



Towards a public-private partnership on labor mobility and skills development in Africa

GFMD 2012 Multiannual Program

Concept note



Key questions

- How can we devise a multiannual labor mobility/skills development program that enhances competitiveness and productivity in one region of Africa with a view to achieving robust results that justify subsequent continent-wide rollout?
- How can we complement and build upon existing regional reform efforts to introduce a labor mobility/skills development component?
- Which companies and countries are willing to move forward now?



Pushing labor mobility and skills development higher up agenda

- Doing for labor mobility and skills development what Doing Business Reforms have done for investment climate reforms in Africa:
 - On presidents' and prime ministers' agendas
 - Energized public-private partnership, dialogue and action
 - Results-oriented
 - Healthy competition to be top reformer

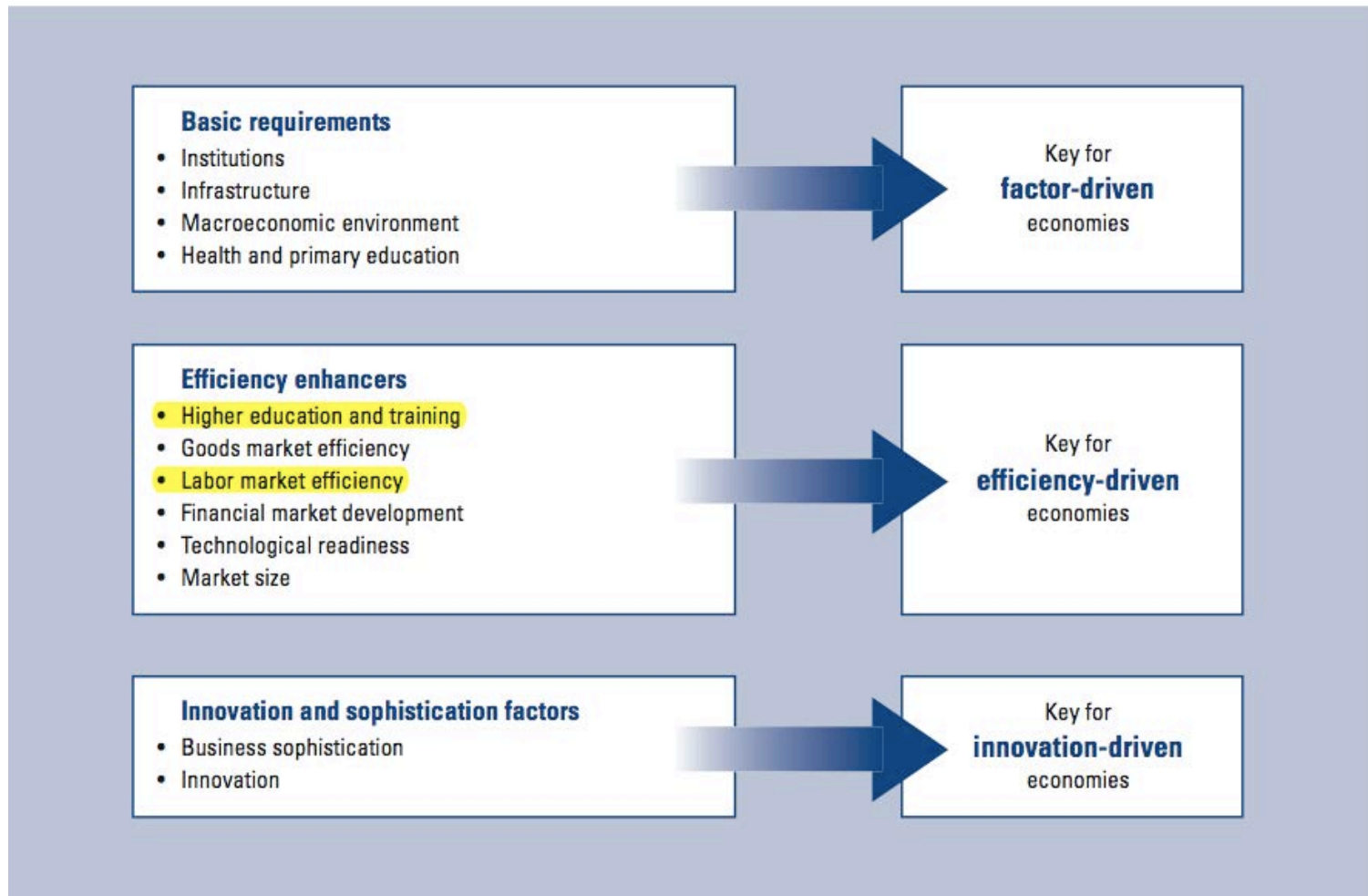


Overview of proposed labor mobility and skills development program

- Aim: enhance firm-level competitiveness and productivity by improving access to suitably skilled labor across Africa through acceleration and implementation of existing agreements and complementing existing regional and continent-wide labor/skills enhancement efforts.
- Bring same dynamism and top-level executive attention devoted to World Bank Doing Business Reforms to the arena of labor mobility combined with skills development.
- Program works on premise that problem lies more in execution – implementation and coordination of labor mobility/skills development efforts rather than development of new agreements per se.
- Program addresses full spectrum of skilled labor in demand in African countries.
- Focus on labor mobility/skills development aims to complement existing (regionalized) Doing Business Reforms/investment climate efforts.
- Inclusion of refugees ensures that employers can make best use of skills and potential of refugee communities.
- Initial focus is on intra-African (ie South-South) migration, scope exists for future agreements with other labor markets, eg developed countries.
- Discrete roles for governments and public authorities as well as for employers
- Program also predicated on ethos of burden-sharing through public-private partnerships (PPP), particularly in relation to skills development, where technical and vocational education and training (TVET) providers need to work closely with employers to produce market-ready, employable graduates.
- From employer's viewpoint, aim in operational terms is to create a seamless labor pool by facilitating access to domestic, diaspora, or migrant labor that is skilled and/or trainable and suitable for the jobs on hand.
- Critical elements of cooperation and coordination between pilot countries include: reciprocal labor mobility agreements for employment, staff development, etc; exchange of labor market information; mutual recognition of qualifications; benefit portability and access for migrants to social welfare benefits on non-discriminatory basis.
- Operating modalities would include following features:
 - Each participating country would have its own sector-specific training system geared toward needs of employers and market demands, whether domestic or in participating countries. Training would operate on a PPP burden-sharing basis. Centers of excellence in which countries focused efforts in areas where they had a comparative advantage might emerge.
 - One model for adaptation by other countries: Evaluated Mauritian Placement for Training Program operating under National Empowerment Foundation.
 - Low-income countries would be able to tap into program funds to supplement government contributions to such training schemes (to match private sector contributions).
 - Participating countries would devise/adapt labor access/entry schemes operating with low administrative barriers and burdens on a reciprocal basis (possibly targeting specific sectors initially) and not limited to high-skill/wage workers only.
 - These schemes would be compatible with existing state obligations spelled out in protocols and treaties to which they are party.



Competitiveness in Africa

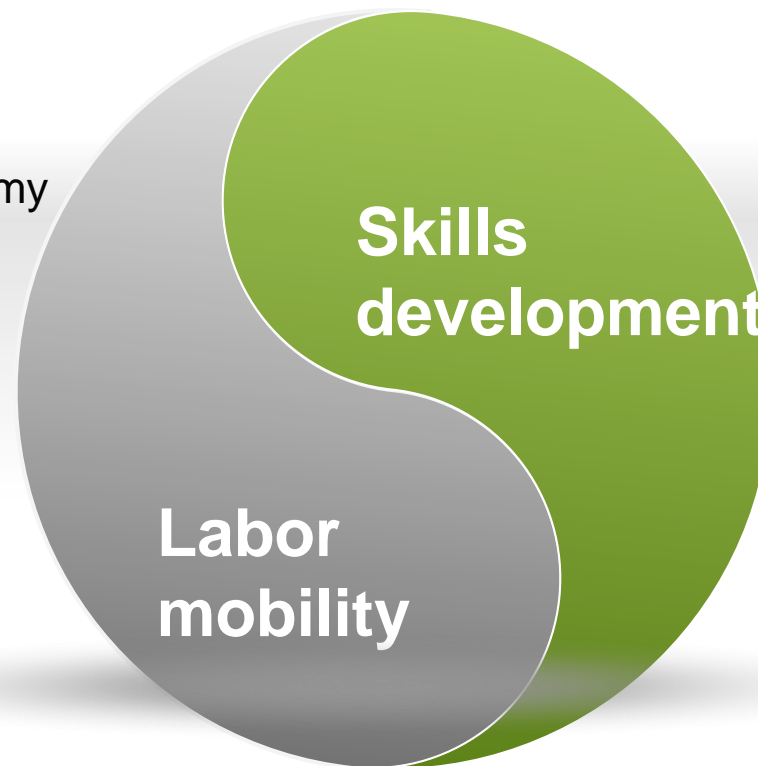


The 12 pillars of competitiveness, World Economic Forum
Global Competitiveness Report



Labor mobility Skills development: Quid pro quo for investment and growth?

Helping to create win/win scenarios for domestic and migrant workforces, businesses, and the economy



Sensitivities around labor mobility can be balanced by investment in skills development for all workers



Full spectrum of skills of interest



Labor mobility/skills development complements existing regional Doing Business Reform efforts

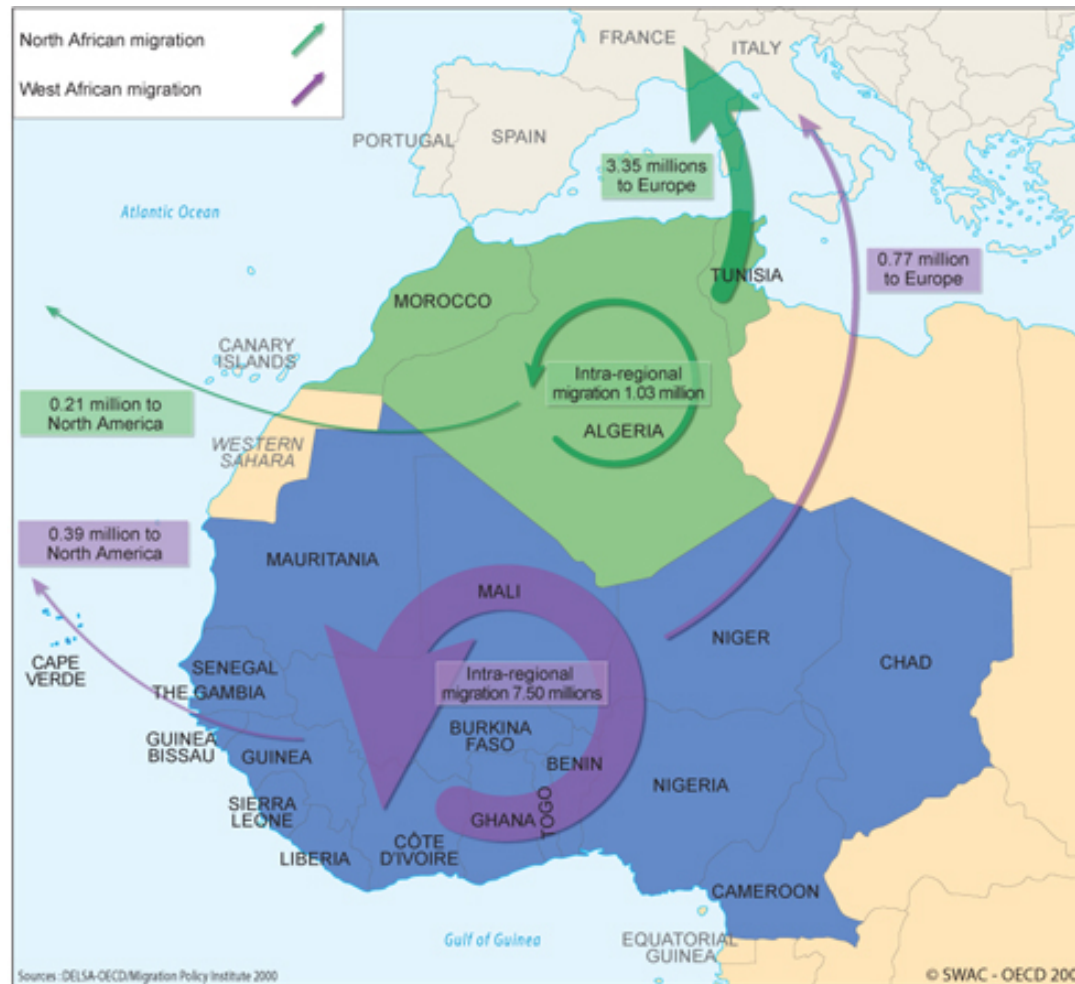
Regional Doing Business Reforms

Regional labor mobility/
skills development





Focus on intra-African migration



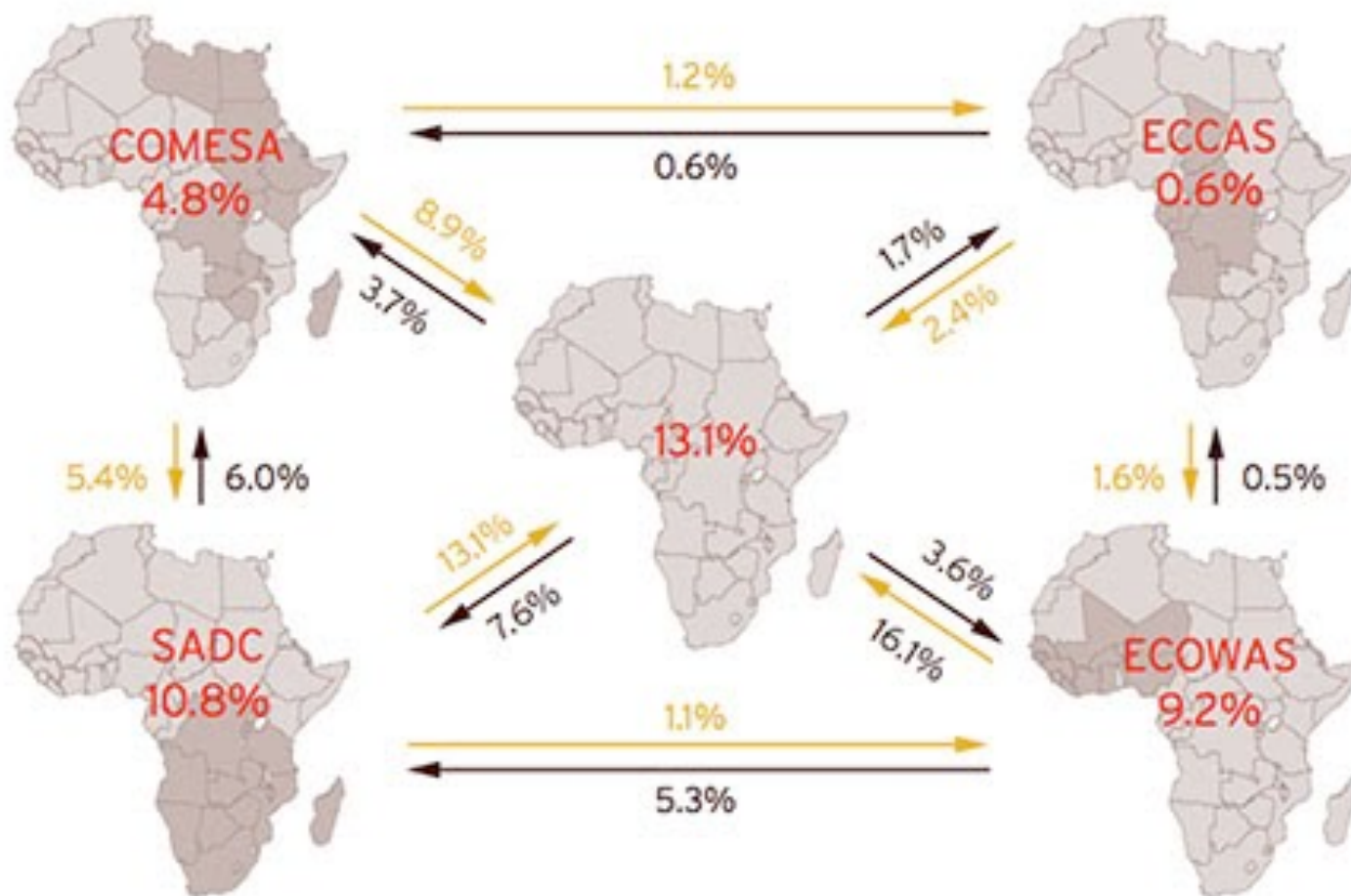


Intra-Sub-Saharan-African migration



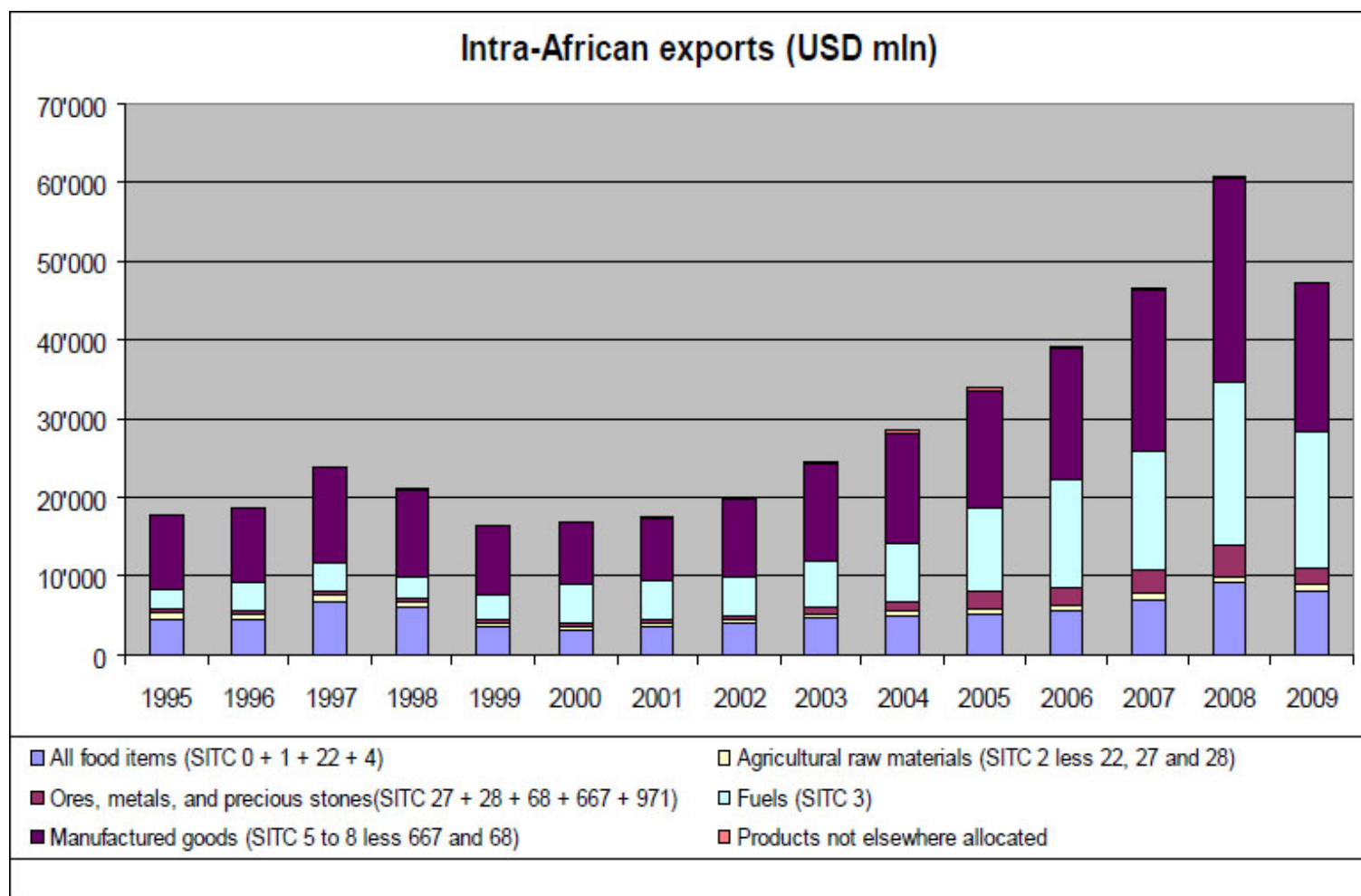


RECs playing key roles in fostering intra-African trade



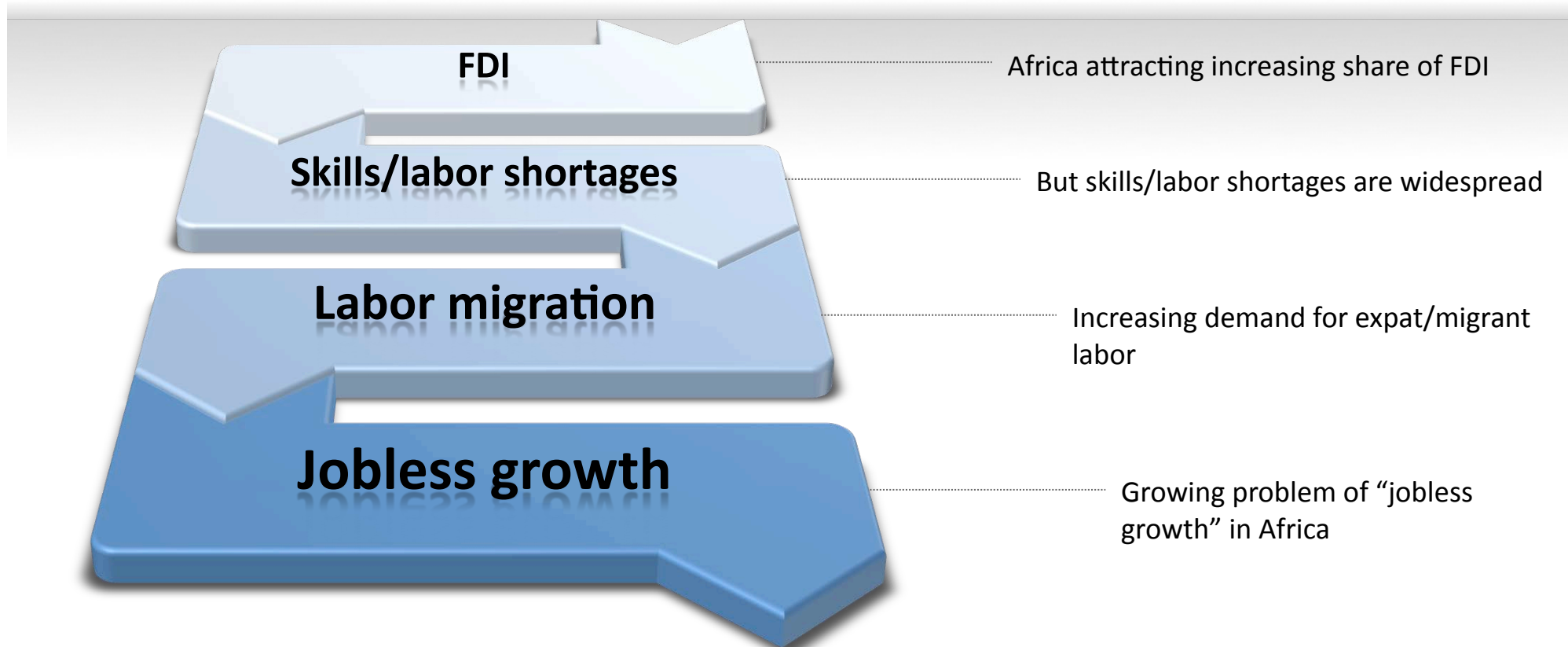


Intra-African trade rising





Problem of “jobless growth”



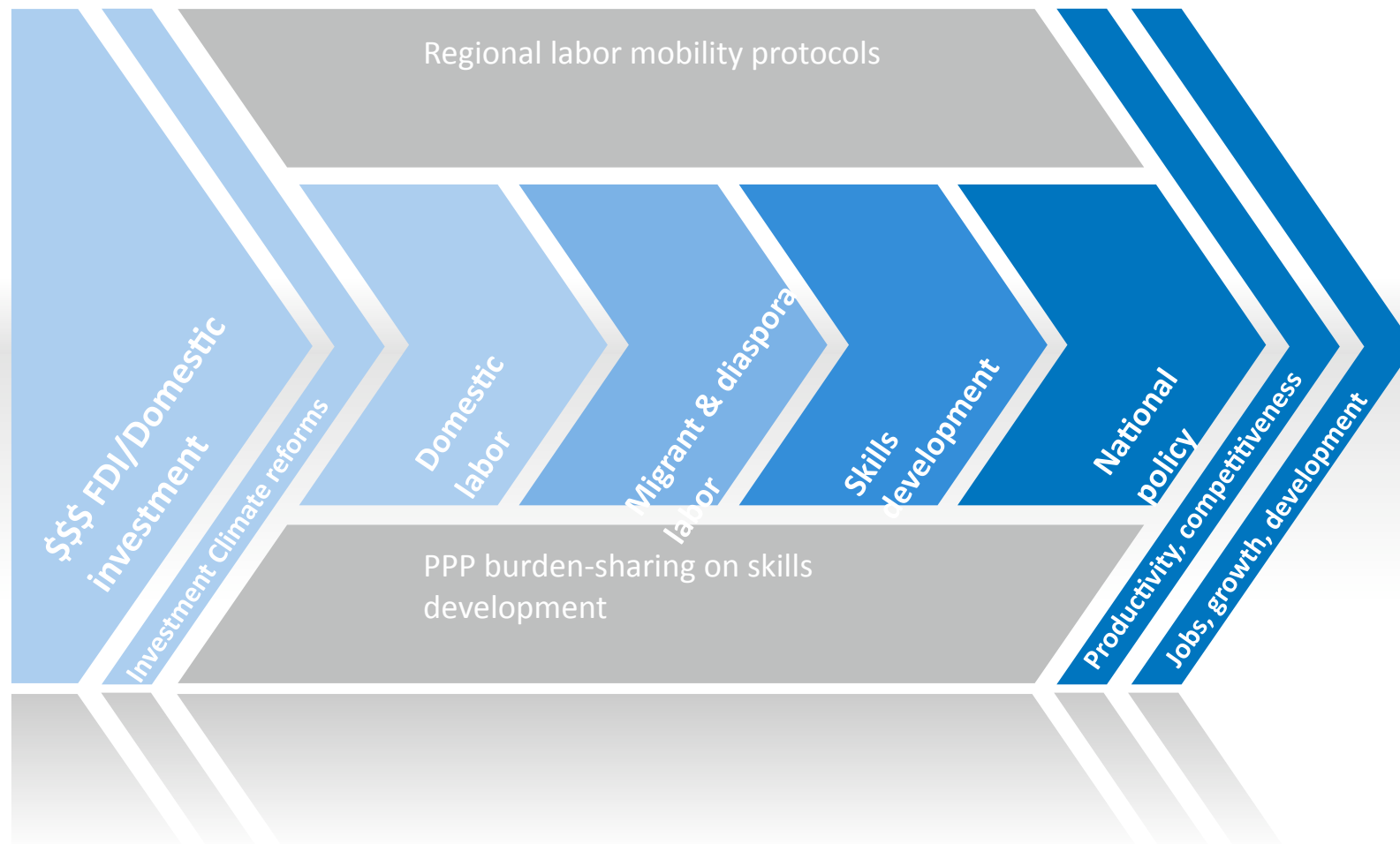


Problem not lack of protocols but weak implementation



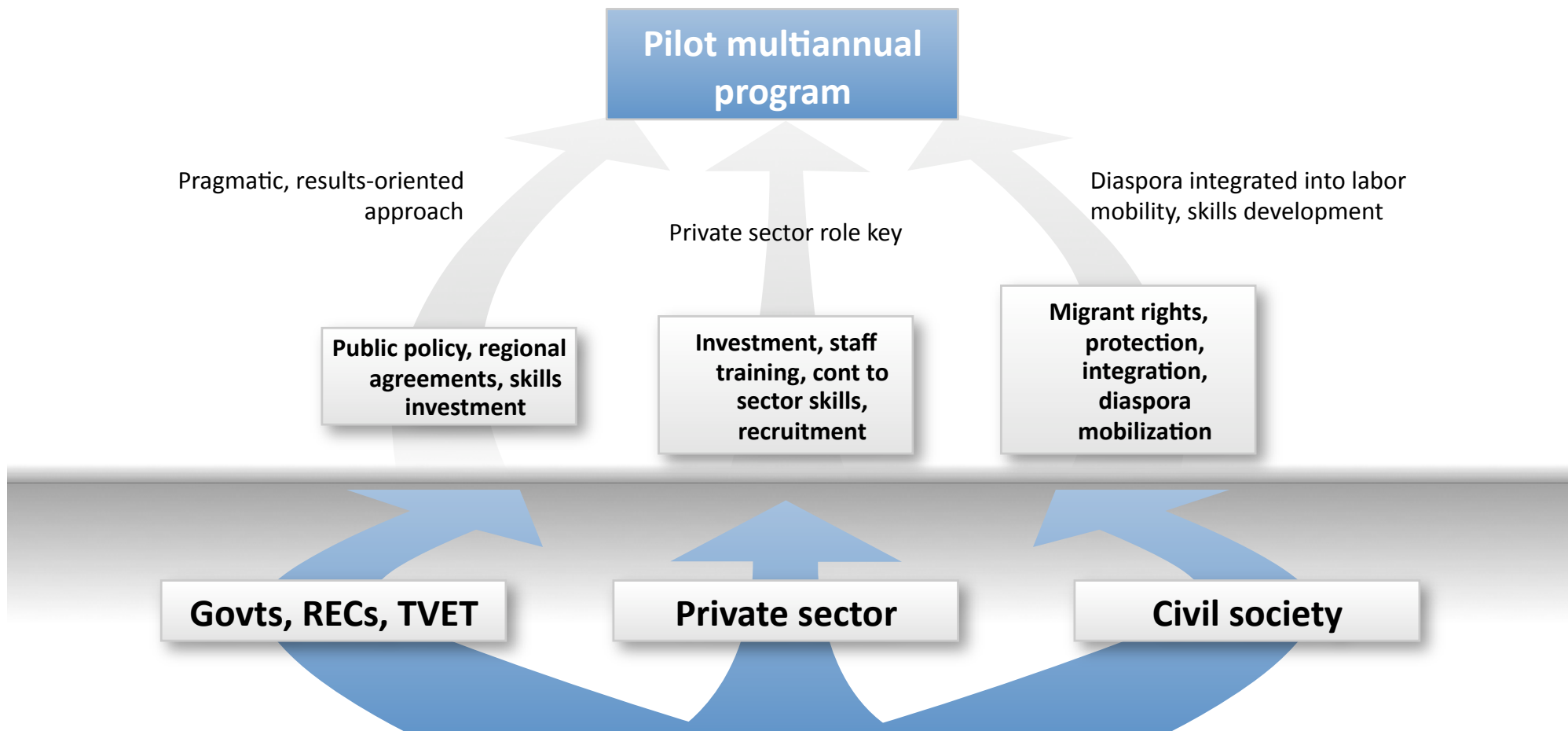


Solution: Regional labor mobility/skills development framework?



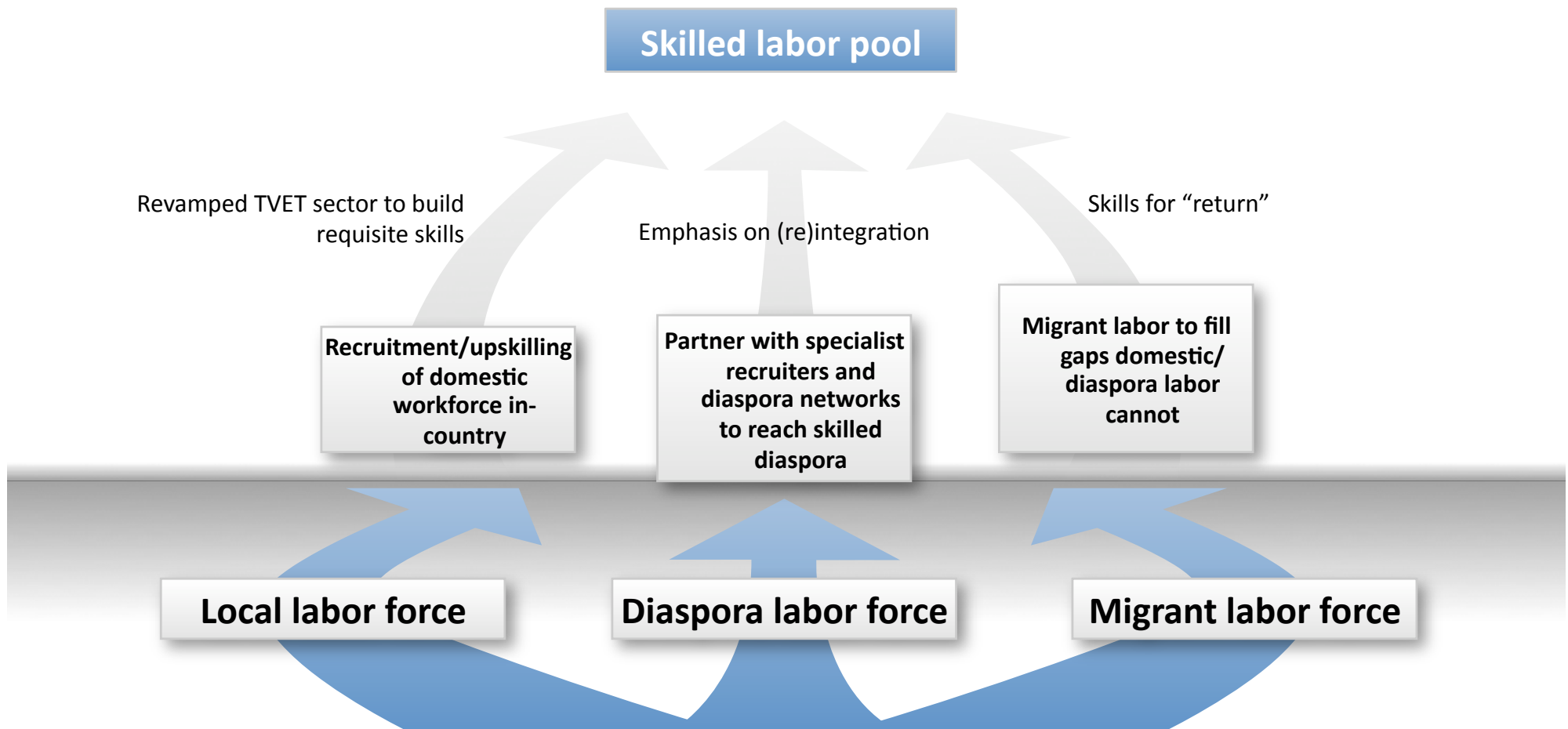


Unique feature: PPP government & non-state actors working together



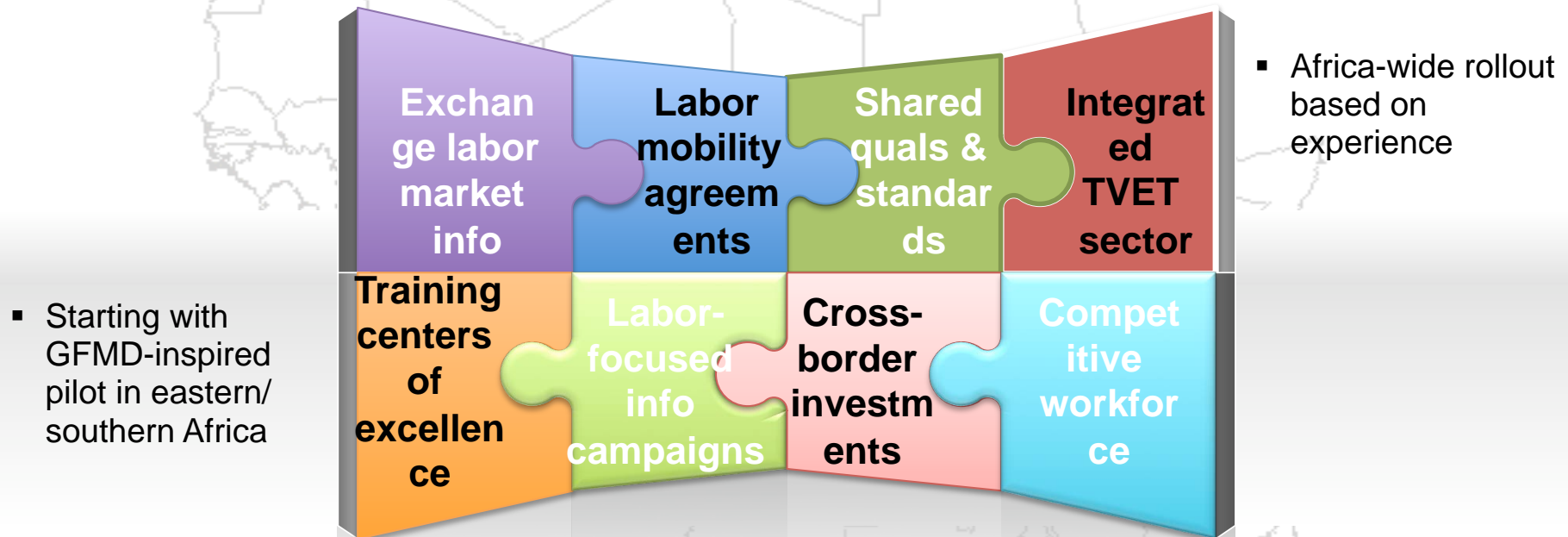


Unique feature: Integrated approach to diaspora labor/skills



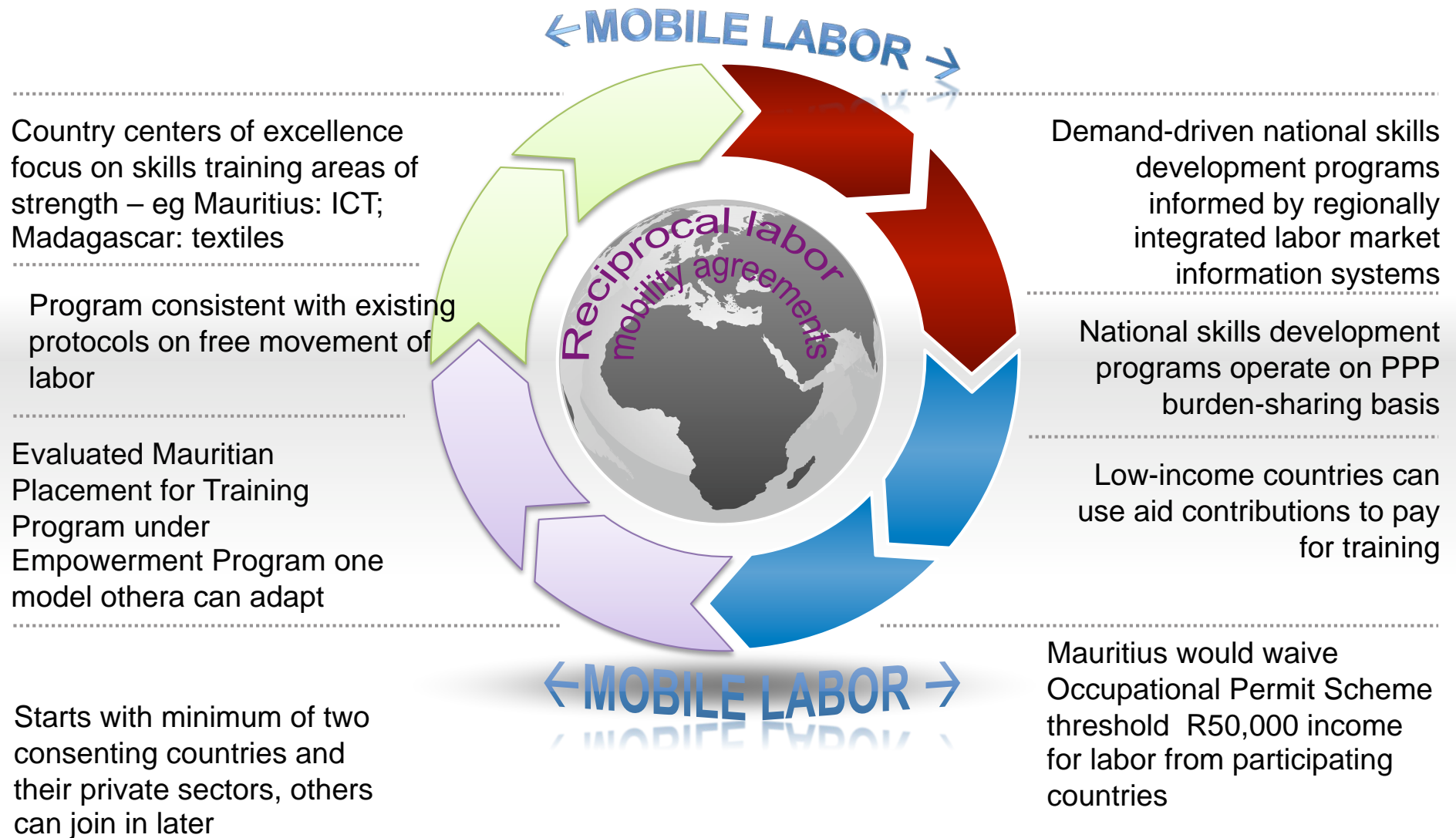


Towards regionally integrated labor markets in Africa





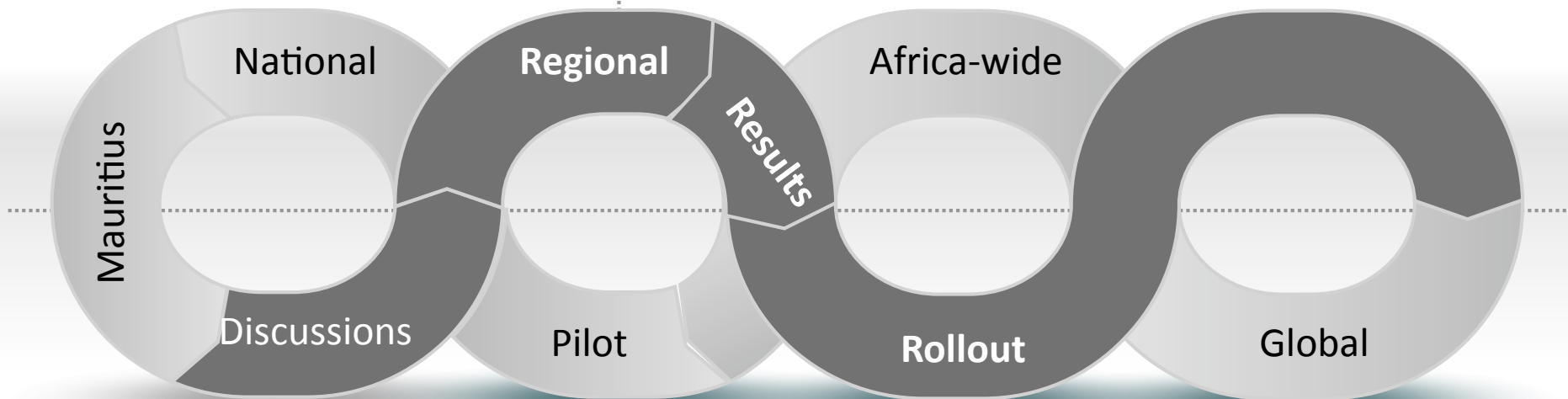
Possible modalities – adapting existing policies/structures





National → Sub-regional → Continental → Global

Strong national engagement in Mauritius forms basis for Eastern/Southern African pilot leading to Africa-wide initiative later





Stakeholders' key concerns

Government concerns	Business concerns	Migrant/diaspora concerns
<ul style="list-style-type: none">• Employment opportunities for nationals• Investment in skills for nationals to meet emerging labor market opportunities• Hiring of skilled diaspora where home-based nationals are unavailable• Well-regulated circular, temporary, and permanent migration mechanisms	<ul style="list-style-type: none">• Access to suitably qualified/skilled labor at competitive costs• Ability to bring in migrant labor with minimal obstruction if the need arises• Willingness to invest in human resource development but not to use shareholders' capital to subsidize public education systems or fix market failures in training and education	<ul style="list-style-type: none">• Access to employment opportunities• Full realization of all rights as a migrant• Full integration into host society during period of migration• Access to skills development• Financial literacy and access to appropriate financial product

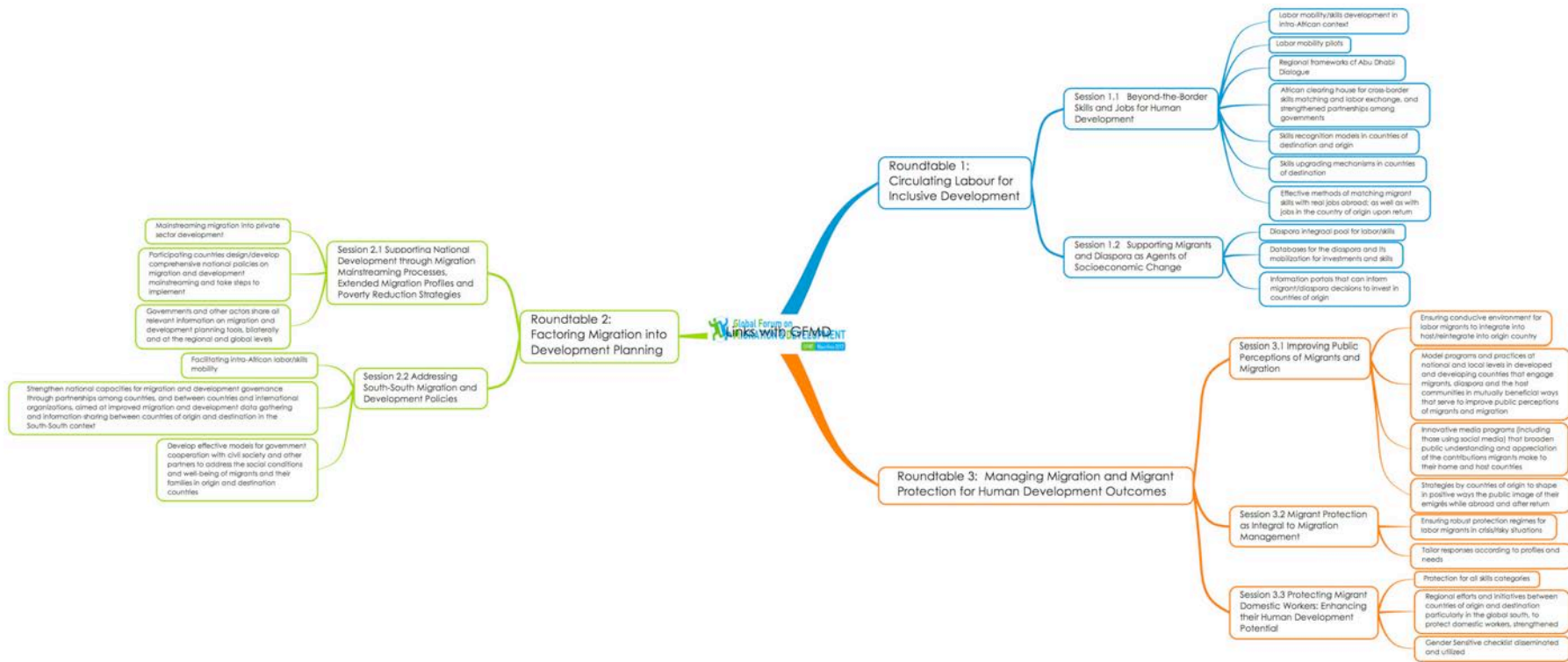


Stakeholders' key concerns

Government concerns	Business concerns	Migrant/diaspora concerns
<ul style="list-style-type: none">•Transfer of know-how, skills, and innovation from migrant workers to local labor•National labor market sufficiently integrated into global labor markets to enable citizens to avail themselves of circular/temporary migration opportunities abroad	<ul style="list-style-type: none">•Access to responsive and effective technical and vocational education and training (TVET) system	<ul style="list-style-type: none">•Support for reintegration back into home country/country of origin upon return



Links with GFMD 2012





Key partners

- African GFMD RT Co-Chairs (Ethiopia, Ghana, Kenya, Mali, Mauritius, Morocco)
- Governments in Africa that see benefits of enhanced labor mobility/skills development and are committed to taking necessary political steps
- RECs – COMESA, EAC, ECOWAS, IGAD, SADC
- Private sector – companies and private sector groups, such as World Economic Forum
- Migrant/diaspora networks, civil society groups
- Agencies/institutions AU, WB, AfDB, UNECA, IOM, ILO
- Donors – bilateral, multilateral



Tasks ahead

- Identify pilot partner countries/companies Africa
 - Sub-regions?
 - Governments
 - Private sector
 - Large corporations
 - SMEs
 - Consider specific sectoral focus
 - Other relevant nonstate actors
 - Migrant/dispورا networks
 - Civil society
- Initiate conversations
- Agree desired end state/goals

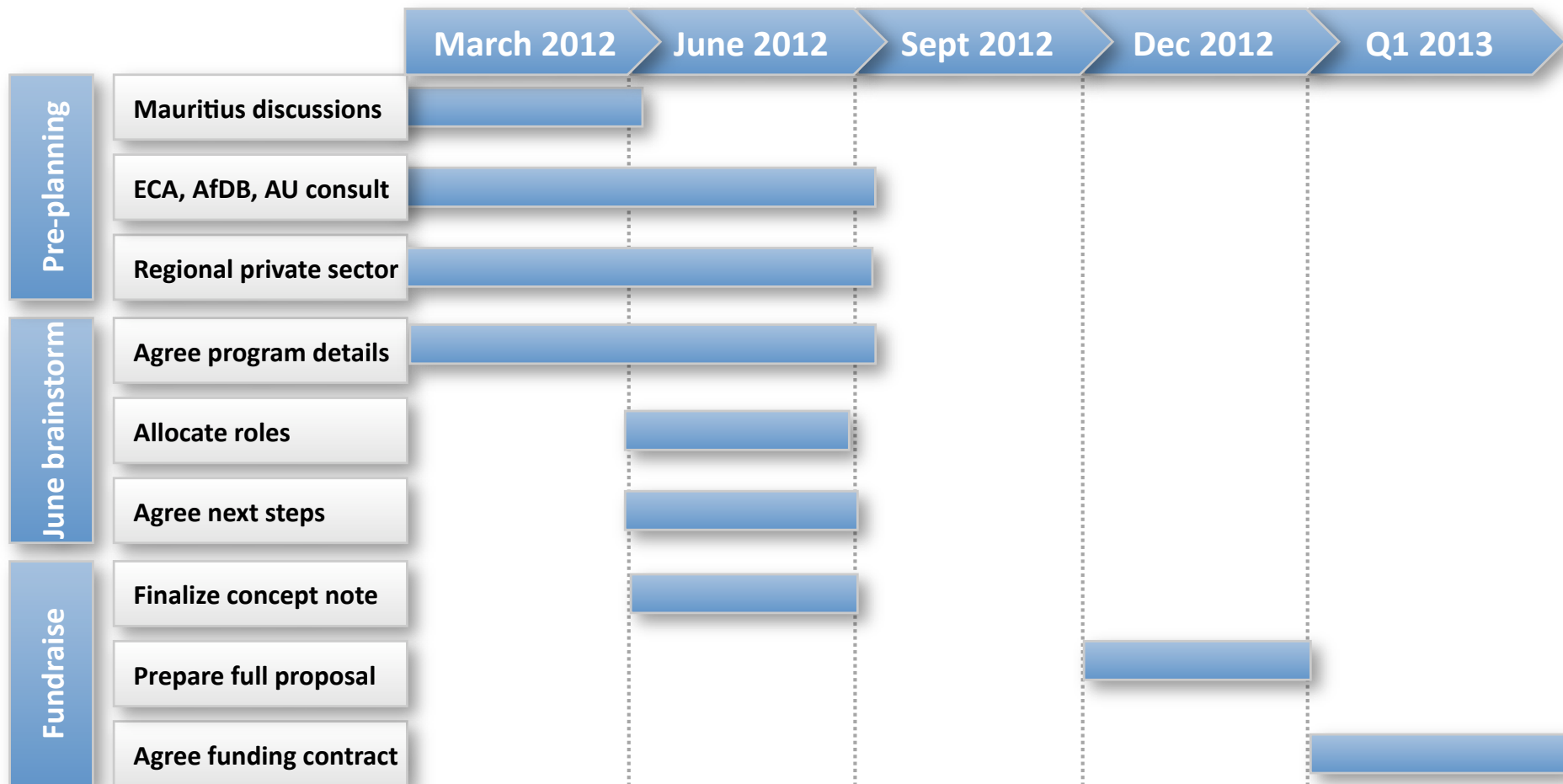


Tasks ahead

- Agree framework for action
 - Ensure initiatives are driven by private sector needs to expand investment, economic activity and ultimately job-creation
 - Link regional measures to national-level initiatives
 - Use peer learning
 - Engage donor community
 - Identify and prioritize key performance indicators
 - Monitor progress in partnership with private sector
 - Apply variable geometry/speed to allow early adopters to lead field and laggards to catch up as benefits become apparent
 - Leverage SEZ experience and labor/skills needs
- Identify funders
- Develop proposal
- Undertake baseline study
- Begin pilot implementation
- Monitor/evaluate/learn
- Scale up and roll out Africa-wide



Short-term plan ahead





Next step: June 11 brainstorm, Port Louis, Mauritius

- Organized in partnership with African Union, African Development Bank, and United Nations Economic Commission for Africa
- Vital to have strong private sector participation
 - Avoid usual traps of supply driven public sector “solutions”
- Review draft concept note
- Fill in gaps
- Refine approach
- Agree roles and responsibilities
- Identify funding sources



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