

RAPPORTEUR'S REPORT

Roundtable 1 Circulating Labour for Inclusive Development

Coordinators: Dr Irena Omelaniuk and Dr Salomon Samen

Roundtable 1.1: Beyond-the-Border Skills and Jobs for Human Development

Co-chairs: Mauritius (Mr Ali Mansoor) and United Arab Emirates (Mr Alex Zalami)

Rapporteur: Bangladesh (Dr Md Shahidul Haque)

This Roundtable looked at skills as an important development driver across the full migration cycle – pre-departure, employment abroad and return and employment in the country of origin. It addressed this issue in three sub-sessions moderated by governments from the Roundtable team:

Sub-session 1 on “Pre-departure – skills development and certification, and job matching” was moderated by Sweden (Mr Kristof Tamas).

Sub-session 2 on “Employment abroad – skills accumulation, enhancement, recognition, accreditation and utilization in jobs” was moderated by Costa Rica (Vice Minister Marcela Chacon).

Sub-session 3 on “Return and employment in the country of origin” was moderated by the Philippines (Ms Carmelita S. Dimzon).

The session looked at different models for skills development and assessment in countries of origin and destination, and between the two, for their potential to be replicated elsewhere. These included National Qualifications Authorities, national skills development policies, bilateral or regional agreements around specific sectors or clusters of occupations, and contracts by the country of origin for overseas workers that factor in a minimum amount of training and recognition of the workers' skills. National Qualifications frameworks are scarce in countries of origin, and tend to be modeled on longstanding skills qualifications systems in traditional countries of migrant destination such as Australia, Canada or the UK.

A key concern was how to harmonize or complement skills requirements between countries of origin and destination to optimize labour mobility, job matching and the attendant benefits for human and economic development, while minimizing brain loss or brain waste. The biggest challenge lay in the lower skilled sectors. A number of models existed to ensure portability of skills recognition and effective matching of skills to jobs, that could be replicated or adapted elsewhere, although these mostly related to higher skills and professionals. For example:

- 1) In a country of destination: the United Arab Emirates' National Qualifications Authority, which still faced the challenges of appropriate assessment tools to verify migrants' qualifications, where there was a proliferation of different certification systems in the many countries of origin of its foreign contract workers.
- 2) In a country of origin: Sri Lanka has a 7 step skills recognition system based on the Australian model, and all migrant workers are now being graded on this system.
- 3) Sri Lanka has also created three specialized technical colleges around destination-country qualifications requirements. Other countries like the Philippines have done the same.
- 4) Senegal has a professional classifications agreement with France to determine salary categories per profession.

- 5) The Mauritius-France agreement on circular labour mobility includes a subsidy for skills training.
- 6) Korea's bilateral agreement with Bangladesh and many other countries combines skills development, skill recognition, and job matching within a single process.
- 7) Georgia has a bilateral agreement on circular migration with Germany, via the German Development Agency GIZ, for example in the hospitality and care sectors. And there is a Memorandum of Understanding with higher education institutions to help train them, and an agreement with local hospitals.

Many countries of origin are not prepared for the volume of out-flowing skilled migration, and don't have mechanisms to help migrants' skills get recognized at destination or to recognize their enhanced or acquired skills upon return. Training should be adapted to the origin-countries' needs, but also harmonized with destination countries' systems to minimize brain waste or de-skilling through migration.

An effective way to address potential brain drain or waste for the country of origin was to **share the costs of training** between the country of origin and destination. Some employers in the country of destination even invested in training and certification of the workers they would employ, as for example some European and Asian shipping companies have done to prepare their seafarers in the Philippines. This solution combined labor mobility objectives with some infrastructural support in the country of origin.

Cooperation and cost-sharing between governments was paramount. An incremental approach may be most efficient and cost effective, commencing with an agreement between countries on a few sectors and the standards required for overseas employment in those sectors. Apprenticeships and training abroad, such as Senegal engages in, or France offers with its "young professionals" program, and on-the-job training schemes can also work to combine labour and development objectives.

Information, websites or web portals to potential overseas workers about jobs, skills requirements, work conditions and remuneration play an important role in ensuring the right job-skills match. Also language skills training, often overlooked, and posing an obstacle to skills portability when it is absent.

Bilateral agreements on labour exchange in specific sectors, such as between Switzerland and the Philippines or between the Philippines and UK, still seem to offer one of the most expedient solutions. But their implementation was often inadequate, for example job quotas often remained unfilled in some of these programs, among others because of a lack of interest or knowledge by the employers in the process of acquiring the foreign workers.

The question was raised: **should there be a global skills rating system or agency?** How could the ILO's International Standard Classification of Occupations (ISCO), which was already adapted nationally in a number of countries, be of assistance in this?

Finally, it was felt that in the context of temporary or circular labour mobility, the primary responsibility lies with the governments of countries of origin to recognize their people's skills and clear the way for their productive return home. To facilitate portability of skills, it was recommended that origin countries could share their National Qualifications System with the destination country. However, there appeared to be a big gap in the area of skills assessment and recognition in the country of origin for returning migrants. **It was proposed that the GFMD further develop this agenda in the future.**

Roundtable 1.2 Supporting Migrants and Diaspora as Agents of Socio-Economic Change

Co-chairs/moderators of the sub-sessions: France (Amb Francis Hurtut), Kenya (Mr Zaddock Madiri Syong'oh), Morocco (Mr Mohammed Bernoussi)

Sub-session Rapporteurs: El Salvador (Ambassador Eugenio Arene, World Bank (Ms Sonia Plaza), IOM (Ms Michele Klein Solomon)

This roundtable looked at diaspora and strategies to harness migrant and diaspora skills to enable them to establish businesses or engage in other entrepreneurial activities and to strengthen private sector development in their countries of origin. The session broke out into three sub-sessions.

Sub-session 1 on “Partnerships” was moderated by France and produced the following outcomes:

1. Migration mainstreaming should be undertaken at the national and local levels to ensure that policy makers understand how migration supports initiatives at all levels. Diaspora initiatives are likely to have the most immediate impact at the local level and between communities across borders, e.g. USAID's remittance-backed housing loans in countries like El Salvador. When local authorities are involved and claim ownership there is greater scope for sustainability of diaspora initiatives and in turn, their development impact. Stronger ties to, and capacity building of, local authorities are important, but have been missing from the diaspora debate.
2. Diaspora initiatives need to be reflective of real local needs. In practice however, there are disconnects between needs and initiatives. Local authorities can be catalysts and enablers and can ensure that diaspora are well connected with actual needs on the ground.
3. *[Not read, but part of the general rapporteur's report:*
The most effective mechanisms to enable and sustain diaspora-based projects, especially local ones, are those that involve governments in partnership with diaspora, business and NGOs. These include national or regional diaspora platforms such as FORIM in France or the European Network of Diaspora Organizations), grant-matching competitions such as the African Diaspora Marketplace (ADM), a US-based business plan competition for Sub-Saharan Africa diaspora. USAID; capacity building and training tools such as found in the German MITOS toolkit, government-supported diaspora programs such as the SEVA Network Foundation in the Netherlands, for-profit and not-for-profit diaspora-based facilities such as the Diaspora Business Centre or the African Foundation for Development (AFFORD) UK.
4. Links between diaspora and the private sector/business can be strengthened through web-based information tools and capacity building of diaspora, relevant (local) government agencies and NGOs (e.g. how to strategically select business initiatives and partnerships, manage them, and advocate for them). Governments, private sector and others need to provide incentives, technical assistance and financial support (e.g. grant matching) to diaspora organizations and their partners in the country of origin. Workable models exist, also with some evaluation results (e.g. ADM).
5. The compendium of good practices in the Annex of the RT 1.2 Background Paper is a useful reference, which could be completed and showcased on the GFMD website.]

Sub-session 2 on “Financial Services” was moderated by Kenya and produced the following points:

1. Regarding remittances and investments, there needs to be an integrated approach to engaging diaspora and their financial assets. All arms of government—ministry of labor, ministry of foreign affairs, central banks and treasury—should work together.
2. A concern raised was how to ensure continuous engagement during economic downturns. Tax concessions and portability of benefits can incentivize retirees considering return to country of origin to firm up their plans. Another incentive relates to affordable available housing for returning diaspora.
3. Lowering the cost of remittance transfers and easing the transaction process of remittance transfers can also leverage the use of migrant earnings for development purposes back home. For example, the Kenyan program, M-PESA, for transferring money via mobile phones without the rigidities inherent in formal banking systems, has reached rural communities, ensured their financial inclusion and created local jobs. The program was set up by the private sector and now partners with the Central Bank. 85% of Kenyans who use mobile banking today, use M-PESA. The success of M-PESA has been dependent on the right business environment and political support. M-PESA is important for Africa where remittance costs (particularly for Sub-Saharan Africa) are higher than elsewhere in the world.
4. Diaspora bonds and diaspora investment funds were also briefly discussed as instruments for developing countries to raise capital from the diaspora. These have been utilized under specific circumstances in Israel, India, Nepal, Kenya, Ethiopia and others and are increasingly attracting the interests of African governments.
5. Questions that remain relate to marketing strategies, incentives to generate interest, management and coordination of issue of bonds and monitoring and oversight of their use in development projects back home.

Sub-session 3 on “Non-financial Services” was moderated by Morocco.

1. This breakout group focused its discussion largely on a program between France and South Mediterranean countries to support diaspora based investments in countries of origin. This is a multi-stakeholder program based on a coalition of stakeholders supporting scientific diaspora to tap into the many PhD trained persons in France with the potential to create businesses at home. Assistance and intervention starts at the country of destination and carries over to the home country. The key lessons are that entrepreneurship is a long-term undertaking and hence requires investment over a more sustained period, and expectations need to be managed, and persons not naturally inclined to be business persons may require coaching and assistance. The success of the program was dependent on a strong Moroccan counterpart and network.
2. Among the many challenges facing many diaspora is the need to adapt to the home culture, which can be quite alien also in terms of the perceptions of diaspora by those who did not migrate. Returning diaspora often face the perception that they are only returning home because they failed abroad. The local regulatory, business and cultural environment may also be unfamiliar and foreign for long term residents returning home.

3. Building capacities of diaspora is the responsibility of both country of origin and country of destination. The country of origin needs to minimize the brain drain or waste through smart policies that allow the mobility of their skilled people, while recruiting back those that can help with development back home. This requires a better matching of skills training and employment opportunities. It also requires migration policy measures to facilitate mobility such as dual citizenship, multi-entry visas to allay migrants' fear of loss of status while absent from country of destination, and sound integration and reintegration programs.
4. Major obstacles for many diaspora include the lack of business connections and networks in the home country and lack of entrepreneurial and business skills. These can be addressed by, among other things, sound coaching and support in creating networks and generating the right skills.
5. Recommendations by the participants to government policy makers include:
 - Surveys of diaspora to know who they are, their capacities and potential; and capturing the savings and investment potential and interest of diaspora in diaspora mapping
 - Supporting the diaspora in building bridges, networks and partnerships across borders
 - Creating the conditions and incentives to stimulate investments back home, including accessible financial instruments through banks, micro-finance institutions and others.
 - Improving communication and coordination among all stakeholders in the diaspora field including central and local governments, businesses and financial institutions, chambers of commerce and diaspora organizations.
 - Including embassies and consulates in diaspora outreach strategies

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