

## **Speech by RCC Secretary General at the Conference on Labour Migration: Supporting Economic Growth in the Western Balkans**

**Budva, 15 May 2025**

Ministers, Excellencies, distinguished partners,

Colleagues and friends,

It is a pleasure to address you here in Budva - a town emblematic of hospitality. Today, we are here to speak not only about migration, but about opportunity. About how we can shape regular economic migration into a force for stability, growth, and convergence in the Western Balkans.

Let me begin with something personal.

Not long ago, during a retreat near Kotor, our team checked into a local hotel. Beautiful setting, welcoming staff - but what struck me was that nearly all communication happened in English. Not out of preference, but necessity. The hotel staff - kind, capable, but not from the region - spoke none of the languages from the region.

At the time, it felt like an exception. Today, it is the norm. In Budva, Sarajevo, Skopje, or Tirana, ordering coffee or walking past a construction site increasingly brings you into contact with workers who arrived recently, often from far beyond our lands.

In other words: labour migration is not emerging - it is already here. But it is not yet structured. And that is the challenge before us.

Let me be clear: the Western Balkans is simultaneously a sending, transit, and increasingly a receiving region. From 46,000 work permits issued in 2018, the number surpassed 100,000 in 2023. At the same time, tens of thousands of our own citizens take up work abroad each year. Germany alone issued 50,000 work visas to Western Balkan citizens in 2023.

Meanwhile, our employment rate reached a record 56.5%, and unemployment fell to 12% last year - the lowest in recent memory. These are encouraging figures, but they conceal critical structural imbalances.

Across the region, labour shortages are severe, particularly in construction, hospitality, manufacturing, agriculture, and increasingly in IT and care services. RCC's Balkan Barometer confirms this: the biggest constraint to doing business is the lack of available workforce, followed closely by the skills mismatch and continued emigration of qualified workers. Seven out of ten employers say the key to solving this is retaining local talent. But nearly one in five say the answer lies in welcoming migrant labour.

They are both right. We need both: retention and attraction. Investment in education, upskilling, and training, as well as smart, inclusive immigration policies.

But still, we lack a clear, regional picture of which sectors need what skills, where, and when. We cannot continue like this.

Economic growth and EU convergence - the twin goals of the Western Balkans - will hardly be possible if we do not address the issue of workforce planning, mobility, and upskilling with coordination and urgency.

The RCC is actively working to upskill the existing workforce across the Western Balkans and to develop human capital through targeted training, improved qualifications recognition, and support for regional innovation systems. A key priority is to retain young people by enhancing intra-regional mobility, enabling them to access opportunities without leaving the region. However, this alone is not sufficient - demographic trends and persistent emigration have created structural labour shortages in several critical sectors. This is why the region must now engage in a structured and synchronised dialogue on regular labour immigration, ensuring it is well-managed, transparent, and aligned with actual labour market needs.

At RCC, we are working to address this on several fronts:

- Through the Common Regional Market - the second pillar of the EU Growth Plan for the Western Balkans - we are laying the foundation for integrated labour mobility, digital services, and education access.
- Through Mobility Agreements, we are enabling mutual recognition of higher education and professional qualifications - so that talent flows can happen within the region, not only out of it.
- We are helping economies digitalise and build a predictable business enabling environment and create innovation ecosystems.

But this is not enough.

We need better coordination. Individual systems alone cannot respond to a regional labour market that is changing faster than we can measure it. That is why this Conference matters: it is the right time to begin creating a regional mechanism for knowledge-sharing, data exchange, and joint workforce planning.

We also need to move away from reactive migration policies, towards strategic, regular labour migration frameworks - with ethical recruitment standards, legal pathways, proper integration systems, and social protection.

And above all, we must place human dignity at the centre.

Labour migrants - whether from within or beyond our region - deserve rights, safety, and access to opportunity. And our citizens deserve to see that migration is not a threat to local workers, but a necessary, managed response to demographic and economic realities.

Let me conclude with this:

The Western Balkans must stop operating as fragmented labour markets competing for the same scarce talent. We must act like a single region - diverse, but interconnected - planning together, training together, and growing together.

RCC will continue to provide the platform, technical support, and policy coordination to make that possible. But the success of this agenda depends on the political will and practical cooperation of our economies - and the continued engagement of our partners, including the EU, IOM, ILO, and civil society.

Because in the end, labour markets do not function in theory - they function in reality. That reality is changing fast. Let's make sure we change with it - deliberately, ethically, and together.

Thank you.