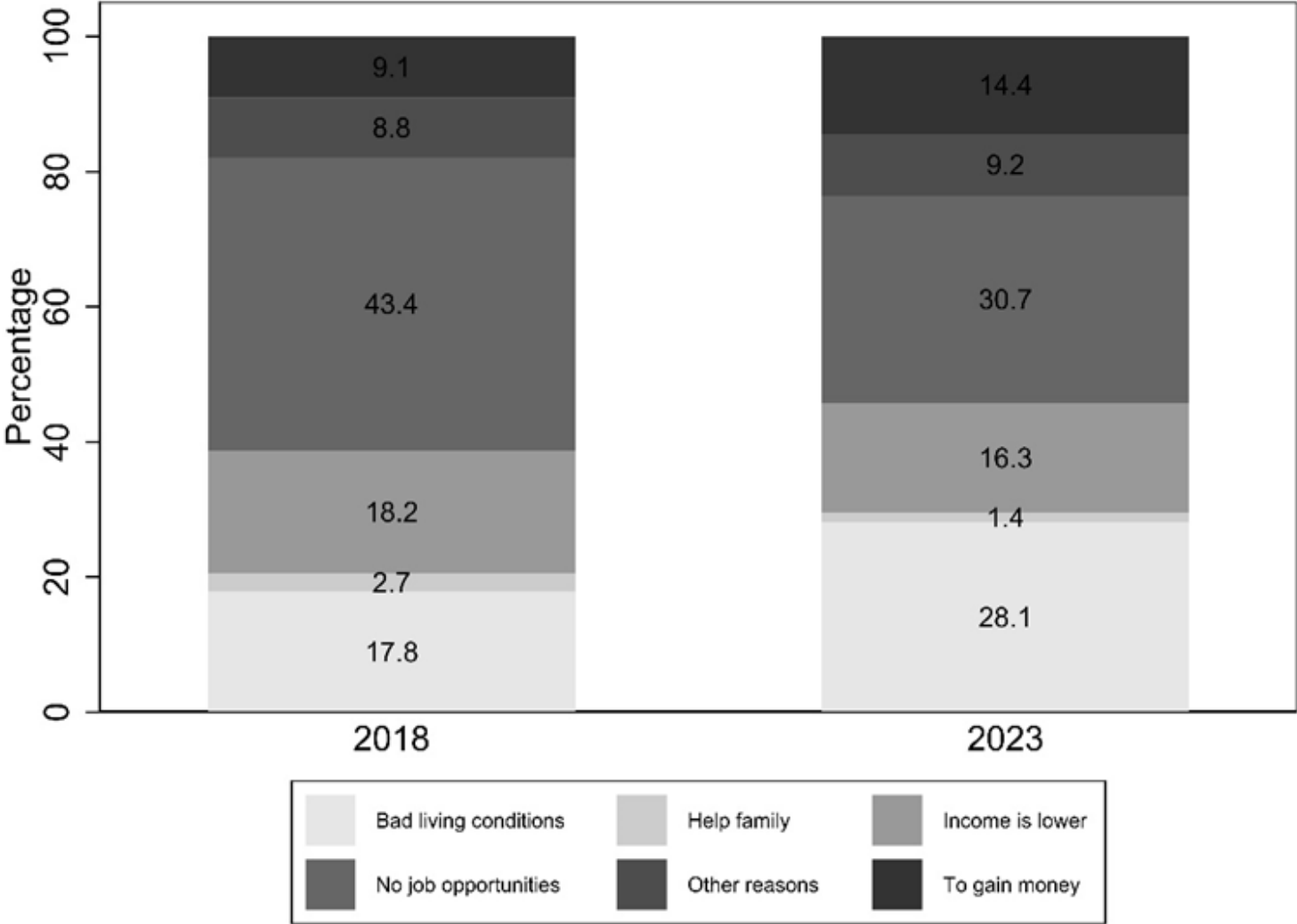


A decrease in migration intentions for both genders and all educational levels and age groups.

**Figure 13: Migration intentions in the next 5 years (percentage) by educational level in 2018 and 2023 (ages 15-45)**



**Figure 18: Main push factors for intending to migrate in the next 5 years (percentage) (ages 15-45)**



Bad living conditions and lack of jobs behind migration intentions.



# Conclusion

- Current international migration rate has increased, and the return migration rate has declined.
- The profile of migrants has changed as the share of migrants with no and low education has increased, as has the share of those with precarious labor market status (unemployed and not working prior to migration).
- In 2023, the emigration rate of those with a secondary degree increased compared to 2018 and became similar to the emigration rate of those with a university degree. However, those with university degrees had the lowest return migration rates despite their high emigration rate.
- The share of households in the top wealth quintile receiving remittances fell, suggesting the use of international migration as a coping mechanism across the wealth distribution. However, this growth in remittances was muted by the macroeconomic conditions in Egypt.
- Overall, the results suggest that the recent economic conditions in Egypt might be changing the nature of Egyptian migration. However international migration continues to be an important feature of the Egyptian economy.