GFMD 2020
Theme 3: Leveraging New Technologies to Empower Migrants
Business position – final draft

General comments

- Among the 7.8 billion people on the planet today, there are nearly 8.3 billion phones: 3.5 billion smart phones and 4.78 billion mobile phones, not including tablets and other internet-enabled devices!, and some 10 billion mobile connections.

- It has been said that technology is a way to make long-term high-impact change at scale. The worldwide ubiquity of computers and smartphones offers high potential to improve flexibility and efficiency in managing migration with results that are positive for businesses, workers and others in countries of origin, transit and destination.

- In recent years, new technologies have begun to revolutionize central aspects of migration phenomena, including immigration processing, recruitment of migrant workers and the identification, recognition, matching and development of skills. The global Covid-19 crisis has shed further light on the value of digital technology and on-line connectivity to States, economies, businesses and migrants as they endeavour to fill labour market needs worldwide for workers needed at all skills levels.

- Stronger more orderly and transparent frameworks for labour and skills mobility also help to address gaps in migrant protection, from more transparent and efficient management of regular pathways of migration that are safe to more consistent recognition and matching of workers and skills to jobs for which they are needed. This was the case before the current pandemic and economic crises and, given enduring imbalances in global demographics, labour markets, skills and income, it continues to be the case for recovery from the crises and beyond.

- As in other fields, businesses and other private sector actors, including migrant entrepreneurs, are on the frontlines of creating and expanding these technologies in international migration. Among tech start-ups and new business models, public-private partnerships like the partnership between the International Organisation of Employers (IOE) and SEEDSTARS (featured below which, with strong support from the government of Switzerland, promotes significant start-up development, investment, innovation and visibility in the field of migration.

- The role of the public sector is key, especially to ensure sustainable environments for tech start-ups, with frameworks that are agile, transparent and predictable for investment and innovation—including for access to skilled and creative workers and partners, whether native- or foreign-born.

Technologies that support stronger systems for data, information and communications

- Technology should be leveraged in government systems that can track and support migration across all phases, from pre-departure, recruitment and job matching to processing and

renewal of visas and other immigration statuses, return and reintegration. Among the most common examples of this range of technologies include facial recognition software and enhanced biometrics being used to improve boarding at airports around the world, such as Dubai.

- Embassies of countries of origin should have systems to register migrants with their contact details, especially on temporary visas. Such systems would help locate migrant workers, improve transparency in the process, and direct them to cross-sectoral deployment.

- Sharing of foreign national data between government agencies (e.g., Tax and Immigration) is widespread, and is likely continuing to be optimized. Specific data-sharing initiatives have been announced as countries look to capture additional revenue from the presence of foreign nationals.

- Similar to the banking/financial sector, interoperability must exist to ensure the smooth and seamless sharing of data. At the same time, data privacy and data security is paramount. There are various mechanisms available (depending on the industry requirements) by which accuracy and security may be met. An example is 2-step verification code that is currently used by various platforms. There are different verification code types, but the most common used is CAPTCHA and Smart Captcha. CAPTHCHA is a program or system intended to distinguish human from machine input, typically as a way of thwarting spam and automated extraction of data from websites.

  To ensure interoperability within and between governments, basic principles for a technology platform must include, among other things standardized protocols for inputs of personal information, including, to the extent possible, "one-form-fits-all" templates, e.g., for applications.

- Migration-related information is inherently personal. Any system that seeks to improve a foreign national's user experience (e.g., trusted traveler program to expedite security screening; facial recognition software to expedite boarding, etc.) requires capturing that foreign national's personal and confidential information (including personal biometrics). Similar to data sharing between government agencies, extreme care must be taken to ensure that data breaches are contained and personal identifiable information is not compromised. Ensuring that individuals can opt-in and opt-out is also critical.

Technologies that support stronger frameworks for labour and skills mobility

- As a priority, employers call for smart uses of technology through the digital transformation of immigration processes. While GCC countries are leading in this space (e.g., the UAE), an increasing number of countries have also introduced on-line immigration processing, including in Africa (e.g., Kenya), Asia (e.g., Singapore) and Europe (e.g., Ireland). India and the UAE developed an integrated *eMigrate* employment portal to facilitate recruitment of workers from India with corresponding UAE work visas.

  When well-designed and managed, these electronic-based immigration systems or processes are significantly more efficient than the ones that still rely on physical offices to prepare

paperwork and visas. Among other things, they are able to implement policy changes swiftly. This has vividly been demonstrated by the ability of such technology to quickly make automatic extensions of work and residence permits and other immigration applications through the pandemic, including to accommodate the sudden reality of remote working.

- Evidence of value that e-technologies add to immigration processes include:
    - increases in cost-efficiency, in particular as the use of the cloud decreases infrastructure costs;
    - increased reliability and uptime, as less human-centered work reduces the chance of human error and increases the amount of applications that can be received and processed systematically. Moreover, the more received, the more data there is for optimization of the process in upcoming months;
    - easier opportunity to scale-up functional solutions to optimize processes widely, including expanding *eMigrate* from a tool that is used bilaterally to one used for multiple countries
    - user-centered designs facilitate inputs by applicants; when well-designed, there is both less bureaucratic process and less literacy required thanks to technical skills developed in the widespread use of smartphones; with user feedback and related adjustments or development crucial to keep reimagining the end-to-end immigrant journey through the visa process.

- In the area of skills recognition and mobility, digitized information, communications and connectivity technologies can also propel the effectiveness of skills recognition, matching and development in systems that are new, like Skills Passports (Sri Lanka) or being improved, e.g., frameworks for Mutual Recognition Arrangements (ASEAN) regarding designated skills.

- In recruitment of foreign-born workers, examples of this range of technologies include:

    - Blockchain is primed to be one of the biggest players in recruitment processes, aiming to connect various external systems into a single platform. The Oracle Corporation has worked with consulting firms to develop a blockchain platform for identifying "Highly Skilled" migrants, connecting systems of external data showing someone is highly-skilled, e.g., from educational institutions, professional membership associations, and past work experience, into a single viewpoint that employers and immigration authorities could access, validate, and subsequently facilitate employment and immigration applications for a particular position faster, easier, and more cost-effective.

    - Virtual/online recruitment (e.g., Zoom, Skype, Microsoft Teams) allow companies to engage/interact with prospective candidates from around the world for little to no cost.

Examples of technologies that support the payment of wages, banking, transfer of remittances and managing social and earned benefits

- The cost for migrants to send their money home varies widely—largely for lack of access to existing financial technology that can do it more cheaply if regulators would allow it to. The World Bank reports that, "in the first quarter of 2020, the average costs of sending USD $200 to LMICs remained high at 6.8 per cent, well above the target of 3 per cent of the Sustainable

Development Goal 10.c.1. Sub-Saharan Africa continued to have the highest average remittance costs, at about 9 per cent; South Asia had the lowest average remittance costs at 4.95 per cent. The average remittance costs for the remaining regions were: Europe and Central Asia (6.48%); East Asia and Pacific (7.13%); Middle East and North Africa (7%); and Latin America and the Caribbean (5.97%)".

- In recent years there has been a growing range of public and private initiatives and enterprises working with digital services to pay wages or transfer remittances for migrants and refugees, mostly in the Middle East, Gulf and Asia where there are significant numbers of migrant and refugee workers.

- In October 2019, the Swiss Embassy in Jordan hosted a workshop on "Digitization of Payments to Migrant Workers". Participants discussed wage payments to migrant workers across sectors, with particular focus on the garment sector. The presentation's objective was to explore demand-side factors associated with wage payments, identifying the needs and behaviors of migrants for domestic and international payments. Research was presented that a large majority of migrant workers were not only "unbanked", but lacked even basic financial literacy.

- The UAE has something like a 100 per cent smartphone penetration rate, but reportedly only 20 to 30 per cent of the population has access to traditional banking services.

  Low-income workers in the UAE currently access their money via the payroll cards issued through the Wages Protection System (WPS); these were introduced in 2009. The WPS is an electronic salary transfer system that allows institutions to pay workers' wages via banks, *bureaux de change*, and financial institutions approved and authorized to provide the service.

  The system, developed by the Central Bank of the UAE, allows the Ministry of Labour to create a database that records wage payments in the private sector to guarantee the timely and full payment of agreed-upon wages.

  The WPS covers all institutions registered with the Ministry across all sectors and industries and will benefit different categories of labour. Under the system, employees receive payroll cards, which employers then pay the wages onto. The workers then access their cash via an ATM.

  The UAE has also encouraged and significantly invested in "fintech" start-ups in recent years, several of which aim to expand throughout the region, including:

  - **Now Money,** a payment services provider for low-income migrant worker, first rolled out in the UAE in May 2019, with a Mastercard component. Their mobile banking app is designed for those that don't meet the requirement of traditional banks. Via the app a user can pay their bills, top up the credit on their smartphone, track their transaction history and have access to direct remittance options. Customers also receive a MasterCard debit card for their day-to-day spending.

The company is licensed by the Dubai Economic Department and under the laws of the UAE, it is considered a payment services provider, not a bank. So they can direct payments and transactions between regulated and licensed institutions, with a partner bank that holds the money overnight.

- **Rise,** also licensed and based in the UAE, is a platform rolled-out in 2017 to help low income migrants, including domestic workers, to save, invest and borrow, RISE offers an integrated package with a bank account (which can receive wages), remittances, investment, insurance and shopping.

  Partnering with the global insurer AXA Gulf, RISE has recently added insurance products to low-income migrant workers, with a range of protection in cases of accidental death or disability. An enhanced product pays for repatriating a body to a home country as well as medical expenses, such as hospital stays or bills, for workers who are sick or injured and can no longer work. RISE customers can use their phone to sign up for the product on the company's platform.

- For reduction of remittance costs, methodologies such as broad banding and job families can be adopted to ensure "fair" salaries are paid. This is assuming that the migrant worker is transferring to the host country and not on a temporary project-based assignment unless some form of prevailing wage restrictions are in place.

Examples of technologies to improve Access to Public Services

- New technologies such as artificial intelligence (AI) can be used to collate, aggregate and synthesize diverse data sources and services to provide accurate, relevant and remote legal, welfare, health and other social services to migrants, irrespective of status. Such services can be tailored to local, national and regional realities, and accessible to migrants with literacy and language limitations.

- Robotic Process Automation (RPA) will be a main AI influencer in this space, automating most repetitive, high volume (but essential) tasks, allowing for faster service offerings.

- Voice-activated "Chatbot" programs can interact with migrants in their native language through natural language processing (speech recognition, text analysis, and translation) to provide information/answers to questions.

- Machine learning / predictive analytics may also play a role in leveraging various data to learn/predict what services may be required for specific individuals.

- Responses to the Covid-19 pandemic have looked to emerging technologies in a myriad of ways. For example:

  - Drawing on urgent calls for international cooperation and data sharing, attention turned to the possibility of creating an international health database, created with vertical data stores, even per country. Once subscribed to its health site/app, and

using simple voice channels such as Zoom or Skype, migrants would be able to have access to some form of medical assistance.

- Converting hotels into hospitals through Oracle OPERA Technology.

- Employing AI, Data Management and Data Analytics to identify trends that could ultimately lead to onsite, essential clinics being set up in targeted areas where the data points to high demand. Oracle HCM Cloud (support organizing resources amidst the COVID-19) and Oracle APEX to digitize COVID-19 Screening systems.

Examples of new technology start-ups and business models

- Tech entrepreneurship is a tool to find solutions to some of the most pressing challenges we see in emerging markets across a number of different industries.

- In 2020 for example, the **IOE-SEEDSTARS partnership** launched a global "Migration Challenge" to support startups proposing innovative migration technologies and business models around the world.

  IOE established this partnership last year to identify and work as a kind of global incubator for business start-ups in the field of international migration. In the GFMD Summit in Ecuador, there was an overflow crowd in the public side meeting that IOE organized where each of 10 finalists made their "business pitch" to a jury of States and business judges, followed by high energy during the award to the winner during a moment in the Closing sessions.

  Welcomed enthusiastically and positively assessed at the GFMD last year, this partnership for new business-creation provides even more of a concrete, multi-level example of the emphasis of this year's GFMD explicitly on partnership-building. Beginning with applications and review of a widened field of 99 start-ups this year, IOE-SEEDSTARS identified 20 finalists with tech-business models focused on e-recruitment, education, immigration processes, remittances and skills matching.

- In addition to contributing to innovation and solutions, startups are also a considerable way to contribute to economic diversification and growth. For example, Canada has adopted such an approach to migrants-owned startups. A Start-Up Visa was designed to attract innovative foreign entrepreneurs who would contribute to the new and innovation needs of the Canadian economy and facilitate entry of innovative entrepreneurs who would actively pursue business ventures in Canada. One of the program evaluations found that the pilot facilitated the access to Canada for innovative entrepreneurs who have secured business commitments with designated entities. Timely processing and the availability of the work permit were noted as key elements that have contributed to the success of the pilot.