GFMD / ADD regional consultation
Opening session
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- I'd like to start by thanking the GFMD and its current chair, the United Arab Emirates, HE / Nasser bin Thani Al Hamli, Co-Chair Her Excellency Yamuna Perera for proceeding with the consultative process despite current challenges. And a note of thanks also to the thematic leads Michelle Leighton at the ILO, Dilip Ratha at KNOMAD and of course Professor Gibril Faal. I hope everyone is healthy and safe.

- Before providing the business perspective on the three topics presented by the Thematic leads, I'd like to provide an overview of the current economic context businesses are facing in the Middle East region and its impact on the migration landscape.

Current context: the impact of Covid-19 crisis on business and economies in the Middle East:
- The World Bank estimates that global GDP this year will contract by over 5.2% and in the Middle East & North Africa region by 4.2%. Necessary measures to control the pandemic started with travel and border closures and went as far as total country wide lockdowns and curfews. Restrictions on travel and tourism have caused severe devastation in the aviation, travel, tourism and hospitality industries. The resultant fall of energy and commodity prices has impacted oil & gas industry significantly. The adverse impact on the oil & gas industry in the region is estimated to result in a reduction in capital expenditure on new projects in the industry of around 20%. As pointed out by the ILO report, there has been an overall drop of 13% in the number of working hours in Arab states in the second quarter of 2020.

- Employers have responded in many different ways. The immediate move to working from home and digital connectivity for meetings such as this one has of course been a well-known outcome of this. Many companies, for instance in the technology sector, who have been very successful with maintaining business continuity, partially due to existing remote work policies, have also gone on to maintain staffing levels without any impact on salaries or benefits for their employees. On the other hand, sectors such harder hit have had to institute policies from hiring freezes, furloughs or reduction in working hours, reduction in pay and lay-offs. For industries facing structural change for a longer period of time, deeper measures are also being looked at.

- Commensurately to the private sector, the government sector, particularly in the GCC has largely been able to maintain continuity of services through the pandemic. In terms of immigration and labour authorities in the GCC countries, most services have been accessible through digital and online channels. In fact, due to this governments were able to grant automatic extensions of stay to work and residency permit holders till the end of the year in the UAE, or further visitor visa extensions that were announced in Saudi Arabia yesterday through electronic channels without anyone having to request these.

- A number of immediate challenges remain. Firstly, enabling repatriation of foreign workers who have lost their jobs along with the necessary financial support to them and increasingly we are seeing these being addressed on a bilateral country to country basis. Secondly, the issue of stranded residents in a third country or separated families impacted by sudden flight suspensions (and in some cases who have remained for over 3 months), and unable to return. Policies have started to be introduced to enable the return of these individuals but more action is needed.

- The third aspect relates to re-opening of mobility more widely. This may be to facilitate tourism and the re-start of the industry overall, or for business or work purposes to allow the movement of talent to take place. This remains a complex challenge and one which is being looked at bilateral or regional arrangements, or on the basis of risk categorization of countries. The European Union's framework for instance is partially based on countries with similar infection rates and reciprocity. A recommendation would be to look at a framework that allows for a level of global consistency in terms of setting principles which can be adapted regionally or bilaterally.

In this new context, and as we will have to live in a world-with-Covid, all stakeholders have to rethink the governance of labour migration.

- The current crisis will change the migration landscape drastically, but it will not close the skills gap that every region of the world is facing. The relationship between migration and development remains as strong as ever and the need for efficient infrastructure to facilitate skills mobility is remains essential.

- An important issue for business remains that of Legal pathways for workforce mobility. These will need to be strengthened, responding to today's and to tomorrow's employment's needs. This requires facilitating the movement of people to a greater extent than in the past. Many employers are faced with the challenge of managing costs and the challenges posed by border closures and restrictive migration. Learnings from this have led to more significant possibilities for employers to consider moving administrative operations off-shore to lower cost locations and possibly shift the place of work back to lower cost home countries. Whilst this may give the impression of lowered migration levels, it remains essential to view this in the bigger picture of development which leads to successful economic outcomes overall which must make way for more flexibility as businesses resume operations. Some examples include, Quotas for work permits, regionally speaking, have been tied to size of physical operations and in some cases the exact amount of available office space. This will need to change. Furthermore, once travel restrictions start to ease further, facilitating pathways for short term work assignments or employees requiring work permits in two or possibly more countries may become important considerations. Project-based work is increasing, in which knowledge of proprietary or unique products or services may be required and where employers may not have a permanent presence in the continuity of employment. In short, existing systems and policies simply do not adequately address the new workplace flexibility in its various forms, which include work at home and work at client worksites (with or without a home base and even across borders). Therefore, a review of available legal pathways must be conducted in close consultation with employers, particularly to allow

employment of essential workers in occupations where there are chronic shortages of local workers.

- As policymakers will reflect on revised migration systems, labour market needs and modern business practices will have to be considered. Whilst all the answers are not there and as the situation continues to evolve, the key here is to maintain flexibility and agility in response. This will mean increased interaction with Labour and Employment ministries, as well as with employers themselves, because employers are best positioned to determine the skills and business models necessary to effectively achieve their business objectives.

In this new context, the topic on Fostering Partnerships is an important one
- The private sector represented by the business mechanism was pleased to be part of the consultative process in the lead up to the adoption of the Global Comapct for Migration.

- And we are pleased to be engaged through regional consultative processes such as the Abu Dhabi Dhabi dialogue and the programme of consultations under the 2020 GFMD agenda.

- In 2019 the GFMD Business Mechanism also held regional roundtables for North Africa and Latin America and has a programme for further regional roundtables. What we continue to gather from these is that a number of significant recommendations that align with needs of all stakeholders including government, civil society and business come out of these. For business to have a continued meaningful contribution in the process, we must also move beyond to be part of implementation frameworks as far as possible.

Finally, with regards to the topic of technology
- At the Quito GFMD summit, we presented research carried out jointly between Fragomen and Oxford University on the use of technology in immigration administration and selection. This showed significant advancement vis-a-vis the use of technology systems in countries in the Gulf, specifically the UAE and Saudi Arabia. As I mentioned earlier, this has been also borne out in the ability of these countries to manage continuity including granting concessions quickly in light of the pandemic and this goes to the heart of migration governance.

- Systems, backed by appropriate legislation, have been introduced to improve migrant rights protection such as contract substitution, ensuring wages protection, provision of appropriate benefits such as mandatory health insurance. These are active and live systems which have led to great improvements, and ought to be considered as benchmarks where they have been successful in delivering outcomes.

- There is great scope for partnerships across countries both to share best practices but also to further scale systems where there are currently gaps.

- With that, I'd like to once again thank the Chair for this opportunity to provide our comments and look forward to the thematic discussions on Thursday.