

**Remarks to the Business Mechanism  
10<sup>th</sup> GFMD Summit**

**June 29, 2017**

I want to welcome you to the Business Mechanism's second annual meeting at the 10th GFMD Summit. This year, our focus is labor migration in the forthcoming Global Compact on Migration.

The New York Declaration for Refugees and Migrants, which emerged from last year's UN High-Level Meeting on Addressing Large Movements of Refugees and Migrants, provides a platform for global deliberation and consideration of the GCM through its comprehensive outline of the myriad aspects of the migration phenomena. The Declaration calls for an agreement of shared responsibility to create a global compact on safe, regular, responsible and orderly migration, consistent with the UN's 2030 Agenda on Sustainable Development and its related Sustainable Development Goals.

The Declaration promotes a comprehensive approach to global mobility, including protections for safety, dignity and human rights of migrants; support for countries receiving and hosting large numbers of refugees and migrants; promoting the integration of migrants into their new communities; and combatting xenophobia and racism. The Declaration urges UN member states to develop voluntary guidelines on an overall strengthening of global governance of migration. The Global Compact on Migration and a separate compact on refugees are the vehicles for those guidelines.

The work of the GFMD must address the migration goals of the SDGs and provide support and assistance to the development of the GCM. The extensive scholarship and policy development of the GFMD will provide a basis for the GCM. The Business Mechanism will endeavor to bring its expertise and perspective to that dual effort.

Since first conceived in 2011-12, the Business Mechanism of the GFMD has made significant strides toward the development of comprehensive private sector recommendations for a global framework for labor migration governance. From 2011 to

2015, a series of exploratory meetings on the subject of the global competition for skills and international skills mobility identified potential avenues for regular public-private sector interaction through the GFMD, which were formally endorsed at the Eighth GFMD Summit in Istanbul, Turkey in October 2015. In early 2016, the GFMD Business Mechanism was formally established and the first thematic meeting took place in Geneva in April of that year.

In 2016, the Ninth GFMD convened stakeholders in government, the private sector and civil society to develop a unified structure for a coherent, balanced governance system that addresses all aspects of migration and integrates development, human rights and security priorities. Key themes were the creation of a set of safe and regular options for the mobility of individuals from one country to another, recognizing the positive impact of migration as a driver of prosperity and social progress; recommendations and best practices for a facilitative administration of migration; and safeguards for both foreign and domestic workers. A Business Mechanism Thematic Meeting took place in New York in July 2016 to provide a forum for key migration stakeholders in the private sector, government, and civil society to discuss issues of mutual interest and develop concepts for presentation during the December 2016 GFMD Summit in Dhaka, Bangladesh.

At the Dhaka Summit, the Mechanism presented *The Business Case for Migration*, a paper setting forth the initial recommendations of the private sector for the promotion of coherent and comprehensive labor migration strategies, in line with the SDGs. The paper urged policymakers to recognize labor market needs and modern business practices in the revision and reorganization of migration systems, taking into account the perspectives of the business community. It set forth the Mechanism's first principles on fair and ethical recruitment; circular migration, entrepreneurship and remittances; corporate initiatives to aid refugees; and the role of business in advocacy for fair, well-managed, open migration policy. The paper was informed by a GFMD survey of migration and mobility professionals from over 210 global organizations – one of the most comprehensive and candid studies of private-sector global mobility practices ever undertaken.

The Second Annual Thematic Meeting was held in April 2017 in Geneva. For 2017, the goal of the Business Mechanism has been to deepen and elaborate the paper's recommendations within the context of the Global Compact. During our work today, we will discuss five key issues: the need for skills mobility; innovations for migrant and refugee access to labor markets; labor market perspectives on irregular migration; responsible recruitment; and circular migration. For each subject, a concept note and a set of recommendations were produced by a Business Mechanism committee.

## **Skills Mobility**

The promotion of skills mobility is the foundation of our recommendations. To this end, we urge governments to take the following into consideration as they modernize their migration policies and procedures:

- **Migration policies must be flexible enough to accommodate both longstanding and evolving business models and workplace structures.** A range of migration options must be available to facilitate mobility in all skill levels, including dedicated programs for short-term assignments, as well as client-site placements and other forms of remote work. Policies must also be flexible enough to adapt to changing skills needs, and specifically to accommodate the need for lower-skilled workers.
- **Adaptive policies must be supported by efficient, predictable and transparent processing.** We urge a number of practical solutions in this area, including trusted employer programs to facilitate processing for organizations with a record of compliance, and work authorization mobility to allow foreign workers to change employers with fewer formalities. These programs conserve resources for government and business and protect migrants. Of course, we must emphasize the importance of consistent adjudications and honest and forthright execution of governmental responsibilities without favoritism or undue influence.

- **Migration administrations must recognize employers as valuable partners in identifying skill needs and determining the qualifications necessary to equip workers for specific occupations and positions.** Employers should be able to set requirements and identify the most qualified job candidates. Rigid skills assessment frameworks and occupational qualifications are often in conflict with labor market realities and with the business judgments of employers. Moreover, government should work closely with the private sector in identifying skill shortages and long-term measures to address those shortages.
- **Policies that provide work authorization to the family members of principal migrants promote global skills mobility and increase employers' ability to compete in the global talent marketplace.** Because foreign workers seldom migrate alone, family considerations are an important factor for global assignees and their employers. The inability to obtain work authorization for spouses separates and places financial burdens on migrant families, and can be a deterrent to sought-after migrants at all skill levels.
- **Employers must focus on communicating the benefits of skills mobility to the public.** Business can be extremely effective in demonstrating how migrants apply their skills to enrich the local economy and community. Sharing compelling migration success stories can help to humanize an issue that is too often distorted. Sharing, too, examples of fair, responsible and legally compliant skills migration can help to build public trust. This includes publicly supporting voluntary compliance programs and participating in training and educational programs to promote the development of the domestic labor force.

## **Migrant and Refugee Access to Labor Markets**

Flexible migration policies and transparent procedures will do much to support business organizations and foreign workers, but these mechanisms must be complemented by innovations that give migrants and refugees better access to labor markets.

Our recommendations in this regard are as follows:

- **Businesses and migrants benefit from increased coordination among stakeholders so that migrant talent can be fully accessed and utilized.** The migration surge of the last decade means that developed economies have access to a global source of talent to help fill skills gaps and shortages. Among the key tasks that partners can provide is lowering the information barriers that businesses face in accessing qualified migrant talent from this population. Coordination among information technology providers who have created extensive databases of both opportunities and available workers, credentials assessment providers, trainers and other service providers can help businesses better identify available talent, aid migrants to access information about job vacancies that are compatible with their qualifications and generally promote the matching of available skills to job opportunities. Governments at all levels, trade associations, schools and other training facilities, and immigrant and community organizations can work with private employers in innovative ways to meet their hiring needs and facilitate integration of migrants to assure a smooth transition.
- **Harmonizing credential certification requirements and improving methods for skills assessments would reduce barriers to hiring by minimizing cross-country differences.** International skills standards and harmonized certification systems would reduce the time needed to assess new arrivals' skills and give employers faster access to a larger pool of qualified talent.
- **Train migrants so that employers can more effectively benefit from their contributions to the labor market.** Occupation-specific language education,

cultural orientation, and occupation-specific job training are essential to prepare migrants to optimize their effectiveness in the workplace. Global skills partnerships, in which the private sector supports training in one country to match labor market needs in another, should be encouraged. Such partnerships can be a “triple win,” expanding training opportunities, employment opportunity and economic development in countries of origin and destination.

## **Irregular Migration**

The negative aspects of irregular migration are extensive and well-documented. The presence of a substantial population living on the fringes of society is undesirable for all stakeholders concerned. When governments acknowledge the labor market impact of, and need for, essential workers, pragmatic solutions can emerge. To this end, we urge governments to adopt a multifaceted approach to deal realistically with the irregular migrant population.

- **New immigration channels must be developed to meet the need for essential workers.** Though migration channels for essential workers are often viewed as politically challenging, the creation of more regular avenues for low-skilled migration tends to reduce trafficking, forced labor and unethical recruitment practices, among other negative consequences of irregular migration. The critical function of government is to work with the private sector in identifying low-skilled labor shortages and then devise immigration solutions to allow employers to hire migrants with all the necessary controls to protect migrant rights.
- **Humane but credible enforcement mechanisms must be established as a counterpart to a comprehensive essential worker program.** Government and the private sector must partner to encourage humane and realistic approaches to address irregular migrant population, which is frequently integrated deeply into the fabric of diaspora communities in the host country. In addition to strict border and

legal entry controls, governments must support strong interior enforcement, including employment eligibility verification requirements. Credible enforcement can mitigate some of the political risks of opening the legal migration system to economic migrants, and is essential to support any program to legalize migrants in the country without proper status.

- **Legal migration actors must promote comprehensive legal protections for essential workers.** Fair recruitment, fair pay and other rights must be addressed through international agreements, frequently bilateral or regional, and, at the host-country level, through a sound regulatory scheme. Businesses must partner with policymakers to help develop and promote fair recruitment initiatives and must lend their expertise to combat exploitative practices; develop clear, transparent and efficient recruitment best practices; and reliable and accessible compliance tools.
- **Skills training, local recruitment initiatives and similar programs must be encouraged to support the domestic labor market, so that local workers are not disadvantaged by legal channels for economic migrants.**

### **Responsible Recruitment**

Though a number of international organizations have promulgated fair recruitment initiatives and standards, abuses persist in many parts of the world. Responsible recruitment must be a shared priority of government and the private sector.

- **Governments must ensure that their national laws are consistent with the elements of fair and ethical recruitment and that credible enforcement mechanisms are in place.** Ensuring that fair recruitment standards are codified and enforced will create a level playing field for responsible employers. Compliance requires an active enforcement program. It goes without saying that responsible recruitment standards and best practices are widely known, but all too often are not widely observed.

- **Bilateral arrangements between sending and receiving countries strengthen protections for workers at the point of origin and during employment abroad.** Bilateral agreements can support governments that, on their own, do not have the capacity to implement and enforce fair recruitment standards. These agreements set forth the basic rights of the migrant worker regarding transparency, employer obligations, contracts and legal recourse. The role of consular officials at the time of visa issuance can also be leveraged.
- **Technology can be used to educate workers and the public of migrant rights and raise awareness of abuses, as well as help governments introduce systems that better ensure compliance.** Social media campaigns and similar initiatives can speak directly to foreign workers. Technological advances to reduce opportunities for exploitation should be a priority – for example, the UAE’s Worker Protection Scheme, which safeguards rights by ensuring that wages are deposited directly into employee accounts.
- **Participation in multi-stakeholder approaches to raise awareness of fair and ethical recruitment principles, share best practices and identify barriers to implementation.** Governments, NGOs, trade unions and the private sector (both employers and recruiters) need to work together effectively.

## **Entrepreneurship and Circular Migration**

Lastly, stakeholders in government and the private sector must consider the impact of migration on labor markets in both the receiving and sending countries. The promotion of migrant entrepreneurship and circular migration can have mutually beneficial outcomes in countries of origin and destination.

- **Stakeholders must invest in studying and understanding immigrant and returnee entrepreneurship.** Though there is consensus that migrant entrepreneurship can bring knowledge, innovation capital and job growth to receiving countries, the record of success of existing entrepreneur visa programs



has been mixed at best. Further study may help governments craft better programs with stronger economic impact. The results of such studies should be made publicly available.

- **Immigration channels for foreign entrepreneurs must be established or enhanced to facilitate entry, reduce the barriers to business development and improve entrepreneurs' ability to start and grow businesses.** Using the results of entrepreneurship studies, governments must craft foreign entrepreneur programs and requirements that create the conditions for success. Realistic eligibility criteria and business development goals for migrants are essential. Programs should include options for both lower-skilled and high-skilled migrant entrepreneurship, since many low-skilled migrants start their own businesses as well.
- **Policies to incentivize migrant entrepreneurship must be supplemented with strategies to address challenges to entrepreneurs' ability to start and grow their businesses.** Language training, cultural training, assistance in navigating the bureaucratic process to start a company in a compliant manner, immigration advice, raising of capital and the myriad other issues confronting start-up business are truly daunting to a migrant investor/entrepreneur. There are many successful programs within diaspora communities or local organizations.
- **Partnerships and private-sector initiatives to support migrant entrepreneurship should be encouraged.** Municipalities, chambers of commerce, pro bono legal services organizations, tech start-up organizations should gear some of their services toward migrant and diaspora communities. Through venture capital and private equity funds, the private sector can play an important role as well.

Our efforts today and over the coming months will be on further developing our recommendations for the GCM. The Business Mechanism will be participating in the

GCM Thematic Workshops and hosting a special Business Mechanism meeting in New York. The Workshop on October 2<sup>nd</sup> and 3<sup>rd</sup> is particularly important since the subject is labor migration and we expect to have a significant presence. So far, the Business Mechanism has presented in Thematic Sessions on human rights, the drivers of migration, and international cooperation and governance. The positions refined during these meetings will be set forth in a paper for the GCM. We will then pursue broader corporate support for the labor migration principles we espouse so that the voice of the private sector continues to be represented as an equal partner in the effort to strengthen the global governance of migration. At this meeting, we will further this process by asking each Committee to focus on one or two recommendations for inclusion in the Global Compact. In our concluding session, we will summarize the work of each Committee.