

A Role for the Private Sector in 21st Century Global Migration Policy

Submission by the World Economic Forum Global Future Council on Migration to the Global Compact on Safe, Orderly and Regular Migration

A. The World Economic Forum Global Future Council on Migration

1. The World Economic Forum (the Forum) is the international organization for public-private cooperation, committed to improving the state of the world. The Forum's network of Global Future Councils is the world's foremost interdisciplinary knowledge network, dedicated to promoting innovative thinking on the future. The Global Future Council on Migration convenes the most relevant and knowledgeable thought leaders from academia, government, business and civil society to challenge conventional thinking and develop new insights and perspectives on the global migration system, as well as the impact and governance of key emerging technologies (Box 1).

Box 1: Migration and the Fourth Industrial Revolution

The Fourth Industrial Revolution (4IR) represents new ways in which technology becomes embedded within societies, for example through robotics, artificial intelligence, and nanotechnology. 4IR has implications for global migration in at least three ways. First, as was the case for the Digital Revolution, migrant entrepreneurs are at the forefront of technological innovation (Elon Musk is a migrant). Second, migrants comprise an essential and expanding market for 4IR technologies, given their mobility and transnational perspectives. Third, however, low-skilled migrants may lose their jobs in the face of labour-saving 4IR advances.

2. The Global Future Council on Migration has been at the forefront of convening government and the private sector to develop and implement more effective migration policy. Its predecessor, the Global Agenda Council on Migration, developed and mainstreamed the business case for migration (Box 2),¹ founded and co-funded a Business Mechanism to institutionalize representation of the private sector at the Global Forum on Migration and Development (GFMD)

¹ World Economic Forum (2012) *The Business Case for Migration*, Geneva: The World Economic Forum.

(Box 3), and worked across other World Economic Forum Global Agenda Councils to integrate migration into broader policy and practical considerations. The current Global Future Council on Migration has promoted private sector engagement on migration policy through the World Economic Forum’s annual meeting (Davos-Klosters) and regional meetings. Its members include senior representatives of governments (Canada, Sweden, and Switzerland), migration-responsive companies (Oracle, Western Union), international organizations (IOM), as well as global entrepreneurs, faith leaders, academics, and migrants themselves.

Box 2: The Business Case for Migration

Traditionally business have been reluctant to engage with migration, because they consider the issue too risky, they are not convinced of their role, they do not see a direct return on investment, they are frustrated with the slow political process, and they lack the capacity to influence policy and migration management. There is now clear evidence that migrants contribute to economic growth, can be among the most entrepreneurial in society, fill critical gaps in the labour market, and contribute to development. Many businesses rely on the skills and talents of migrants, and benefit directly from diverse workforces and expanding migrant markets. Issues of workforce mobility, skills and labour market needs matching, fair recruitment and decent work conditions, social welfare and public perception are matters of public and business policy for which governments and the private sector have a shared responsibility.

Box 3: The GFMD Business Mechanism

The Global Forum on Migration and Development (GFMD) is the key international forum to address migration and development interconnections. The GFMD can significantly strengthen its added-value for sound migration policy by promoting public-private dialogue within its framework. In the past years, a number of efforts through thematic meetings, regional initiatives, informal consultations and roundtables have started to pave the way to bring business leaders to the GFMD tables. Determined to fill the empty seat at the GFMD tables, the GFMD Business Mechanism was launched at the 2015 GFMD Summit and serves as a platform for businesses to engage with Governments and other stakeholders on migration issues. The International Organization of Employers (IOE) and the World Economic Forum Global Future Council on Migration coordinate the work of the GFMD Business mechanism. Together they form the Business Advisory Group. The GFMD Business Mechanism is housed at the IOE.

3. Building on its experience and expertise, the Global Future Council offers this submission on

engaging the private sector in the Global Compact on Safe, Orderly and Regular Migration in order to establish a clearly-define role for the private sector in 21st Century global migration policy.

B. The Private Sector and the Global Compact for Safe, Orderly and Regular Migration

4. The New York Declaration for Refugees and Migrants acknowledges that the private sector, along with other non-governmental stakeholders, should be part of a more comprehensive response to migration (para 15), while also recognizing that ultimately states have rights and responsibilities to manage and control their borders (para 24). It identifies a role for the private sector at the local (city) level (para 54), the level of national policies (para 39), and in bilateral, regional and global agreements (para 54). It also identifies the private sector as one constituent to be consulted in the process for the preparation of the Global Compact (Annex 2, para 15), reinforced in the subsequent modalities for the intergovernmental negotiations of the Global Compact. (A role for the private sector is also acknowledged in Annex 1 to the New York Declaration concerning the development of a Global Compact on Refugees.)

5. Beyond these generalities, the Declaration is not specific on key questions such as who to engage from the private sector, why, how, or when. By providing answers to these questions, this submission is intended to help inform the process of developing the Global Compact on Safe, Orderly, and Regular Migration, the Global Compact itself, and most importantly its implementation.

C. Engaging the Private Sector: Who, Why, How, When?

Who?

6. The private sector is wide, including diverse industries, ranging from the multinational through small- and medium-sized enterprises (SMEs) to local entrepreneurs, and owned and managed at global, regional, national and local levels. The private sector also engages migrants in various ways, including as employees, customers, and increasingly shareholders, managers and corporate leaders. As a result of this diversity, the private sector has different interests in whether and how to engage with governments in informing migration policy and it is important

that this diversity of interests is properly represented.

7. Recent efforts to convene private sector engagement in migration policy have not been fully representative. National efforts, in countries like Canada and Sweden, tend to focus on nationally-owned and mainly large enterprises. International efforts, for example by the Forum, the International Organization for Migration (IOM) or the GFMD, have tended to focus on a relatively small group of companies that either have a direct business interest in migration (for example Western Union) or plan to develop one, or individual champions for migration at a senior level. Significant gaps in representation of private sector interests remain, including most prominently:

- Nationally-owned companies from developing countries and regions
- SMEs
- Companies without a direct business interest in migration that may still benefit for example through a diverse workforce

8. In addition, in many companies that do actively participate but on the basis of individual champions, an interest in migration policy has not necessarily been institutionalized beyond these individuals. As a result, representation by the private sector in migration policy has been limited and is not necessarily sustainable.

9. One way that several initiatives have tried to overcome the challenge of representativeness for the private sector is by engaging business councils, for example the International Organization of Employers (IoE), or various national business councils (for example the Federation of Indian Chambers of Commerce and Industry - FICCI). Although it is often mistaken for one, the World Economic Forum is not a proxy for private sector representation. While in several cases these councils have been active and effective, it has been found that migration is often just one of a number of competing priorities, and even the largest councils still have limited membership and representative credibility.

10. A final observation is that in recent years a number of initiatives have emerged to try to engage the private sector with government on migration policy, including the Global Future Council on Migration, the GFMD Business Mechanism, Concordia University, IOM, and the Hague Process on Refugees and Migration. Coordinating the efforts of these and other initiatives would help avoid overlap, and begin to generate a more genuinely representative set of interests and perspectives.

Why?

11. The business case for the private sector to engage in migration policy is clear, as illustrated for example by a project of the Global Future Council on Migration's predecessor, the Global Agenda Council on Migration, to lift barriers to the mobility of talented Africans within their own continent (Box 4). These interests revolve around lifting very practical barriers to accessing talent and skills, such as the recognition of qualifications and skills

Box 4: Promoting African Talent Mobility

Flexible immigration procedures are required to facilitate the easy movement of skilled workers between countries and business venues. Around the world tension has arisen between governments concerned to fulfil their sovereign responsibility to manage migration, and the needs of businesses to secure access to the most talented people. Often operational investment decisions are the result, at least in part, of the ability to fill needed skill sets from accessible talent pools. As more countries enter the global competition for talent, innovative policies for resolving this tension have emerged, including preferential visa regimes and quota procedures. One region that has tended to lag behind is Africa. While the free movement of labour is a principle enshrined in certain sub-regional agreements, often it is either not ratified or effectively implemented, while in other parts of Africa obstacles to mobility, even of talented Africans, are prohibitive, time consuming or costly. Not only does this thwart innovation and business competitiveness, it may also contribute to the so-called 'brain drain' that takes skilled Africans away from their own continent. For many businesses in Africa it is easier to employ a skilled non-African expatriate than a skilled African expatriate. Overall barriers to African talent mobility are a drag on the continent's growth and economic performance. Freer movement of talented people is becoming an increasingly important issue to address as African countries pursue policies designed to encourage economic growth. To respond to this challenge, the Global Agenda Future on Migration has launched a new project focusing on lifting barriers to African talent mobility.

12. There is still a tendency, however, for governments and international organizations to seek to engage the private sector primarily as a source of funding, whether on migration, refugees, or more broadly development or other global public goods issues. And of course there have been examples of direct funding provided by the private sector, in the last year especially for

refugees.² Our experience, however, is that direct funding for migration policies and programmes by the private sector is less likely; that a focus on funding can disengage the private sector; and that it also ignores the variety of other ways that the private sector can contribute.

13. First, private sector investment, for business ends, can serve migration policies. A recent report by the World Economic Forum, for example, demonstrates the potential to reduce state fragility and thus address one of the root causes of migration, by promoting investment, stimulating economic growth, expanding tax collection and empowering local populations. Second, the private sector also creates jobs, one of the priorities for the Global Compact. At the 2015 World Economic Forum Middle East and North Africa Regional Summit, for example, the private sector committed to creating 100,000 new jobs in the region.³ A recent study by the Global Future Council on Migration on ‘mobile minds’, demonstrates how migrants can be employed ‘virtually’, thus helping overcome physical barriers on their movement (Box 5).⁴ As has been seen in Europe and North America recently, the private sector can also create internships and provide training, to help integrate migrants into the labour market (Box 6).

Box 5: ‘Mobile Minds’

The World Economic Forum’s Global Competitiveness Report shows that the most competitive countries in the world are those that nurture innovation and talent in ways that align with the changing nature of work, including by adopting policies that support working remotely. In fact, remote and flexible work was found to be the top ‘demographic and socio-economic driver of change’ in employment. Mobile Minds is a high-skilled migration project led by the Global Future Council on the Future of Migration that aims to promote global economic prosperity by advancing information about, access to, and use of a cross-border remote workforce in addressing current and future labour shortages. From a business perspective, companies have already reported cost savings, improved productivity, agility and scalability, increased access to talent, reduced turnover and improved retention when implementing remote work options.

² <https://obamawhitehouse.archives.gov/the-press-office/2016/09/20/fact-sheet-leaders-summit-refugees>

³ <https://www.weforum.org/press/2015/05/companies-at-world-economic-forum-in-jordan-commit-to-train-100000-young-people-2/>

⁴ <https://www.weforum.org/agenda/2017/05/the-future-of-work-is-mobile>

Box 6: Refugee Entrepreneurs

In a recent TED Talk (<https://www.youtube.com/watch?v=zonNpCOcceU>) Shantanu Prakash, a member of the Global Future Council on Migration, launched his initiatives to integrate migrants and refugees into the labour market as job creators. Refugees and migrants are usually expected to enter the labour market from the bottom, but there is no reason why they should not also enter from the top. Shantanu is working with private sector firms in the Netherlands to identify talented migrants and refugees, provide training in top tier global certifications, and place them as change agents in the labour market.

14. Lessons learned from these and other private sector initiatives demonstrates that they depend on genuine public-private partnerships, based on shared values and responsibilities. Investment in fragile contexts, for example, is more likely when state institutions are strengthened. The private sector can only provide jobs and training where policies are conducive, for example regarding legal status, the right to work, mobility within a country, and recognition of skills and qualifications. A particularly important lesson for the Global Compact process is that the private sector must be engaged from the outset in developing solutions.

15. Besides engaging the private sector for what it can offer, the Global Compact process should also engage the private sector as an accountability mechanism. The private sector is by far the largest employer of migrants worldwide, and should be expected to adhere to ethical principles and guidelines for example regarding recruitment and labour standards.

How?

16. In our experience, the private sector is best engaged by directing engagement on specific issues of direct relevance or business interest; inviting the private sector to a general consultation is unlikely to yield interest. The New York Declaration covers a very wide range of migration issues, some of which are better suited to private sector consultation and engagement than others. Our recommendation is to target private sector engagement on the following issues:

- Generating accurate information on migration (para 25)
- Addressing drivers and root causes of migration (para 37)
- Innovative financing responses and risk financing (para 38)

- Systemic innovation (reducing management costs, improving transparency, harmonizing reporting etc) (para 38)
- Creating conditions for balanced, sustainable and inclusive economic growth and employment (para 43)
- Strengthening the capacity of educational institutions (para 44)
- Enhancing employment opportunities (para 44)
- Reducing the costs of labour migration (para 44)
- Promoting faster, cheaper and safer transfers of migrant remittances (para 46)

17. Additionally in our experience, senior representatives of the private sector are unlikely to be attracted to multi-stakeholder consultations, particularly where they are categorized as ‘other’ non-governmental stakeholders. The most effective interactions that the Global Future Council on Migration has hosted have convened small numbers of senior government and corporate leaders, in an informal setting and under the Chatham House Rule.

When?

18. We recommend that the private sector is engaged at three distinct stages of the Global Compact process, during its development, in its outcomes, and in its implementation.

19. Building on the recommendations above on engaging the private sector in a targeted manner, the Global Future Council on Migration offers to host two events on the sidelines of the consultations planned for the Global Compact on Migration, in Geneva (19-20 June) (co-hosted by Global Future Council on Migration and the Permanent Mission of Sweden), and New York (hosted by Western Union).

20. We urge that the final text of the Global Compact makes specific and detailed reference to the role of the private sector in 21st Century migration policy, drawing on the recommendations generated by the two side-events proposed above. Our recommendation is that reference to the private sector moves beyond the general, to specify concrete modalities for engagement. We also recommend that a senior corporate leader is one of the panelists at the presentation of the Global Compact.

21. The private sector is likely to serve its most significant purpose at the stage of implementation, as a funder, an innovator, an employer, and a partner. We recommend that the implementation phase for the Global Compacts specifies modalities for engaging the private sector, for example in the form of dedicated business advisory councils to advise, monitor and

evaluate specific work streams.

D. Recommendations

1. Existing initiatives to engage the private sector in migration policy should be convened and coordinated. The Global Future Council on Migration offers to host a video conference, using this submission as a basis for discussion.
2. A clear statement of purpose for engaging the private sector, beyond exclusively its potential to finance programmes and policies, should be developed prior to the commencement of consultations with the private sector. The Global Future Council on Migration offers to support this process, which should be led by the Global Compact Secretariat.
3. Efforts should be made to engage a wider range of private sector actors than those typically consulted over the past few years. The Global Future Council on Migration offers to mobilize its own and the World Economic Forum's Expert Network to this end.
4. A series of targeted side-events between senior government and business leaders, focusing on areas of shared value of interest, should be hosted on the sidelines of the consultations planned for the Global Compact. The Global Future Council on Migration offers to host these through the good offices of its members.
5. The final outcome document of the Global Compact should detail a specific role for the private sector in 21st Century migration policy, and a senior representative of the private sector should be part of the presentation of the Global Compact. The Global Future Council on Migration offers to mobilize its network to this effect.
6. Planning should begin now to institutionalize a role for the private sector in the implementation of the Global Compact. The Global Future Council on Migration offers to commit any future efforts to supporting this endeavor.

