

حـــوار أبوظبـــي بيــن الـــدول الآسيويــة المرسلـــة و المستقبلــة للعمالــة Abu Dhabi Dialogue among the Asian Labor-Sending and Receiving Countries

COOPERATING TO IMPROVE TEMPORARY LABOUR MOBILITY GOVERNANCE AMONG ASIAN COUNTRIES OF ORIGIN AND DESTINATION:

INPUTS FROM THE ABU DHABI DIALOGUE TO INFORM THE

DEVELOPMENT OF A GLOBAL COMPACT FOR SAFE, ORDERLY AND

REGULAR MIGRATION

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EXECUTIVE SUMMARY

This document presents recommendations from the Abu Dhabi Dialogue, for consideration in the drafting of the Global Compact for Safe, Orderly and Regular Migration.

The Abu Dhabi Dialogue is a state-led regional consultative process – with observers from international organisations, the private sector and civil society representatives – which works to pilot, implement and adapt regional solutions to some of the key challenges relating to temporary labour migration.

Based on the initiatives outlined in the present report, ADD Members call to the attention of the co-facilitators the following initiatives for consideration in the context of the Global Compact:

- The validation of employment terms and contracts between countries of origin and destination, by the respective Governments, in order to mitigate contract substitution and end discrepancies between employment terms offered at home and received abroad
- Certification and mutual recognition of skills, towards a harmonised ecosystem between countries of origin and destination
- Comprehensive Information and Orientation Programmes, which provide customised information on employment and countries of destination to temporary labour migrants, in order to ease transitions, protect and understand rights, and increase productivity
- Online platforms for information-sharing between governments of countries of origin and destination, including for processing applications and approval of applications for recruitment of workers and their deployment to CODs

The Abu Dhabi Dialogue (ADD) was established in 2008 as a forum for dialogue and cooperation between Asian countries of labour origin and destination. The ADD consists of the twelve Member States of the Colombo Process (CP), namely Afghanistan, Bangladesh, China, India, Indonesia, Nepal, Pakistan, Philippines, Sri Lanka, Thailand and Vietnam, and six Gulf countries of destination: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates, as well as Malaysia. Regular observers include the IOM, ILO, private sector and civil society representatives. The permanent secretariat is provided by the United Arab Emirates, and the current chair-in-office is Sri Lanka.

As a state-led Regional Consultative Process (RCP), the ADD aims to enable safe, orderly and regular labour migration in one of the world's largest temporary labour migration corridors. Through multi-lateral dialogue and cooperation on the joint development of labour mobility-related programming, implementation, and reporting, the ADD helps to ensure that Member States develop partnerships for adopting best practices, and are in a position to learn from one another's experience. Civil society has been invited to contribute to the dialogue and in recent years to partner in realization of some of the programme areas.

The two-day Abu Dhabi Special Workshop held in Dubai in July 2017, which formed the basis for this report, involved participation of experts from the following countries:

Participating Member States:

Sri Lanka (Chair); United Arab Emirates; Bahrain; Bangladesh; India; Kingdom of Saudi Arabia; Kuwait; Malaysia; Nepal; Oman; Pakistan; Philippines; Vietnam

Participating Observers:

Aspiring Minds; City & Guilds; IOM; ILO; McKinsey & Co.; Migrant Forum Asia; National Qualifications Authority (UAE); Quality and Conformity Council (UAE); SAP; Swiss Agency for Development and Cooperation

This report has been prepared as part of the Abu Dhabi Dialogue's contribution to the intergovernmental process in formulating the Global Compact for Safe, Orderly and Regular Migration, to be taken into consideration at the stocktaking meeting scheduled in Mexico from 4-6 December 2017. The report, in particular, responds to the call in the New York Declaration for RCPs to share their inputs to strengthen the global governance of migration.

This report is based on the outcomes of a recent Special Workshop of the Abu Dhabi Dialogue, convened in Dubai in July 2017. The workshop, entitled "Operationalizing the Four Collaborative Ministerial Programmes of the Abu Dhabi Dialogue", aimed to facilitate closer cooperation between Member States on four specific programmes.

The Workshop was the latest example of the continued process of engagement through which ADD Member States, along with other stakeholders, including civil society representatives, have worked jointly to adopt contextualized solutions on some of the key areas of concern relating to labour migration. The initiatives outlined in this report are being implemented in ADD temporary labour migration corridors; however, the practical solutions, partnerships and platforms outlined may be replicable in other contexts, given the similarities in the challenges encountered by other migration corridors around the world.

The four initiatives that this report covers are:

- An Alternative Model of Labour Recruitment
- Certification and Mutual Recognition of Skills
- Comprehensive Information and Orientation Programmes
- Technology in the Governance of Labour Mobility,

It is important to outline the context in which the four programmes have been agreed upon and established by the Member States of the ADD.

Over the last two and a half decades, a high level of inter-dependency on temporary migrant labours has emerged between the countries of origin and destination in Asia. GCC countries host the world's highest proportion of foreign workers to all workers (35.6%) – or 11.7% of all migrant workers worldwide. The proportion of foreign-born workers in the GCC ranges from approximately

30% to 90%. Workers of Asian origin consequently play a highly significant role in the economies of the Gulf, and have contributed to the rapid development that has taken place in the GCC over the last 25 years, through their skills, knowledge and hard work.

As a result of these factors – and the governance structures that underpin them – support for labour migration among host communities in countries of destination remains higher than in many other parts of the world. There is broad consensus that migrant workers play a significant role in the economic development of receiving countries.

The migration of temporary workers to the GCC also has a beneficial impact on the socio-economic development of the countries of origin. According to World Bank comprehensive figures (2014), approximately \$98 billion was remitted from GCC countries, representing over one sixth of worldwide remittances. Remittances by migrant workers in Gulf markets consequently represent a significant source of foreign earnings, ranging from 3%-31% of the GDP of sending countries in Asia. Moreover, the workers return home with enhanced social capital, including skills and knowledge, networks and entrepreneurial ideas.

However - in part due to the sheer number of workers moving along the Asia-GCC corridors - temporary migrants, and in particular women, remain vulnerable to abuses. Being mindful of these challenges, Member States of the ADD are working to address these issues through constructive and open engagement, generating new programmes, initiatives and policies to improve positive outcomes for migrant workers, while fostering labour migration that is beneficial to both sending and receiving countries.

Three pillars of effective governance guides the design of programmes that are initiated by the ADD: 1) ensuring the protection of migrant workers; 2) empowering workers to fulfil their goals and aspirations; and 3) affording workers the opportunity to benefit equitably from the outcomes of temporary labour migration. The four programmes outlined in this report are designed with these principles in mind.

The first – *An Alternative Model of Labour Recruitment* – outlines a web based pilot project on recruitment, undertaken to strengthen government oversight over the recruitment process, in order to better protect migrant workers from entering into a cycle of indebtedness, end fraudulent practices, and reduce the role of intermediaries. This initiative will help the Member States to reduce migration costs in line with the SDG target 10.7.1.

The second – *Certification and Mutual Recognition of Skills* – aims to ensure that migrant workers can advance in their careers and benefit from their decision to migrate.

The third - *Comprehensive Information and Orientation Programme* - is designed to empower migrants through the provision of better information, creating awareness around what can be expected in the country destination and through the cycle of migration.

The fourth – *Technology in the Governance of Labour Migration* – sets out a pathway towards the digitalisation of temporary labour migration pathways, to improve outcomes across the other three pillars.

1) AN ALTERNATIVE MODEL OF LABOUR RECRUITMENT

Government oversight and control over the recruitment of temporary migrant workers offers the prospect of establishing ethical recruitment, improving skills matching and mitigating contract substitution. According to a recent study¹ undertaken by the IOM on behalf of the Abu Dhabi Dialogue, a significant number of workers in the surveyed temporary labour migration corridors reported contract substitution, with discrepancies between the job offers received in their countries of origin and the terms of employment they found in their country of destination. This can lead temporary migrant workers to unwittingly enter into cycles of indebtedness that reduces the full benefits of undertaking overseas work and increases their dependency on the employer. An examination of the current system and structures of labour recruitment shows that unregulated recruitment often leads to misinformation and mismatched expectations between employer and employee and that increased transparency and dialogue between stakeholders is critical in addressing this issue.

To improve transparency in recruitment practices, the governments of the UAE and the Philippines announced a pilot project, based on the current regulation of labour recruitment between a number of Canadian provinces and the Philippines. The aim of the pilot project is to introduce joint government oversight over the recruitment process and reduce the risk of migrant workers bearing the costs of their own recruitment. The key objective is to promote fair and ethical recruitment among the ADD countries.

The pilot project design adheres to current practices of recruitment, insofar as the model is demand-driven, rather than supply-driven, and recruitment continues to be business-to-business led. This minimises complexity and enables continuity. However, through the establishment of joint governmental oversight and adherence to the standards laid down in IOM's International Recruitment Integrity System (IRIS) and the ILO's ethical recruitment principles and guidelines, the project ensures that the job offer that the worker receives in the country of origin and the contract that is issued at the destination country match one another.

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¹ "Research on the Labour Recruitment Industry in United Arab Emirates, Kerala (India) and Nepal", IOM: http://abudhabidialogue.org.ae/en/regional-ministerial-consultations/senior-officials-meeting-agenda-colombo-sri-lanka-2017.aspx

Under this pilot project, the process begins with an employer in the UAE issuing a demand letter, requesting a specified number of workers from the Philippines. It is a requirement of the pilot that the demand letter includes specific job descriptions, conditions of work, salary ranges etc. The demand letter is vetted against a set of criteria by the UAE's Ministry of Human Resources and Emiratisation, including an assessment of whether or not the roles could be filled by UAE nationals, under the Emiratisation programme, and the credentials of the employer etc.

Subsequent to vetting in the UAE, the demand letter is shared with the government of the Philippines, which undertakes its own vetting process, which includes a review of the terms and conditions of the employment offer and an assessment of its own labour market supply capacity in the respective categories indicated in the demand letter. The origin country therefore has the prerogative to decide the exact number of employers it will supply under each category.

The demand letter, including information on the proposed fee paid by the recruiter to the recruitment agency for their services, is then posted on a website, which can only be viewed by recruitment agencies that have been accredited by the government of the Philippines (information on accreditation of Agencies is also shared with the government of the UAE). In response to the letter of demand, accredited recruitment agencies are free to upload candidate profiles who meet the recruitment criteria. Face-to-face interviews of candidates by the recruiter may take place during the recruitment process, in addition to the necessary medical checks.

Upon selecting its preferred candidates, the employer issues an offer letter, setting out the full terms and conditions of employment that will be included in the final contract. This offer letter is validated through the same system, with oversight/approval from the governments of the Philippines and UAE, to ensure that, for example, the proposed terms and conditions comply with what was originally advertised. Further, it is necessary that the worker has read and understood the offer, and the worker must sign the offer letter while in the country of origin. Once the worker arrives in the UAE, they sign a standard contract, which is validated by the Ministry of Human Resources and Emiratisation to ensure that it complies with the original offer letter.

The model outlined above has been designed to protect migrants from potential abusive practices. The model ensures that employers obtain the kind of skills-sets and knowledge that they are seeking, while employees are guaranteed that they receive agreed benefits. The model's collaborative, inter-governmental nature is critical, with governments exercising joint oversight over recruitment

recruiters, to improve	rivate sector, inc for all parties.	

Members of the ADD recognise that skills development, certification and recognition of skills, will positively impact the welfare of workers, their income-earning potential, and overall labour productivity.

The Abu Dhabi Dialogue is in the process of undertaking a study to determine the impact of training and skill certification of migrant workers in the construction industry in the UAE across a range of outcomes, including productivity, income trajectory and happiness. New York University (Abu Dhabi) is overseeing the pilot project in cooperation with the governments of India, Pakistan, Sri Lanka, the UAE, the Swiss Agency for Development and Cooperation, alongside the IOM and ILO.

For both countries of origin and countries of destination, bilateral and multilateral cooperation to align on skills training and recognition is becoming increasingly important, especially as GCC countries are transitioning towards knowledge-based economies, creating new requirements and opportunities in the labour market.

Moreover, for countries of origin, investment in training and certification of workers often translates into increased competitiveness of their migrant workforce, higher wages and increased remittances. Many labour originating countries in Asia has taken concerted action to enhance the pool of skilled labour in their respective countries; for example, 'the 'Skill India Campaign²' aims to train 400 million skilled workers, while Bangladesh aims to train 600,000 workers annually.

Skills certification can also improve practices associated with recruitment, contributing to better governance of the temporary migration cycle. The ADD countries have agreed to facilitate the certification of skills, up-skilling and mutual recognition of skills across the migration cycle. There are essentially two routes available for countries to create greater alignment:

• through the alignment of qualification standards for targeted occupations;

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² http://www.skilldevelopment.gov.in/assets/images/e-book/Skill%20India%20Brochure.pdf

• or by maintaining separate qualification frameworks, but mutually recognising these frameworks through bilateral and multilateral agreements.

To achieve either outcome, however, there are three parts to the ecosystem that needs to be put in place to support the scaling up of the certification of skills.

Firstly, policy levers need to encourage skilling and the hiring of up-skilled workers. These policy levers, in countries of destination, include providing incentives to employers to hire more skilled workers through differentiated work permit fees, sector level quotas, improving confidence in occupational standards, and establishing skills requirements in certain professions. In countries of origin, policy levers include lower barriers to entry for training and certification centres, and minimising taxation on training and certification businesses, in order to minimise costs to the migrant worker.

Secondly, accelerating and expanding the development of National Occupational Skills Standards (NOSS) in GCC countries which is a critical element in increasing demand for skills certification. The UAE is currently identifying the top 100 occupations for migrant workers in order to prioritise standardisation of skills frameworks and enable countries of origin to map skills demands – an important step in ensuring that an oversupply in certain skills is not created. On the basis of these occupational standards, MOUs enabling joint recognition of standards can be signed by countries of origin and destination.

Thirdly, the private sector has to play an expanded role in the training, testing and awarding cycle. In countries of destination, the development of a common licensing policy for awarding bodies to recognise qualifications issued in countries of origin, the development of policies for recognising training and testing centres, and the creation of a fee model between awarding bodies, regulators, and training and testing centres will encourage greater competition in the private sector. In countries of origin, the alignment of training with the awarding bodies' requirements, campaigns to encourage workers to test in accredited centres, and a skills database accessible by hiring companies would facilitate a similar result.

Orientation and information programmes are a tool of both protection and empowerment. The Abu Dhabi Dialogue's cooperation on Comprehensive Information and Orientation Programmes (CIOP) dates from 2014. The objective of ADD's cooperation is to ensure that temporary labour migrants have a well-founded sense of their rights and responsibilities, and are emotionally and psychologically prepared for the changes that they encounter, from pre-employment (PEO), through pre-departure (PDO) to post arrival (PAO). Better prepared workers experience higher levels of wellbeing, and are significantly more productive, creating a win-win for both employees and employers.

Effective CIOP programming requires high levels of collaboration and planning. Not only do processes need to be in place to manage modules for preemployment, pre-departure, post-arrival, and return and reintegration, but significant numbers of stakeholders need to be assimilated into the system. For example, when there are large number of licensed recruitment agents actively operating, with an overwhelming number of subagents serving under them, there is a need for reliable information. For pre-employment training to meaningful, community-based organizations at the grass-root level have to be involved in providing independent, unbiased information to potential migrants. For example, Bangladesh as part of its pre-departure orientation has engaged development partners and local NGOs, and it has developed e-learning platforms for facilitating training for out-bound migrants.

Best practices for states fostering CIOP initiatives include: providing a clear legal and administrative foundation, taking into account the cultural context of the specific migration corridor, and adapting the content of the training to the skill level of the worker and the employment sector that he/she will engage in.

Many countries of origin in the ADD have CIOP programmes in operation for PEO, PDO and PAO, including centres in countries of destination being run in cooperation with the embassies. Moreover, new technology is having a significant impact in broadening the reach of CIOP training, through mobile and online platforms. But the crucial test for efficacy is translating information into knowledge on the part of the worker.

The Government of Sri Lanka has made pre-departure training compulsory for all workers leaving for domestic sector employment, and also for non-domestic sector workers in unskilled, skilled and non-professional categories. The Sri Lanka Bureau of Foreign Employment (SLBFE) has been conducting pre-departure training and orientation programmes since 1996. Recently, these programmes have been upgraded to include residential training and country specific training. Further, the SLBFE conducts pre-employment orientation programmes together with Civil Society Organizations (CSO) and NGOs at the grassroots level. The National Labour Migration Policy of Sri Lanka (2008) has emphasised the need for empowering prospective migrant workers to face the challenges throughout the migration cycle. The SLBFE has taken action to establish nine Migrant Resource Centres (MRCs), with one MRC now functioning, and two more MRCs due to open soon.

The ADD CIOP cooperative initiative builds on the achievements of an earlier Phase I, which started – with the support from the Swiss Agency for Development and Cooperation – with the mapping of national PDO training, and the development of a regional guide for PDO training in countries of origin. A regional-specific framework for PAO was developed. Building on these foundations, specific country pairings detailed modules are being developed for each migration corridor. Pairs are the Kingdom of Saudi Arabia and Bangladesh; the United Arab Emirates and Sri Lanka; and the United Arab Emirates and the Philippines.

The aim is to operationalize and administer a coordinated management system for PEO, PDO and PAO services for foreign workers. Technical assistance is being provided by the IOM in developing the management system and tailoring the training materials to the specific country contexts of the ADD Member States. As a result of this initiative, three regional guides will be developed to cover the specific country pairings, on the basis of which tailored manuals will be created, and joint COO and COD training of trainers undertaken to ensure that participating Members States have the necessary institutional capacity to implement the respective courses.

The programme looks at specific key sectors, where there is a high incidence of COO nationalities working. The KSA-Bangladesh pairing is focused on vehicle drivers. The UAE-Philippines pairing is focused on domestic workers and the hospitality sector. The UAE-Sri Lanka pairing is focused on the hospitality sector. The programme is being administered by the relevant ADD participating ministries, in cooperation with national-level agencies.

Technology has an increasingly important and crosscutting role to play in the governance of labour mobility. In particular, it offers the prospect of creating effective solutions to current challenges, including increasing transparency in the recruitment process, lowering the costs of recruitment, creating platforms for worker orientation, and facilitating information flow between various authorities to improve oversight through the migration cycle. Many of the stakeholders of the Abu Dhabi Dialogue – from governments, to temporary migrant workers themselves – are already adopting new forms of technology. The Colombo Declaration³ therefore sets out a vision for 'building on current national government and bilateral initiatives in designing a prototype of a regional digital labour platform that streamlines labour mobility."

There are several challenges that Member States face in building a fully integrated, regional digital labour platform. Although the technology required to create such a platform is widely available, challenges fall into three broad areas: a) the calibration of regulatory standards between Member States and subsequent integration of current national-level IT systems; b) issues relating to data sovereignty, hosting and security; and c) the sharing of burdens on costs and fees.

To meet these challenges, it is crucial that the system be structured against clearly defined goals and policies, rapidly adaptable to changing requirements, and built to be resilient to unpredictable shocks to the system. In light of these requirements, ADD Member States recommended that the best approach to scaling up a regional digital labour platform is to begin with a narrowly defined scope, which focuses on building capacity around a specific pilot project.

To that end, the UAE-Philippines pilot project on An Alternative Model of Labour Recruitment has been identified as the starting point, details of which has been elaborated under 'An Alternative Model of Labour Recruitment'. As explained the entire model is based on information sharing through an electronic platform, under the oversight and authority of the sending and receiving governments,

³ "The Fourth Ministerial Consultation of the Abu Dhabi Dialogue: The Colombo Declaration": http://abudhabidialogue.org.ae/en/regional-ministerial-consultations/senior-officials-meeting-agenda-colombo-sri-lanka-2017.aspx

with the industry (employers and recruiters) recognized and validated by the respective Governments also engaging on the same platform.

The option remains to build additional modules around the platform. For example, the platform opens up the possibility of Member States requiring evidence of online CIOP modules being undertaken online by prospective workers, prior to the consideration of their profiles by employers. Alternatively, online skills training and badges validated by skills certification organisations could be made available to prospective employees to help differentiate themselves. The addition of these types of functionalities would contribute considerably to the prospect of an entirely holistic system of governance over temporary labour migration.