

STANDING COMMITTEE ON PROGRAMMES AND FINANCE

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SKILLS-BASED MIGRATION AND PARTNERSHIPS:

ELEMENTS AND ESSENTIAL PREREQUISITES

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Introduction

1. Amid the current trends of labour market globalization, growing labour mobility, competition for talent, market adaptability and lifelong learning, skills-based migration – the movement of skilled migrant workers for the purpose of employment at their skill level in the country of destination – requires cooperation between all stakeholders – States, employers, educational institutions and communities – and the active involvement of migrant workers. Moreover, in the face of changing employment modalities, skills requirements, digitalization and growing opportunities for mobility, it is becoming increasingly important to ensure that cooperation is of equal benefit for all. To that end, national and regional policy frameworks are adopting a more systematic approach to the nexus between migration, skills and training, focusing on talent, the mobility of students and skilled workers, and less unequal competition.

2. In this paper, IOM draws on its experience to formulate a universal approach to labour mobility and skills development, and to identify the advantages, elements, key stakeholders, challenges and prerequisites required for successful matching. IOM believes that State cooperation on skills-based migration is highly relevant in development contexts, but it may also be possible to replicate some components of that approach in humanitarian work.

Background: Skills partnerships and their advantages

3. The skills dimension of migration governance has evolved from one-sided migration schemes for skilled workers at all levels to skills partnerships more closely linked to the labour market needs of participating countries and involving all stakeholders. The one-sided schemes tend to benefit communities and employers at destination, but are not necessarily beneficial for the migrant workers or for communities and employers in the country of origin, which may, as a result, experience deficits in certain labour market sectors that in turn have a negative impact on development. Communities of origin may be affected by service and skills shortages, while migrant workers in destination countries may face deskilling, misuse of their competences, underpayment and even exploitation.

4. This has prompted policymakers to turn increasingly to an alternative – skills mobility partnerships (SMPs) – that is beneficial for all stakeholders. SMPs typically take the form of bilateral or multilateral agreements between States. They vary in terms of form, modalities and level of stakeholder involvement, but all focus on skills development. They are distinct from the traditional approach to skilled migration, whereby migrant workers already have skills acquired in their country of origin and there is little or no cooperation between the parties, including on training or education of prospective migrants and non-migrants. Under an SMP, training may be dispensed in the country of origin or destination, or even in a third country, and the trainees acquire skills that are recognized and valued by both parties. Previously obtained degrees, qualifications and competences at all skill levels are taken into account. Some of the workers thus trained move for employment to the country of destination; others remain in the country of origin and join the local labour market. Once their period of employment in the country of destination has ended, migrant workers may return home, bringing with them their experience and innovative ideas. Many SMPs are solidly based on student mobility programmes, cooperation between training and educational institutions, dual certification, and apprenticeship and internship programmes.

5. SMPs thus promote multidimensional cooperation between States. They require a better understanding of labour market needs, drive investment in skills formation, and boost human capital

and development in countries of both origin and destination. Under SMPs, skills development is demand-driven via national assessments; it draws on various sources to optimize the employability of workers in formal labour markets both at destination and origin. SMPs contribute to the success of national assessment mechanisms, provide raw material for data collection and analysis, and promote interaction and cooperation. They bring national educational systems closer, raise work standards, and increase the productivity and mobility of skilled workers.

6. The training – including of future migrants – can be made less expensive by cost sharing and may be carried out jointly by countries of origin and destination, but also by or with future employers. The economic rationale for SMPs is even higher when skills development takes place in the country of origin. An important added value is that labour markets at origin and destination see the supply of skills go up and labour deficits shrink. Moreover, under SMPs, migrant skills and competences are not underutilized, and the involvement of employers promotes rights protection and decent work.

7. Under the overarching principle of migrant well-being, all SMPs have the following five components: formalized State cooperation, multi-stakeholder involvement, training, skills recognition and migration/mobility.

Stakeholders

8. SMPs require close cooperation between multiple partners. In the education sector, these include formal and informal educational institutions, technical vocational education and training centres, and employer training and skills development programmes; national and regional certification institutions, which are often linked to local educational systems; and professional boards or associations. On the government side, the partners include line ministries (labour, foreign affairs, economic development, education, interior, immigration, migration), State certification institutions and local authorities.

9. Trade unions also play a key role, as do migrant associations and non-governmental organizations working in rights protection, representing migrants' interests or advocating skills recognition and decent work. Other key stakeholders are employers, multinational corporations, small and medium-sized enterprises and their networks, industrial, central or local associations, chambers of commerce or trade, local, regional and national professional associations and boards, recruiters and recruitment agencies and their networks. Communities of origin and destination, and diaspora communities and organizations are also important stakeholders.

Challenges

10. SMPs suffer the effects of short-term policy vision and planning. The private sector, for example, tends to consider immediate needs and is not always ready to invest in future skills. Educational institutions may lack strategic planning. The process of updating educational and training programmes takes time, may require lengthy certification procedures and often lags behind current labour market needs and employment structures. Governments may consider only short-term aspects and not link partnerships with labour and migration policy development. The forward-looking, clear and reliable analysis of labour market and sectoral needs, deficits and supply that leads to long-term planning or policies is often missing.

11. Successful SMPs are predicated on multi-stakeholder cooperation, which tends to be a challenge on both the national and the multilateral levels. Cooperation is crucial, not only between governments, but also between educational institutions, employers, and their training and other systems in countries of destination and origin. SMPs often fail because of incompatible educational and training systems, job standards and skills requirements.

12. Sometimes, the SMP's impact on the country of origin is relatively low. This may be because the workers trained do not find employment there or are paid significantly less if they do. In such cases, most of the workers opt to migrate, to the detriment of the domestic labour market. Similarly, migrants wishing to return home may have little chance of earning as much as in the destination country, or worse, may not find employment corresponding to their qualifications and experience. This may discourage return or result in further migration, with similar effects on the labour market and economy in the country of origin.

13. Social considerations are another significant challenge. Migrant workers have their own aspirations and plans, and may choose not to follow the pathways determined by SMPs. How, for instance, can a government ensure that the requisite number of trained workers will stay and others will migrate to a certain destination State and not to another country offering better conditions and salaries? The very fact of participating in SMP training may put workers on a migration track or make them think that they are expected to migrate. Gender-related aspects of training and migration may not be adequately addressed in policy, making it more difficult for women to access education or training and "locking" them into certain occupations.

14. Migration aspects such as existing migratory corridors and routes are often overlooked, making migrants reluctant to take advantage of SMP mobility schemes. The partnership may disregard issues related to migrant registration, work permits, travel authorizations, admission and residence. Other impediments relate to migrant family members' access to the destination country and labour market, integration and pathways to permanent residence and naturalization, where relevant. Finally, SMPs tend to be seen as costly, time-consuming and resource-intensive, prompting the development of a national, one-sided approach to skilled migration as the preferred option.

IOM experience

15. IOM has a wealth of experience, acting on its own and in cooperation with its partners, in helping States to manage skills-based mobility cooperatively and in developing capacity in skills and mobility. It has worked extensively within the regional consultative processes, notably the Colombo Process,¹ to support consultations and cooperation, to analyse recognition systems along migratory corridors, and to map skills assessment procedures, certification standards and equivalences, labour market trends and data collection systems.

16. IOM also has extensive experience of drawing up and implementing national skills development policies and frameworks. It provides technical support to, and develops the capacity of, national institutions collecting data from administrative sources in destination and origin countries for labour market and mobility analysis, and for the recognition of prior learning and certification of occupational training. In 2019, for example, IOM compiled best practices for the collection and analysis of labour market and migration-related data to formulate labour migration and cooperation policies, which led to the development of a capacity-building strategy for Asia-Pacific Economic Cooperation economies.

17. As part of regional integration and economic cooperation processes, IOM strives to strengthen the skills dimension of labour migration, pilots skills mobility initiatives (e.g. within and between Africa and Europe), helps reduce skills shortages, and supports the development and recognition of skills and qualifications. IOM helps develop vocational training in market-driven skills programmes to improve employability, working with businesses and other stakeholders to ensure the skills acquired are competitive and correspond to employer requirements.

¹ Regional Consultative Process on Overseas Employment and Contractual Labour for Countries of Origin in Asia.

18. Many IOM initiatives include pre-departure orientation and training for the purpose of equipping migrant workers with basic social and soft skills to facilitate their future integration and employment. Lastly, IOM actively supports policy and legislation development, self-assessment and guidance for the development of bilateral labour migration agreements, and training and capacity-building for governments, the private sector and non-governmental stakeholders.

Global frameworks as platforms for SMPs

19. SMPs are chiefly underpinned by two global frameworks. Under the Sustainable Development Goals, SMPs will contribute to better development outcomes in respect of Goals 4 (on quality education, including lifelong learning), 8 (on decent work and economic growth) and 10 (on reducing inequality).

20. The Global Compact for Safe, Orderly and Regular Migration, for its part, contains two objectives of direct relevance to SMPs: Objective 5 sets the framework for enhancing the availability and flexibility of pathways for regular migration; Objective 18 contains detailed considerations on demand-driven skills development and the facilitation of mutual recognition of qualifications and competences. It addresses the need to optimize migrant employability in formal labour markets in countries of origin and destination, as a means of transitioning from informality.

21. More generally, the Global Compact proposes a comprehensive approach – a global skills partnership – to facilitate multilateral and bilateral SMPs. It suggests that skills mobility be approached sustainably by developing global standards, worldwide mutual recognition and compatibility systems and national qualification frameworks, and by concluding relevant agreements or including skills in existing ones. As a first step in that direction, IOM, together with the International Labour Organization, the United Nations Educational, Scientific and Cultural Organization, the International Organization of Employers and the International Trade Union Confederation, has instituted the Global Skills Partnership for Migration (GSPM). The GSPM will mobilize resources, pool expertise and build platforms to help governments, employers, workers and their organizations, educational and training institutions, and other stakeholders develop and recognize the skills of migrant workers and their non-migrant peers, focusing on women and young people, their career development and well-being, and sustainable mobility schemes, including in the framework of bilateral and multilateral arrangements.

IOM: Scaling up skills partnerships at the global level

22. While the Global Compact proposes a list of actions relevant to a global skills partnership and successful SMPs, IOM considers that a number of prerequisites, set out in the paragraphs below, must be met to make such partnerships operational and sustainable. In addition, gender issues must be a core consideration in all aspects – education, labour and migration, human and labour rights of migrant workers.

23. **Long- and mid-term planning:** Labour migration policy planning must focus on the long- and medium-term horizon. It needs to be synchronized with the relevant Sustainable Development Goals and set corresponding indicators. It must involve the private sector, and educational and training institutions. If required, the needs of all stakeholders in policy planning and coherence must be defined and supported through capacity development. Factors such as the future of work, its new forms, aspects relating to the globalization of labour markets, automation and digitalization, and the impact thereof on policies and partnerships must be analysed and incorporated into planning.

24. **Multi-stakeholder approach and policy coherence:** The multi-stakeholder approach is key for SMPs, even though the stakeholders may differ in each case. The broad cooperation that the

approach calls for has advantages that are hard to overestimate. Primarily, it allows consideration of all the aspects of a mechanism as complex as an SMP. It also ensures better understanding of the situation at national and regional level, of existing migration corridors and of the trends informing policy and law. It serves to ensure rights and access to protection for migrant workers, and equal benefits for origin and destination communities, States and the private sector. Governments as well as educational and training institutions must take care to cooperate closely with the private sector, in order to ensure that the training and skills development proposed are relevant. The priority at national and inter-State level must be policy coherence on, for example, migration, education and the related cooperation (on recognition of degrees and diplomas, interinstitutional cooperation, student exchange programmes, etc.), employment and job creation, entrepreneurship, trade and investment. All may need to be mapped to ensure better interlinkages and synergy.

25. **Data for evidence-based policy:** Sustainable schemes require evidence-based policy. Decisions must be based on comprehensive and real-time data from various sources, and on analyses of policy, labour markets and employer demand. An SMP might involve multiple countries of origin and destination, but they all must have a clear understanding of their human capital, educational systems, demographics, employment structures and so on. Migratory routes and corridors, trends, migration laws and policies, migrant profiles, diasporas and other issues must be analysed in depth.

26. **Local development and job creation:** The Global Compact proposes that skills development systems be based on local labour market needs, which in turn requires job creation that will spur the demand for workers trained locally under the SMP and ensure the latter is effective and sustainable.

27. **Skills classification and recognition at national level and beyond:** All skills classification, standardization and recognition systems need to operate primarily at the local level, but pursuant to any regional and international agreements. The next step is to align national systems. It is crucial to document skills and degrees, and to engage in inter-State cooperation on their recognition and legal certification. To that end, States need to facilitate document recognition processes and accede to the relevant international or regional instruments.

28. **Address the social aspects of employment and mobility:** The social aspects of migration and mobility, namely people's aspirations, plans, personal and family circumstances, must be addressed if the global skills partnership and SMPs are to be successful. Partnerships, especially complex ones, need a good level of flexibility and risk management. They must also pave the way to more opportunities in the country of origin – both pre-departure and on return – including employment opportunities, and ensure diaspora engagement and mobilization, and effective remittance management and facilitation. SMPs must also encompass return and reintegration, and facilitate mobility through simplified procedures for mutual visits, stay and temporary and permanent residence. Other solutions that can be considered to leverage potential "losses" in origin countries, including of human capital, involve simplified registration and de-registration in national registry systems, double taxation agreements, facilitated inter-State banking and financial transfers, customs waivers, and cooperation on social and health insurance mechanisms. Proper information for and communication with migrant and non-migrant workers will ensure that SMPs and the global partnership have an even higher chance of success.

29. **Incorporate migration considerations:** The role of national migration agencies must be given due consideration and incorporated into the global skills partnership system and SMPs as of the planning stage, so as to ensure that migration procedures are in line with SMP objectives and that they are reasonable and transparent. SMPs must also take account of migratory corridors and synchronize with the migration cycle where its integral parts – education and training, preparation for departure, migration, employment abroad and return or other pathways – are specified in inter-State agreements and implementation procedures.

30. **Cost reduction and sharing:** The cost of worker training and mobility must be fairly distributed among all benefitting stakeholders. When training takes place in countries of origin, the fact that the costs are lower does not preclude contributions from other stakeholders, such as other benefitting States, employers, investors and the ultimate beneficiaries. This requires careful analysis of, for example, private sector stakeholders in supply chains.

Conclusion

31. Skills partnerships are becoming an integral component of any effective national or regional labour migration system. This has prompted IOM to propose an approach to, and essential prerequisites for, a global skills partnership and SMPs, with a view to tackling well-identified challenges, build on advantages and strengthen the economic benefits of skills-based migration. IOM will continue to help address the associated human rights, labour rights and gender issues, so as to ensure that all stakeholders benefit and that SMPs move from pilot and ad hoc projects to more sustainable and well-established models. In cooperation with its partners and on its own, IOM will continue to take initiatives at global, regional and national level to support State efforts to set up SMPs on the way to a global skills partnership.