



## Enhancing the Welfare of Migrant-Sending Households in Zimbabwe

### Key lessons

- Legal migration needs to be facilitated through bilateral labour agreements or Memoranda of Understanding relating to low-skilled sectors such as domestic work, construction and hospitality.
- The portability of social rights should be established through bilateral and multilateral social security agreements.
- Money transfers for remittances should be made more affordable.

### Introduction and background

Zimbabwe is experiencing ongoing migration from rural areas to destinations both within and outside the country (Bracking and Sachikonye, 2010). International destinations include South Africa and Botswana, as well as Europe and the Americas. It is estimated that over 3.5 million Zimbabweans are living in South Africa alone (Chereni and Bongo, 2018). The transformative potential and economic value of this mobility for Zimbabweans has been questioned, however. While some scholars indicate that remittance flows have a significant impact on gross domestic product (Christiansen *et al.*, 2006; Awumbila, Owusu and Teye, 2014), others argue that the impacts of migration at the household level do not match those at the macro level (Tevera, Crush and Chikanda, 2010). Studies in this latter tradition have not indicated the nature of the policy interventions required to make migration more beneficial to migrant-sending households.

The study that forms the basis of this Policy Brief (Dzingirai *et al.*, 2019) was conducted as part of the Migrating out of Poverty intra-household research programme, which seeks to understand the relationship between migration and households that send migrants away to earn money. The ultimate objective was to test if indeed migration was moving households out of poverty, and if not, to identify the factors preventing this. This Policy Brief presents a summary of the study and pulls out issues for policy consideration.

### Brief review of existing policies and gaps

Zimbabwe's economy recorded real growth of roughly 10 per cent per year in 2010–11, following a decade of contraction from 1998 to 2008 (IOM, 2015). This growth slumped in 2012–13 as a result of poor harvests and low revenue inflows. Owing to the worsening political and economic crisis,



challenges persist, including fiscal and monetary constraints, infrastructure deficiencies, lack of foreign direct investment, policy uncertainties, a large external debt burden and insufficient formal employment (IOM, 2015). In this context, there are high rates of irregular emigration from many communities by migrants seeking livelihood opportunities in South Africa and Botswana. Remittances are a key aspect of household and social resilience. There remains, however, the need to address the national migration governance framework and systems in a context where the legal and policy framework is weak and institutional capacities are inadequate and poorly coordinated (IOM, 2015). These structural inadequacies in migration management, the International Organization for Migration (IOM) notes, undermine the Zimbabwean government's ability to harness the development potential of migration at both community and national levels.

Both the government and international organisations such as the IOM and the International Labour Organization (ILO) have undertaken initiatives in the past to harness the benefits of labour migration. For example, the Government of Zimbabwe (GOZ), in collaboration with the IOM and the ILO, established Beitbridge and Plumtree Reception and Support Centers in 2006 and 2008, respectively; Zimbabwe and South Africa signed a four-year Memorandum of Understanding (MoU) in 2004 and a second one in 2010, which lapsed in 2014 and is still due for renewal; and Limpopo intervention strategies targeting farm workers produced and pilot-tested a data base and framework for recruitment with guidelines for contracts and processes. Bilateral discussions to renew the second MoU have been initiated (GOZ, 2011).

There is still a need for Zimbabwe to introduce a sound migration governance framework that benefits all migrants as well as the country itself through improved laws, policies and institutional capacities for migration management (IOM, 2015). Such a framework should reflect the need for

bilateral and multilateral social security agreements and for establishing mechanisms through which the social security systems of the different countries can work together to ensure that migrant workers have complete and continuous protection.<sup>1</sup> It should also help to facilitate access to the necessary travel documents, as highlighted in the GOZ Migration and Development Agenda Work Plan (2010–2011). Furthermore, it should take a gender-sensitive approach to labour migration, and it should bring in effective mechanisms for harnessing remittances for investment and development, in line with the Migration and Development Strategy (GOZ, 2011). Key ministries in migration governance identified by the IOM include the Ministry of Home Affairs, the Ministry of Justice, the Ministry of Finance, the Ministry of Foreign Affairs and the Ministry of Public Service, Labour and Social Welfare.

The National Labour Migration Policy for Zimbabwe (approved in 2019) is a crucial step in that direction. It provides the necessary framework to harmonise existing initiatives by various institutions in order to harness the development gains from labour migration and contribute towards national development (GOZ, 2011).

## Methodology of the study

The research on which this Policy Brief is based was conducted at three sites in Zimbabwe: the districts of Chivi, Hurungwe and Gwanda. Gwanda is close to the border with Botswana and close to the South African border. Chivi is also in the southern part of the country, northeast of Gwanda, and Hurungwe is in the north of the country, on the border with Zambia. These districts send significantly high numbers of migrants to both Zimbabwean and international destinations (Dzingirai *et al.*, 2015). Our surveys were conducted in 2015 and 2018 and involved 1,200 households. The study was also complemented by workshops designed to elicit comments on the data and the way they had been interpreted.

<sup>1</sup> This could be achieved through bilateral labour agreements or MoUs. Already, Zimbabwe has signed an MoU with South Africa covering agricultural workers. There remains a need for the MoUs to be extended to cover migrant workers in sectors such as health and education (GOZ, 2011).



## Key findings of the study

### a. Changes in migration patterns

Between 2015 and 2018 there was an increase in internal migration. Chivi and Hurungwe districts experienced a drop in households sending migrants to international destinations and an increase in those sending migrants to destinations within Zimbabwe. These changes followed the dollarisation of the economy in Zimbabwe, outbreaks of xenophobia in South Africa and challenges related to securing passports. In explaining the reasons for such an increase, one respondent said:

*The dollarisation of the economy is one issue that caused working [sic] within Zimbabwe more favourable. The money had value and some of the migrants acquired skills such as building and came back to work in this country, which would lessen the number of those abroad.*

On the other hand, Gwanda district experienced both an increase in households without migrants and an increase in households sending migrants to international destinations. Respondents cited the proximity to the border and the shared culture with South Africa and Botswana as a factor encouraging this migration, which remains largely undocumented. In support of this, a respondent in the area said:

*We have Sotho ancestry and share the same culture with the South Africans and Tswana in Botswana. A person across the border speaks the same language as the person here. That is why most of our people can easily cross the border to SA or Botswana.*

### b. Changes in migration patterns by gender

The study also found that there were more internal male migrants than female ones in 2018. Conversely, there were more female than male migrants going to other African countries. The female migrants were mostly single mothers and girls who had

dropped out of school, who saw their future as taking place beyond the borders of Zimbabwe. More female than male migrants took the risk of migrating without social networks or even a job arranged for them prior to moving. More migrants took these risks in 2018 than in 2015. Worsening economic hardship even forced people to take the risk of migrating to unfamiliar destinations. Respondents reported that female migrants had failed to secure a job locally and then migrated to South Africa. In most cases, women and young girls are less educated than men, which means they have limited opportunities for employment within Zimbabwe.

### c. Socio-demographic and economic characteristics of migrants

Between 2015 and 2018, the economic situation in Zimbabwe started to decline, with growing unemployment, inflation and droughts within the participating districts. Under these circumstances, households started sending women (including married women) away to earn money. Compared to 2015, when migration was dominated by people who did not have primary-level education,<sup>2</sup> in 2018, there was a slight increase in the proportion of migrants with at least some post-primary education. In our sample there were no migrants with vocational training. It is unsurprising, therefore, that the majority of the migrants were not gainfully employed before migrating, for both the 2015 and 2018 survey. Very few migrants were employed in technical professions.

### d. Remittances and methods used to send and receive money

There was an increase in the amount of remittances sent by migrants between the 2015 and the 2018 household surveys. This was confirmed in all the three districts. Participants attributed the increase in the amount of remittances to the increasing hardship back home, which meant that more money was required to cushion the households from the economic crisis. This therefore shows that remittances are a very important safety net for otherwise very vulnerable households.

<sup>2</sup> Young people usually leave primary school at the age of 13 in Zimbabwe.



The results show that in 2015 the most popular methods for sending money used by both male and female migrants were Western Union, personal delivery, drivers and *malaitshas*.<sup>3</sup> There was a slight shift towards using formal money transfer systems such as banks and mobile money systems between 2015 and 2018, particularly among male migrants. Formal channels, especially Mukuru and Ecocash,<sup>4</sup> are attractive. Not only were these methods considered less risky, but in areas such as Hurungwe, the disadvantages of informal remittance channels were compounded by the fact that the remittances were not delivered to the household's door and the recipients would have to make long journeys to obtain them. An elderly female respondent in Hurungwe had this to say:

*The remittances sent through the malaitshas are not delivered door to door and we have had to travel to as far as Harare to collect them. This was too risky as the malaitshas would take advantage of our illiteracy, keeping some of the money for themselves. Worse, in Harare, there are lots of thieves and the risk of losing the remittances was very high.*

Compared to 2015, in 2018 nearly every household had a mobile phone that they could use to receive money. However, one of the concerns was the increasing cost of mobile money transactions. The liquidity crisis that has plagued the country from 2016 has seen remittances being affected by exorbitant transaction costs imposed by service providers upon cash withdrawal. Compounding this are also the excessive interest rates charged by shop owners. In illustrating this point, a female respondent in Gwanda stated:

*I receive my money through Ecocash and because of the cash shortages I then decided to use it as plastic money. The problem is that the shop owners add huge charges and I end up paying more for the simple reason that I do not have cash.*

<sup>3</sup> A *malaitsha* is a cargo transportation service from South Africa to Zimbabwe.

<sup>4</sup> A mobile payment system which enables a registered customer to complete simple financial transactions such as sending money, buying goods and receiving money.

### e. Remittances and gender

Female migrants were more concerned with the most basic needs of the family and with family emergencies than men and hence they sent money frequently. In some cases, female migrants who left their children with grandparents at home sent goods and groceries. When sending goods using *malaitshas*, women were asked to pay a fee equivalent to more than half the value of the goods. The argument has always been that part of the money goes towards the payment of duty at the border, although goods are rarely declared to the Zimbabwe Revenue Authority.

### f. Household welfare

Results show that in 2015, 54 per cent of the respondents thought that the welfare of a household sending a migrant away to earn money was generally better than that of a household from which no one migrated, while in 2018, 56 per cent of respondents expressed that view. Some migrant-sending households were building better houses. Our feedback meetings confirmed that there were some households whose welfare had remained stagnant or had even worsened after sending a member away. This was especially the case where migrants had started their own families in the diaspora, which introduced competition for their earnings.

The study asked migrant-sending households how their daily lives compared between the present and before they sent a member away. About 15 per cent of migrant-sending households interviewed in 2015 and 2018, respectively, thought that their daily lives had improved compared to before a member had migrated. Otherwise, the majority of migrant-sending households reported that their daily lives had not changed or had even worsened. The evaluation workshop confirmed that these households faced huge non-economic costs, such as stress as a result of separation.



## Policy recommendations

While the above findings raise many issues, this Policy Brief only addresses three key ones, which were flagged by participants. We believe that these policy recommendations can contribute to making migration an effective mechanism for taking these households and communities out of poverty and maximising and harnessing its full developmental potential.

### 1. Facilitating legal migration

Some migrants take the risk of migrating without connections or even a job fixed for them prior to moving. This form of migration is dangerous and exposes them to risks. This Policy Brief supports the proposed National Labour Migration Policy, which calls for coordinated action between the Ministries of Home Affairs and Foreign Affairs to improve the accessibility and affordability of identity documents such as passports, national identity cards and birth certificates for Zimbabwean nationals in order to facilitate legal migration and reduce the risks faced by migrants. Migration could also be regularised through bilateral labour agreements or MoUs in key low-skilled sectors such as domestic work, construction and hospitality, which Zimbabwean migrants in South Africa tend to occupy. Already, Zimbabwe has signed an MoU with South Africa covering agricultural workers. There remains a need for the MoUs to be expanded to cover all migrant workers in different sectors (GOZ, 2019). Working closely with the government, NGOs could facilitate the creation of migrant associations and brokers that facilitate the migration processes and placement of workers within key sectors. With the right legal recognition, these actors could also provide migrants with support in the form of soft loans or a cushion to help ease settlement at their destinations.

### 2. Ensuring portability of social rights

The study shows that migrants, especially women, have a poor educational background and little work experience. As a result they are exploited

as cheap labour and employed in low-paid jobs. Irregular migrants do not have access to any social protection if they return home after experiencing unfair dismissal or xenophobic violence. There is a need to ensure that these migrants enjoy social protection and benefits through the portability of social rights from the sending to the receiving country. In this regard, this Policy Brief reiterates the need for bilateral and multilateral social security agreements and for mechanisms to be established through which the social security systems of the different countries can work together to ensure that migrant workers have complete and continuous protection.

### 3. Facilitating affordable money transfer for remittances

Remittances have been a key aspect of household and social resilience for Zimbabwe in times of crisis. Challenges related to high transaction costs, interest and charges associated with the sending of remittances persist. Migrants resort to using informal channels, which present several risks and costs that could be avoided if formal money transfer channels were affordable. In this regard, the Policy Brief recommends that the Government of Zimbabwe liaise with other countries to reduce or subsidise bank charges imposed for remittance sending, so as to increase the frequency of remitting. Further, the government should take measures to prevent unlawful interest charges by service providers. Formal cash withdrawal facilities should be available in the migrant-sending areas to reduce the costs of travelling to towns for banking services, and labour-receiving countries like South Africa should be urged to facilitate migrant workers' access to financial services. We firmly support the recommendations made by the IOM in this regard, namely to expand financial institutions so as to reduce migrant workers' costs, and to provide access to financial services in rural areas.



## Further reading

Awumbila, M.; Owusu, G. and Teye, J.K. (2014) *Can Rural–Urban Migration into Slums Reduce Poverty? Evidence from Ghana*, Migrating out of Poverty Working Paper 13, Brighton: School of Global Studies, University of Sussex

Bracking, S. and Sachikonye, L. (2010) ‘Migrant Remittances and Household Wellbeing in Urban Zimbabwe’, *International Migration*, 48.5: 203–27

Chereni, A. and Bongo, P.P. (2018) *Migration in Zimbabwe: A Country Profile 2010–2016*, Harare: International Organization for Migration

Christensen, C.M.; Baumann, H.; Ruggles, R. and Sadtler, T.M. (2006) ‘Disruptive Innovation for Social Change’, *Harvard Business Review*, 84.12: 94–101

Dzingirai, V.; Egger, E.-M.; Landau, L.; Litchfield, J.; Mutopo, P. and Nyikahadzoi, K. (2015) *Migrating out of Poverty in Zimbabwe*, Migrating out of Poverty Working Paper 29, Brighton: School of Global Studies, University of Sussex

Government of Zimbabwe (2011) *Draft National Labour Migration Policy for Zimbabwe*, Harare: Ministry of Foreign Affairs

IOM (2015) *IOM Zimbabwe Strategic Plan 2015–2018*, Harare: International Organization for Migration

Tevera, D.; Crush, J. and Chikanda A. (2010) ‘Migrant Remittances and Household Survival in Zimbabwe’ in J. Crush and D. Tevera (eds), *Zimbabwe’s Exodus, Crisis, Migration and Survival*, Cape Town: Southern African Migration Programme

## Acknowledgements

This Policy Brief is based on DFID/UK aid-funded research that underpins the Working Paper: Dzingirai, V.; Egger, E.-M.; Landau, L.; Litchfield, J.; Mutopo, P. and Nyikahadzoi, K. (2015) *Migrating out of Poverty in Zimbabwe*, Migrating out of Poverty Working Paper 29, Brighton: School of Global Studies, University of Sussex.

This is an output from a project funded by UK aid from the UK government. The views expressed do not necessarily reflect the UK government’s official policies.

© University of Sussex, School of Global Studies, 2019



This is an Open Access Policy Brief distributed under the terms of the Creative Commons Attribution 4.0 International licence (CC BY), which permits unrestricted use, distribution, and reproduction in any medium, provided the original authors and source are credited and any modifications or adaptations are indicated. <http://creativecommons.org/licenses/by/4.0/legalcode>



### Migrating out of Poverty

University of Sussex • Arts B365 • Brighton BN1 9QN • United Kingdom

**Tel** +44 1273 873 535 **Email** [migrationrpc@sussex.ac.uk](mailto:migrationrpc@sussex.ac.uk) **Website** <http://migratingoutofpoverty.dfid.gov.uk/>

<https://twitter.com/MigrationRPC> [www.facebook.com/migratingoutofpoverty](http://www.facebook.com/migratingoutofpoverty)

<http://migratingoutofpoverty.blogspot.com/>