



Global Forum on Migration and Development 2012

A synthesis of the Report of the omnibus meetings held
from 11 to 15 June 2012 in Mauritius¹

1. Enhancing Intra-African Cooperation on Migration and Development Policies: Proposed labour mobility and skills development program

(Mauritius GFMD Chair, African Union, AfDB, UNECA, and IOM)

11 June 2012

Introduction

Global surveys of employers reveal continuing difficulties in filling vacant positions in certain sectors and finding the requisite skills and talents to grow their businesses. Surveys of businesses in African countries reflect similar difficulties. Yet unemployment and underemployment remain high in most African countries, affecting young people in particular.

Across Africa, labour mobility is a current reality, as evidenced in various regional agreements and protocols, but a very sensitive area of public policy. While there is clarity in terms of capitals movements, and capital markets are relatively well developed, there is no clarity in terms of labour mobility, and most of the movement in Africa remains informal, from poorer to richer countries. Severe limitations and restrictions on mobility of labour in Africa contrast sharply with the relatively high degree of cultural integration across the continent. The need for a meaningful and real labour mobility regime to harness labour and skills for development was the key focus of the brainstorming.

Discussions of the one-day brainstorming were informed by a concept paper and log-frame. The objective of the brainstorming was to consider inputs and comments on the concept paper and obtain endorsement of countries, as well as concerted efforts in mobilizing resources for implementation of the program.

¹ This is the GFMD 2012 Chair's report of the three preparatory meetings, drafted and compiled by the Chair's Taskforce (Sarvesh B. Dosooye, Viraj Ghoorah, Elizabeth Adjei, Chukwu-Emeka Chikezie, and Irena Omelaniuk). This report does not replace the more comprehensive reports on the individual meetings by the respective organisers.

The concept paper argued that the traditional approaches for labour mobility and skills development in Africa have limitations, and the current arrangements are inadequate and inefficient. The restrictive and non-cooperative policies are counterproductive and affect development, and the lack of labour integration mechanisms generate a cost for society. Hence, the need for innovative ways, in particular to align education and skills development and skills mobility with real employment and engage the private sector and other stakeholders to contribute to training and development of skills that meet real market/employer needs.

Opening statements recognised that even though multilateral frameworks contained elements to make labour mobility more feasible, progress had been very slow mainly as a result of barriers imposed by individual countries. The need for more flexible labour mobility as a means of opening up markets of states to labour and required skills to generate some impulse in Africa was underscored while acknowledging the political sensitivities and demands on states and the need to mobilize political capital.

The brainstorming proposed the start of a series of bilateral negotiations inspired by the multilateral framework; at the end of which a few countries would be identified to explore a bilateral framework on labour mobility on a “most favoured nation” or MFN basis (i.e. provisions once agreed by two partner countries would be binding upon others who subsequently joined). The volunteer governments would discuss this further in capitals and generate some political capital to commit to removal of barriers to labour mobility and to commence negotiations of bilateral agreements. The project would seek funds to facilitate the process.

International organizations and multilateral partners including the African Union (AU), International Organization for Migration (IOM), and the African Development Bank (AfDB) and the United Nations Economic Commission for Africa (UNECA) expressed strong support for the project during their respective presentations, but underscored the challenge of the bilateral context as coordination across the continent has always been difficult.

Several questions were posed to set the stage for the discussion including the following:

- How can labour mobility across borders be improved to benefit development?
- What are the needs of the private sector in terms of labour to protect their investments?
- What access would they like to have to the labour market?
- What policy and regulatory changes are required?
- What are the areas of policy reforms required to foster mobility of labour?
- What are the best practices with regard to PPP?
- What are the main opportunities and challenges for labour mobility and skills development?

The five key components of the program are the following

- Bilateral labour mobility agreements that commit partner countries to significant reforms but that are consistent with existing protocols and regional integration frameworks;
- Policy reforms – social security, mutual recognition of qualifications and certification, portability of pensions, etc. – that are responsive to the needs of employers and protective of

migrants' rights but that are most likely to lead to increased investment and business growth and thus maximize welfare gains;

- Labour market integration: in particular to enable employers to identify viable labour pools across Africa and for those labour pools in turn to include details of suitably skilled diaspora personnel;
- Innovative skills development programs operating on the bases of public-private partnerships that link employers with training, education, and vocational institutions to increase employability and skills for increased productivity and competitiveness;
- Communication – in host and origin countries to address opportunities and fears; among employers to raise awareness of cross-border labour market solutions and demand for country participation in the program; with diaspora to integrate their skills into labour pools; and
- Management, monitoring and evaluation to execute for maximum impact and ensure that emerging challenges are picked up and quickly dealt with.

Feedback (from breakout sessions) and recommendations

Bilateral Labour Mobility Agreements

1. Progress requires a clear policy framework and policy direction and strategic management as well as fundamental parameters to be agreed by bilateral partners and stakeholders.
2. Better information dissemination about realities at the economic and social levels in order to minimize prejudices and make foreign labour welcome.
3. Bilateral labour mobility agreements must include firm clauses of social protection, including family integration to minimize social costs; as well as clauses for unskilled workers.
4. Agreement on the principle of reciprocity to be the minimum agenda or fundamental parameters within which countries can agree on bilateral labour mobility.
5. Framing of recruitment agencies as well as negotiations on remittances to be part of negotiations and agreements.
6. Need for credible and reliable data to support process – reliable data and evidence on impact on communities. Data on where jobs are.
7. Initial agreements may take the form of Memorandum of Understanding of cooperation on employment and welfare of foreign labour. Templates may be provided by Philippines.

Policy Challenges

1. Opening doors to foreign labour will require policy and regulatory adjustments, often at a cost. Inefficient regulation could lead to integration problems and reduce the potential benefits.
2. There is a need for clear vision, a sound policy framework and time frame on labour mobility and skills development that gives clear direction.
3. National leadership and ownership is needed in the process of engaging stakeholders in addressing skills development in the medium and long-term planning that takes into account the private sector inputs and requirements.

4. Policies are required to link labour mobility regimes to capital flow regimes. This might mean, for instance, ensuring that where Investment Promotion and Protection Agreements (IPPAs) and Double Taxation Agreements (DTAs) are agreed, there should also be a provision allowing for labour mobility. However, policies that link capital and labour mobility need to take account of the needs of small and medium-sized enterprises (SMEs) as well as large-scale investors and employers.
5. Harmonization of qualifications is required as is supporting legislation and curriculum development. Mutual recognition of certificates and qualifications should follow.
6. Social security and pensions portability through bilateral or regional mechanisms are required.
7. An urgent priority is consolidation of labour markets/labour market integration, which are currently too fragmented. Schemes should encourage and incentivize the private sector to bring solutions around labour market integration.
8. There is a need for more research
9. Social cohesion issues must also be addressed, including protection of legal and social rights and protection of migrants' rights and family integration. Adherence to ILO standards is necessary.
10. National security issues must be addressed in bilateral agreements, need to exchange information on security issues that could affect regional stability.

Public-Private Partnership Solutions/Scalable Models

1. Curriculum development by private sector and universities – Mali to replicate Tunisia initiative along these lines. Relevance of educational programs to be interrogated to solve problem of skills mismatch.
2. Governments need to relook at the way they train human capital- what type of education is needed to absorb the unemployed populations and to sustain development? (Best practice in **India and Philippines** where human capital is trained to match supply. This is not available in Africa.)
3. Training (short term) is attractive to private sector but not education. Government must be focused on training in the short term and education in the long term, e.g. Oil and Gas.
4. Public-private partnerships (PPPs) in development of curriculum are required. Employers must weigh up options to work with existing institutions or build new ones. Models enabling private sector engagement in education delivery are required. The easier targets to convince are long-term investors, such as oil and gas, mining, telecoms. If the potential is there, they will be willing to invest.
5. Governments of France and Mauritius, Mauritian private sector, and University of Mauritius have partnered to provide training for Mauritian individuals; other countries/partners could adapt this model to their own contexts.
6. Role of multilateral organizations – AfDB, AU, United Nations Economic Commission for Africa (UNECA), World Bank to act as facilitator/enabler/quality controller to help private and public sector come together.
7. Creating a win/win relationship: Integrate private sector into national development planning. This requires national collaboration and coordination with all partners: local

government, employers, educational institutions and private sector to analyse needs of the country by sectors.

8. Identify important sectors and mainstream into development planning (China and Brazil have invested considerable human capital in agriculture and agribusiness).

Addressing the lack of data

1. Skills shortages manifest in various sectors across Africa, e.g. oil and gas; mining; food security, etc. The weakest links are in the middle level and vocational skills. Most apprenticeships operate on an informal basis. Need to have sound data on skills.
2. Access to information and data at national and regional levels. Where are the jobs? Where are the skills? Who needs them and how can they be developed? What are the main opportunities for labour mobility and skills development in Africa in the next 5 years? Need for reliable labour market information to track where the skills are and how to utilize them (e.g. through a National Skills Registration System) to lead to more thorough and practical policy formulation.
3. Better information to workers about realities at the economic and social levels to facilitate integration and fight against prejudices.
4. Provide evidence and reliable data on impact of investment and labour integration impacts on communities.

Action Points

- Ghana, Kenya, Liberia, Mali, Mauritius, and Nigeria² agreed to form themselves into an interim labour mobility and skills development program taskforce as countries that have expressed initial interest in the concept. The taskforce will further consult, develop the program, and combine efforts to mobilize required resources.
- AU to engage its Migration Working Group that meets in Addis Ababa on the program to discuss participation, as well as technical and financial support for program.
- **Resource mobilization**
 - Taskforce countries to mobilize their diplomatic representatives in Brussels to discuss the program with EU officials on 25 – 27 June alongside Mauritius.
 - COMESA to partner participating governments to discuss funding with EC in Brussels in June.
 - Taskforce to engage the Swiss Development Corporation (SDC) in Brussels around 26 June in Brussels to exchange views on the program.
 - Mauritius to approach AfDB for funding support in the light of discussions at brainstorming and the expressions of interest from partner countries.
- **Consultation**
 - Mauritius in its own capacity and as GFMD Chair to participate in the forthcoming Migration Dialogue in Southern Africa (MIDSA) meeting at ministerial level and discuss the labour mobility and skills development program.
 - GFMD Chair to present the labour mobility and skills development program at a forthcoming meeting involving the regional economic commissions (RECs) and EU

² These countries have expressed initial interest in the program and committed to further consultations in their capitals. Mauritius has committed to consult further with Indian Ocean Commission (IOC) partner countries Comoros Islands and Madagascar, both of which expressed interest in the program.

- partners in the context of a review of the EU-Africa Migration, Mobility, and Employment (MME) Partnership.
- Mauritius to explore the possibility to place the issue on the agenda of forthcoming SADC meetings.
 - The GFMD Chair will take steps to participate in the next UNECA African Development Forum (ADF VIII), which will focus on regional integration and discuss the labour mobility and skills development program.
 - Philippines to share key features of bilateral labour agreements and support the pilot program with technical materials and advice.

2. Factoring Migration into Development Planning Workshop (Mauritius GFMD Chair, Swiss Government, and the Global Migration Group incl. UNDP) 12-13 June 2012

The preparatory workshop, organised under the auspices of the GFMD Chair and the GFMD Working Group, will serve to identify key issues for discussion; emerging practices and lessons; and concrete opportunities for action/international cooperation to be taken up under Round Table 2 of the GFMD in November.

The objectives of the Workshop were to:

- Increase understanding of the concept of mainstreaming migration in local development planning, including from a gender perspective, and examine different ways of translating it into practice at the local and its subsequent effects at the national level;
- Familiarize governments with some of the tools available to support migration mainstreaming, including the GMG Handbook on Mainstreaming Migration into Development Planning and Extended Migration Profiles, as well as relevant sources of data, and collect first experiences on their effectiveness;
- Facilitate an exchange on mainstreaming experiences among governments to support the identification of lessons learned and, potentially, good practices relating to institutional support mechanisms, policy development and programming on priority issues, and partnerships for implementation to be shared with the 2012 GFMD;
- Foster a dialogue on the importance of migration mainstreaming, including its gender dimensions, between different levels of government, between governments, and with non-governmental stakeholders;
- Build and strengthen the international network of practitioners involved in migration mainstreaming, including its gender dimensions, for ongoing peer-to-peer support;
- Formulate recommendations to GMG and other stakeholders on how to better support government needs and strategies;

- Identify interested countries that would be willing to engage in the process of mainstreaming migration into their national development strategy or PRSP.

Following is a Summary of the key issues and outcomes of the meeting.

Incorporating ‘Mainstreaming Migration’ into Government Development Plans is becoming a necessity due to numerous barriers from individual countries and outdated policies. Priority should be given to certain key sectors that have a deficiency in skills such as Health and Education.

The challenges:

1. Insufficient Data

One of the major problems faced by most countries is the lack of data on migration. There was no record of the movement of migrants and what their profiles could be. Even if there are some records, they focus mainly on international migration. Regional migration is, in fact, far more common in Africa than previously thought and being able to track that would yield useful information. A more subtle movement that also takes place is in the form of migrants from developed countries who come to work illegally in Africa. These people may cost the host country money by evading taxes but also by taking up the jobs that returning Diaspora could take. Data obtained from the proper monitoring of who comes and who leaves can only be beneficial for mainstreaming migration.

2. Lack of coordination

Not all countries have a designated authority or organisation to handle matters of migration. Having no clear and updated policies can make migration a far more tedious process that it should normally be for migrants. The length and complicated nature of procedures in some countries only discourages them, thus potentially losing key skills. Mainstreaming migration would allow its implementation in development strategies, thus getting better organised and executed.

3. Lack of interest by stakeholders

Some stakeholders lack interest in the issue of migration and it can result in little investment. The lack of funding does not allow the necessary structuring of the migration process. Without any legal framework, migrants may not come at all, thus depriving a country of key knowledge and skills.

The stakeholders’ lack of commitment may be due to the fact that there is no clear definition of ‘Diaspora’. While the term was generally understood by all, its exact definition was not the same. Mainstreaming migration into development plans can help provide a clearer meaning and draw interest by other stakeholders.

4. Lack of funding

Migrants are needed in Africa to help the development of countries. The latter may seek the return of members of their Diaspora from abroad. However, developing countries face a major barrier as they may struggle to match the wages that are offered in developed countries. If money is not the main motivator for the migrant, will the emotional value of a return to the country of origin be enough? In order to succeed in attracting migrants to Africa, more funding or other motivators have to be obtained. Mainstreaming migration into national policy can help raise awareness about the issue. The importance of partnerships can thus be seen as stakeholders such as World Bank and the European Commission can help finance or facilitate the return of some successful members of the Diaspora from abroad.

5. Different aspects of migration

People will always migrate for various reasons. They are generally to find more job opportunities or a better lifestyle, or to evacuate uninhabitable areas after natural disasters. Typically, people move from rural to urban areas. However, even if infrastructures are developed in rural areas, people may still migrate to urban areas for other reasons such as to unite with their friends and family. A common trend when treating migration is to only consider members of the Diaspora. However, it can be important to consider different aspects of migration that are not explicitly mentioned such as refugees or returnees.

What has been done:

- Use of GMG handbook to guide project development
- Creation of a special unit or department to handle migration (Establishment of Migration Policy Project Unit, National working group on international migration and development in Jamaica)
- Treating migration as regional and not only international (National Government to capture migration not only as international phenomenon but also as regional one in Philippines)
- Social protection for families left behind (Philippines)
- Allocating a whole development sub-section to migration (Jamaica)
- Adopting new policies and signing treaties with other countries (Bangladesh)
- Government initiative for migration: Expatriate Welfare Bank (Bangladesh), Loans to returning migrants to establish themselves in society
- Focus on outcomes, not outputs: Focus on what the Diaspora brings in terms of results instead on how many of them returned (Nigeria)
- Ensure migrant integration: How they would have access to basic rights (Barcelona)

What could be done:

- Use Diaspora as resource (capacity building) and asset (entrepreneurs)

- Decentralise migration procedure (civil societies, public sector, etc.)
- Important to have a global initiator (e.g. Vision 2020, 2030) to help integrate migration into long-term plan; Inclusion of different actors then becomes more natural.
- Identify actors in order to define frame of reference
- Flexible policy to adapt to current needs and concerns
- Presence of a moderating/supervisory service to ensure they have access to basic rights.
- Promotion of basic facilities and rights (e.g. language of country of migration)
- Capacity building for migrant workers, negotiation of fair contracts by Government
- Government needs to use communication to normalize migration and portray it as for everyone instead of for a certain group only
- Mobile social benefits
- Create capacity building toolkits/facilitating guidebooks for sub programmes

3. Harnessing Diaspora Resources for Development in Africa

High Level Forum

(Mauritius GFMD Chair and World Bank)

14-15 June 2012

This High Level Forum (HLF) was co-organised by the World Bank and the Mauritian GFMD Chair-in-Office, both as a follow-up to the first HLF in 2008 and in support of the GFMD Roundtable Session 1.2 on *Supporting Migrants and Diaspora as Agents of Socioeconomic Change*.

The objectives of the HLF were to provide a platform for:

- Taking stock of the practical actions African countries have taken to harness the resources of their diaspora for development since the inaugural HLF in 2008.
- Sharing lessons and insights on the key elements and building blocks of effective and promising diaspora engagement policies and strategies.
- Considering innovative products and tools offered by governments and the private sector that can facilitate efforts to increase the development benefits of diaspora resources, particularly remittances and investments.
- Charting a path to intensify efforts and energy towards sustained policy interventions and strategies to harness diaspora resources for improving development outcomes on the continent.

Following summarizes the key issues and outcomes of the meeting:

1. Diaspora is the missing factor in development planning in Africa, particularly **intra-African diaspora**. There are few/no policies on diaspora in Africa, yet this may be an important element of harmonization. Regional processes should factor diaspora into their agendas.

2. Reliable data on African diaspora are lacking, particularly within Africa. The World Bank is conducting a survey of diaspora investment patterns for Africa (out of the US). Diaspora skills mapping needs to be undertaken at national and regional levels.
3. Governments should take the lead on engaging diaspora via enabling diaspora-focused institutions and policy and regulatory frameworks at national and regional levels, incl.:
 - Dual citizenship to facilitate circulation of labour, skills, investments, ideas, capital, business etc.
 - Opportunities and incentives for labour, skills, capital and investment mobility between countries, particularly within Africa (ranging from circular labour migration agreements to flexible banking regulations that permit MFIs to handle foreign currency).
 - Involving diaspora in policymaking and in different institutions at national level.
 - Using ICT
4. There is a need to promote and “trade” Africa both within and outside Africa
 - Blanket perceptions of Africa as “risky” cause investor hesitation and diaspora disengagement, also within Africa.
 - Sub-Saharan Africa suffers from low credit;
 - Why not launch an **“Invest in Africa” campaign**, and spread the costs? (It can be difficult to contextualise Africa as a whole because of the great amalgam of cultural differences. It would be important to consider the context and the local culture for every campaign in order to reap the best results.)
5. Engagement and perception management are as important as the outcomes.
 - Information about Africa’s emerging success stories (e.g. Rwanda, Ethiopia, Burundi) needs to be better disseminated.
 - Identify “champions” of diaspora mobilization, and engage support at top political engagement levels – national, regional and international. “Champions” have often been the key to successful diaspora initiatives.
 - Galvanize real commitment to funding of diaspora initiatives.
6. The challenge is how to link diaspora skills, finances and innovation with home-grown ingenuity and initiatives in sectors key for development. Morocco’s example of allowing diaspora the option of returning voluntarily as entrepreneurs is a useful example to follow. It can both generate economic activity and lead to capacity building for locals)

Diaspora bonds

1. The debate is mixed. Diaspora bonds can bring RISKS and RETURNS. The success stories (e.g. India and Israel) may not be easily transposed to Africa.
2. Ecobank sees diaspora bonds as potentially wasted investment, as the diaspora can lose money on a) currency fluctuations and b) default on issuance. They are not a magic bullet. There are 3 challenges:
 - a) address the associated risks;
 - b) know your investor base; define the investor base you are targeting;
 - c) address the product (activity risk; classification risk).

3. **Burundi** is seen as a first-class structured model of a diaspora bond that is solidly packaged and tied to development programs. It is based on a **strong Government-Commercial Bank partnership**, with both acting as co-guarantors, and is allocated to two national accounts – the debt service account and the rural development account.
4. Other attempts at diaspora bonds have been less successful. To succeed, diaspora bonds need to be based on solid public-private partnerships, reliable banking systems, confidence, security, risk management, investor knowledge, clear product identification, broad and targeted marketing, and sufficient information to make the right connections (e.g. via a Regional Bond Index).
5. An **African Bond Index** could be set up to benchmark bonds across Africa and track the performance of the bonds market across Africa. National and regional bonds could then be set up to reflect the basket of performance indicators.
6. There can be a lack of trust of some African governments concerning their use of money received. Having no official guidelines or moderating entity can reduce potential investment by locals or the diaspora. A formal institution (e.g. governed by the AUC) could dispel those doubts and encourage such investment, as there will be a clear legal structure. Transparency of operations would be required for the institution to clearly show where the money is being used. In that way, the countries' development projects would benefit and investors (especially diaspora) could see their participation in the country's development.
7. Institutionalizing remittance transfer would have the same effects. It would formalize the transfer and prevent exaggerated transfer fees or any related misuse that would deter locals and diaspora. Having a regulatory framework may increase trust, with the added value of increasing activity and potentially make it self-sustainable.
8. An **African Institute for Remittance (AIR)** was launched (in preparatory phase) in 2010, with remittances being used for local projects only. The AUC chairs the Institute locally, but the general operation is jointly run with the World Bank. One of the aims is to reduce the cost of remittances because, as it currently stands, money transfers from abroad are cheaper than within Africa.
9. Some questions remained about where the AIR would be based, whether it would be affiliated to the host government or if it would be independent, and the role of other stakeholders (private sector) in AIR. Furthermore, would AIR facilitate remittances or hinder them with more procedures? Banks might be better placed to handle transfers instead of creating another entity and generating more costs. It might be simpler to move ahead with advanced technology than to create an Institute based on old ideas, e.g. working on making mobile money transfers accessible to more people (as is the case in the Philippines).
10. A major advantage of AIR may be that it would be officially recognised on the continent. An African Institute would have continental rules for procedures, thus providing the legal framework that is missing in some countries. Its handling of remittance would help ensure banks are not overburdened with more activity. Receipts and certifications of money received via AIR can also be used to obtain loans or mortgages, currently not possible everywhere.

11. Mauritius does not have a diaspora bond (yet), but it could do so, if it internationalised the stock market (comment from the Mauritian private sector). There are no major governance or Rule of Law obstacles to issuing such bonds in Mauritius.

Regional solutions:

1. Governments and private sector called for:
 - d) A template for regional negotiations of labour and skills mobility.
 - e) A template for skills recognition at the national level, which could be used as the basis for regional agreements (and bilateral programs) to support labour and skills mobility;
 - f) Regional diaspora bonds (or even sub-regional bonds, as the time was right for these) to diversify the risk of such bonds. Ecobank was challenged by the World Bank to issue regional bonds.
 - g) Dual citizenship (and out-of-country voting rights), of benefit to countries of origin and destination.
2. **Ecobank** emerged as a smart partner for intra-African cooperation and partnerships on remittances, bonds, investments, diaspora engagement etc. Ecobank, a pan-African bank linked to ECOWAS, has had 20 years' experience as an investment bank in Africa. It can:
 - a) provide capacity building; and
 - b) issue regional diaspora bonds.
3. For purposes of the **African multiannual program on labour and skills mobility**, participants gave clear signals about including intra-African diaspora-related policies and partnerships in regional programs and frameworks, e.g. on
 - skills recognition
 - regional (and/or sub-regional) Diaspora Bonds
 - regional (or African) Bonds Index
 - dual citizenship.