Toward a Global Compact on Migration: Perspectives on Labour Migration from the GFMD Business Mechanism

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I. Introduction

The New York Declaration for Refugees and Migrants provides a platform for global deliberation and consideration of the Global Compact on Migration through its comprehensive outline of the myriad aspects of the migration phenomena. The Declaration calls for an agreement of shared responsibility to create a global compact on safe, regular, responsible and orderly migration (GCM), consistent with the UN's 2030 Agenda on Sustainable Development and its related Sustainable Development Goals (SDGs).

The Declaration promotes a comprehensive approach to global migration, including protections for safety, dignity and human rights of migrants; support for countries receiving and hosting large numbers of refugees and migrants; promoting the integration of migrants into their new communities; and combatting xenophobia and racism. The Declaration urges UN member states to develop voluntary guidelines on an overall strengthening of global governance on migration. The goal is the GCM in 2018, along with a separate compact on refugees.

The work of the GFMD must address the migration goals of the SDG's but also provide support and assistance to the development of the GCM. The extensive scholarship and policy development of the GFMD will provide a basis for the GCM.

The Business Mechanism will endeavour to bring its expertise and perspective to the deliberation of the GCM and with that goal in mind, direct the Report of the Business Mechanism for the 10th Annual Forum toward high-level labour migration issues critical to the GCM.

Within this framework, the goal of the Business Mechanism is a regulatory environment in which labour migration policies support business and economic development to create job opportunities and economic growth. Its principal policy issues are the global need for workforce mobility as a complement to the domestic workforce; the matching of skills to labour market needs; fair, ethical and responsible recruitment and decent work opportunities; integration and social welfare of migrants, including refugees; and engagement in public discourse to promote positive perceptions of migrants.

The pursuit of economic opportunity is a concern of almost every sector of the migrant population. Among the estimated 244 million migrants worldwide, some 150 million, or 61 percent, are labour migrants. The labour migrant population itself is diverse – 60 million are skills-based migrants, whose numbers have increased more than 25 percent in the last decade. An estimated 50 million are irregular migrants, who leave home countries with scarce opportunities to seek work – largely low-skilled or unskilled – abroad. Employment is a significant concern for the estimated 21 million refugees worldwide. Labour migrants make up a significant percentage of the workforce in many developed economies. Worldwide, migrants typically have a higher rate of labour market participation than non-migrants – 75 percent versus 64 percent.[1]

[1] United Nations Population Fund, available at http://www.unfpa.org/migration; International Labour Organisation, "ILO Global Estimates on Migrant Workers," December 2015, available at http://www.ilo.org/global/topics/labour-migration/publications/WCMS_436343/lang--en/index.htm; Joseph

Labour is a driver not only for migrants themselves, but also for receiving countries and for sending countries. Developed economies are facing the labour impact of aging populations and falling birth rates. By 2020, there is expected to be a worldwide shortage of 38 to 40 million skilled workers.[2] The shrinking domestic labour pool means that countries must look abroad to fill worker shortages at all skill levels. Sending countries rely on remittances from their citizens working abroad and on circular migration for the skills and experience brought by returning citizens.

A well-designed migration system must be predictable, efficient transparent and encompass a range of mechanisms to meet labour needs at all skill levels. This includes programs that promote legitimate business travel and international trade; high-skill categories that help organizations fill managerial, executive and top research jobs with the most qualified candidates regardless of citizenship; categories for the movement of employees between related companies within multinational organizations in order to promote international trade; bilateral and multilateral trade provisions that facilitate the movement of workers among signatories and accommodate trade partnerships and regional relationships; and categories for short-term assignments. Well-designed systems must be flexible enough to keep pace with evolution in business models and fluctuations in labour market needs.

Migration systems must address the growing need for unskilled and semi-skilled labour in shortage occupations and for seasonal needs. Systems often inadequately consider these labour needs because there is a perception that local workers are available. In reality, though, countries often fill low-skill labour needs with foreign workers who lack proper status; this is one of the key drivers of irregular migration. The absence of sound low-skill mechanisms has serious consequences. Creation of more legal avenues for low-skilled migration tends to reduce the incidence of trafficking, irregular migration, informal employment activities, unethical recruitment practices and forced labour. Permanent migration pathways for the lower-skilled can also help address skills gaps and demographic challenges. The business community can play an important role in this effort. Companies can lend their expertise to the development of advanced technology for immigration processing, programs to match employment opportunities with available workers, and educational and competency assessments.

The question of bringing economic migrants within the legal migration system broaches a serious related issue: Migration systems, institutions and processes have not provided pragmatic solutions for effectively protecting human rights. Trafficking, unethical recruitment practices, and fair pay violations are among the problems that must be addressed in balanced, coherent immigration systems. Legal migration actors can and must address issues of fair recruitment, fair pay and other rights through international agreements and at the host-country level through a sound regulatory scheme.

Finally, migrant entrepreneurship and circular migration must be promoted to serve two linked goals: attracting foreign innovators, ideas and capital to receiving countries

Chamie, "Understanding Unauthorized Migration," IPS-Inter Press Service, November 15, 2016, available at http://www.ipsnews.net/2016/11/understanding-unauthorized-migration.

[2] McKinsey Global Institute, "The world at work: Jobs, pay, and skills for 3.5 billion people," June 2012, available at http://www.mckinsey.com/global-themes/employment-and-growth/the-world-at-work.

while supporting the economic and social development of sending countries. Migration mechanisms for entrepreneurs encourage innovation and job creation in receiving countries. Circular migration enables foreign workers to acquire skills and experience abroad, then use them to foster development at home to counter the negative impact of "brain drain".

In the sections that follow, working groups of the Business Mechanism articulate principles and goals for each of the Mechanism's areas of focus. These ideas will be developed further as critical element of the forthcoming GCM.

II. Leveraging skills mobility to advance global opportunity

Global skills mobility is integral to business and economic growth. In 2015, it is estimated that labour migration increased global GDP by about 4 percent, or up to 3.2 trillion USD.[3] Business knows the value of skills mobility in the workplace: 74 percent of employers report that access to global skills is critical to their business objectives.[4] Migrants bring skills that mitigate gaps in native workforces, as well as introduce new ideas and perspectives. They help business compete, innovate, and expand.

While the global business community has long advocated for policies that facilitate labour migration, we realize that migration is a complement to the native workforce. Around the world, businesses are working with governments to invest in education and training, bring women, youth, and underrepresented groups into the labour market, and develop policies that reflect the 21st century economy. When migration is part of a broader skills strategy, native workers are better equipped to take new jobs created by business expansion. Instead of fearing migrants as competition for jobs, more of society can appreciate their contributions and the value of skills mobility.

The 2017 GFMD Summit is a critical venue to discuss how to break down barriers to skills mobility. It also affords a timely opportunity to consider the role of business in making the public case for migration. This Business Mechanism's working group on skills mobility was created to tackle these very issues and identify areas for action by governments and business. Its work will frame business priorities for the GCM.

A. Defining global skills mobility

Governments and business often speak about skills mobility, but rarely explain exactly what they mean. It is worth defining the term to foster mutual understanding. We define global skills mobility as the international movement of workers at all skill-levels for employment. Practically, employers encounter skills mobility policies when complying with migration regulations in three distinct scenarios:

[3] McKinsey Global Institute, *Global Migration's Impact and Opportunity* (November 2016), available at http://www.mckinsey.com/global-themes/employment-and-growth/global-migrations-impact-and-opportunity
[4] Council for Global Immigration, *Employer Immigration Metrics: 2016 Survey Results,* available at https://www.cfgi.org/us-immigration/our-advocacy/Documents/16-0559%20CFGI_EmpMetricsReport_FullFNL.pdf

- **Global assignees** travel internationally for business, conferences or meetings. The category also includes employees that transfer to a related entity for short- to long-term engagements.

- **Local hires** already reside in a country and join an employer through a similar recruitment process as a native worker. This might include foreign students educated at local universities or migrants already working for another employer.

- **International recruits** possess a skillset that is deficient in a country. This includes exceptionally-skilled individuals or executives hired after an exhaustive, global search as well as workers recruited to address local shortages in low-, medium-, and high-skill occupations.

These scenarios align with the components of a balanced labour migration system outlined in *The Business Case for Migration.*[5] A more detailed exploration of how businesses deploy, hire, and recruit migrants can be found on the Business Mechanism's website.[6]

Reputable employers commit significant resources to comply with complex, time-consuming, and unpredictable migration laws. In many instances, migration policies are barriers to global skills mobility. To this end, we examined policies governing visa and work permit categories, application and adjudication processes, and frameworks for recognizing foreign skills and qualifications, among other areas. We focused on how these impact business and economies, but also considered the role of business in promoting an honest public discourse on migration.[7]

B. Addressing skills mobility needs and challenges

In 2016, *The Business Case for Migration* introduced survey data on the top reasons employers deploy, hire, and recruit migrants and the challenges they face in navigating migration systems (listed below).

Top Reasons to Deploy, Hire, and Recruit Migrants

1. Fill key positions
2. Develop internal talent
3. Address local skills gaps
4. Build teams with special expertise
5. Launch products, operations or projects

Top Challenges with Migration Systems

1. Time consuming procedures
2. Inconsistent and unpredictable processing
3. Inability to hire certain types of workers
4. Visa or work permit quotas
5. Requirements to hire native workers

[5] Austin T. Fragomen, Jr. *The Business Case for Migration: The GFMD Business Mechanism's Position Paper and Recommendations for Presentation at the Ninth GFMD Summit* (December 2016), available at http://gfmdbusinessmechanism.org/wp-content/uploads/2015/09/GFMD-Business-Paper-Recs-December-2016.pdf.

[6] Accessible at http://gfmdbusinessmechanism.org/docu/

[7] Our work aligns with the 2017 GFMD roundtables on policy coherence (1.1) and global skill partnerships (3.1). It also relates to the Report of Peter Sutherland, as former Special Representative of the Secretary-General on Migration, specifically the recommendations on strengthening labour mobility governance (5) and access to information and visa facilitation (6).

We identified four areas for action that could be addressed by the GCM:

1. **Migration policies should be timely and flexible to accommodate new and long-standing business models, but also predictable and transparent so that employers can effectively manage compliance**.

Migration systems have not kept pace with new business models emphasizing project work and expeditious, on-demand delivery. Businesses increasingly require *global* assignees to quickly relocate for short durations to meet consumer and client demands. Migration policies largely preclude this business need. Most countries lack a dedicated migration pathway for short-term assignments and they typically fall outside the scope of permissible activities for business visitor visas. Application processes for intracompany transfer schemes often take months when a project may only last a few days or weeks.

The lack of options is pronounced with short-term assignees, but employers also struggle with limited migration pathways for other scenarios, particularly in low-skill occupations. Where policies allowing the *international recruitment* of low-skill workers exist, processes are often time-consuming. Waiting is not an option for some businesses: farms can rarely postpone a harvest. Constraints on work authorization can prevent businesses from recruiting *local hires* from another employer.

A few practical solutions that benefit multiple stakeholder emerge in this area. Trusted employer programs facilitate migration processes for organizations with a record of compliance, conserving resources for government and business. Work authorization portability, where migrants can change employers in a country, increases labour market flexibility for business while allowing migrants to seek the most favourable conditions of employment.

2. **Employers can be a valuable partner in identifying skills needs and establishing frameworks for assessing foreign qualifications. Policies should avoid rigid qualification requirements and skills definitions, trusting employers to identify the most-qualified candidate.**

We also report challenges with migration policies intended to meet local skills needs while promoting employment of native workers. Frameworks for assessing foreign skills and qualifications often conflict with labour market realities*. Global assignees, local hires, or international recruits* deemed qualified by employers often fail to meet the rigid qualifications requirements established by policy. Similarly, migration policies targeting skills gaps do not quickly respond to emerging needs. With accelerating innovation, business opportunities materialize rapidly and spur immediate demand for new skills. Countries with skills or occupational lists as selection criteria present challenges for employers because such lists often lag behind current demand and inadequately forecast future skills needs.

As a practical solution, governments should consult with employers to determine the appropriate balance of selection criteria, including salary, skills and qualifications requirements. Effective frameworks will enable businesses to employ the right people, with the right skills. Policies should reflect that employers are best-positioned to know their current skills needs.

3. **Migration policies should foster family unity by creating accessible pathways for accompanying family to obtain work authorization.**

Family considerations, including the right of family to work, are a major challenge for employers when managing *global assignees.* Survey data demonstrates that 51percent of employers have had employees reject assignments due to these concerns.[8] Clearly, migration policies that restrict accompanying family's ability to work reduce skills mobility. As the rate of dual-career families continues to increase, policies that facilitate work authorization for accompanying family will only grow as a priority for both employers and migrants.

4. **Employers should elevate the discourse around migration by highlighting how skills mobility promotes opportunity and publicly committing to fair, responsible, and compliant migration.**

We have identified key barriers to skills mobility that require businesses to engage governments and advocate for pragmatic reforms. Reducing barriers, however, is not possible without public support. We recognize that the public discourse on migration is distorted in many countries. Too often migration is discussed in the context of fear, control and restriction, rather than opportunity. Presenting migration through the prism of opportunity can lead to a more honest and nuanced debate.

Business must play a role in this area. In the workplace, migrants apply their skills to enrich economies and local communities. Businesses can identify and share compelling stories that supplement data on the benefits of migration. Many business-led groups, including the Business Mechanism, have embraced this role and examples of their work can be found on our website[9]. Vocal employer support can push the narrative around migration from one of control and fear toward one of opportunity.

Businesses can also build public trust in migration systems by committing to fair, responsible and compliant migration. This means not only investing in compliance – which most employers already do[10] – but also promoting policies that protect the rights of migrants, such as work authorization portability and ethical recruitment frameworks. Trust in governments to manage migration will grow when business champions fair policies.

We are committed to advancing the public case for well-managed migration not just because it is the right thing to do, but also because it also helps business. Misplaced fears of migrants inspire new barriers to skills mobility and prevent pragmatic policy reforms. Global skills mobility can advance opportunity for all, but migration policies will dictate the magnitude of its returns. Both business and governments should act to achieve policies that maximize opportunity.

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[8] Permits Foundation, *International Mobility and Dual Career Survey of International Employers* (June 2013), available at https://www.permitsfoundation.com/wp-content/uploads/2013/06/Permits+Global+Survey+2012nw.pdf

[9] Accessible at http://gfmdbusinessmechanism.org/docu/

[10] See CFGI Survey, supra n. 4.

III. Innovations for migrant and refugee access to labour markets

A. Context

Seismic demographic shifts have created large skills gaps throughout the world, stunting business opportunities and economic growth. Meanwhile, "the world is in the midst of sustained growth in migration that began more than a decade ago. There were more than 244 million migrants worldwide in 2015, up from 232 million in 2013 and 175 million in 2000."[11] This increase in mobility provides great potential to fill hiring needs and facilitate business growth in countries facing demographic challenges, benefitting the private sector, workers, and worldwide economic development. Yet there are challenges that inhibit the private sector's access to this talent pool. Many of these challenges pertain to skills identification and matching; skills assessment, certification, and recognition; and skills development and integration.[12]
We gathered input from the private sector with regard to innovations and models to address solutions which can contribute to the goals of the GFMD, as well as of the GCM on topics related to "Irregular migration and regular pathways, including decent work, labour mobility, recognition of skills and qualifications, and other relevant measures" and international cooperation of migration in all its dimensions, including return, integration and reintegration.

The term migrant, for purposes of the recommendations in this section, refers to any qualified person who would engage in global mobility in order to seek an employment opportunity through a regular, orderly, and safe pathway.

B. Addressing needs and challenges for innovations

We explored opportunities for the private sector, civil society and governments to work together on concrete practical solutions to challenges the private sector faces in employing migrants and refugees. The innovations and models presented can serve as models for relevant stakeholders to recreate and use as inspiration to lower the barriers migrants face in accessing employment and relatedly, employers face in hiring migrant talent globally.

We identified four areas for action that could be addressed by the GCM:

1. **Increase coordination among all stakeholders to facilitate businesses' ability to fully utilize migrant talent**

[11] Fragomen, *The Business Case for Migration*, supra n. 5.
[12] United Nations, General Assembly, Globalization and Interdependence: A/71/728 (3 February 2017), page 21, B(e); International Labour Organization, "Guiding principles on the access of refugees and other forcibly displaced persons to the labour market," Geneva, 5-7 July 2016, paragraphs 18, 19, 28.

Employers, immigration departments, governments (national, regional, and local), employment and recruitment agencies, non-governmental organizations, diaspora communities, and others are contributing to connecting businesses to migrant talent and migrants to jobs. However, both businesses and migrants would benefit from more coordination between these stakeholders. Business needs should be more effectively communicated to relevant actors, and these groups should be more responsive to those needs, thereby aiding businesses in identifying the talent they need, and maximizing migrants' opportunities. Innovations that can help increase collaboration between these many groups include:

The Information and Communication Technology Council (ICTC) of Canada coordinates with governments, associations, schools, employers, immigrant and community organizations to ensure that employers meet their hiring needs and that migrants smoothly transition into the workplace. They have achieved a 2.84 percent unemployment rate among immigrants with ICT skillsets in Canada.

In Germany, states work closely with the private sector, and chambers of industry, commerce, craft, and agriculture to organize recognition procedures for migrants.

Business associations and industry-specific chambers of commerce can work with their members to coordinate efforts and communicate industry needs to the relevant stakeholders, notably, the government. Private and public organizations, including employment and recruitment agencies, and credential assessment services, can create valuable networks, liaising with their key stakeholders: employers, governments, training providers, foundations, and others.

Regional integration hubs can be one-stop shops for both employers and migrants by providing consolidated information and linking employers, potential employees, support structures, administration, and volunteers. A key role they can play is ensuring employers understand the laws surrounding hiring migrants and that employees know their rights and the norms of workplace cultures.[13]

Innovations in public-private cooperation can lead to better outcomes for employers connecting with qualified migrant talent. Public employment services are often under-equipped to counsel jobseekers. Private providers can help in this regard, but they need support to make the business case work. Improving incentives for advisors to serve newcomers, such as paying providers a higher rate for demanding cases, could be effective.

[13] The German IQ Network is composed of federal, regional, and local organizations. Its tasks include supporting authorities responsible for labour market integration such as employment services, chambers of commerce and industry; Czech Republic has national integration plans that create collective accountability; Sweden encourages increased cooperation among local authorities to pool resources; IOM offices and partners launched Skills2Work to improve the access of employers and beneficiaries to information and services related to skills recognition; http://www.iom-nederland.nl/en/integration/skills2work.

The Adecco Group white paper 'The Labour Market Integration of Refugees' showcases the best practices of 18 companies in Europe, providing actionable recommendations for governments, policy makers and employers alike.

Upwardly Global in the USA works to equip migrants to work in their fields of training. They provide guidance and assistance to navigating certification processes in 5 states and 11 occupations. This organization can be seen as an example to be expanded and replicated.

World Education Services (WES) is the largest non-profit credential evaluation service in North America. WES Global Talent Bridge works with individuals, community organizations, institutions and employers to help skilled immigrants overcome the barriers they face in becoming employed in their field.

2. Lower information barriers that businesses face in accessing qualified migrant talent

Employers face challenges in identifying and connecting with migrant talent; they may not know that the talent exists or how to integrate these candidates into their hiring practices. Likewise, migrants have difficulty finding job vacancies that are compatible with their qualifications. A number of innovations can help overcome these information barriers.

Current skills gaps must be identified in a timely manner so that labour market projections for the future can effectively anticipate employers' needs. Such projections allow employers to plan for the future and develop relevant training programs. Labour market insights also guide employment and recruitment agencies on where to focus their efforts, thereby giving employers increased access to talent. An increase in employers' roles in identifying skills gaps can make labour market data more accurate and up to date. New technologies, including Artificial Intelligence platforms, provide opportunities for real-time descriptions of labour market needs, and projections for the future.[14]

Civil society and other groups can familiarize migrants with the destination country's hiring norms to make qualified migrants more visible to employers.[15] Online platforms that showcase talent and facilitate matching to jobs can increase employers' access to talent. Migrants must have orientation to make use of these platforms and present their skills in a way that employers understand. Likewise, employers can be encouraged to turn to these platforms to find talent.[16] Technology that offers language, skills, and personality tests can make migrants' skills more visible and comprehensible to employers, especially when done early in the immigration process.[17]

Credential assessment services can help employers validate formal academic documents, and understand the relative value of academic qualifications earned

[14] See http://burning-glass.com
[15] To assist in the matching process, ICTC offers resume writing and interview preparation to clients.
[16] Examples include: magnet.today, Adecco's workeer.de, migranthire.com, refugeetalent.com, tbbtalent.org.
[17] The Adecco Group offers over 2 million assessments each year – Skills/knowledge (including language), cognitive ability, behavior/attitude, motivation/work preference.

abroad. This allows newcomers to compete with native born for hiring and promotions on a fair and equal basis. New technologies that test soft skills and facilitate virtual interviews help overcome informational barriers that employers face in hiring overseas talent.[18]

ICTC first maps industry trends to forecast what skills will be needed, then partners with overseas teams to identify talent, and matches this talent to employers prior to arrival (ICTC's Go Talent Program).

Adecco Analytics is an example of a big data analytical programme of skills needs. It was made available freely to several NGO's working with refugees in France: http://www.groupe-adecco.fr/marques/adecco-analytics/

3. Train migrants so that employers can more effectively benefit from their contributions to the labour market

Businesses have expressed various challenges in hiring migrants to fill their needs due to language barriers, different industry standards across country lines, workplace cultural differences, etc. Innovations provided by governments, the private sector, and civil society should be explored as means to provide businesses the ability to fill their hiring needs with migrant talent.

Occupation-specific language training offers a cost-effective avenue to include migrants in the workforce. Cultural orientations, especially workplace culture orientations, can improve migrants' abilities to adapt.[19]
Occupation-specific trainings to address different industry standards across countries can help bridge differences in occupational trainings between countries. Bridging courses to develop country-specific skills on the basis of prior qualifications in home country allows migrants to use their educations/experiences from their home countries and to enter the workforce faster.

Global skills partnerships, in which the private sector supports skills training in one country to match labour market needs in another, can be a triple win for training, employment opportunity and economic development in both countries of origin and destination. Mentoring structures can also be an effective tool for trainings.

Germany is partnering with the private sector in using technology to pre-screen new arrivals' skills with minimal language use to avoid issues with language barriers. This same method could be used for trainings.

Increased use of technology in training programs allows for pre-arrival training. Technology might allow learning platforms to require less language skills through the use of graphics and videos. Online platforms may also be more cost-effective.

[18] For skills testing see https://codility.com/?no_redirect=1; For interviewing platform see https://www.sparkhire.com/. Online video meeting programs, such as Cisco's Webex, can also be used for interviews.
[19] See Immigration Refugees and Citizenship Canada's "Canadian Orientation Abroad." http://www.cic.gc.ca/english/department/partner/bpss/COA.asp; Manitoba Start provides immigrants upon arrival training in Canadian-style job finding techniques, self-marketing tools, such as resumes, cover letters and interview skills, labour market information, processes for regulated occupations in Manitoba, and Canadian workplace culture.

4. Harmonize certification processes and improve methods for assessments and skills-recognition processes to facilitate efficient hiring

Employers report that sometimes they identify candidates who have the requisite skills to fill a role, but who lack the credential or certification needed to work legally in that profession. The process of obtaining formal credentials can be cumbersome, expensive, and time-consuming. Failure to recognize migrant skills leads to an underutilization of migrant talent and "brain waste," resulting in losses of potential earnings for individuals and businesses, and loss of tax revenues for governments.[20]

Creating pathways for employers to play a greater role in certification processes can ensure qualified talent is recognized and made employable.

> ***"The underemployment of immigrant college graduates results in tens of billions of dollars in forgone earnings and taxes annually [in the United States]"***
> *Jeanne Batalova et al. Untapped Talent: The Costs of Brain Waste Among Highly Skilled Immigrants in the United States, (New American Economy, World Education Services, and the Migration Policy Institute: 2016).*

Using technology to pre-screen new arrivals' skills, as well as providing migrants information on relevant certifications prior to their arrival, can jumpstart migrants' entry to the labour market. Agreeing on and working with internationally harmonized certification systems for non-formal skills and additional qualifications holds the potential to greatly increase employers' access to migrant talent. To be effective, these systems must be accepted by employers.[21]

Model national laws which grant rights to migrants to have their skills and credentials evaluated for qualification can provide businesses with a larger pool of talent and avoid brain waste. Such procedures often are managed by close partnerships between the private sector and the national and regional governments. In some instances, where the government does not perform this role, private organizations fill the gap. The private sector can help ensure that targeted, large scale and systematic procedures for skills assessment and qualification recognition are in place. The use of innovative alternative approaches to assess the skills, work history, and academic and professional credentials of migrants who are missing official documents required by traditional certification and accreditation processes can be helpful in enlarging employers' talent pool.

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[20] See McKinsey Global Institute report, supra n. 3.

[21] UNESCO and the Council of Europe, in cooperation with Member States, will submit a final draft of the elaboration of a global convention on the recognition of qualifications at UNESCO's General Conference in 2017; The European Qualifications Passport being piloted in Greece by various European agencies for the recognition and comparison of international qualifications and skills is another example to emulate. The "passports" confirm the qualifications and skills of migrants based on interviews and credential evaluations so that they can readily enter the labour market; Europe's National Academic Recognition Information Centres (NARIC) work to recognize diplomas and educational programs from other countries; https://ec.europa.eu/education/resources/national-academic-recognition-centres_en.

World Education Services developed a pilot project to assess the education of migrants and refugees missing academic documents required in traditional assessments. WES provides a detailed assessment based on copies of transcripts, or if only partial documentary evidence is available, a re-construction of the program of studies based on knowledge of the curriculum;

Norwegian ENIC-NARIC Centre offers alternative educational assessments for those missing documentation.

Germany's Law on the Assessment of Equivalence of Vocational Qualifications (BQFG), passed in 2012, can be seen as an example. In Germany, Federal States designate the responsible recognizing/credentialing body, and sometimes are responsible themselves. They work closely with the private sector.

IV. Irregular Migration and Labour Market Solutions

A. Context

Of the world's migrant population of 244 million, an unknown number are irregular migrants – those who have entered or remain in a country without fulfilling immigration requirements. There are very limited data on this population, but one expert estimates their number to be roughly 50 million – far exceeding the refugee population of 21 million.[22] The countries with the largest numbers of unauthorized migrants include the United States (11 million), India (at least 10 million), the Russian Federation (4 million), Malaysia (1 million) and the United Kingdom (1 million). The high level of migrant participation in local workforces generally – 75 percent versus 64 percent of the domestic workforce – suggests that irregular migrant participation in the labour force is substantial.

The drivers of migration are well known: to avoid risk and access opportunity. The desire for a better life through enhanced economic opportunities continues to be a strong incentive, with likelihood of migration increasing with the potential gain to be achieved. Fleeing or seeking refuge from potential harm is arguably growing as the motivation for migration and frequently is so substantial that the migrant is willing to embark on a dangerous journey. The incidence of political repression, civil strife, humanitarian disasters, climate change, and rampant crime seems to be rising.

In fact, the increase in migration has tracked the global growth in population as a general trend.[23] But perhaps migration attributed to environmental change and civil

[22] Joseph Chamie, "Understanding Unauthorized Migration," IPS-Inter Press Service, November 15, 2016, available at http://www.ipsnews.net/2016/11/understanding-unauthorized-migration.
[23] See McKinsey Global Institute report, supra n. 3

violence will become more prevalent in individual decisions to migrate, thus changing the trend line.[24]

The negative consequences are equally well known. Irregular migrants are vulnerable to smuggling, human trafficking and exploitation. There is also a political cost. Irregular migration is at the very heart of the negative public perception of migration generally. Though much of the recent anti-migration rhetoric has been directed at refugees, the refugee population has in truth become a convenient straw man amidst the more pervasive and diffuse problem of irregular migration. Ultimately, many irregular migrants will be determined to be "refugees" as that term is defined under international agreements. But the distinction is not always superficially apparent where the personal drivers from refugee and economic migration frequently overlap. We also suggest that transformation of the workplace is conducive to economic migrants working without proper status since the bias toward regular payroll jobs is shifting to more occasional, intermittent and project-oriented work.

Any discussion of the problem of irregular migration must begin with a stark truth: Eliminating the drivers of irregular migration is a long-range challenge of enormous size and complexity; perhaps it requires worldwide parity in economic opportunity and good government. Realistically, gross disparities in economic opportunity and good governance will persist. Developed economies – which receive the largest share of irregular migrants – must craft pragmatic solutions to manage the issue. The current context has the inconsistency of promoting trade but not correlative mobility of human capital. This dysfunction operates across the skill spectrum but is less prevalent at the high skills level. More importantly, the geographic worker shortage are prevalent in most advanced economies with little particularly among the low skilled.

The task is challenging, and thus far it has not been fully addressed in the international community. Traditional approaches typically involve increased border controls and interior enforcement, to block the inflow of migrants, remove them and de-incentivize employers from hiring them. There have been significant downsides to these approaches, among them, physical endangerment of migrants and a brisk market in counterfeit identity and work authorization documents. Furthermore, countries with extensive sea and land access are challenged to effect an adequate system; the European Union and the United States are examples. More recently, approaches have also included more focus on the human rights aspects of irregular migration, including initiatives to promote fair recruitment and wages, flagrant exploitation and even human trafficking.

Though border security and human rights protections are essential elements of any program to control irregular migration, they are incomplete on their own. Missing are mechanisms to place economic migrants within the legal migration system. The huge reservoir of economic migrants must be addressed not simply from a border security and human rights perspective, but also from the perspective of the labour markets of destination countries. This includes assessing unmet labour needs as well as gauging the impact of irregular migrants on the domestic labour market. Most importantly, it is clear that widespread employment of irregular workers in an industry suggests that the need for that particular labour is unmet by domestic workers.

[24] Katharine M. Donato and Douglas S. Massey, "Undocumented Migration in a Global Economy," The Annals Volume 666 (July 2016).

Governments have been reluctant to create legal means for low-skill economic migration because of the political sensitivities of doing so. As the migration crisis of 2015-2016 demonstrated, when large numbers of individuals leave their home countries voluntarily due to economic necessity, the labour market is significantly affected. The initial shock of a surge in irregular migration on receiving countries can mean disruption of the local labour market, but can also provide significant opportunities for development and growth of the local economy in the long term.

Advancements in economic development typically create a greater need for unskilled or semi-skilled labour. Migration schemes inadequately consider these labour needs since there are frequently irregular migrants to supplement the domestic labour force to fill these positions. Of course, this raises the obvious question of the disconnect between local unemployment and the employment of irregular migrants. Historically, options for low-skilled workers have been the most underdeveloped aspect of immigration systems because of their potential impact on the local labour market and because of resistance to filling essential needs with foreign labour. In truth, however, countries fill low-skill labour needs with foreign workers who lack proper immigration status. There are exceptions; some countries already make use of extensive temporary worker programs to fill labour needs.

Sound low-skill migration mechanisms – with appropriate protections such as recruitment obligations as well as skills matching components – are crucial elements of a coherent immigration system. Their absence has serious consequences.

Creation of more regular avenues for low skilled migration tends to reduce incidences of trafficking, irregular migration, informal employment activities, unethical recruitment practices and forced labour. To effectively address irregular migration, governments must address these realities, and accept some short-term political risk to promote long-term solutions.

B. Addressing needs and challenges for irregular migration

A coherent approach to irregular migration requires a multifaceted approach:

1. **Strict enforcement**. In addition to strict border and legal entry controls, governments must support strong interior enforcement to prevent the employment of irregular migrants, including employment eligibility verification requirements. This is not an obligation that should be shifted to the private sector. The government should manage a robust database. Effective border and interior enforcement helps to mitigate some of the political risks opening the legal migration system to economic migrants.

2. **New immigration channels**. Governments must craft new essential worker immigration programs that take into account supports for the domestic labour market and meet labour shortages. These must include skills matching, skills assessment components and local recruitment requirements.

3. **Comprehensive legal protections.** Legal migration actors can and must address issues of fair recruitment, fair pay and other rights through international

agreements and, at the host-country level, through a sound regulatory scheme. Businesses must partner with policymakers to help develop and promote fair recruitment initiatives. Business can lend their expertise to combat exploitative practices; develop clear, transparent and efficient recruitment best practices; and reliable and accessible compliance tools.

4. **Solutions to support the domestic labour market**. Skills training, local recruitment initiatives and similar programs ensure that local workers are not disadvantaged by legal channels for economic migrants.

5. **Balancing enforcement priorities with realism**. Government and the private sector must partner to encourage humane and realistic approaches to address irregular migrant population, which is frequently integrated deeply into the fabric of diaspora communities in the host country.

V. Responsible recruitment

A. Criteria for responsible recruitment

The criteria for fair, ethical, and responsible recruitment are well established. They are laid out in the ILO Convention No. 181 on Private Employment Agencies[25] and accompanying Recommendation No. 188,[26] and are further elaborated through the ILO Fair Recruitment Initiative, launched in 2014.[27] They are embodied in the self-regulatory Code of Conduct of the World Employment Confederation (WEC),[28] which represents the Employment and Recruitment industry at the global level. And they form the basis of the International Recruitment Integrity System (IRIS),[29] which is currently being promulgated by the International Organization on Migration (IOM) and has been endorsed by the International Organization of Employers (IOE). They are also reflected in numerous NGO and multi-stakeholder initiatives, corporate and industry Codes of Conduct, audit tools and best practice compendiums. These criteria pertain to actions and policies of both the recruitment industry and the companies ultimately employing contingent workforce.

The aspiration of all these initiatives and instruments is to ensure that the rights of workers are not violated through the recruitment process and that workers will not be exploited in the workplace. One of the main principles set forth is that workers cannot be charged any recruitment fees or made responsible to bear any related costs to obtain employment. Other principles address the right of workers to be in possession of identity documents at all times, and the requirement that contracts cannot be confiscated, destroyed or retained. Contracts must be set out clearly, honestly, and

[25] See http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_INSTRUMENT_ID:312326.
[26] See http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:55:0:::55:P55_TYPE,P55_LANG,P55_DOCUMENT,P55_NODE:SUP,en,R188,/Document.
[27] See http://www.ilo.org/global/topics/fair-recruitment/lang--en/index.htm.
[28] See http://www.wecglobal.org/fileadmin/templates/ciett/docs/Corporate_literature/Code_of_Conduct_-_WEC_2017.pdf.
[29] See https://iris.iom.int/.

include the terms of employment. Wages must be paid in a timely fashion, and workers should have access to information and grievance and dispute resolution mechanisms at all times.

But despite the substantive convergence of these mechanisms and instruments, as well as the widespread consensus around the principles they espouse, abuses persist in many parts of the world. At their most flagrant, they can rise to the level of forced labour and human trafficking, resulting in the condition referred to as 'modern slavery'. Low- and medium-skilled migrants seeking job opportunities are most vulnerable in this regard and require special attention and protection.

Addressing these human rights violations is a shared task. Governments have the primary duty to respect, protect and fulfil human rights, while ensuring social protection to their populations. Businesses also have a responsibility to respect human rights and undertake due diligence to identify and address adverse situations in which they may be involved. This is a business imperative. For responsible enterprises, the importance of compliance with existing laws and regulations goes beyond avoidance of monetary fines and other legal sanctions. It speaks to the protection of brands and corporate reputation, the management and control of risk, and the preservation of a level playing field and fair competition.

The endeavour becomes particularly complex when it involves the movement of workers across national boundaries. Recruitment of foreign workers raises issues from jurisdictional disputes, differing legal systems, regulatory gaps, and uneven governmental capacities to enforce existing rules. Disparities in law, definition, interpretation, and implementation can inhibit the ability of even the most responsible Private Employment Agencies and companies, operating internationally to ensure their practices comply fully with the demands of fair and ethical recruitment. Furthermore, the proliferation of standards and audit bodies risks overlap and confusion. Such complexity defies one size fits all solutions and demands multi-stakeholder approaches.

This is why enterprises across a wide range of sectors, including the Employment and Recruitment industry, have joined with governments, regional bodies, NGOs, and trade unions in a variety of multi-stakeholder initiatives operating in the area of fair recruitment. In addition to private sector collaboration with the ILO and the IOM, examples of such engagement by GFMD Business Mechanism members include participation in projects as diverse as the Bali Process, a regional forum that addresses human trafficking through policy dialogues, information sharing and practical cooperation; the Colombo Process, a regional consultative process on the management of overseas employment and contractual labour for countries of origin in Asia; the Public Services International (PSI)'s 'No Recruitment Fees' campaign;[30] and the Philippine government's Foreign Employer Guarantee Fund (FEGF),[31] which helps protect Filipino migrant workers and supports their repatriation. Companies and organisations are also deploying their technological resources and social media networks to help educate workers on their rights and raise awareness on abuses, and

[30] Available at http://www.world-psi.org/en/psi-launches-no-recruitment-fees-campaign-during-3-day-conference-philippines.
[31] Available at http://www.poea.gov.ph/laws&rules/files/Revised%20POEA%20Rules%20And%20Regulations.pdf.

to help governments introduce systems that better ensure worker protections. One example of the latter is the UAE's Wage Protection Scheme, which mandates direct deposit of wages into employee accounts.[32]

The Business Mechanism encourages inter-regional dialogues on migration, such as the Abu Dhabi dialogue that addresses development in temporary labour mobility in Asia, or the Africa-EU Strategic Partnership, as the formal channel through which the European Union and the African continent work together on migration strategies.[33]

As important as these various schemes are, both businesses and governments can and must do more. A great deal of work is currently underway on human rights due diligence for company supply chains. But further thought must be given to how to reach smaller domestic enterprises, and how to support them in making the business case for responsible recruitment. At the international level, the IOE and the IOM concluded an agreement in 2014, where the IOM offers the promise that once fully implemented, the IRIS system may offer both recruiters and end users consistent operational guidance.

Sectoral initiatives such as the Electronic Industry Citizenship Coalition (EICC), the Leadership Group for Responsible Recruitment, housed by the Institute for Human Rights and Business and led by prominent MNEs (including Coca Cola, IKEA, HP, Hewlett Packard Enterprise, Walmart, Marks & Spencer, Unilever, among others), which champions the 'employer pays' model of recruitment, or the Consumer Goods Forum has launched its three Forced Labour Priority Industry Principles, including the principle that no worker should pay for a job, can facilitate convergence around audit systems and sharing of best practice.

We believe that there is a strong business case for global labour mobility amongst high skilled and low skilled workers. The process must be easy and cost effective for both job seekers and employers whilst adhering to highest human rights standards, which at the same time meet the speed that an on-demand economy requires.

B. Addressing needs and challenges for responsible recruitment

On this basis, the following recommendations are proposed to governments:

1. **Ensure that national law is compatible with the elements of fair and ethical recruitment** as set forth by ILO Convention 181 for Private Employment Agencies, the ILO Fair Recruitment Initiative, the IOM IRIS Initiative as well as the W.E.C Code of Conduct and the W.E.C Business Case for Fair Recruitment). This should create a level-playing field for the responsible players in the industry, enabling to make a working business case for fair recruitment, while eliminating rogue operators. Governments should enforce and monitor compliance with these tools, and promoting no fees for job seekers as an essential rule

[32] See http://www.ilo.org/dyn/migpractice/migmain.showPractice?p_lang=en&p_practice_id=186.
[33] http://www.africa-eu-partnership.org/en

2. **Consider the merits of bilateral arrangements between sending and receiving countries.** These may have general or sectoral application. An excellent example of the latter is the agreement between Germany and the Philippines on the Deployment of Filipino Health Professionals to Germany, known as the Triple Win Project.[34] An active engagement with the private sector toward a quadruple win scenario would strengthen such agreements. These arrangements may also address capacity building for governments less able to implement and enforce their fair recruitment regimes.

3. **Leverage technology** to educate people and raise awareness (Wage Protection Scheme UAE, Micro Distribution Center MDC Model, call centres, cartoons, graphic illustration, social media)

4. **Participate in multi-stakeholder approach/alliances** to raise awareness on fair and ethical recruitment principles, share best practices, and identify barriers to implementation. Governments, institutions, NGOs, Trade Unions, companies and the Employment and Recruitment industry need to work together effectively as seen in the Bali process, the Colombo Process, PSI 'No recruitment fees campaign', and the Philippine Foreign Employer Guarantee Fund (FEGF).

VI. Entrepreneurship and circular migration

International migration is of global importance for several reasons, one of which is its socio-economic impact on labour markets. Against this background, migrant entrepreneurship and circular migration are themes that have received some attention in policy circles as entry points for positing migration as a constructive phenomenon with mutually beneficial outcomes for both sending and recipient countries, as well as the migrants themselves.

A. Virtues of migrant entrepreneurship and circular migration

1. In countries of destination

When seen as 'labour', immigrants often get accused of taking jobs from the local population. Immigrant entrepreneurs, on the other hand, can help shift the public opinion because even when they operate small scale businesses they, create jobs for themselves and for others. At the extreme end of the spectrum of immigrant entrepreneurs are those who start innovation-driven, high-value enterprises that generate employment for large numbers of non-migrants, pay large sums in taxes and help stimulate the economy.

[34] https://www.giz.de/en/worldwide/41533.html

2. In countries of origin

Entrepreneurial activity of the diaspora can have positive effects for countries of origin and ancestry as well by means of diaspora investments, transfer of business and technological know-how, information exchange and remittances. Many times, the remittances sent back home are used by their families to start micro-enterprises.

Circular migration of entrepreneurs is another way in which countries of origin stand to benefit. Returnee entrepreneurs frequently have a dual advantage while starting businesses back home –the possession of technologies, networks, technical expertise, managerial skills and capital that they accumulated during their time abroad alongside a knowledge of the business climate and cultural context of their home countries. Many countries have benefitted significantly from the reverse migration of entrepreneurs including China, Korea, India and Israel.

From a private sector perspective, migrant entrepreneurship drives innovation, stimulates economic activity and injects a certain energy into the economies of the countries wherein it takes place, which is all good for business.

Overall, migrant entrepreneurship has many positive spill overs for both sending and receiving countries. Migrant entrepreneurs frequently provide goods and services that did not previously exist or that existed in limited supply. They also help promote trade between the two countries they straddle, while reducing information and transaction costs. For migrants themselves, self-employment can mean a better income, which in turn fosters a sense of independence and social inclusion.

A recognition of the positive externalities of migrant entrepreneurship is evident in the policies being adopted by various States. Despite a recent surge in anti-immigrant sentiment and populist, right-wing politics in many settlement countries, destination countries have continued to facilitate the immigration of qualified entrepreneurs and investors. Many countries like Canada, the U.K., New Zealand, Ireland, and Singapore have adopted measures such as Start-up Visas to facilitate the inward mobility of entrepreneurs. Similarly, in countries of ancestry, diaspora engagement policies to induce investments have become a common practice. Countries like China and South Korea have even taken proactive measures to try and lure returnee entrepreneurs back.

These policies suggest that governments are beginning to acknowledge the potential of entrepreneurship and circular migration. Yet, despite the emerging consensus about the benefits to be accrued from these trends, and their non-controversial nature, States are not succeeding in optimally utilizing migrant entrepreneurs as a lever for economic growth. As a blueprint for the governance of international migration, the GCM could guide the way in this regard.

B. Are migrants more entrepreneurial than non-migrants?

Numerous studies conducted in different parts of the world suggest that migrants are as, if not more, entrepreneurial than non-migrants and that business ownership rates are higher among the foreign-born than natives in many developed countries.[35] Some argue that the decision to migrate is demonstrative of personality characteristics such as self-efficacy and risk-taking – crucial traits for starting new ventures.[36] According to some others, immigration occurs in a highly selective manner, which results in differing demographic and socio-economic structures among indigenous and migrant populations[37] which may make them more entrepreneurial. Their propensity for starting businesses is also attributed by some to their access to supplementary sources of support, training and financing, because often migrants increase their educational level and/or gain new skills, save more money and extend their social network while living abroad.[38] Many times the decision to start a business is the result of formal and informal discrimination or stereotyping, a lack of information about the labour-market, or language and cultural barriers which can push migrants, particularly low-skilled migrants, into need-based self-employment.[39]

Insightful as these studies are, not many of them are able to capture the heterogeneity of migrant entrepreneurship and provide conclusive, generalizable results. Further, research on entrepreneurial tendencies and performance of migrants is limited to case studies of some sectors, such as the high-tech industry in Silicon Valley, individual economies[40] or to the comparison of a small number of economies.[41]

One of the only studies to compare early entrepreneurial activity, or start-up rates, of migrants vis-à-vis non-migrants across geographies is the 2012 Global Entrepreneurship Monitor (GEM).[42] The study finds that the broader entrepreneurial framework conditions influence the prevalence of migrant and non-migrant entrepreneurship similarly. It also submits that the likelihood of first generation migrants starting an enterprise is higher in most geographical regions. Finally, the study illustrates that businesses started by migrants are more likely than businesses started by non-migrants to be growth-oriented (expecting to create 10 or more jobs) in all kinds of economies, regardless of the stage of development they are in.

In factor-driven and innovation-driven economies, migrant businesses are also more likely to cater to an international clientele. These results demonstrate the potential of migrant entrepreneurship as source of employment in all stages of economic development.[43] show that the skills, capital and networks acquired during one's time

[35] Sari Pekkala Kerr and William R. Kerr. "Immigrant Entrepreneurship." Harvard Business School Working Paper, No. 17-011, July 2016. Studies include Borjas 1986; Lofstrom 2002; Clark and Drinkwater 2006; Schuetze and Antecol 2007; and Fairlie et al. 2010.
[36] Wim Naude et al., Migration, entrepreneurship and development : critical questions, IZA Journal of Development and Migration 2017, available at https://izajodm.springeropen.com/articles/10.1186/s40176-016-0077-8; Neville et al. 2014.
[37] Levie 2007 ; OECD 2010.
[38] de Haas 2006; OECD 2008.
[39] Siri Roland Xavier et al., Global Entrepreneurship Monitor 2012 Report, available at http://www.gemconsortium.org/report/48545.
[40] For instance, Drew Hohn et al. 2012 for the US, Levie and Hart 2009 for the UK, Irastorza and Pena 2007 for Spain, Brixy et al. 2011 for Germany.
[41] Naude et al., supra n. 36; OECD 2010.
[42] Global Entrepreneurship Monitor 2012 Report, supra n. 40.
[43] Global Entrepreneurship Monitor 2012 Report, supra n. 40.

abroad can help returnees overcome some barriers to establishing businesses in home countries.[44]

These findings are promising enough to recommend further investigation. One study which aims to do this is a joint research project being undertaken by the Federation of Indian Chambers of Commerce (FICCI) and the Hong Kong University of Science & Technology (HKUST) on return migration of entrepreneurs and academics to India and Turkey in light of the Chinese experience. Preliminary findings of the study from the city of Pune, India suggest that international exposure is generally helpful for returnees in their entrepreneurial efforts back home. The results also demonstrate that a significant proportion of the returnees are motivated to move back because of a desire to contribute to the development of the country as also by the newly opened up opportunities back home, but that challenges in their entrepreneurial journey abound.[45]

C. The way forward

International migration is a widely debated subject. Therefore, despite the many seeming advantages of entrepreneurship and circular migration, prescriptive recommendations on these issues advancing a one-size-fits-all approach are unlikely to succeed. It seems counterintuitive to advance micro-level policy measures because ultimately governments will have to cater to the specific needs of their countries and demands of their population. Nevertheless, **some broad-based suggestions which can help maximize the potential of migrant entrepreneurship include**:

1. **More investment in studying and understanding immigrant and returnee entrepreneurship to aid the policy process, and ultimately improve economic performance in this arena.**

Better grounded estimates of the importance of migrant groups for the creation of new firms, the business activities, survival rates and growth profiles created by new firms, and a deeper understanding of why migrants resort to starting businesses (if it's more opportunity or necessity driven), the unique challenges that are faced by migrant entrepreneurs, and the effectiveness of existing policies to attract and support them is crucial for designing and calibrating measures to bolster migrant entrepreneurship. Similarly, with respect to returnee migrants, it is important to strengthen understanding of the intricacies of the phenomenon as to the motivations for return (whether it was triggered by emotional reasons, opportunities back home, or lack of integration and hostile settlement policies in host countries), it's developmental impact, how it can be encouraged, how barriers to returnee entrepreneurship can be addressed and what initiatives can be taken to facilitate it. A thorough analysis of these questions can also

[44] Marchetta 2012; Rapaport 2002

[45] Federation of Indian Chambers of Commerce and Industry, Coming Home: Reverse Migration of Entrepreneurs and Academics in India and Turkey in Light of the Chinese Experience (December 2016), available at http://ficci.in/spdocument/20794/Results%20from%20Pune_Return%20migrarion%20project%20with%20the%20Hong%20Kong%20University.pdf.

guide agreements between countries of origin and destination to maximize the potential of circular migration of entrepreneurs.

2. **Supplementing policies to incentivize and facilitate entry of new migrant entrepreneurs with strategies for countering challenges that limit migrant entrepreneurs' ability to start and grow their business.**

Language barriers, cultural differences, difficulty navigating the legal and bureaucratic processes to start a company, lack of clarity about regulations concerning taxes and import-exports, and paucity of access to capital and financing are examples of some hindrances that can be faced by migrant and also returnee entrepreneurs wishing to start a new enterprise or looking to expand their existing business. Many times, migrants who enter a country on a work or student visa are unable to transition easily to setting up enterprises because of permit constraints. Unless these issues are addressed, any number of measures to attract entrepreneurial talent into the country will remain inadequate. States may consider instituting mechanisms for facilitating access to capital, promoting social networks and education on local laws and regulation, and training and counselling interested migrant entrepreneurs. In case such services are already provided for encouraging entrepreneurship at large, gearing some of these packages for the special requirements of migrant and diaspora entrepreneurs can be a useful strategy. Public-Private partnerships can play a pivotal role in the provision of complex services for bolstering migrant entrepreneurship.

3. **Enhancing access to information related to migrant entrepreneurship.**

Often times, reluctance on part of migrant and diaspora communities to start businesses or make investments stems from the lack of information that they possess about the business and investment climate of the country of interest. Even when specific policies targeting their entrepreneurial talent are put in place, they are occasionally unaware about these programs that can support them in their endeavours or they lack knowledge about the administrative procedures. It is imperative to remedy these information gaps if the full potential of migrants as entrepreneurial resources is to be harnessed.

4. **Taking low skilled migrants into account.**

Migrant entrepreneurship is frequently touted and promoted by citing examples of highly-skilled, immigrant co-founders of big innovation driven companies like Google and Ebay. However, migrant entrepreneurship is diverse and this is only one part of the story. For instance, in the US, about 20 percent of the low-skilled workforce are immigrants and more than 10 percent of these low skilled immigrants are self-employed.[46] Many low skilled workers employ entrepreneurship as a strategy and the businesses they start can also have many positive effects for the economy, even if at a smaller scale. To give an example, shops started by immigrants can regenerate areas of the city which might have been neglected by the local population. Self-employment among immigrants tends to be more financially rewarding for them and can also take the burden off host economies (or home economies in the case of returnees) to absorb them into the workforce. On the other hand, some of these

[46] Lofstrom, 2010.

individuals might have been forced to engage in self-employment because of their inability to become gainfully employed. It is crucial to understand the motivations for this kind of entrepreneurship, and its contributions to make policy decisions about how best the interests of these individuals can be furthered.

5. **Partnerships to improve the overall business climate and increase trust.**

It is common for countries to implement business promotion strategies to boost their competitiveness in the world. Municipalities, chambers of commerce, investment promotion agencies, and institutions providing services for start-ups are important actors in this regard. All of these agencies can gear some of their services specifically toward migrants/diaspora. Collaboration between these actors and public-private partnerships in particular can go a long way in enhancing the business investment climate, and provide opportunities for migrants.

6. **Private-sector initiatives.**

Though government policies and initiatives are key for advancing migrant entrepreneurship, efforts for creating enabling entrepreneurial ecosystems for migrants have to be led by the private sector which is well placed to provide insights on the status and needs of Industry. The GFMD Business Mechanism can lead the way in this.

VII. Conclusion

Global businesses must play a prominent role in advocating for fair and open immigration policy. The private sector can emphasize the economic benefits of cohesive, well-managed migration systems, promoting policies and practices to best structure and administer migration systems while identifying practices that pose challenges for business.

The private sector is the most credible voice to advocate for the recognition of labour market needs and modern business models in the reorganization of immigration systems. As employers, they enhance the skills and economic stability of migrants and refugees, provide a critical avenue for successful migrant integration and the enhancement of diversity in the workplace. Businesses can promote the successes of migrants, highlighting their positive economic, social and cultural contributions. In their advocacy role, businesses can contribute significantly to counter xenophobia and widespread distortions about migration in society.

As deliberations toward the GCM progress, the Business Mechanism will continue to foster partnerships and constructive dialogue with migration stakeholders, and to ensure that the private sector is part of the labour migration policy dialogue.

VIII. Summary of recommendations on areas for action from the Business Mechanism

I. Skills mobility

- Migration policies should be timely and flexible to accommodate new and long-standing business models, but also predictable and transparent so that employers can effectively manage compliance.

- Employers can be a valuable partner in identifying skills needs and establishing frameworks for assessing foreign qualifications. Policies should avoid rigid qualification requirements and skills definitions, trusting employers to identify the most-qualified candidate.

- Migration policies should foster family unity by creating accessible pathways for accompanying family to obtain work authorization.

- Employers should elevate the discourse around migration by highlighting how skills mobility promotes opportunity and publicly committing to fair, responsible, and compliant migration.

II. Innovations for migrants and refugees access to labour markets

- Increase coordination among all stakeholders to facilitate businesses' ability to fully utilize migrant talent

- Lower information barriers that businesses face in accessing qualified migrant talent

- Train migrants so that employers can more effectively benefit from their contributions to the labour market

- Harmonize certification processes and improve methods for assessments and skills-recognition processes to facilitate efficient hiring

III. Irregular migration

- Establish a humane but credible enforcement mechanism as a counterpoint to a comprehensive essential worker program

- Craft new essential worker migration programs to meet labour shortages

- Comprehensive legal protections must be created and enforced to protect the rights of this vulnerable unlawful group of migrants

- Develop solutions to support the domestic labour market in providing workers with the necessary spectrum of skills

- Host countries must balance enforcement priorities with realism in addressing the long-term irregular migrant population

IV. Responsible recruitment

- Ensure that national law is compatible with the elements of fair and ethical recruitment

- Consider the merits of bilateral arrangements between sending and receiving countries.

- Leverage technology

- Participate in multi-stakeholder approach/alliances

V. Entrepreneurship and circular migration

- More investment in studying and understanding immigrant and returnee entrepreneurship to aid the policy process, and ultimately improve economic performance in this arena.

- Supplementing policies to incentivize and facilitate entry of new migrant entrepreneurs with strategies for countering challenges that limit migrant entrepreneurs' ability to start and grow their business.

- Enhancing access to information related to migrant entrepreneurship.

- Taking low skilled migrants into account.

- Partnerships to improve the overall business climate and increase trust.

- Private-sector initiatives.

The Business Mechanism to the Global Forum on Migration and Development (GFMD), endorsed at the 2015 GFMD Summit in Istanbul, brings the voice of business to the forum and to international debates on migration.
Participation in the Business Mechanism is open to all companies and business associations that share its goal: promote more transparent, effective and humane migration policies, taking into account labour market needs.

The GFMD Business Mechanism is housed at the International Organisation of Employers (IOE), the largest network of the private sector in the world.

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