

## RECOMMENDATIONS AND NEXT STEPS FOR GFMD-PRIVATE SECTOR ENGAGEMENT

*Establishing a sustainable dialogue on migration policies between business and governments*

### Introduction

There is much to gain through a partnership between the state and the private sector. With increased globalisation of human resources, the issue of talent mobility, growth and competitiveness – particularly when discussed in the context of skills shortages – are of major concern to businesses and governments alike. How the private sector works, what employment opportunities are created and where the jobs are located are key concerns for governments. Businesses on the other hand are directly impacted by how states' migration policies affect their ability to recruit the skills they need to remain competitive on the global market. A partnership between business and governments can help both to mitigate skills shortages and to address access to needed talent.

So far, the GFMD has not identified a *sustainable format* for dialogue with the private sector on migration related policies, and this was recognized in the 2011-2012 assessment process. The Assessment Report recommendations pointed to the need to give greater weight to the development impact of migration and to improve the format for engagement and collaboration with civil society actors. The recommendations made specific reference to the fact that these efforts should also be directed towards the engagement and collaboration with the private sector. To this end, the GFMD Assessment Report proposed that the private sector, including employers and recruitment agencies, should be considered a separate stakeholder group, and “*cooperation with this group should be strengthened by means of a dedicated consultative system*”. The Report also recommended that “*new modalities for engagement of the private sector should be explored to strengthen cooperation with this distinct stakeholder group.*”

With the recommendations of the Assessment Report as the starting point, Sweden made one of its priorities as Chair to investigate how engagement with the private sector within the GFMD could be strengthened.

### Activities during the Swedish chairmanship

To ensure a balanced representation of interests, the Chair approached mobility from two perspectives: migrant labour and services for migrants. Desk research conducted by the Chair identified the *global competition for skills* as the **key issue of convergence** between the concerns of businesses and governments in all global regions, and across all levels of economic development between 2010-2030. The *World Economic Forum's (WEF) Global Talent Risk Report* on skills shortages projects significant skills gaps for mid- to highly skilled professionals in the mining sector as well as in manufacturing, utilities, construction, trade, hotels, transport, IT and healthcare. The same focus on competition for skills in sectors such as ICT, mining and extractive industries, recruitment, healthcare, insurance and banking (including money transfer

organisations) was identified through the 2013 *WEF Competitiveness Report* which gathered input from industry representatives, economists and governments in more than 144 countries. As a result of the desk research indicating the priorities for both states and businesses, the GFMD Chair commissioned a mapping study conducted by *The Hague Process on Refugees and Migration* in cooperation with the *International Organisation of Employers* focusing on the following top ten skills shortage sectors: 1) Extractive industries, 2) Information & Communications Technology, 3) Financial services, 4) Banking, 5) Construction, 6) Healthcare/Elderly care, 7) Insurance, 8) Recruitment, 9) Education and 10) Tourism. The GFMD Mapping Study aimed at a) understanding how business approached migration, and b) getting their ideas on how states and businesses could discuss migration, was conducted over a two month period between January and February 2014. Preliminary results of this study were presented at GFMD Thematic Meeting on Private Sector Engagement on 12<sup>th</sup> March, 2014.

To identify the **optimal format** for engagement with business on migration-related issues, the Chair tested different partnerships and forums for discussion. To aid this process, the Chair established a government roundtable team on private sector engagement (Business RT team) that met regularly as part of the preparatory meetings for the GFMD held in Geneva. The Business RT team was comprised of interested states: Australia, Canada, Turkey, Morocco, The Netherlands, Sweden and Moldova and some international organisations. The Business RT team was also used as a sounding board for the mapping study, the strategy to engage businesses as well as the business roundtable events. The Business RT team was invited to attend the events and their help was sought to identify businesses to attend.

With the global competition for skills as the point of convergence between the interests of states and businesses, the Chair conducted a series of informal business roundtables on access to skills and talent. The first was conducted between states and businesses in New York, coinciding with the *2nd UN High Level Dialogue on Migration and Development* in October 2013. A second roundtable with a specific focus on Information & Communications Technologies (ICT) was held in Brussels on February 20<sup>th</sup>, 2014. To allow as many governments as possible the opportunity to participate in a business roundtable, the Thematic Meeting in Geneva on March 12<sup>th</sup>, 2014, included an additional four roundtable discussions on the following sectors: 1) Extractives, 2) Ethical Recruitment, 3) Financial Services, and 4) Emerging Needs. In total, the six roundtables held during the Swedish Chairmanship addressed perspectives and sought feedback from *all ten* of the pre-identified sectors. These sectors were chosen in order to incorporate the interests of both origin and destination countries; the protection of migrants' rights and opportunities; services that require migrant labour at all skills levels, and services for migrants; states' and businesses' concerns about the global competition for skills; as well as projected needs.

A review of the process and lessons learned to date identified the conceptual framework for a successful dialogue between businesses and states:

1. Business and governments stand to gain from a partnership that addresses the negative public perception of migration but *business needs empirical data* that supports a cost/benefit analysis allowing for their engagement on migration.
2. *There are tested migration models available now* that can be applied to help businesses access the skills they need while ensuring that governments can protect their domestic labour force.

## **Recommendations: Elements of a “dedicated consultative system” for the GFMD engagement with the private sector**

Based on the responses to the survey and reactions to the outreach efforts conducted to date including feedback from the roundtables and thematic meeting, the Chair recommends the following steps towards establishing a dedicated consultative process between the GFMD and the private sector:

### **1. Build an evidence base to highlight the benefits of government/business dialogue**

Governments must be cognizant of the fact that to engage businesses, the objectives for their engagement must be clearly articulated. Actionable measures are a prerequisite for continued dialogue with business. Further research on the cost/benefit analysis is key to activating the private sector’s interest and engagement on migration issues. Research reports must have a practical focus on facts and figures to justify business allocating time to policy discussions.

### **2. Governments can invite businesses to identify migration models, and share their experiences and the benefits of respective models.**

To ensure that businesses are getting value from their engagement (and to build an evidence-base to mobilise private sector support for engagement), the GFMD may consider expanding their current database to encompass best practises for business-government collaboration around migration policies. This could also become a valuable resource for both governments and businesses wishing to partner for socio-economic development impact.

### **3. To engage businesses in a dialogue about migration policies, target the Human Resources departments.**

From a business perspective, mobility is primarily a talent issue, falling under the purview of the human resources/legal departments of larger businesses. The human resources/legal departments will understand the value of a dialogue with states that potentially can lower the recruitment costs for needed talent. Thus the recommendation going forward is for the GMFD Chair to target heads of human resources/legal departments in future surveys or discussions on migration.

### **4. Hold regular, informal roundtable discussions between businesses and states.**

The GFMD and the private sector will benefit from regular, informal roundtable discussions where both parties can freely engage in discussions on the impact of migration policies. Formal conferences or presentations offer less opportunity for dialogue. At this initial stage of the process, open, Chatham House- style roundtable discussions are more conducive to building trust and understanding of each other’s perspectives.

Ideally 2-3 business roundtables can be arranged during a chairmanship to ensure momentum is not lost and the dialogue moves forward. Advance notice (4-5 months) is ideal to ensure proper representation. To facilitate this process, the GFMD can choose to partner directly with businesses or with established organisations, ideally with links to heads of human resource/legal departments. A core group of interested states (for example, those participating in a Government

Team on Private Sector Engagement) and businesses willing to engage in the mid- to longer term (such as those identified by the Swedish chair), should be involved in these discussions to ensure continuity of the process. Adequate resources should be set aside to host the roundtable discussions.

#### **5. Partner with established organisations**

As the GFMD continues to build a platform for dialogue with businesses, GFMD stands to gain through its partnerships with established organisations such as the Council for Global Immigration, The World Economic Forum Global Agenda Council on Migration, The Hague Process on Refugees and Migration, or the International Organisation of Employers, that have a direct line of communication with businesses. Another suitable partner may be the Society for Human Resource Management (SHRM), as the world's largest human resource organisation, spanning 160 countries. Experience with the mapping study also shows that it is not enough to have access to a business database; to engage with business on migration there must be a personal and direct line of communication to those who work on these issues (most likely within the human resources departments) in any company.

#### **6. Make good use of the opportunity to create the space for a flexible business-state dialogue at a global level**

Apart from the GFMD, there is currently no other space for businesses and states to engage in a constructive, informal and exploratory dialogue on mobility at the global level. The GFMD process, since its inception in 2007, has proven to lead to a better dialogue between states as well as between states and other stakeholders through regular meetings and trust-building. A similar process can also lend itself towards improving a dialogue on aspects of migration between the businesses and states. It is clear from the business roundtables that have been held, that there is interest in the opportunity to meet with relevant government policy makers in the GFMD, but to nurture this interest, more work needs to be done to raise awareness about the GFMD with the private sector. A continued dialogue with business at the global level can also help clarify entry points for a business/government dialogue at a national level. This can prove to be useful as many businesses may not be clear as to which government ministry or department to approach for engagement in any given country.

#### **7. Establish a reporting mechanism whereby updates on the business roundtable discussions are shared with the Steering Group and/or Friends of the Forum**

It is important to maintain flexibility in engagement with businesses to ensure that discussions remain relevant to the overall themes of the GFMD. Non-attributed (Chatham House Rule) reports from the business roundtables should be distributed among participants of the GFMD process so that a) the business perspective, alongside the perspectives of states and other civil society actors can be included in the work of the GFMD, b) transparency is assured while at the same time allowing for the informal dialogues to take place between businesses and states, and c) more states have an opportunity to provide feedback and engage in future discussions with business. Transparency through a regular reporting on discussions held with business will also help build a relationship across the wider GFMD constituency.

## **8. Repeat the mapping study targeting heads of Human Resources departments**

Based on the results achieved during the Swedish chairmanship of the GFMD, and the research recommendations, the mapping study should target heads of human resources within each of the key sectors to further refine areas for collaboration between governments and businesses. The mapping study should ideally be done together with an established organisation with strong links to human resources departments across a variety of sectors. The outcomes of this research could form the basis for a time-bound, strategic plan, including clearly stated objectives for the GFMD migration policy dialogues with business.