Business Challenges and Opportunities in light of the Immigration Regulatory Framework in South America: Argentina, Chile, Ecuador, Paraguay, and Uruguay
Business Challenges and Opportunities in light of the Immigration Regulatory Framework in Latin America: Argentina, Chile, Ecuador, Paraguay and Uruguay

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Introduction

This document is focused on five South American countries: Argentina, Chile, Ecuador, Paraguay and Uruguay. It is aimed at two purposes: first, to portrait the current landscape of immigration policies, and the potential impact of this landscape on business, for five South American countries. Second, by highlighting the best current practices, the report wants to provide specific steps for a strategic path to be followed, in order to optimize the interaction between governments and private sector, for the design and implementation of flexible, proactive and rigorous immigration policies.

The importance of immigration policy over business has acquired a specific, strategic role, as a consequence of the convergence of several changes and interactions. First to be mentioned, global economic inception of both private business and aggregate economies, have turned subjects as migration and demographics into paramount strategic fieldworks for public policy. The second issue is related with theoretical and empirical advances in the role of information for labor markets. Information regarding vacancies and potential recruitment candidates has become cheaper to compile, process and analyze, but, at the same time, more strategic for public policy.

The third transformation, closely related with the changing role of labor market information, is that skill / seasonal gaps have become a prevalent and rather problematic feature of labor markets. Training and education systems can´t respond promptly to the requirements and challenges brought by technological innovations, nor can the population features of any country swiftly adapt to seasonal requirements of low-skilled workers. Here is when a flexible migratory regime becomes a powerful policy device for the society as a whole. The pressures for easily available human resources, either being highly qualified or related to seasonally, short-term peaks on labor demand (crops, rises on construction activity), can be faced through immigration. It allows the government to confront and reduce structural and frictional unemployment, generate income and profits. Through the implementation of a permanent dialogue on immigration policies, countries acquire a mighty instrument and a short-term strategic option, which allows for:

- Technological innovation to be adopted and implemented, with the human resource attached to (/required by) it being made readily available.
- Reduction of labor costs and increases on productivity for industries restricted by shortages of low-skilled human resources.

As a whole, this report addresses the following issues: (i) the different immigration policies in the five countries analyzed, (ii) the external and internal factors that historically shaped the emergence of migration policies, (iii) the effect of immigration policies over employment, and (iv) the current state of skill-oriented labor policies and their potential relation with immigration policies.

The contents of this report have been developed from two main methodological approaches:

- Compilation, review and scrutiny of primary and secondary sources (academic papers, policy reports, press articles, law firms’ technical notes, multilateral and bilateral thematic reports). Their references are included in a specific section at the end of the document.
Development, processing and analysis of interviews with stakeholders (members of
government, employers’ representatives, immigration lawyers and multilateral institutions’

The information compiled through these methodological approaches has been
thematically organized, according to the structure of the chapters of the report. From it,
common stances towards immigration and specific country-case positions have been put
together. Recent national experiences of public policy innovations have been identified,
especially those ones involving experiences of dialogue between private sector and
governments, towards the implementation of immigration policies. Once these structural
patterns have been identified, their common interactions and mutual consequences have
been analytically approached by the author.
CHAPTER 1: Review of National Migration Policies

Taking the disciplinary approach of History and Political as background for a review of immigration policies, certain prevalent approaches shaping the objectives of immigration policies have been identified. These approaches are the National Security Migration Policy and the Human Rights Migration Policy approach. The Security approach was precedent to the one of Human Rights: for much of the nineteenth and early twentieth centuries\textsuperscript{1}, it was considered that the control of migration should be under control only of national authorities (Boucher and Gest, 2018; Dauvergne, 2004)\textsuperscript{2}, i.e. there was no need to include transnational human rights considerations or to incorporate the active participation and criteria of the international community. As human rights became supranational principles (expansive vis), sometimes even overcoming considerations of national sovereignty, they addressed multiple spheres, including migration policy. In our regional context, the foundations of the inter-American human rights system established that international commitments entailed obligations on the internal decisions of the states, concerning, in this case, the exit / entry / and permanence of foreigners. These obligations were acquired when countries ratified conventions. Thereby, the Human Rights policy approach is much more recent, and can be traced back to the reform of the United Nations system, carried out in 1997. It clearly translates the focus of the immigration policy from the national sovereignty axis to the protection of migrants’ human rights.

In this chapter, we describe and dissect the processes of national consolidation of immigration policies for the five countries surveyed (Argentina, Chile, Ecuador, Paraguay and Uruguay). Our inquest is based on three main features: (i) historical considerations on the national processes of immigration, (ii) consolidation of immigration policies and (iii) current implications of these policies.

Figure 1 is a representation of the evolution of migration policies in the five countries analyzed, all through the second half of XX century and the XXI century (so far). The country with the most lagging/persistent migration policy is Chile, as their 1975 Migration Act had not undergone any reform until the recent (August 2019) parliament review of a new policy approach, yet to be approved or discarded. Argentina has been the country with the most radical reorientations of migration policies, where the security-oriented migration policy of Law 23439 (1981) was radically reformed with the Human Rights-oriented policy of Law 25871 (2003-2005) and again, taken back to the security orientation of Law 27063.

1.1 **Argentina**

This country has been identified as the country with the highest levels of immigration in the region\(^3\): international migrants represent 4.9% of the country's total population, a figure higher than both the Latin American average (1.8%) and the worldwide one (3.5%). Immigrants in Argentina are relatively young (average age of 36 years) and have female primacy (54%).

Historically, three waves of immigrants have been identified to have taken place in Argentina: the first one lasted for about a century, from the mid-nineteenth to mid-twentieth centuries, and was composed of almost 3.5 million immigrants. At a moment in time, 85% of Argentina's population claimed to be of European ancestry\(^4\). The 1947 National Population Census identified a turning point, in which two phenomena were detected, a quantitative one and a qualitative one: the first one was the fall in the volume of international immigration, and the second one, the reduction of transatlantic immigration. European immigrants were being replaced by cross-border migrants from neighboring countries. At the beginning of the 21st century, they represented more than 60% of Argentinean immigrants. Finally, the third immigration wave is composed by migrants from Venezuela, which now represent the highest share among the national foreign communities in the country\(^5\).

In Argentina, Public Policy considerations regarding foreigners arose in the 1853 National Constitution, conceived, on its own terms, as “…an open contract to all the good will men in the world aiming to inhabit the Argentinean soil”. In terms of public immigration policies, the starting point for the begetting of a rigorous analytical framework for such policies was the enactment, in 1981, of the General Migration Law (Law 23439), which was generated under a national security principle, as it contained provisions that may erode constitutional guarantees: obligation of public officials to report the presence of unauthorized

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immigrants; the right of authorities to detain and expel foreigners without judicial redress, and restrictions over access of migrants to education and health care. Despite of specific amendments being held in 1987, 1994 and 1998, the restrictive and reactive profile of immigration policy remained, all through the governments of Raúl Alfonsín and Carlos Menem. The highest level of restrictions to immigration in the national migration policy was reached in the second administration of Menem (1995-1999), when the search of culprits for the economic crisis led to blame cross-border immigration for increasing poverty, unemployment and crime. In 1996, a basic form of social dialogue on immigration came with the creation of the Roundtable of Civil Society Organizations for the Defense of Migrant Rights, which promoted a specific agenda on migration law reform. Their efforts led to a political dialogue reflected in the sanction (2003) and regulation (2010) of the National Migration Law (Law 25871), which reoriented Argentina’s migration policy towards a political rights and regional integration approach. However, it did not eliminate the main foundations of national security and control, subjacent in the immigration policy. This last aspect was reinforced in 2014, with the reform of the Criminal Procedure Code, by means of Law 27063, in particular its Article 35, which allows the expulsion of foreigners captured in a situation of crime flagrancy, without the need/right for trial, and with the Provision 4362 of the National Directorate for Migration, which created the figure of "false tourist", allowing for the border posts rejection of entry to certain individuals. Recently, the Macri administration (2015-2019) reoriented migration policy towards two axes. For the first one we have reinforcement of the National Security approach (Necessity and Urgency Decree 70/2017), with the inclusion, through Law 25871, of a special immigration procedure which allows the authority express denial or approval of immigration requests. In the second axis, and as we will see in Chapter 2, we find the economic and demographic emphasis that Argentina’s immigration policy has been acquiring.

In December 2018, Argentina signed the Global Compact on Migration. With this, according to press statements of Horacio García, National Director of Migration, "Argentina adheres to the concept of managing a safe, orderly and regular migration". The most pertinent initiatives that stem from it, are RADEX (Remote Module of Location for Foreigners / Modulo de Radicación a Distancia de Extranjeros) and the Migratory Flows Orientation Program (Programa de Orientación de Flujos Migratorios). We will go through them on detail in chapters 2 and 3 of this report.

1.2 Chile

According to the demographic estimates of United Nations, for the year 2019, the foreign population in Chile represents 5% of the total population of the country. It is a population with an average age of 35.8 years, and a gender ratio of 52.9% (female) to 47.1% (male). Although the number of foreigners in Chile represents less than half of the one for Argentina, there is an important element to highlight: the behavior of its migration dynamics:

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in 29 years (between 1990 and 2019), the number of foreigners in Chile has increased by 774%, from 107,500 to 940,000 migrants\(^\text{10}\).

A historical analysis of the collective immigration process to Chile can be traced back to the Selective Immigration Act of 1845, which encouraged the migration of families from what was then known as the German Federation, to become settlers in some regions of Chile. Other migratory waves eventually followed, but not associated with explicit public policy initiatives: Italian migration (particularly high between 1880 and 1930), Palestinians, Syrians and Lebanese (1885-1950) and, with two particular peaks (1880s and 1930s), Jewish migrants of various nations of Europe\(^\text{11}\).

The earliest formal foundations of an immigration policy can be traced back to 1953, with the creation of the Department of Immigration. In terms of immigration policy, Decree 1094 of 1975, called Ley de Extranjeria y Migración\(^\text{12}\) had been the fundamental legal criterion\(^\text{13}\) towards public policy in Chile, until 2013, when President Piñera submitted to Congress a new project of migration law. Its main foundations aimed to face two problems: the fast growth of immigration and the legislative and administrative lag of immigration policy. According to the terms of the proposal, the effect of the second aspect over immigration dynamics was clear: labor informality, lack of decent jobs, housing precariousness, human trafficking and stimulation of irregular migration. The new law proposes the creation of an institutional framework: reaffirms the role of the National Council of Migration Policy (promulgated in 2013) and creates the National Migration Service. It also promotes a flexible catalog of migratory categories, offers migrants access to health, and promotes education access for foreigners who are under educational age (in both cases regardless of immigration status). It also proposes to modernize the system of revalidation and recognition of professional and academic degrees, the creation of a National Registry of Foreigners, and imposes the rule that temporary residence can only be requested from outside Chile. Finally, as in Argentina, it expedites the expulsion proceedings given violations of the immigration law. The law was first submitted in 2013, and its review procedure re-started in 2018.

Initially, approval of the law was estimated to be achieved in 2019, but it is very likely that other national bills, perhaps leading to a constitutional reform, will take priority in the short term, in response to recent social and political events that have unleashed mass citizen demonstrations in Santiago over the end of 2019.

\(^{10}\) It is important to note that the 940,000 figure comes from the United Nations estimates and is presented to maintain the same analytical source and methodology between countries, but according to estimates of the INE (National Institute of Statistics of Chile), to December 2018, it was estimated that 1,251,255 people resided in the country, representing 6.6% of the population. See https://www.un.org/en/development/desa/population/migration/data/estimates2/countryprofiles.asp

\(^{11}\) National Historical Museum (2015). Brief overview of Migration in Chile.

\(^{12}\) Given the fact that it was approved during dictatorship, it cannot be technically considered a law.

1.3 Ecuador

This country takes pride of having a huge migratory tradition and cultural diversity. As Manso and Villareal (2013)\textsuperscript{14} pointed out: “Ecuador is a territory of destination, transit, shelter, circular migration, forced migration, displacement and return of thousands of people”. However, for the South American context, Ecuador is one of the countries with the lowest immigration influence. Through the whole XIXth century, the country was not subject to massive European immigrations (the Population Census of 1890 found only 5,000 immigrants, most of them Peruvian). In the late 19th and early 20th centuries, as Chile, Colombia and other South American countries, Ecuador had a collective immigration wave of former citizens from the Ottoman Empire, particularly from Lebanon. This led to the "Lebanese" expression being used to refer to any immigrant from Palestine, Libya, Lebanon or Syria. In the last decades, this panorama has become more complex: for the national population census of 1990, the number of foreigners residing in Ecuador was 147,781 people (1.35% of the total population), and 20 years later, the 2010 Population Census found a total of 181,848, which implied a percentage of 1.3% of the total population. The United Nations Population Division estimates that for 2019, there are 381,500 foreigners living in Ecuador, which implies 2.2% of the population as a whole. It has greater male participation (51.7%) and relatively lower average age, compared to the one we have analyzed for Argentina and Chile: 28.4 years of age\textsuperscript{15}.

The earliest reference to a formal immigration policy in Ecuador is the Migration Act of 1971 (Laws 1897 and 1899). This law came out largely attached to the National Security approach to immigration regimes. From this early emphasis, the orientation of migration policy started to evolve, due to the approval of two specific measures: the dual nationality of Ecuadorian migrants (1994) and their right to vote (1998), which shifted the policy orientation axis from the domestic-national to the diaspora one. However, as a whole, between 1994 and 2007, and as Jokisch (2007) points out, control and protection were the focal points of Ecuadorian immigration policy\textsuperscript{16}. In 2007, the National Secretariat for Migrants (SENAMI) was created, with a National Plan for Human Development of Migration (2007-2010) as a route map. This proposal constitutes the formal change of orientation of the migration policy in Ecuador, now based on four guidelines: interculturality, development, return and linkages. In 2008, a new Constitution was approved. The current foundation of migration policy can be found there, conceiving the country as intercultural and plurinational, and starting to delve into the concept of universal citizenship. Migration is explicitly approached in 7 of the 9 titles of the Constitution, and specifically in 58 articles.

The timing between the National Plan for Human Development of Migration (2007-2010) and the constitutional reform of 2008 implied some sort of legislative vacuum or inaccurate timing, as the specific executive plan came earlier than the fundamental principles which would support it. In January 2017, the National Assembly approved the Organic Law of Human Mobility. This law codifies all normative initiatives approved by the country from 1970s onwards. This law aims to reduce and optimize the migrant categories, prioritize family

union, and to generate visa procedures based on the principles of celerity, equality, regional decentralization, and simplified procedures.

Following a similar pattern than Argentina’s Decree 79/2017, the Ecuadorian government submitted a proposal for reform of the Organic Law of Human Mobility. Through it, a new migrant category would be created (risky migration, associated to undocumented, irregular migration), making more expedited the process of expulsion of risky migrants associated with criminal activities.

1.4 Paraguay

In historical terms, the immigration profile of this country has different patterns to the rest of the countries of the Southern Cone, and is perhaps closer to the Ecuadorian case, since it was not subject to massive immigration waves from Europe. According to population censuses, by 1992, the population born abroad represented 4.6% of the Paraguayan population (191.000), and by 2002 there had been a net drop in both the number of foreigners (173,176) and the percentage of foreigners in the population as a whole (3.4%). When analyzing the estimates of the United Nations Population Division, it can be seen that the most outstanding increase in the foreign population in Paraguay occurred between 2005 and 2015, when the population went from 187,400 (1.4%) to 387,500 (2.4%), that is, more than 200,000 people. Currently, with a slight reduction, it is estimated that there are 381,500 foreigners in the country, with an average age of 28.4% and a female participation of 48.3%. Apparently, the economic context (high and stable economic growth, low fiscal deficit, stable exchange rate and a trade policy orientation to become a regional hub) has favored foreign direct investment and foreign immigration. This can also be associated with the enactment of Law 442 of 2011 or Migratory Amnesty.

In November 2015, by Decree 4483, Paraguay modified Law 978 of 1976, known as the Migration Law, and approved the new National Migration Policy, seeking to adapt the earlier regulations to contemporary elements such as human rights, labor rights, family reunification and return migration, features which did not exist in Law 978. The new law was generated as a plural effort of the Paraguayan government (General Directorate of Migration and National Migration Policy Team) and 43 representatives of other state entities, academia, entrepreneurs (Industrial Union of Paraguay - Rural Association of Paraguay) and civil society representatives. It may be said that a migration policy was not really defined in this process, but rather, definitions of some aspects and contents that immigration management should have for economic and social development were reached. However, Paraguay has signed some agreements, both public and private, for the coming of senior experts with some European countries and for specific programs, especially in the industrial sector.

Interestingly, when reviewing the studies that analyze the historical evolution of immigration in Paraguay (Souchaud’s analysis is particularly useful), it is clear that both Paraguayan society and public policy have always been open and proactive towards foreign migration, so there hardly are any references towards a security migration orientation, something that we clearly found for the remaining countries analyzed. There is not a notable reorientation based on constitutional guidelines or even a change in them. However, the Paraguayan government itself recognizes the occurrence of high immigration dynamics,

18 Eguiguren, M. (2011). Immigration subject, crisis and state guardianship. FLACSO
despite of a lagging institutional context, and on the absence of what can be considered a modern immigration policy\textsuperscript{19}.

1.5 Uruguay

At the end of this review of international immigration processes and consolidation of national immigration policies, it is very useful and interesting to review the historical process of Uruguay. The population of this country has been facing a decreasing foreign incidence (permanent immigration inflows, yet decreasing in numbers). Through this phrase, we try to resume a process which began in the late nineteenth century, stimulated by a public policy that in the 1950s came to be called "transplanted population"\textsuperscript{20}, which privileged immigration of European origin. The size of this immigration process seems rather low in relative levels when compared to, for example, the Argentine experience, but it constitutes a clear feature of Uruguayan population. Immigration started losing force from the mid-1950s, with the stagnation of the national economy, which actually led to the 1960s to the emigration of Uruguayans and the reflow of foreign migrants to their countries\textsuperscript{21}. This process became accentuated by the coming to power of the civil-military dictatorship in 1973. In the words of Pellegrino\textsuperscript{22}, "... in the second part of the twentieth century, Uruguay went from being a country receiving migration to become a net expeller of population."

In the recent years, this prevailing trend of Uruguayan emigration has been reduced and there has been a relative increase in immigration to the country. Nevertheless, the long-term demographic dynamics of Uruguay generated, in the first decade of the 21st century, the clear fear of a “demographic bomb”: population growth stagnation due to the convergence of low fertility, low mortality and high emigration. This led to the public policy consensus that immigration was the most responsive, short-term demographic tool under the reach of public policy\textsuperscript{23}. The diagnosis was clear: "since the 1960s Uruguay is a country that is purely expelling people from its territory, and at the same time it has not had explicit population policies that seek to orientate populations"\textsuperscript{24}.

The current immigration landscape in Uruguay shows a net reduction in the stock of foreigners: in 1990 it was estimated that there were 98,100 foreign residents in the country (3.2% of the total population), which was the highest level found in the last 30 years: by 2019 it is estimated that there are 81,500 foreigners (2.4% of the population as a whole). There is female predominance (54.6%) and the average age is the highest of the populations analyzed (40.5 years of age on average).

Except for specific initiatives of contact with Uruguayans living abroad, and return policies (The National Repatriation Commission of 1985, the Linkage Program with Highly Qualified Uruguayans living abroad, associated with the National Commission for Linkage with


\textsuperscript{24} Pellegrino, A., Calvo, J. (2007). What to do with the population in Uruguay, Uruguay Agenda 2020, Arocena, R., Caetano, G. (Eds.).
Uruguayan Residents abroad, 2001), the emergence of a comprehensive vision of immigration policy can only be traced back to the government of Vásquez (2005-2010). On it, and based on a Human Rights approach, the relationship with Uruguayans abroad comes from a political rights base, aimed to provide them with electoral rights. Consequently, inside the context of what the Vasquez administration called the New Migration Policy, the Migration Law 18250 was approved in 2007. This law was a key factor on the design and approval of the National Framework on Migratory Policy (Resolution 576 of 2016). This policy explicitly acknowledges as one of its targets, the protection of basic human rights of immigrants, among different aspects with a National Security immigration approach.

1.6 Concluding Remarks

Two main immigration policy approaches are found among the countries reviewed. The National Security Approach was the first one adopted by them, which eventually has been evolving to include the Human Rights approach. However, all the countries analyzed currently have policies which aim to combine adherence to the basic human rights standards, and at the same time promoting sovereignty and security.

All the migration policies reviewed focused on political rights and duties, and their labor market considerations are transferred to their respective labor laws and codes.

Impact of migration policies on business

Regarding the possible impact of migration policies on business, some interesting features may be outlined: (i) an introduction of demand-oriented location for migration in Argentina, aiming to address rural demographic imbalances in some areas of the country, or skill gaps in other (mostly related with medical doctors and oil-industry engineers), (ii) the acknowledgment of the importance of flexible migration regimes on attraction of foreign investment in Paraguay, (iii) the requirement of up-to-date migration legislation to address immigration flows in Chile, (iii) the usefulness of immigration policy to face long-term demographic tendencies in Uruguay, (iv) the importance of a proactive, efficient, well-balanced migration legislation to get the best macroeconomic advantage of citizens living abroad and improve the regulatory power of law when dealing with irregular migration and humanitarian issues, as in Ecuador.

Venezuelan communities now represent either the first or second foreign communities in all countries reviewed.

Paraguay is the only country whose current migration policy came from active dialogue with the private sector.

Argentina is the country with the highest share of immigrants, and Chile is the one with the fastest growth of foreign population.

Currently, there is not a single country explicitly opposed to immigration. The biggest difference to be found among their policies is the degree of control which they apply towards their foreign populations. The most radical one, as far as today, is the Argentinean approach, mostly focused on expelling foreigners accused of criminal activities and regulating the places where immigrants can locate if they want to live in Argentina.
CHAPTER 2: Assessment of Migration Framework on Business

2.1 Introduction

The specific subjects of this chapter are the political / administrative profile of immigration frameworks and their intersection with labor policies. The scene for migration dialogue involves three levels (international, national, regional borders), subjects and actors. It is closely related to the degree of dialogue among stakeholders, mostly in the labor market connotations of such policy.

This intersection is a strategic space for a central dialogue: the one to be held between governments and the private sector. Immigration policy must intersect with labor policy, as most countries are included into a global economic system, and skill shortages and short-term seasonal low-skilled shortages can be confronted through labor immigration. In the long run, prospective landscapes of the labor market and technological innovation are closely integrated to high-skill immigration. On this chapter these issues will be approached. In the first section, detailed considerations regarding the five countries’ immigration guidelines, procedures and criteria are presented. The second section highlights the current state of national skill monitoring policies, as the environment where skill shortages are diagnosed and faced. The third part presents concluding reflections on the relationship between immigration and labor policies.

2.2 Immigration Frameworks

2.2.1 Argentina

As described on chapter 1, Argentina’s immigration policy follows the guidelines established in the 2003 Migration Law (Law No. 25.871). This law draws the fundamental political lines and lays the strategic foundations in the field of immigration, in compliance with the international commitments assumed by Argentina, regarding human rights, integration and mobility of migrants. The fundamental legislative framework is composed by this law and Decree No. 616/2010. The institutional coordination and enforcement belong to the National Immigration Office of Argentina’s Ministry of Interior and Transportation.

In order to be able to work, any immigrant requires a residence permit from the Immigration Board. Labor immigration regulations are related with two main categories: permanent residency workers and temporary residency workers. Residence permits can be either obtained through an application at the nearest Argentine consulate in the country of origin, or by entering the country as a tourist and requesting a change in immigration status. If the applicant prefers to apply for a permanent or temporary residence permit at the consulate, the request must be preceded by the issuance of an entry permit approved by the Argentine Immigration Board. The request for this permit may be filed at the Immigration Board through a third party on behalf of the applicant. Permanent residency is only available after temporary residency being held for at least three years.

Temporary residence may be granted for a period of up to one year, eventually renewable for another one. To apply for a temporary residence permit to work in the country, the applicant must be sponsored by a local company (future employer), and must provide...

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birth and eventual marriage certificates, certificates of clean criminal records, and his/her family must provide personal data and documents. This future employer company must be registered to sponsor foreign applicants at the Registry for the Sponsorship of Foreign Expatriates (RENURE). Registration to RENURE is obtained by filing corporate information and documents.

Regarding Mercosur nationals (citizens either born or naturalized in Uruguay, Peru, Paraguay, Chile, Ecuador, Colombia, Brazil, and Bolivia), they may apply for either permanent or temporary residence permits, without having to provide a local company sponsorship. The Argentinean government created a special migration program for Venezuelan citizens (Disp. 594/2018 and 520/2019) aimed to facilitate or exclude these immigrants from specific procedures or requirements. This program joins the special regulatory frameworks for Haitian (Disp. 1143/2017) and Syrian immigrants (Disps. 3915/2014, 4499/2015, 4683/2016 and 1025/2019).

The most recent regulatory advance on immigration policy has been the implementation of RadEX (Remote Filing System for Foreigners – Sistema de Radicación a Distancia de Extranjeros). This system has brought several advances: (i) less paperwork, as it is based on digital documents, (ii) credit card payments, (iii) expedited shift procedures (including a fast-line shift payment). These advances have provided business with more fluent skilled labor migration procedures. However, well-off and qualified migrants have benefited more of this reform (it requires both monetary resources and digital skills). Perhaps the advantages of RadEX led to over-optimism: for year 2018, the Argentinean National Direction for Migrations (ANDM) promised resolution for 221,000 immigration requests, but between November 2018 and April 2019, in RadEX first six months of performance, it had only provided resolution for 17% of the 63,500 immigration procedures registered (11,103 requirements).

From the private firms’ point of view...

From the private firms’ point of view, the current regulatory framework for immigration in Argentina shows a mixed landscape. Due recognition has to be made to administrative improvements on procedures which allow companies, officially established in the country, to develop more expedited labor immigration procedures. However, there remain underlying legal structures which prevent a more fluent interaction between private sector and immigration procedures. Labor contract law was signed in 1974, and it is based on a rather vertical dependence structure between the employee and the company hiring her services. As said, only companies incorporated and based in Argentina, and registered with the National Registry of Foreign Requesters (RENURE) may apply to the ANDM for temporary or permanent residence permits to foreign nationals (non-Mercosur members). Nonetheless, the current landscape of company ownership and economic and legal relations between companies has created a more complex labor interaction than the vertical one, prevalent in 1974, when labor contract law was approved, and this present landscape is not reflected in the inflexible labor regulation related with qualified workers’ immigration.

In Argentina, as in many other countries, it is very frequent that, in projects such as large energy-wind, mining, oil or software projects, the assistance of technicians or highly-skilled specialists is required. This human resource is attached to international companies with technical, economic, relations with the Argentinean firm developing those projects. These employees of "contractor" companies, which obviously do not have subsidiaries in Argentina, could only obtain authorization to provide remunerated tasks in Argentina, if the
local Argentinean company requests the ANDM to grant these temporary residences. The operational need of the company that requires the presence of these technicians is usually imposed, and residence permits may be processed for third-party employees. The problem arises from the point of view of the scope of labor regulations, as the Argentine company would not be willing to register contractor employees as direct employees in a labor dependent relationship. It obviously brings increasing red tape transaction costs and potential operative and productivity losses.

In recent years, in terms of social dialogue regarding immigration policies, new actors have been involved in the formulation and implementation of migration policies in Argentina, such as international organizations and representatives of civil society. However, (i) these organizations bring their own thematic agenda, and (ii) the private sector has not taken the leading role in this regard and its demands have not been met. There are numerous points of inconsistency between labor, immigration, social security, tax and even corporate legislation that further complicate the immigration processes promoted by the private sector and, in particular, the one of qualified immigration. The lack of participation of the private sector was evident in recent years where the country promoted a new stage of commercial trade opening, without having generated systems that could optimize and streamline immigration processes to take advantage of this openness, and without permanent dialogue mechanisms to accompany and facilitate this process from a labor migration policy perspective.

The Argentine legislator should enact laws which allow to integrate both the immigration system and its current regulations, with updated labor and social security regulations. This, in order to assure companies requiring technical and professional assistance of foreign nationals, with the possibility to comply an accurate legal regulatory framework without fear of hefty fines or significant losses.

2.2.2 Chile

Administrative immigration procedures for working purposes fall into the migration category of Temporary Residence Subject to Labor Contract (Work Visa). This kind of entry permission allows the immigrant only to perform a specific work/task, the one which he/she has been hired for. This kind of temporary residence last for up to two years. As for the Argentinean case, this visa requires a letter of sponsorship issued by the future Chilean employer, a copy of the working contract, copy of academic degrees, among other administrative documents. Work visas are related with circumstances where the length of stay would be longer than a year. At the end of this period, the immigrant could apply for a Permanent Residence visa.

A proportionality regulation from the Chilean Labor Code requires that at least 85% of a firm payroll must be composed by Chilean citizens. Technicians, whose profiles cannot be found among Chilean workers, expatriates with more than five years of residence in the country and those immigrants who are married to Chilean citizens are excluded from this regulation.

Going into detail in the specific consequences of the current immigration framework in Chile, there are situations that are not covered by the current system of work permits and visas, or that, even them being covered, imply impractical, expensive and cumbersome circumstances. For those people who came into the country under a Tourist Visa, the exceptionality of the authorization to work requires that those of them who would wish to
work, should undergo the request of a special work permit every 30 days, and each renewal has a cost of 150% of the value that would be paid for a Visa Subject to Labor Contract. As an alternative, the candidate is required to apply for a residence permit for 1 or 2 years, a compulsory period which most of the times does not reflect the temporary length that the visitor would like to remain in Chile. This situation was aimed to be resolved through creation of a new immigration category in the Migration Law Project presented by President Michelle Bachelet to Congress in 2017. However, this project did not prosper through parliament. The Bill currently being processed in Congress maintains the exceptional work permit for tourists and does not provide for an alternative permit for this situation. As an option, in April 2018, Chile introduced two types of visa with the intention of promoting foreign investment and to attract highly trained foreigners: the Opportunities Visa and the National and International Orientation Visa. However, practical implementation of these visas has been handicapped by some arbitrary limitations and requirements such as specific language, place of residence, and priority for certain occupations (whose selection criteria is very difficult to find). As a whole, the Opportunities visa was criticized as being a replication of the Australian and Canadian scheme of oriented, points-based immigration, which do not reflect the specificities of Latin American migration. As a whole, then, practical implementation of these initiatives did not reflect the spirit declared by the government: to provide highly skilled individuals the temporary option to work and reside in Chile. The basic administrative procedures of these visas would imply an application process from Chilean consulates abroad.

The Tech visa initiative

According to the report “Immigration and Labor Rights in Chile: foreign workers and current regulations in context”, published in 2019 by the Chilean Directorate of Labor, there is a high rate of occupation of the immigrant population, similar to the one of national population, but the foreign labor insertion in jobs of high qualification is scarce. Foreign workers are mainly located in industries as services, trade or unskilled jobs, and only a low percentage of them are employed in highly qualified jobs.

In terms of the active participation of employers in the public dialogue of migration policy, it may well be said that the participation of the private sector in the definition of Chilean immigration policy has been relatively passive during the last 40 years. This is rather surprising, given that the political context has always been open to private sector involvement, and the numerous initiatives of involvement of private sector on immigration

26 For example, all through the legislative discussion of the Immigration and Immigration Law Project (Proyecto de Ley de Migración y Extranjería, 2013-2018), the Senate invited representatives from certain sectors of the private sector to provide their comments and proposals for future immigration regulations.
practices that can be identified (see Chapter 3). Given the current approach to labor immigration from local companies in Chile, it is essential to create a participation mechanism that takes into account the voice of employers’ groups. The leading role must come from the private sector, as the public approach to immigration dialogue is rather confusing. The Migration Advisory Council, created in 2015, and aimed to bring together different entities related to the issue of migration in Chile and to generate immigration policy inputs, was dissolved in 2018 and replaced by an Advisory Council to the Undersecretary of the Interior. Whereas the latter deals with some issues related to the Department of Migration, it is also related to the National Emergency Office and the National Drug Policy Service. This situation does not allow to delve into the immigration issue with the due depth and responsibility it would deserve. The creation of a permanent channel of participation and involvement of private sector in the immigration policy would allow for a fluid, transparent interaction between the public administration and the private sector, is still absent and has not been contemplated in the short term.

2.2.3 Ecuador

As mentioned in Chapter 1, following the principles of the 2008 Constitutional Reform, in 2017 the Organic Law of Human Mobility entered into force, including the public policy of “open borders” which allows to the majority of foreign citizens to enter Ecuador only with their passport (or an identity document for the case of neighboring countries citizens), and stay up to 180 days in such immigration status.

As a whole, regarding immigration policy and its labor connotations, it is compulsory for every foreigner willing to work in Ecuador to obtain an authorization from the National Director of Employment and Human Resources. From the economic inception perspective, immigrant Visas are granted to companies who hire local agents who possess power of attorney to represent them in Ecuador, to contracted technicians, professionals with university degrees recognized by a national university, real estate investors, and potential investors on exports. The country grants 25 types of visas to foreign citizens who want to stay in the country, and they are divided into three large groups: temporary visitors (2 types of visa), temporary residents (16 types) and permanent residents (7 types).

All temporary visas have the same basic requirements, and among them, criminal record certificates (country of birth and Ecuador) are the most prominent ones. Under the temporary visa category, the most pertinent (related with work in Ecuador) types of visas are the Professional / Technician, and Work Visa. The first one does not require specific employment arrangements. However, the Work Visa requires both the labor contract and its registration certificate (SAITE – Integral System for Work and Employment Administration). Once the immigrant has received either temporary or permanent residency through a work visa, her employer must keep a detailed register of all its foreign workers. These conditions would imply a situation similar to the one described for Argentina, where a prevalent vertical subordination structure between the immigrant worker and the Ecuadorian company is required, thereby restricting short-term labor immigrant procedures not strictly attached to the basic structure of a labor contract (the temporary immigrant could be attached to a foreign technical company, and thereby the economic contract would not be a labor one, but a service contract).
Requirement of a consular visa prior to entering the country has been established for certain nationalities. For most of these nationalities, the reason to implement consular visas has been to protect these citizens from the plight of unethical and illegal migration practices or at the request of international organizations; for the case of Venezuelan citizens the aim was to regulate the unusual and unprecedented scale of their immigration. A proposal to reform the Organic Law of Human Mobility of Ecuador was presented on July 29, 2019 to the National Assembly for both discussion and eventual approval. If there is a political will to urgently approve such reform, the approval process may take up to 6 months. The proposal aims to introduce these changes:

- To create a new “Acts of Commerce Visa” for foreign nationals seeking, among other activities, to conduct business and technical activities in Ecuador, for a period that would last for up to 180 days;
- To eliminate travel restrictions for temporary residents in Ecuador;
- To create stricter eligibility rules and travel restrictions for permanent residents; and
- To replace the UNASUR Temporary Visa for Countries of South America, with a visa which would provide access to South American non-UNASUR nationals.

2.2.4 Paraguay

In Chapter 1 we presented the historical process which led, through to Decree 4483/2015, to the creation of the Paraguayan National Migration Policy. Nonetheless, it must be emphasized that this policy is mainly a declaration of fundamental principles and an acknowledgment of the legislative lag of the Paraguayan immigration policy. This decree does not derogate any previous rule, and thereby, immigration procedures are still attached to the guidelines of Decree 18.295/1997.

As a whole, the admission, entry, permanence and exit of foreigners in the Paraguayan territory is governed by the provisions of the National Constitution and Law 978/96, the “Immigrations Law”, and regulated by Decree Nº 18.295 of 1997. The purpose of this last regulation was to promote the population profile and work force flow required by Paraguay. Law 978/96 created the Immigration Office, which still remains in charge of the execution of national immigration policies.


28 See Fragomen Technical Note: https://www.fragomen.com/insights/alerts/proposed-immigration-reforms-under-legislative-review
In Paraguay, foreign nationals admitted as non-residents neither can work by their own account nor engage in a labor relation, without being expressly authorized by the Immigration Office to do so. As a whole, foreign nationals may be admitted under the following categories: residents and non-residents (tourist or business visa).

Under the category of permanent residence, foreign nationals can enter Paraguay to reside and to carry out any activity that the Immigration Office consider useful for the development of the country. The immigrant with permanent residence must obtain a Paraguayan identification card. Once admitted, these foreigners may remain in the country for an indefinite period of time, unless they incur in one of the causes that result in the cancellation of the residence or expulsion from the country. The duration of the permanent residence document is 5 years, renewable for equal length periods.

Compared with the remaining countries reviewed in this study, it may well be said that Paraguay does not have an immigration policy to be called as such, only a set of administrative immigration procedures. There are facilities for companies to obtain visas for senior management workers as well as specialized technicians. But they must be requested on a case-by-case basis and the migration management makes the decision.

### 2.2.5 Uruguay

As most of the countries whose labor immigration procedures have been reviewed, Uruguay also applies the temporary / permanent residence criteria to immigration procedures. Specialized technicians and prospective employees who will work for either national or foreign companies can obtain temporary residence for a period up to 6 months, which can be renewed for another 6 months. As far as this review could identify, no criminal records are requested for this procedure. Nonetheless, either a copy of the labor contract or employer letter is required. The labor contract does not have a compulsory registration system as Ecuador have. If the circumstances require for the immigrant to remain in Uruguay for more than a year, she must obtain her permanent residence, by submitting several documents and information to the Migration Authority.

Once the temporary / permanent profile of the visa has been defined, the required are the health and sanitary certificate (from the country of origin, for the temporary case), the contract or employer letter (as a basic entry requirement for the temporary visa, and as a proof of income for the permanent one), the I.D. document (from the country of origin for the temporary residence and eventually, an Uruguayan I.D. for the permanent residence), and the Health Certificate (for the temporary residence, provided by the country of origin—given by the Uruguayan Ministry of Health for the permanent residence). Given the features of its social security system, the Uruguayan I.D. is a key procedure. A temporary I.D. is provided after the Migration Authority allows for temporary residence, through a certificate for ID. Once a permanent residence has been granted, a permanent Uruguayan I.D. may be obtained. Analyzing these processes, and without finding a specific normative explicitly saying so, it can be concluded that permanent residence can only be obtained after temporary residence, which is the case for most of the countries we have analyzed.

Some activities explicitly hold restrictions for the share of foreigners working on them. For Uruguayan airlines the whole crew must be Uruguayan, and, as a whole at least 75% of employees must be Uruguayan citizens. For Free Zones, in order to obtain tax and custom benefits, 75% of employees must be Uruguayan citizens.
2.2.6 Free Trade Agreements: Andean Community and MERCOSUR

In South America, the widest system of regulation of labor mobility is provided by two trade agreements with migration implications: the Andean Community and the Southern Common Market (MERCOSUR). However, we will focus only in MERCOSUR, given the fact that only one country (Ecuador) of the five countries reviewed for this report (Argentina, Chile, Ecuador, Paraguay and Uruguay) belongs to the Andean Community, whereas three of them (Argentina, Paraguay and Uruguay) are members of MERCOSUR.

For Bernal et Al (2015), the incomplete implementation of the labor immigration connotations of these agreements, combined with the prevalence of bilateral agreements and contradictory national labor regulations have made “...the law applicable to labor mobility in most of South America a veritable pluralistic regime”. For the authors, this pluralization arose from the contradictory and heterogeneity of the South American labor mobility communities of practice: different actors, with different views of the labor regime, pursuing contesting and heterogeneous goals.

Focusing only in MERCOSUR, and regarding the current landscape of migration for this regional integration scheme, it is important to remember that trade policy was the original purpose of this scheme of regional integration, and it has been followed by labor migration and migration related to human rights.

The sequence of this process follows the rationale of trade agreements: movements of goods, provision of services and, eventually, specific regulations on immigration. Regarding provision of services, the General Agreement on Trade in Services (GATS) of The World Trade Organisation (WTO) considers an explicit framework of four modalities: cross-border supply of services (Mode 1), consumption abroad (Mode 2), commercial presence (Mode 3) and presence of natural persons (Mode 4), being this last one the labor migration related with provision of services across borders. This framework follows closely the categories considered by ILO as working activities aimed to generate income (subordinated, waged employment and self-account work), refers to two wide categories: (i) business visitors or independent foreign professionals (usually attached to specific industries or sectors) and (ii) transference of employees attached to multinational companies (including technical staff and managers).

From the initial focus on free trade, the immigration regulatory structure of MERCOSUR has been continuously evolving. Despite of the fact that the seminal purposes of the 1991 Asunción Treaty did not explicitly established an institutional structure for labor issues, the Subgroup of Labor Relations, Employment and Social Security became a discussion forum for regional labor immigration policies. According to Moreno (2017), the MERCOSUR cornerstone for regional labor immigration in Latin America is the Agreement on Residence for Nationals of the States Parties and the Associated States of MERCOSUR (signed in 2002 and in force since July 2009), whose objective is to facilitate resident status in cases where those that migrants can prove citizenship of any of the States Parties (including all countries from South America, except Guyana, Suriname and Venezuela). Immigrants under this Agreement are initially granted two years of temporary residence with the right to work, and subsequently obtain permanent residence. All through these two years of residence, working migrants should enjoy equal treatment as citizens of the host country do, regarding working conditions, wages and social security.
OIM’s report on this residence agreement\textsuperscript{29}, suggest a process of convergence between its fundamentals and national immigration frameworks, as now they include some principles of the basic agreement guidelines (Argentina, 2004; Chile, 2015; Ecuador, 2011; Paraguay, 2008; Uruguay, 2005)\textsuperscript{30}. It is important to emphasize that an active dialogue with private sector has been paramount to achieve this convergence between national immigration frameworks and the 2002 Agreement on Residence for Nationals (IPPH, 2014), given the fact that permanent dialogue is a methodological principle of MERCOSUR. Nonetheless, it is important to emphasize that the MERCOSUR resident agreement, as based on human rights, has provided economic inception to immigrants on the basis of deserving basic equal treatment. The wide adoption of MERCOSUR residence arrangements for its country members is depicted in Table 1.


\textsuperscript{30} OIM (2018), p. 32.
Table 1. Residence Arrangements for MERCOSUR Members

<table>
<thead>
<tr>
<th>Migration Issue</th>
<th>Criteria</th>
<th>Argentina</th>
<th>Brasil</th>
<th>Chile</th>
<th>Ecuador</th>
<th>Paraguay</th>
<th>Uruguay</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residences Based on Nationality (e.g. MERCOSUR)</td>
<td>Does this country have this type of visa?</td>
<td>Yes.</td>
<td>Yes. Mercosur Visa. Residence Visa for border countries that are not part of Mercosur.</td>
<td>Yes. Although Chile is not a State Party to Mercosur, but is an Associate State, through Circular N ° 264645, dated 12.04.09, of the Undersecretary of the Interior, which stipulates that a temporary resident visa will be granted for one year, extendable for the same period to Argentine, Bolivian, Brazilian, Paraguayan and Uruguayan citizens, who are in Chile, regardless of the activity they come to do, provided they do not have criminal and / or criminal records.</td>
<td>Yes.</td>
<td>Yes. There is the temporary residence Mercosur and the permanent residence Mercosur.</td>
<td></td>
</tr>
<tr>
<td>Suitability requirements regarding competencies and qualifications (e.g. education, certifications, years of experience, etc.)</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Should there be correspondence between the competences and the position and functions to be developed?</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>No.</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Does this visa allow a change of status to permanent residence after a certain period of time?</td>
<td>Yes, it allows after obtaining a temporary residence valid for two years. In the case of Brazilian nationals, it also allows it without having previously enjoyed this requirement.</td>
<td>Yes, the initial visa is valid for 2 years and then a change to an indefinite residence visa can be made. If, after a year with this temporary residence, permanent permanence can be requested, and after two years with this type of residence, definitive permanence must be requested.</td>
<td>Yes, it must be applied to permanent residence at the expiration of Mercosur.</td>
<td>Yes. It is possible to make a change of status from temporary residence Mercosur to permanent residence.</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Fragomen (October, 2019).
This landscape of immigration regulations will be challenged and modified by the effects of another free trade agreement. By the end of June 2019, the end of negotiations of the EU-MERCOSUR Association Agreement was announced, being now pending for signing. This free trade agreement has gone beyond the four modes approach to trade in services of GATS-WTO (and the standard approach to trade in services of most free trade agreements31 by providing rules regarding the movement of foreign professionals for temporary allocations and licensing procedures for some specific services. Section 2 of this new free trade agreement deals with temporary labor migration32. For key personnel and graduate trainees the conditions are the following: the period of time required for the fulfilment of the contract and up to 3 years for intra-corporate transferees, up to 1 year for graduate trainees, 60 days in any twelvemonth for business visitors, and business services sellers (up to 90 days in any twelve month period).

Regulations related with contract services suppliers and independent professionals are perhaps one of the biggest innovations and improvements to solve the bottlenecks that have been identified, regarding short-term immigration of skilled human resource. This are the specific conditions required to provide independent professionals and contractual services suppliers33:

(a) The juridical person employing the natural person must have obtained a service contract for a period not exceeding twelve months.

(b) The natural persons entering the other Party (country) must have appropriate education or experience relevant to the service to be provided.

(c) The natural person shall not receive remuneration for the provision of services other than the remuneration paid by the contractual service supplier during their stay in the other Party.

(d) The temporary entry and stay of natural persons within the Party concerned shall be for a cumulative period of not more than six months in any twelve-month period or for the duration of the contract, whichever is less.

(e) Access accorded under the provisions of this Article relates only to the service activity which is the subject of the contract; it does not confer entitlement to exercise the professional title of the Party where the service is provided.

According to the review of national immigratory frameworks, and given the geographic coverage of MERCOSUR, Argentina will clearly be the country which may benefit the most of the new labor immigration brought by the EU-Mercosur agreement, as it explicitly contains regulations which would allow to circumvent the bottleneck generated by the lagging labor contract law and its emphasis on Argentinean companies being the sole mean to incept foreign human resources (the new regulations are attached to service contracts, not to labor contracts, which can be burdensome and slow to obtain and legalize). Nonetheless, the connotations of the labor immigration

31 European Commission, 2019; Rocha, 2019.
32 Entry and temporary stay into the territories of the agreement of key personnel, graduate trainees, business services sellers, contractual services suppliers and independent professionals.
33 European Commission (2019), Section 2.
regulations brought by the agreement will surely have a positive impact for Paraguay and Uruguay as well, despite of the fact that difficulties on providing firms with foreign skilled labor have not been identified there. Chile’s situation, however, will not fall under the considerations of this agreement, and probably this situation will affect the country’s profile of competitiveness.

The EU-Mercosur agreement is both a window of opportunity and a risk. Given the fact that it provides a regulatory framework for specific labor migration profiles, it may very well become an external influence to solve an internal situation: via multinational European firms, the Mercosur countries involved in the agreement (Brazil, Paraguay, Uruguay and Argentina) will have legal, regular access to skilled labor through a legislative supranational framework which will superimpose the interests and goals of an economic block (Mercosur) to the contradictory mixture of lagged labor policies, and lack of private sector initiative and leadership which have been the main feature found in the immigratory frameworks reviewed here. The risky side of the implementation of the agreement is clear: an increase in red tape regulations attached to subjective interpretation of criteria and conditions (administrative definition of “appropriate education or experience relevant to the service to be provided” under the control of unqualified migration officials). Despite of the fact that this may be a very likely outcome of the national implementation of the agreement, its own foundations bring in a higher, more powerful mechanism of enforcement, as multinational European firms involved on procedures can resort to the European authorities looking for fluent and proactive immigration regulations under this new agreement.

2.3 Labor Market Policies regarding Skills shortages

The issue of skill shortages has become increasingly important among labor market policies, and actually, measurement approaches to them have become a paramount input for national competitiveness rankings\(^\text{34}\). Studies about the persistence of structural unemployment (the lack of correspondence between the human capital profile of the long term unemployed and the unfilled vacancies) have noticed that a big share of this kind of unemployment is explained by skill shortages\(^\text{35}\).

ManPowerGroup, the human resources consulting firm, carries out an annual Global Talent Shortage survey. This survey measures the level of difficulty that employers in any given country are experiencing when it comes to finding employees who have certain skills\(^\text{36}\). Despite of the fact that having a comparative perspective is already useful, the results of this comparison can be worrisome: Argentina’s results show that 52% of its employers say they face difficulty in finding skilled labor for open positions, a relative improvement compared with 2016 results’ (59%, ranking in the Top 10 globally for difficulty in finding talent). From the five countries reviewed in this

\(^{34}\) See The Hays Global Skills Index, and the Programme on Skills for Competitiveness (Organisation for Economic Co-Operation and Development (OECD) Local Employment and Economic Development (LEED) Programme).


\(^{36}\) https://go.manpowergroup.com/talent-shortage#thereport
document (Argentina, Chile, Ecuador, Paraguay and Uruguay), only Argentina can be found among the 43 countries where the 2017-2018 Survey was applied. ManPowerGroup’s guidance is clear: “Go to external market to find the best talent that cannot be built in-house in the timeframe required”, i.e. to stimulate skilled labor immigration.

The Hays Global Skills Index focuses on providing a comprehensive overview of the professional global labor market for 34 economies\(^\text{37}\). The index is a combined estimation of seven indicators (education flexibility, labor market participation, labor market flexibility, talent mismatch, overall wage pressure, wage pressure in high-skill industries and wage pressure in high-skill occupations). From them, the Talent Mismatch is the most prevalent for the purposes of this document. Only Chile is featured on this skills measurement index, and its data show that the unfilled job vacancy rate has fallen in Chile and is now well below its historical average.

### Skills-related policies

The public policy and current situation of national skill-related policies have been reviewed for all five countries included on this report. It has focused on three different criteria: country-case reports about skills mismatch, regional studies and benchmark rankings on skill shortages\(^\text{1}\). The main conclusions of this review (and of this section as a whole) are: (i) the countries analyzed don’t seem to have the accurate national statistical capacity required to analyze skill shortages, (ii) national policies, thereby, have a reduced capacity of diagnosis and public policy formulation on the subject, and (iii) national skill policies are scant, have reduced industry coverage, and suffer from the lack of up-to-date data. This is a bothersome outlook by itself, but the national skill policies reviewed could be improved if the national labor policy could start a prospective dialogue with the immigration policy. As Eichhhorst et Al. (2017) underline, specific policies aimed at facilitating the entry of immigrants in periods of high demand for skills lead to a situation where, as particular skills are short in supply, the entry of immigrants may alleviate shortages in critical occupations and sectors.


Given the current structure of immigration frameworks reviewed on this section, an accurate conclusion regarding its potential economic consequences is that the lack of dialogue between the immigration and labor policies, and between the public and private sector, all lead to clear losses and sub-optimal outcomes for all the stakeholders involved. Irregular workers are affected by abusive working conditions, and unfair labor incomes. Employers lose competitiveness and face short-term economic losses, given the skill and seasonal gaps they face. Governments, as a whole, are affected by the persistence of structural unemployment, the loss of aggregate competitiveness, long-term losses on welfare and social security sustainability (mostly due to informal employment arising from irregular immigration and its labor inception).

\(^\text{37}\) https://www.hays-index.com/
Table 2 provides a wide portrait of the relation between skills and immigration arrangements for the countries surveyed on this report. As a whole, this legal framework suggests (i) a high degree of uncertainty / subjectivity of the immigration process as related with productive skills, (ii) an administrative procedure more focused on security and control, instead of being oriented towards employment and economic requirements. There is not an orientation towards the requirements of labor demand, and thereby there is not a correspondence between the unfilled vacancies and the immigrant human capital profile (education, labor experience, specific skills), even despite of the fact that these vacancies cannot be filled by nationals. Finally, (iii) employment attachment leads to a very strict immigration status, as the work visa or residence permit cannot be extended if there is a change of job.
### Table 2. Work Visa / Temporary Residence Conditions

<table>
<thead>
<tr>
<th>Country</th>
<th>Suitability requirements regarding competencies and qualifications (e.g. education, certifications, years of experience, etc.)</th>
<th>Should there be correspondence between the competences and the position and functions to be developed?</th>
<th>Is there flexibility in the requirements in the case of transfers between companies?</th>
<th>Does this visa allow a change of status to permanent residence after a certain period of time?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>There are no minimum requirements by law, however, the immigration or consular authority may request additional documentation that certifies their suitability when deemed necessary.</td>
<td>No</td>
<td>No</td>
<td>Yes, it allows after obtaining 3 consecutive temporary residences.</td>
</tr>
<tr>
<td>Chile</td>
<td>Only Professionals or Technicians of Higher Level (careers with a minimum of 1600 academic hours): University degree apostilled or duly legalized. If the technical title does not indicate the number of hours taken, you must attach a certificate from the institution that certifies the hours, duly apostilled or legalized.</td>
<td></td>
<td>The flexibility in the requirements depends on the type of visa in question and whether the application is in-country or consular. For the Contractable Visa, it allows you to work only with the employer with which the employment contract presented in the visa application was signed. Any change in the employer must be reported to the immigration authority, and if the change is substantial, new employer change visa must be applied for. The temporary visa allows contractual freedom.</td>
<td>Yes, after 2 years with residence subject to contract you can request the definitive stay. After a year with temporary residence you can apply for the final stay, and after two years with this type of residence, you must apply for the definitive stay.</td>
</tr>
<tr>
<td>Ecuador</td>
<td>No</td>
<td>n/a</td>
<td>n/a</td>
<td>Yes, after 2 years of residing and working in the country under a visa subject to contract.</td>
</tr>
<tr>
<td>Paraguay</td>
<td>No</td>
<td>n/a</td>
<td>n/a</td>
<td>You can apply for a permanent residence from the beginning of the process</td>
</tr>
<tr>
<td>Uruguay</td>
<td>Letterhead issued by the Uruguayan company indicating the tasks that the interested party will perform and their remuneration. Uruguayan law does not require suitability requirements in terms of competences and qualifications.</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Source: Fragomen (October, 2019).
It is worth to emphasize that governments can/must address immigration issues on a joint approach with labor market policies. As we have seen, given some current approaches towards immigration in Chile, Argentina or Uruguay, regular immigration schemes can both reduce irregular migration and help solving demographic challenges and labor skills gaps (for the Chilean case, see Lafortune and Tessada, 2018). On the other side, the lack of accurate skill gap monitoring tools, and having too strict legal barriers to regular migration generate collateral effects over the labor market (Eichhorst et al., 2017): (i) the persistence of structural unemployment as skill shortages are not properly faced, (ii) increasing unemployment and labor informality, as irregular migration does not provide governments with the accurate human resources which the economy is requiring. Thereby, it is important to be aware that restrictive measures aimed strictly to prevent irregular would be adopted with the implicit trade-off of labor market worsening conditions.

Some countries’ experiences could benefit the design of specific profiles of others. Specific requirements applied to professional and technical work visas in Chile could be of great benefit as applied to the Argentinean case, reducing thereby the high degree of subjectivity of its administrative process’ requirements. It is clear that all countries could benefit of a higher degree of flexibility of regulations when the skilled immigrant changes its job. The outstanding emphasis on regulation of the immigratory status should give space to the labor considerations of recruitment of skilled labor, i.e. the change of job should not imply the requirement of a whole new administrative process in order to obtain a new work visa.

2.4 Immigration Framework and its Impact on Business: Concluding remarks

Immigration and its economic inception, obtained through labor relations, becomes expensive if it is not fittingly regulated. As ILO’s Global Report on Forced Labor (2009) states: “there is growing awareness that many present-day arrangements for recruiting temporary workers display serious deficiencies. In part, these derive from loopholes in the existing labor laws, which fail to articulate the respective responsibilities of recruiting agents and final employers in providing safeguards against abusive practices, including forced labor. There are also many cases where detailed regulations on fee charging are simply not enforced and workers can, in practice, find themselves paying ten times or more the maximum amount provided for in national laws and regulations”.

Through the development of the review of studies and country-case specific reviews of the relation between immigration regimes and their labor connotations, employers’ representatives of different industries in both Chile and Argentina emphasized the consequences of the lack of flexibility in the immigration regulations as related with temporary, seasonal shortage of low-skilled workers. During the GFMD Business Regional Workshop for South America, Manuel Hertz, representative of the

40 GFMD Business Regional Workshop for South America, Buenos Aires, 9-10 October 2019.
Chilean Sociedad Nacional de Agricultura portrayed the economic losses faced by Chilean agriculture companies when facing shortages of available workers for harvesting and picking activities, shortages which could have easily and productively been filled through immigrant labor force. Noriega (2016) links well-known scandals of labor precariousness among agriculture immigrant workers with the lack of accurate immigration policies to overcome the explicit shortage of agricultural workers (Chilean Agriculture Ministry, 2012). Noriega quotes as specific restrictions the maximum share of foreign workers allowed to companies with more than 25 workers (15%), the lack of short-term working visas, the need of a migration amnesty (regularization of irregular foreign workers) and the lack of visible, active involvement of the private sector on finding feasible migration arrangements: “an inflexible immigration regulation and the lack of private institutional arrangements which would bring the foreign labor supply closer to the demand of workers by the agricultural industry”.

Labor mobility, while being a positive development as such, comes at a price if it is not properly regulated. All across the world, a disturbing number of reports have emerged about the exploitation and abuse of workers, especially migrant workers, by unscrupulous labor recruiters and fraudulent and abusive employment agencies. In some cases, these abuses amount to trafficking in persons for the purpose of forced or compulsory labor. The ILO highlighted the relationship between inadequate mechanisms of recruitment and forced labor in its third Global Report on Forced Labor in 2009, stating that “there is growing awareness that many present-day arrangements for recruiting temporary workers display serious deficiencies. In part, these derive from loopholes in the existing labor laws, which fail to articulate the respective responsibilities of recruiting agents and final employers in providing safeguards against abusive practices, including forced labor.

Regarding immigration policy, and following M’Gonigle et Al (1994), legal regulatory decision making can be classified between two paradigms of regulatory decision making: the “preventative design” and the “permissive regulation”. This is related with the allocations of burdens of proof and legal standards for potential immigrants to comply to. The security / regulatory immigration approach suffers two kinds of statistical / policy errors: Type I and Type II. The first one occurs when excessive, burdensome and uncertain immigration procedures are unjustly imposed on an industry. The second one occurs when relaxed immigration criteria and procedures lead to irregular migration, human trafficking and abuses on permanent residence and citizenship. The historical emphasis on security approaches to immigration may very well have led to the creation of a regulatory framework which accepts the Type I economic costs of a strict immigration policy, compared with the political Type II costs of a relaxed immigration regime.

Labor immigration frameworks seem to be absent of theoretical foundations from the Chicago School of Law and Economics literature. They tend to ignore that business see skilled recruitment and immigration as ends of their purposes, and the geographic location of human resources as mean to meet those ends. The economic costs of restricted and inflexible immigration policies, when taking into account, call for a transformation of the criteria of burden of proof and legal standards, through flexible and proactive immigration regimes.
Regarding labor policy, the five countries whose immigration policies we have surveyed resort their labor considerations on the criteria provided by the labor law frameworks prevalent on each country. As Bensusán (2013)\(^{41}\) points out, the labor paradigm for most Latin American countries “…was predicated on the protection of dependent workers and associated with import substitution development strategies and industrialization centered on the domestic market”. However, as already has been mentioned, countries have evolved from the import substitution strategy to an open trade approach, and industrial relations are no longer characterized by direct, waged dependent employment relations. The labor regulation challenges of the gig economy and innovative star-ups must be taken into account as well. Vertical, dependent and waged labor relations between company and employee have changed, and labor contracts are no longer the most prevalent legal arrangement\(^{42}\). The ownership and structure of companies has evolved as well. This implies a challenging scene for labor law systems. Some countries seem to be evolving to innovative labor law paradigms, but as a whole, the old ways remain. This mean a radical challenge: labor law must change, so labor immigration regulations and procedures could evolve consequently.

The timings and procedures of immigration policies reviewed implicitly consider human resources management as having a stable and predictable character, skills and short-term shortages being an unlikely event. From the labor point of view, their orientation is rather reactive than proactive. Their labor policies are just starting to approach the challenges of skills-oriented policies on an aggregate level, and their national statistics systems are lagged both in terms of technology and design. Latin American countries have increasingly growth dependent on household surveys, which are supply-based instruments of labor market analysis, whereas companies have become more oriented to big data and online help-wanted advertisement. From all these, it is not surprising that labor immigration has a reactive character, as labor policy does not seem to have a strong prospective orientation. It is by fluent, evidence-based dialogue that private sector industries can permeate national labor policies, so governments can improve their regulation of labor markets, including proactive immigration policies among their main guidelines.

In the past, autarchic economies and their captive markets generated artificial competitiveness and comparative advantages, and thereby labor immigration could not have been a human resource strategic resource. But as most Latin American countries got incepted into the global economy through structural reforms of their trade policies, this comparison of cost is no longer tenable. Competitive, open economies can no longer bear the costs of preventative design immigration policies just for the potential fear of the consequences of permissive ones. Actually, there is enough maneuvering space for safe, orderly and regular immigration policies, the ones that Global Compact on Migration stands for.

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CHAPTER 3: Migration Regulatory Frameworks; Best Practices and Recommendations

3.1 Best Practices

Given its technical nature, this section is focused on thematic issues, instead of separated sections for each specific country, as have been custom for the previous sections of this document. The subjects reviewed here are: dialogue practices, and labor pertinence of migration policy / skills management policies.

3.1.1 Dialogue Practices

Paraguay’s new National Migration Policy (Decree 4483/2015, developed with the technical support of the International Organization for Migration - IOM), came as a plural effort of the Paraguayan government (General Directorate of Migration and National Migration Policy Team) and 43 representatives of other state entities, academia, entrepreneurs (Industrial Union of Paraguay - Rural Association of Paraguay) and civil society representatives.

Chile has established a joint program with the International Organization for Migration (Joint Strategy OIM – Private Sector 2016-2022). From it, three joint activities must be highlighted: the Labor Migration Forum “Private Sector and Labor Migration in the Maule region”, the Inter-Enterprise Table on Migration (an industry-specific approach to migration, with active participation of the Labor Directorate of the Chilean Government), and from them, the Project “Strengthening IOM / Private Sector Relations in Chile”.

Chile’s Presidential Instructive No. 5/2015 emphasizes the importance of involvement of social society on design and execution of migration public policies. A specific expression of this is the Civil Society National Consulting Council on Migration (Consejo Consultivo Nacional de la Sociedad Civil de Migraciones), with 20 members representing different social instances. However, this board does not include a representative from the private sector, a situation which, again, calls for higher involvement of the private sector in the consulting instances of the Chilean immigration police.

Uruguay’s National Dialogue for Employment 2012-2013 became a highly progressive and technical forum on structural challenges faced by the Uruguayan labor market. This initiative, promoted by the Uruguayan Ministry of Labor and Social Security, was a tripartite scenario of social and labor dialogue. There, a concerted discussion of immigration policies was contemplated as a tool to face the structural problems of labor supply suffered by Uruguay.

Chile’s Department of Migration and Immigration is implementing a digitalization plan aiming for the optimization of immigration processes and greater agility in the adjudication of applications. There is currently a digital system where

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43 Composed of 10 representatives of employers/regional/social organizations, 4 representatives of migrant attention NGOs, 4 representatives of migrant expert academia and 2 (no voting) representatives of international organizations.
foreigners can book immigration appointments online, and submit permanent residency applications. The Chilean government has expressed its commitment to reduce paperwork and administrative bureaucracy in its immigration processes, and expects that by 2022, 80% of these procedures will be completely digitalized.

The 2015 Final Report of Uruguay’s “Pilot Project for (re) integration of migrants into the Uruguay Labor Market” proposed a National Plan on Labor Migration. This plan would be a mean and a goal at the same time. As a mean, the plan would be a result of interinstitutional coordination and dialogue of NGOs, public and private organizations. As a goal, it would strengthen labor market institutions on issues related with migration issues.

Chile’s "Migrant Commitment" initiative, launched during the second half of year 2019, consists of an institutional recognition given by the State of Chile, through the Department of Foreigners and Migration (DEM) and the Directorate of Labor (DT), to those institutions, companies and unions that stand out for inclusion, intercultural approach and non-discrimination in its internal work-force composition, management, and relationship with the environment.

3.1.2 Labor Pertinence of Migration Policies

Chile is developing several initiatives addressed to provide conclusive and rigorous evidence on the (positive) impact of immigration for both labor markets and economic performance. These are:

- Industry-specific qualitative studies on the perception of entrepreneurs about the microeconomic impact of immigration.

- A structured research framework, aimed to provide quantitative evidence on the economic impact of immigration. This framework is composed by the studies “Migrantes Latinoamericanos en Chile: Un panorama de su integración social, económica y financiera”, “Migración, Productividad y Economía: Una mirada a la inmigración y a la economía chilena” and “Smooth(er) Landing? The Dynamic Role of Networks in the Location and Occupational Choice of Immigrants”.

ILO Chile has been working under three specific objectives: (i) to develop and share specific information and knowledge regarding the characteristics of labor migration in Chile; (ii) to identify the information gaps and problems and potential of

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the national statistical databases. To accomplish these goals, between October 2016 and March 2017, ILO Chile produced four issues of the Series “Labor Migration in Chile.”

INMI (Integración Laboral de Migrantes) is a labor intermediation platform between companies and migrant workers, which speeds up the selection and search for collaborators. It offers functionalities for the immigrants, so they can register their work experience, legal documents, ensure a secure payment, view profiles and projects. The platform has already signed an agreement with the Chilean Chamber of Commerce, Services and Tourism to become a preferred online contracting tool for companies associated with this union. So far, more than 3000 people and 28 companies have registered. INMI is a concrete contribution to labor inclusion to allow for matching between labor supply and demand, and also mixes business models of different platforms. A very important feature is that the platform allows to reduce both prejudice and distrust, among employers and migrants, creating mutual reputation and scores for services provided.

Between 2011 and 2015, with funding from the EU, Uruguay developed the “Pilot Project for (re)integration of migrants into the Uruguay Labor Market”. The project aimed to provide a consolidated database on immigration statistics, and to define mechanisms and policy devices which could joint immigration / return to labor market inception.

Migration experts consulted for this report, highlighted an initiative which could prove to be useful for the labor policies of the countries of this report, which is Colombia’s recent reform to the administrative process of degree validation. The Colombian Ministry of Education has published a resolution that reduces processing times and simplifies requirements for foreign nationals applying for validation of their foreign university degrees. Through it, foreign nationals with validated university degrees or degrees from accredited institutions would also benefit from new exemptions from administrative requirements. The Colombian Ministry of Education will adjudicate accredited institution applications within 60 days from the date of filing. Thereby, foreign nationals will obtain their permanent degree validation license much sooner, instead of having to renew their temporary professional permit multiple times. This will reduce administrative hurdles and costs to employers and foreign nationals. The Colombian government has seen this administrative reform as a mean to both reduce Venezuelan immigrants’ informal employment (mostly due to not having education degrees legally acknowledged by Colombian authorities) and to improve the future inflow of foreign qualified workers, which would allow to reduce high-skill shortages.

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45 “Migración laboral en Chile: oportunidades y desafíos para el trabajo decente” (Nota # 1, october 2016), “Migración y trabajo infantil: Incluir y visibilizar a los niños, niñas y adolescentes” (Nota # 2, October 2016), “El enfoque laboral de la política y la institucionalidad migratoria en Chile” (Nota # 3, April 2017) and “Mujeres migrantes en Chile: oportunidades y riesgos de cruzar fronteras para trabajar”, (Nota # 4, march 2017).

46 https://www.inmi.cl/
## CHAPTER 4: Technical Recommendations Matrix

<table>
<thead>
<tr>
<th>Thematic Area</th>
<th>ARGENTINA</th>
<th>CHILE</th>
<th>ECUADOR</th>
<th>PARAGUAY</th>
<th>URUGUAY</th>
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<tbody>
<tr>
<td><strong>Dialogue Practices</strong></td>
<td>A higher degree of coordination of immigration, labor, fiscal and social</td>
<td>Either a technical council or tripartite dialogue mechanism, which</td>
<td>Higher involvement and inclusion of the private sector into the</td>
<td>The lack of a formal immigration policy could actually imply an</td>
<td>A strong orientation towards the consolidation of regular migration</td>
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<td></td>
<td>security regulations, inside the Argentinean government is required, with</td>
<td>includes private sector perspective on immigration is highly required.</td>
<td>migration dialogue, which is already highly articulated and socially</td>
<td>opportunity window for a country which is friendly towards foreign</td>
<td>procedures, obtained with private sector involvement, is probably the</td>
</tr>
<tr>
<td></td>
<td>active involvement of the private sector. This coordination and dialogue</td>
<td>In 2018, the Advisory Council on Migration, created in 2015, was</td>
<td>inclusive, could improve labor market outcomes and labor productivity,</td>
<td>immigration, as Paraguay.</td>
<td>strongest recommendation.</td>
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<tr>
<td></td>
<td>could improve public policy outcomes.</td>
<td>dissolved. Its replacement, the Advisory Council for the Sub-secretary</td>
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<td>of Interior, given its missional adherence, is focused mostly on</td>
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<td></td>
<td>security approaches towards immigration, but not economic / labor</td>
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<td>oriented. It is required, thereby, to reinstate either the National</td>
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<td></td>
<td>Council of Migration Policy or the Migration Advisory Council,</td>
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<td>assigning the Technical Secretary of either of these two consultancy</td>
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<td></td>
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<td>bodies to the Ministry of Labor.</td>
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<tr>
<td><strong>Collaboration with</strong></td>
<td>The country would highly benefit of the development of a Migration</td>
<td>The country is about to finish the 2016-2020 IOM Strategy for</td>
<td>Develop the formal joint agenda with the private sector suggested in</td>
<td>The country would highly benefit of the development of a Migration</td>
<td>The country would highly benefit of the development of a Migration</td>
</tr>
<tr>
<td>International Agencies</td>
<td>Governance Framework with technical support and advice from the</td>
<td>Partnerships with the Private Sector. As an accurate closure of the</td>
<td>The 2018 Ecuador Migration Governance Framework.</td>
<td>Governance Framework with technical support and advice from the</td>
<td>Governance Framework with technical support and advice from the</td>
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<tr>
<td></td>
<td>ILO’s technical advice would be helpful to develop and integral strategy</td>
<td>should provide a strategy to change the private sector involvement on</td>
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<td>on</td>
<td>immigration issues from a</td>
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<tr>
<td>Development of a research framework on economic impact of immigration.</td>
<td>The Chilean experience on developing a rigorous and structured research framework on the economic impact of immigration (mostly due to Lafortune and Tessada) must be replicated and extended to several Latin American countries, highlighting economic short, medium and long-term effects of immigration. With funding and technical coordination of CAF (Corporación Andina de Fomento) and ECLAC (Economic Commission for Latin America and the Caribbean). Given the prevalence and scope of Venezuelan migration, USAID could provide specific funding which would allow to identify the profiles of Venezuelan migrants to be found in South American countries, the demographic and economic implications of such profiles, and the specific shortages of human resources which could be solved with Venezuelan migration.</td>
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<tr>
<td>Migration Procedures</td>
<td>The most important departure point is the reform of the labor contract law, for it to include the prevalent role of foreign companies. From there, friendly migration policies are required to accompany the landing of foreign. The sponsorship process with InvestChile, StartUp Chile or the Undersecretariat of Economy, should be optimized or not being made compulsive. It has proven to be a huge. Develop specific initiatives to replace paperwork procedures by on-line based procedures. Given the regulatory framework reviewed, it is</td>
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<td></td>
<td>ILO’s technical advice would be helpful to develop and integral strategy on labor skills analysis and procurement, as input to an integral regular and ordered immigration policy. Through international cooperation, ILO will provide accurate technical assistance for specific cost-benefit best practices on skills monitoring in South American labor markets. Given the EU-Mercosur agreement, technical advice on monitoring and diagnosis of short-term labor shortages and structural requirements of high-skill human resources could be obtained through technical assistance from the European Union. Although some actions in this regard have been implemented from the Uruguayan government, a comprehensive immigration policy, a</td>
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</table>
companies and investments in the country, given the fact that currently, only companies established and based in Argentina and registered with the National Registry of Foreign Applicants (ReNURE) are allowed to request temporary or permanent residences of foreign nationals from extra-Mercosur countries. One radical recommendation is an update of the labor contract law, for it to reflect the current conditions of the Argentinean labor market (an open economy cannot ascribe labor relations only to the sphere of Argentinean companies).

Immigration officials and public agents must receive both training and legal updates. If there is a clear unification of criteria when implementing immigration regulations, these agents and officials could provide access to clear, precise and orderly information. These, given the differences in the application of immigration regulations found between the Ministry of Foreign Affairs consulates and the National Migration Office (dependent of Ministry of Interior).

Adoption of other Latin American countries’ best practices on degree validation process could be taken into

| obstacle for a feasible implementation of the Visa Tech scheme. | necessary to update the labor and immigration regulations, to cover labor situations that exist in practice and that are not covered under any immigration category. For example, it is worth to call attention over those employee assignments that are not included in the local payroll of an Ecuadorian company or Short-term assignments of less than one year. | The period of maximum permanence abroad, which applies to foreigners which already live in Ecuador, either under temporary or permanent residence permits, should be eliminated, as in practice it is a great inconvenience for those people who travel constantly for their work or business. |

A cohesive and demand-oriented labor immigration policy is required. These, given that both academia and employers have identified the skill shortages and skill gaps existent in several Chilean industries. Both the industries and immigration law firms have clearly identified the policy bottlenecks that are hindering the fulfillment of private sector requirements. Foreign workers mainly occupy jobs in services, commerce or unskilled jobs, and only a low percentage is employed in highly qualified jobs.

The simplification of the immigration visa process would be a wider improvement. As for documentation policy and a border policy are all necessary. The current initiatives being developed with assistance of OIM go along the accurate direction, but an integral approach towards immigration policy, arising from a process of dialogue among stakeholders is the strongest recommendation to be followed.

Adopting the simplified national immigration policies and regulations would make immigration procedure simpler and more effective. This would facilitate the process of immigration and help to attract more foreign workers.
account, as Argentina’s process of recognition and validation of foreign titles is a slow and bureaucratic process.

- **Migration Procedures**
  - With proper recognition to RaDEX contribution on speeding up the time of filing of foreigners in the initial stage, it could be taken as a stepping stone which would allow to implement a system that would accelerate all stages of the process. For example, the process of issuing foreigners identification document (DNI), which is required to open a bank account in the country among many other procedures, can take up to three months.

- **Skill Shortages / Skill Mismatch**
  - Labor policy would benefit from both emphasis in industries and regions. From an integral point of view, labor migration policies that promote job opportunities in sectors with high labor demand are required. There is currently a large concentration of the migratory flow in the surroundings of the Federal Capital but those economic sectors that require personnel in the rest of the country do not see their demand satisfied, partly because there are no public policies that promote the federalization and orientation of the migratory flows.

  - As for Argentina, the process of recognition of technical and professional qualifications obtained abroad is a complex and lengthy process, inhibiting skilled foreign labor.

  - The immigration law should be modified and modernized and be placed under the coordination of the Ministry of Labor, Employment and Social Security. Now, as it is under the command of the Ministry of Interior, responsible for the internal security of the country, it has turned the immigration policy as a tool of internal control instead of a driver for development. Following this, the Border Security Law should be abolished. Strong economic growth held for the last 15 years would actually be enhanced if the country adapts planning and
The Argentine legislator should enact laws that integrate both the immigration system and its current regulations, with labor and social security regulations, in order to assure companies that require the technical and professional assistance of foreign nationals, the possibility of compliance with the legal regulatory framework in force as a whole. This would improve labor productivity, close skill gaps and fill skill shortages, and reduce potential economic losses generated by fines that could be applied, by inspectors of the Secretary of Labor.

Contradictive examples of policies which actually generate negative effects on the country, both in social and economic terms, should be reviewed under the principles of the new National Migration Policy: for example, the Universidad Nacional de Asunción should allow foreigners to fill teaching places on permanent basis (tenure).

### Skill Shortages / Skill Mismatch

The new focus on labor connotations of the immigration policy would cover a clear need of professionals, explicitly declared by most economic sectors. Paraguay has a population of 7,000,000 inhabitants and there is a need to create sources of work and therefore, if migration is going to boost better development and innovation in the labor market it should be welcome.

### Validation of Foreign Tertiary Level Qualifications

For both short-term implications of Venezuelan migration and medium-long term purposes of a skills-oriented immigration policy, countries should adopt the methodological approach of the Colombian government related with express validation of Foreign Tertiary Level Qualifications. See Section 3.1.2 of this report for specific details.
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## Annex 1 List of stakeholders Consulted for the Report

<table>
<thead>
<tr>
<th>Name</th>
<th>Surname</th>
<th>Institution</th>
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<tbody>
<tr>
<td>Gerardo</td>
<td>Corres</td>
<td>Ministry of Production and Labor Argentina</td>
</tr>
<tr>
<td>Maria Ines</td>
<td>Menvielle</td>
<td>Fragomen (Argentina)</td>
</tr>
<tr>
<td>German</td>
<td>Capoulat</td>
<td>Funes de Rioja y Asociados</td>
</tr>
<tr>
<td>Rodrigo</td>
<td>Sola Torino</td>
<td>Marval, O'Farrell y Mairal</td>
</tr>
<tr>
<td>Gonzalo</td>
<td>Pérez</td>
<td>Camara Nacional de Comercio Servicios y Turismo de Chile</td>
</tr>
<tr>
<td>Pablo</td>
<td>Bobic</td>
<td>Confederación de la Producción y del Comercio (CPC) de Chile</td>
</tr>
<tr>
<td>Leonardo</td>
<td>Carvallo</td>
<td>Fragomen (Chile)</td>
</tr>
<tr>
<td>Manuel Ignacio</td>
<td>Hertz</td>
<td>Sociedad Nacional de Agricultura de Chile</td>
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<td>Federico</td>
<td>Solis</td>
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<tr>
<td>Roberto</td>
<td>Paz y Miño</td>
<td>Cámara de Industrias y Producción del Ecuador</td>
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<tr>
<td>Alexandra</td>
<td>Mosquera</td>
<td>Comité Empresarial Ecuatoriano</td>
</tr>
<tr>
<td>Manuel</td>
<td>Terán Moscoso</td>
<td>Federación Nacional de Cámaras de Industrias del Ecuador</td>
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<tr>
<td>Adriana</td>
<td>Hidalgo</td>
<td>International Labour Organisation (ILO LA)</td>
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<td>Roberto</td>
<td>Cancel</td>
<td>International Organisation for Migration (IOM Argentina)</td>
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<tr>
<td>Gladys</td>
<td>Paiva</td>
<td>Asociación Paraguaya de Recursos Humanos</td>
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<td>González Arias</td>
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<tr>
<td>Claudia</td>
<td>Almada Arguello</td>
<td>Ministerio de Trabajo, Empleo y Seguridad Social de Paraguay</td>
</tr>
<tr>
<td>Karen</td>
<td>Coronel</td>
<td>Right Management - ManpowerGroup (Paraguay)</td>
</tr>
<tr>
<td>Andrés</td>
<td>Freire</td>
<td>URUGUAY: Junta Nacional de Migración</td>
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</tbody>
</table>
Annex II. Project Activities Relating to Migration

Ecuador, with technical assistance from IOM has included the IRIS (International Recruitment Integrity System) on his National Plan for Human Development of Migration. IRIS is a global initiative that is designed to promote ethical international recruitment. It works by defining and setting a benchmark for ethical recruitment (the IRIS Standard), and through establishing a voluntary certification scheme for ethical labor recruiters, and a compliance and monitoring mechanism. IRIS was created by the International Organization for Migration (IOM) and a coalition of partners from government, the private sector and civil society47.

In November 2011, Paraguay signed an agreement with IOM, in order to expand both PIRS (Personal Information and Registration System) and MIDAS (Migration Information and Data Analysis System) allowing to increase the capacity for regular registration and control of migration flows in Paraguay, including the incorporation of Biometric information, online monitoring, access to links alerts and possibility of keeping the travel record of flight passengers.

Argentina has provided a new short-term expedited possibility of obtaining a temporary work authorization, valid for 90 days, with simple and easily obtainable requirements that allows foreigners to work regularly for that period.

Argentina’s RaDEX: This is a digital procedure of management of immigration procedures. It means a huge improvement as a digital and technological tool, mostly based on its TAD (Remote Distance Proceedings, Trámites a Distancia) platform. Paperwork has been significantly reduced, as the Argentinean government scans original documentation, submitted at the beginning of the process, and takes the biometric data of the applicant (photo, signature and fingerprints of the applicant). Some specific advantages of this new system are:

The Possibility of paying immigration fees either in cash or by credit card. Before 2019, all payments had to be made in cash at the National Directorate of Migration (NDM), with the consequent risk that would involve sometimes carrying large amounts of money.

Agility in the process of obtaining shift. Despite of the fact that the current system requires that the foreigner has entered the country (since it is necessary to carry out a process of loading data, including entering the passport number / number of document used to enter the country). Once the data has been uploaded, the payment is made by credit card and the system generates a key, called “credential” which is sent by e-mail, and that allows to complete the process of uploading the photo, documentation of the applicant and of the company which is requiring and supporting the immigration of the candidate.

The system allows the payment of a preferential attention rate, thereby it is possible to obtain a shift in a period of 5 working days for Mercosur nationals, and the day after the payment for non-Mercosur nationals.

47 https://iris.iom.int/
Elimination of discretionary and subjective criteria, regarding the amount of urgent or preferential procedures that should be followed. This allows to have a more realistic forecast on the length and cost of the labor immigration process.

Higher agility at the time of processing the residence. Given that a large part of the data has already been advanced to the NDM, the responsible officer only has to carry out control and supervision of the information already uploaded to the system.

Among the information that the NDM requests, one of them is the professional activity to which the person is dedicated, languages he speaks and educational degrees she possesses. This type of information has been used by NDM in order to suggest Venezuelans with a certain professional specialty (doctors and petroleum engineers) to settle in the southern provinces of our country where both professionals are needed.

The project “Guías Chile de DD.HH. y Empresas” (Chile Guides on Human rights and Industries) is a EU financed Project, coordinated Casa de la Paz, a Chilean NGO, with active advice and promotion from the Chilean Confederation of Production and Trade (Confederación de la Producción y del Comercio)⁴⁸.

In 2016, a joint Project under IOM coordination, promoted the Basic Catalogue of Migrant’s Rights in Argentina⁴⁹.

In 2018, Buenos Aires’ City government created the training primer “Migración, Género y Derechos”, aimed to provide a pedagogic training tool for the understanding of the different gender dimensions of migration and its basic rights.

Among many objectives, Ecuador’s 2018 National Plan of Human Mobility for Labor Inclusion, aims for:

Generate participation spaces of the academy, civil society, local governments and specialized agencies in human mobility through workshops, seminars, publications and specialized forums that support the transformation of the concept of migration into human mobility and universal citizenship.

Promote exchange of good practices on human mobility in specialized international forums.

Ecuador and Colombia have developed a joint manual on common migrant rights⁵⁰, mostly focused on providing rigorous and up-to date information for Venezuelan migrants on their transit between borders.

In 2017, CPC, the Chilean employer’s organization, commissioned the study “Migración y Mundo Laboral en Chile”. The study aimed to explore the perceptions of the relevant actors of companies, who are in charge of hiring people, labor relations or direct supervision of migrant workers, regarding their work performance and the particularities of the hiring process. The dissemination of the results of the study has

⁴⁸ https://www.casadelapaz.cl/derechoshumanosyempresas/author/admin-ddhh-e/
⁵⁰ Migración Colombia (2018), “Cartilla Binacional para el Control Migratorio”.

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been taking place, through seminars and / or dialogue and conversation activities with other social actors.

In 2018, the Chilean Government implemented an extraordinary immigration regularization plan, which allowed more than 130,000 people to obtain a temporary residence visa that allows them to stay and work in the country.