

## **CONCEPT NOTE AND PROJECT PLAN**

### **GFMD Business Mechanism**

**Duration: February 2016 until January 2017**

#### **Background and development**

The 8<sup>th</sup> Annual Summit Meeting of the Global Forum on Migration and Development (GFMD) held in Istanbul, Turkey on 14-16 October 2015 endorsed a “GFMD Business Mechanism” the aim of which is permanently to fill the empty seat of business in GFMD migration and development policy dialogues. Following a proposal by the World Economic Forum Global Agenda Council on Migration and the International Organisation of Employers (IOE), the IOE will host the GFMD Business Coordinating Unit starting February 2016 as a pilot project under the GFMD Chairmanship of the Government of Bangladesh. This pilot project follows a series of exploratory meetings held in 2015.

From 15-16 May 2015, the Turkish GFMD Chair and the Government of Switzerland, GFMD 2011 Chair, co-hosted a **GFMD Business Meeting** in Istanbul on the subject of global competition for skills and international mobility of skills, with a view to identify potential avenues for regular public-private sector interaction under the auspices of the GFMD.

The meeting brought together decision-makers from companies and business associations; and high-level migration policy-makers from various governments; as well as selected representatives from relevant international organisations and civil society; who discussed the economic impact of mobility of skills and its implications for migration policies. At a time when countries are experiencing demographic transitions leading to increased skills shortages, companies increasingly need to compete for skills to meet labour market needs.

The economic impact of the mobility of skills and its implications for migration policies was the focus of the May 2015 Istanbul interaction. The meeting provided a platform for policy-makers and business to discuss the challenges and opportunities of innovative policy-making on skills matching, recruitment mechanisms and labour migration regulations from the perspective of two sectors – information and communication technologies (ICT) as well as the food, beverage and hospitality industry. The overall goal was to *understand the expectations of the private sector vis-a-vis governments in terms of business-relevant labour migration policy, in order to determine converging and diverging interests and to identify areas of (common) action*. The lively debate yielded concrete migration policy issues of relevance to both the private and the public sector:

- ***The need for workforce mobility:***

The global economy requires flexible mobility of jobs and workforce at all skill levels in both the long- and short-term in order to enhance business competitiveness and economic prosperity. Mobility and diversity should be a key feature of today’s workplaces. The need for closer public-private collaboration is important in order to remove barriers to mobility both for skilled and low skilled workers

- ***Matching skills to labour market needs:***

The private sector should be encouraged to be strong advocates for identifying labour market needs and to make a strong case in favour of migration and its corresponding policy changes, rather than dealing with governments on an individual basis.

Supply and demand matching processes for skills as well as long-term skills development is key within any labour migration policy. Strong labour market systems that take labour migrants into account as well as coherent migration policies that adequately acknowledge labour market needs are necessary, with a view to strengthen inter-ministerial coherence and effective policies.

Similarly, cooperation between local governments and businesses are critical to fill labour market gaps.

Public-private effort is necessary not only for the recognition of skills and qualifications but also for professional experience, which is of particular importance for low- and medium-skilled workers, and for asylum seekers.

Small and medium enterprises (SMEs) especially lack knowledge of overseas recruitment and capacities for company-owned training. This is why SMEs could join forces to collectively invest in recruitment strategies and skills development through associations and joint training facilities.

- ***Fair recruitment and decent work:***

Fair recruitment and decent work conditions for labour migrants is of mutual interest to the public and private sector, as abuse and exploitation entail reputational damage and are detrimental to productivity and prosperity.

The lack of governance and a limited or non-existent legal framework in countries of origin, transit and destination require businesses, governments, employers and workers to jointly deal with the recruitment industry towards a win-win strategy with shared responsibility amongst all social partners. Promising initiatives are IOM's International Recruitment Integrity System (IRIS) or ILO's Integrated Program on Fair Recruitment (FAIR).

While governments should provide a protective and enabling regulatory framework, businesses through their CSR strategies have a responsibility to tackle labour exploitation and trafficking in their supply chains.

- ***Integration and social welfare:***

Governments and businesses should complement each other in ensuring economic and social integration of labour migrants. While governments are responsible for creating an enabling regulatory framework, the private sector can offer additional or complementary social benefits, such as packages to encourage foreign workers to work with local workers, a "migrant social backpack" of social rights and benefits with basic government provisions and additional company benefits or pension funds for migrant remittances provided by financial institutions.

Family reunion is an important incentive to attract and retain foreign labour force as well as an effective

measure of integration.

- ***Public discourse, perception and attitude:***

Businesses and governments need to engage in public discourse with a common understanding on positive aspects of migration. Governments need to show a pro-migration attitude and the private sector can make a major impact if it were to send a strong message to governments and the public at large, that migration is good for business and thus for overall prosperity and economic and social development of host countries.

Demonstrating return on investments in labour migration is an urgent priority, along with the dissemination of evidence-based regional and global data indicating benefits from talent flows.

### **Rationale for a regular GFMD Business Mechanism**

The Istanbul Meeting concluded that business is concerned by migration and highlighted why there is a business case for engaging on migration policy.

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. Governments and the private sector have a shared responsibility to identify labour migration policy solutions that A) allow governments to exert their regulatory mandate, B) are adequately flexible and responsive to business needs, and C) ensure the protection of labour migrants at all skill levels.

However, there is too little understanding by businesses and governments on the returns on investment that a more meaningful private sector engagement on migration policy would yield not only for production but also for overall economic prosperity. There is also still a lack of acknowledgement both from the public and the private sector of the importance of bringing businesses and governments together to make migration and labour market policies more coherent.

It was felt that the GFMD could 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. However, joint deliberations have never truly taken off and the seats for business leaders remained empty, especially at a senior level. Determined to fill the empty seat at the GFMD tables, the Turkish Chair-in-office and Switzerland built on the efforts by the former Swedish chairmanship to fulfill the recommendation of the GFMD assessment from 2011-2012.

Besides exploring an issue of global relevance at the interface of the economic sphere and migration policy, the GFMD Business Meeting also served to discuss potential avenues for regular GFMD – private sector interaction on the basis of a proposal presented by the Turkish GFMD Chair and Switzerland. The proposal on a GFMD Business Mechanism consisted of the following main elements:

1. About mid-way during the annual GFMD cycle a **thematic GFMD Business Meeting** will serve to explore a business-relevant migration policy issue – with the participation of selected participants, mainly from private sector and governments but also further relevant stakeholders, such as international organisations, civil society and unions.
2. A **GFMD Business Encounter at the GFMD annual meetings** will serve as a platform for multi-stakeholder interaction on issues at the interface of the economic sphere and migration policy, similar to the Common Space with civil society.
3. A **GFMD Business Advisory Group** composed of an adequate number of relevant business associations will coordinate the private sector engagement in the GFMD in cooperation with the GFMD Chair and the Troika. It will also be responsible for outreach to the global business community. The GFMD Business Advisory Group will ideally be supported by a Coordinating Unit hosted by one of the Advisory Group’s members. The Coordinating Unit’s role will support the GFMD Business Advisory Group, coordinate the implementation of the activities and events of the GFMD Business Mechanism and lead outreach and coordination activities with the business community and GFMD stakeholders.

## Project proposal

The IOE and the World Economic Forum Global Agenda Council on Migration made a proposal to the GFMD Summit in Istanbul which was approved and forms the basis of this project proposal.

Objectives of the proposed project

1. Mobilising the business community from around the world to make sure they are fully engaged on migration issues
2. Raising the awareness of the business community on the work of the GFMD
3. Carrying out surveys and studies on business and migration issues
4. Advocating for the business case of migration
5. Organising the mid-year thematic GFMD Business Meeting
6. Participating in and actively contributing to the GFMD Summit Meeting in Dhaka in December 2016, including the Civil Society Days, and co-organising the GFMD Business Encounter at the summit
7. Engaging with the GFMD constituency, especially the GFMD Troika, Steering Group and Friends of the Forum

## Proposed project structure

The project will essentially consist of

- Recruitment of a fulltime GFMD Liaison Officer
- Operating budget for outreach activities to business groups
- A one-day business awareness meeting in Geneva
- A two-day Thematic Business Meeting
- Participation at GFMD civil society days and GFMD Summit in Dhaka
- Co-organize the multi-stakeholder GFMD Business Encounter in Dhaka3-month contract to a consultant to carry out a survey and a study business best practices on migration
- A publication on the results of the study

### Timeline and milestones

Activity	Content
<b>Introductory phase (February – April 2016)</b>	
<u>4-5 February 2016:</u> First GFMD meetings (Troika, Steering Group, Friends of the Forum) in Geneva	<ul style="list-style-type: none"> <li>• Agreement on details for implementation of the project</li> </ul>
<u>April 2016:</u> Awareness-raising meeting for business community in Geneva  Participants: 50 persons from selected key business stakeholders and representatives of the GFMD Chair and Troika	<ul style="list-style-type: none"> <li>• Information on the GFMD Business Mechanism, and the role of the Business Advisory Group and Coordinating Unit</li> <li>• Exchange of expectations among participants</li> <li>• Agenda and priorities of Bangladesh Chair</li> <li>• Awareness raising about the project</li> <li>• Present/discuss theme(s) of GFMD Business Mechanism in 2016</li> </ul>
<b>Core phase (May – December 2016)</b>	
<u>May/June 2016:</u> 2-day thematic GFMD Business Meeting in Geneva (last week of June proposed) Participants: 100 representatives of business community, selected governments and other stakeholders from around the world, including developing countries and SMEs	<ul style="list-style-type: none"> <li>• Business perspectives on mobility and skills</li> <li>• Business perspectives on prevailing and emerging migration issues</li> <li>• Communication of outcome of the meeting</li> </ul>
<u>December 2016:</u> Participation at GFMD Summit and Civil Society Days in Dhaka  Co-organization of GFMD Business Dialogue in Dhaka with multi-stakeholder participation	<ul style="list-style-type: none"> <li>• GFMD Business Dialogue Meeting on Mobility and skills</li> <li>• Active participation in Civil Society Days</li> </ul>
<b>Conclusion and follow-up (January 2017)</b>	
<u>January 2017:</u> Communication of outcomes of GFMD Business Mechanism and GFMD Summit	<ul style="list-style-type: none"> <li>• Raising awareness of emerging issues from GFMD meeting</li> <li>• Discussion on renewal</li> <li>• Adoption of project report</li> </ul>

Definition of possible next phase	<ul style="list-style-type: none"><li>• Lessons learned</li><li>• Follow up and decision on renewal</li></ul>
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