

حـــوار أبوظبـــي بيـن الـــدول الآسيويــة المرسلـــة و المستقبلــة للعمالــة Abu Dhabi Dialogue among the Asian Labor-Sending and Receiving Countries

# ABU DHABI DIALOGUE SPECIAL WORKSHOP ON OPERATIONALISING THE FOUR COLLABORATIVE PROGRAMS APPROVED BY ADD MINISTERS

5 - 6 JULY 2017

A REPORT ON PROCEEDINGS

#### LIST OF PARTICIPANTS

#### **PARTICIPATING MEMBER STATES:**

Sri Lanka (Chair); United Arab Emirates (Permanent Secretariat); Bahrain; Bangladesh; India; Saudi Arabia; Kuwait; Malaysia; Nepal; Oman; Pakistan; Philippines; Vietnam

#### **PARTICIPATING OBSERVERS:**

Aspiring Minds; City and Guilds; ILO; IOM; McKinsey; Migrant Forum Asia; National Qualifications Authority (UAE); Quality and Conformity Council (UAE); SAP; Swiss Agency for Cooperation and Development

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#### INTRODUCTION

Senior officials and subject matter experts representing member governments of the Abu Dhabi Dialogue among Asian Countries of Origin and Destination met in Dubai for a Special Workshop of the ADD on 05 – 06 July 2017. In attendance were observers from civil society, the private sector, and international organisations. The purpose of the Workshop was to operationalize the four collaborative tracks that were approved by the ADD Ministers at the Inter-Ministerial Consultation in Colombo in January 2017.

The first day of the Workshop covered the presentation and discussion of *An Alternative Model of Labour Recruitment* (including a brief discussion of the IT requirements) and *Certification and Mutual Recognition of Skills*. The second day covered the presentation and discussion of *Technology in the Governance of Labour Mobility* and *Comprehensive Information and Orientation Programmes*, followed by a meeting of the individual CIOP pairings for in-depth discussions on their programme requirements.

The report that follows contains an overview of each of the four programmes, outlining the key elements and status quo of each, followed by minutes of the discussions between participants at the Workshop.

The Chair and Permanent Secretariat are grateful to all participants for their engagement in this process.

At the Colombo Ministerial meeting of the ADD, in January 2017, the IOM presented a key study on the recruitment of workers from Kerala (India) and Nepal, travelling to the United Arab Emirates for employment. The objective of the study was to examine the current structures and flaws in the system that complicates regulation. The study found that a significant number of workers reported discrepancies between their job offer and the employment contract, and that increased transparency and dialogue between stakeholders was critical.

At the same meeting, to improve transparency around recruitment practices, the governments of the UAE and the Philippines announced a pilot project, based on the current regulation of labour recruitment between a number of Canadian provinces and the Philippines, as well as the systems delivered by the Kingdom of Saudi Arabia's Musaned platform. The aim of the pilot project is to insert joint government oversight over the recruitment process and reduce the risk of migrant workers bearing the costs of their own recruitment. It is the first example of a jointly developed programme on promoting fair and ethical recruitment among the ADD countries.

The pilot project design adheres to current practices of recruitment, insofar as the model is demand-driven, rather than supply-driven, and recruitment continues to be business-to-business led. This minimises complexity and enables continuity. However, through the establishment of joint governmental oversight and adherence to the standards laid down in IOM's International Recruitment Integrity System (IRIS) and the ILO's ethical recruitment principles and guidelines, the project ensures that the job offer that the worker receives and the contract that is issued match one another and that recruitment fees are borne by the employer.

Under the pilot project, the process begins with an employer in the UAE issuing a demand letter, requesting a specified number of workers from the Philippines. It is a requirement of the pilot that the demand letter includes specific job descriptions, conditions of work, salary ranges etc. The demand letter is vetted against a set of criteria by the UAE's Ministry of Human Resources and Emiratisation, including an assessment of whether or not the roles could be filled by UAE nationals, under the Emiratisation programme, whether the employer is in good standing etc.

Post vetting in the UAE, the demand letter is shared with the government of the Philippines, which undertakes its own vetting process, which includes a review

of the employment offer's terms and an assessment its own labour market requirements to ensure that the demand letter is not a contributor to 'brain drain'. For example, if too many nurses are requested, the government of the Philippines can reduce the number of roles it is prepared to advertise.

The demand letter, including information on the proposed fee paid by the recruiter to the recruitment agency for their services, is then posted on a website, where it can be viewed only by recruitment agencies that have been accredited by the government of the Philippines (information on accreditation is also shared with the government of the UAE). In response to the letter of demand, accredited recruitment agencies are free to upload candidates who meet the recruitment requirements. Face-to-face interviews of candidates by the recruiter may take place during the recruitment process, in addition to the necessary medical checks.

Upon selecting its preferred candidates, the employer issues an offer letter, setting out the full terms and conditions of employment that will be included in the final contract, including the exact salary for each candidate. This offer letter is validated through the same system, with oversight from the governments of the Philippines and UAE, to ensure that, for example, the proposed salaries are within the range originally advertised. Requirements include that the worker has read and understood the offer, and the worker must sign the offer letter while in the country of origin. Once the worker arrives in the UAE, they sign a standard contract, which is validated by the Ministry of Human Resources and Emiratisation to ensure that it complies with the original offer letter.

### AN ALTERNATIVE MODEL OF LABOUR RECRUITMENT: Summary of ADD Special Workshop Discussion

- The governments of the UAE and the Philippines will further develop pilot parameters and roll out plan and will continuously inform member governments of progress.
- A number of participants raised questions regarding additional burdens placed upon employers. It was conceded that the process may add additional burdens on employers, but these must be weighed against the benefits to workers, employers, COOs and CODs.
- Some participants questioned whether or not employers will have an opportunity to interview potential recruits prior to the issuance of an offer letter; it was confirmed that they will.
- It was confirmed that the recruitment process will apply only to prospective migrants still in COOs, not to migrants already in CODs; in-market mobility will be addressed separately through existing and enhanced regulation.
- However, if, during negotiation, the employer offers a more senior role, with commensurately higher salary, this will be looked on positively due to increased benefit for the worker.
- The question of dispute resolution between parties may be added as another functionality to be addressed in the overall pilot process flow.
- It was confirmed that member states will retain sole responsibility for accrediting recruitment agencies in their territory, but that transparency between COOs and CODs is important and that both parties commit to sharing information about their respective private recruitment agencies.
- It was confirmed that a Joint Oversight Committee will be established between the governments of the UAE and Philippines, with a joint executive team in charge of roll out.
- There will be room for negotiation during the recruitment phase, prior to the issuance of an offer letter; but it was confirmed that the offer letter will have to abide by original salary range recorded in the demand letter, or be higher.
- Other member states may opt to join the pilot as it is being rolled out.
- It was confirmed that member states will lend IT support to the project.

The Abu Dhabi Dialogue is currently undertaking a pilot project to determine the impact of training and skill certification on a range of outcomes, including productivity, income trajectory and happiness, among migrant workers in the UAE. New York University (Abu Dhabi) is overseeing the pilot project in cooperation with the governments of India, Pakistan, Sri Lanka, the UAE, the Swiss Development Corporation, alongside the IOM and ILO.

For both countries of origin and countries of destination, bilateral and multilateral cooperation to align on skills training and recognition is becoming increasingly important. GCC countries are transitioning away from a reliance on oil, towards knowledge-based economies, creating new requirements in the labour market.

Moreover, for countries of origin, investment in training and certification of workers often translates into increased competitiveness of the migrant workforce, higher wages and increased remittances. India, for example, has recently embarked on the Skill India campaign, aiming to train 400 million people by 2020 (primarily for work in India's domestic market, but with inevitably better outcomes for India's migrant workers). Skills certification can also improve practices associated with recruitment, contributing to better governance of the temporary migration cycle.

Building on the pilot project, the ADD countries have agreed to facilitate the certification of skills, up-skilling and mutual recognition of skills across the migration cycle. There are essentially two routes available for countries to create greater alignment: firstly, through the alignment of qualification standards for targeted occupations. The second option is to maintain separate qualification frameworks, but mutually recognise these frameworks through bilateral and multilateral agreements. To achieve either outcome, however, there are three parts to the ecosystem that need to be put in place to support the scaling up of the certification of skills.

Firstly, policy levers need to encourage skilling and the hiring of upskilled workers. These policy levers, in countries of destination, include providing incentives to employers to hire more skilled workers through differentiated work permit fees, sector level quotas, improving confidence in occupational standards, and establishing skills requirements in certain professions. In countries of origin, policy levers include lower barriers to entry for training and

certification centres, and minimising taxation on training and certification businesses, in order to minimise costs to the migrant worker.

Secondly, accelerating and expanding the development of National Occupational Skills Standards (NOSS) in GCC countries is a critical element in increasing demand for skills certification. The UAE is currently identifying the top 100 occupations for migrant workers in order to prioritise standardisation of skills frameworks and enable countries of origin to map skills demands – an important step in ensuring that an oversupply in certain skills is not created. On the basis of these occupational standards, MOUs enabling joint recognition of standards can be signed by countries of origin and destination.

Thirdly, the private sector has to play an expanded role in the training, testing and awarding cycle. In GCC countries, the development of a common licencing policy for awarding bodies to recognise qualifications issued in countries of origin, the development of policies for recognising training and testing centres, and the creation of a fee model between awarding bodies and regulators, and between training and testing centres to awarding bodies will encourage greater competition in the private sector. In countries of origin, the alignment of training with the awarding bodies' requirements, campaigns to encourage workers to test in accredited centres, and a skills database accessible by hiring companies would facilitate a similar result.

### CERTIFICATION AND MUTUAL RECOGNITION OF SKILLS: Summary of ADD Special Workshop Discussion

- Some participants questioned whether or not skill certification leads to higher wages, and suggested that workers are being required to pay for skills training by employers, with no clear upside.
- Others suggested that salaries for upskilled workers increase in a range of 20
   30%. It was recognised that skilling programmes will more effectively increase salaries when recruitment incentives are coherently aligned.
- The importance of encouraging private sector involvement in training, testing and certification was noted as a key driver in lowering costs for workers and employers.
- It was noted that some skills have a short expiry date and require frequent testing to maintain occupational licences. However, it was emphasised this tends to be an issue in higher paying professions, where regulations are already in place to require frequent assessment, and where this is not the case, there are already incentives for the private sector to validate skills.
- A number of participants noted the role that technology can play in training and certifying, pointing to online courses from Microsoft and Cisco and tests undertaken on camera.
- Participants noted that it was important, where possible, to provide skills forecasts, to ensure that oversupply in certain skills does not create market distortions and drive down wages in COOs.
- It was suggested that formal testing may not always be the best route to achieve better outcomes for workers: an alternative to consider is finding ways to recognise and assess experience.
- On the alignment of occupational standards, some participants suggested that the easiest route was for COOs and CODs to jointly recognise third party standards (e.g. UK / Germany) and allow centres to train to those standards.
- It was acknowledged that piloting alternative methods of funding for skilling is necessary, and that one option is to work with employers who are already investing in skilling.
- There was common consensus that skills training and recognition will be critical to the future of the economies of both COOs and CODs.

Orientation and information programmes are a tool of both protection and empowerment. The Abu Dhabi Dialogue's cooperation on Comprehensive Information and Orientation Programmes (CIOP) dates from 2014, based on a proposal originated by the Government of the Philippines while it was Chair. The objective of ADD's cooperation is to ensure that temporary labour migrants have a well-founded sense of their rights and responsibilities, and are emotionally and psychologically prepared for the changes that they encounter, from preemployment (PEO), through pre-departure (PDO) to post arrival (PAO). Better prepared workers experience higher levels of wellbeing, and are significantly more productive, creating a win-win for both workers and employers.

Effective CIOP programming requires high levels of collaboration and planning. Not only do processes need to be in place to manage modules for preemployment, pre-departure, post-arrival, and return and reintegration, but significant numbers of stakeholders need to be assimilated into the system. For example, in Sri Lanka alone there are 800 licenced recruitment agents actively operating, each one with up to 80 sub-agents, meaning that for pre-employment training to be meaningful, it has to be undertaken by community-based organisations at the grass-roots level. Best practices for states fostering CIOP initiatives include: providing a clear legal and administrative foundation, taking into account the cultural context of the specific migration corridor, and adapting the content of the training to the skill level of the worker and the employment sector that he/she will engage in.

Many countries of origin in the ADD have CIOP programmes in operation for PEO, PDO and PAO, including centres in countries of destination being run in cooperation with the embassies. Moreover, new technology is having a significant impact in broadening the reach of CIOP training, through mobile and online platforms. But the crucial test for efficacy is translating information into knowledge on the part of the worker. The pairing of countries through the ADD to develop corridor-specific programmes is intended to help address this challenge by making the training more relevant to the corridor-specific issues that workers are likely to encounter.

The current ADD CIOP cooperative initiative builds on the achievements of an earlier Phase I, which included – with support from the Swiss Agency for Development and Cooperation– the mapping of national PDO training, and the development of a regional guide for PDO training in Colombo Process countries. A regional-specific framework for PAO, developed by the Permanent Secretariat,

was presented to the ADD Senior Officials Meeting in May 2016. Phase II builds on these foundations, through specific country pairings and the development of detailed modules. Participating pairs are the Kingdom of Saudi Arabia and Bangladesh; the United Arab Emirates and Sri Lanka; and the United Arab Emirates and the Philippines.

Phase II is intended to operationalize and administer a coordinated management system for PEO, PDO and PAO services for foreign workers. Technical assistance is being provided by the IOM in developing the management system and tailoring the training material to the specific country contexts of the ADD member states. Over the course of the current second phase, three regional guides will be developed to cover the specific country pairings, on the basis of which tailored manuals will be created, and joint COO and COD training of trainers undertaken to ensure that participating members states have the necessary institutional capacity to implement the respective courses.

The programme looks at specific key sectors, where there is a high incidence of COO nationalities working. The KSA-Bangladesh pairing is focused on drivers. The UAE-Philippines pairing is focused on domestic workers and the hospitality sector. The UAE-Sri Lanka pairing is focused on hospitality. The programme is being administered by the relevant ADD participating ministries, in cooperation with national-level agencies.

## COMPREHENSIVE INFORMATION AND ORIENTATION PROGRAMMES: Summary of ADD Special Workshop Discussion

- ADD participants heard casestudies on CIOP programmes and best practices, presented by both governments and observers.
- It was impressed on participants that PEO, in particular, is not classroom training: it's "when you sit in communities under the tree, over a cup of tea, and talk about migration".
- Migration can be a particularly sensitive topic and it is often difficult to build the kind of trust with communities that they enjoy with agents.
- Participants discussed whether or not PEO / PDO should be mandatory for workers, recognising that it is a tool of protection, but also that many migrants are keen to migrate as quickly as possible.
- Some participants proposed that more be done on PAO, for example setting up post-arrival learning centres, established to broaden the base of available information and learn from migrant communities.
- Financial institutions were cited as a possible channel for PAO information, given their relationship between migrants and their families at home.
- It was noted that the monitoring and assessment of the efficacy of CIOP programmes needs to be looked at holistically.
- It was emphasised by participants that the pilot project needs to be adaptable and dynamic, with potential to make changes once milestones are reached.
- KPIs for the pilot project will be developed on the basis of results matrices, and feedback received in the workshop, and will be circulated to participants.
- Participants noted that it is important the pilot project does not reinvent the
  wheel on CIOP programmes that are already in place, so as to avoid
  undermining the trust that has been built in communities.
- Participants discussed whether it is appropriate to include employers in discussions on PEO, with the emphasis of PEO being firmly on safe migration.
- It was confirmed that programme deliverables will be needs-based, responding to gaps in current CIOP infrastructure.
- Feedback on the pilot proposal, information on institutions involved, contact details for focal points, was shared by pairing countries.

Technology has an increasingly important role to play in the governance of labour mobility. In particular, it proffers the prospect of creating effective solutions to current challenges, including increasing transparency in the recruitment process, lowering the costs of recruitment, creating platforms for worker orientation, and facilitating information flow between various authorities to improve oversight through the migration cycle. Many of the stakeholders of the Abu Dhabi Dialogue – from governments, to temporary migrant workers themselves – are already adopting new forms of technology. The Colombo Declaration, emanating from the Fourth Inter-Ministerial Consultation of the Abu Dhabi Dialogue, therefore sets out a vision for 'building on current national government and bilateral initiatives in designing a prototype of a regional digital labour platform that streamlines labour mobility."

There are several challenges that member states face in building a fully integrated, regional digital labour platform. Although the technology required to create such a platform is widely available, challenges fall into three broad areas:
a) the calibration of regulatory standards between member states and subsequent integration of current national-level IT systems; b) issues relating to data sovereignty, hosting and security; and c) the sharing of burdens on costs and fees.

To meet these challenges, it is crucial that the system be structured against clearly defined goals and policies, rapidly adaptable to changing requirements, and built to be resilient to unpredictable shocks to the system. In light of these requirements, ADD member states recommended that the best approach to scaling up a regional digital labour platform is to begin with a narrowly defined scope, which bypasses incumbent organisational structures and focuses on building capacity around a specific pilot project.

To that end, the UAE-Philippines pilot project on An Alternative Model of Labour Recruitment has been identified as the starting point. Inherent in the design of the Alternative Model of Labour Recruitment is the need for an information-sharing platform that grants joint oversight to the governments of the UAE and the Philippines. The pilot stipulates that the original demand letter generated by the employer be validated, firstly by the government of the UAE, then the government of the Philippines, before being made available to the recruiter, and that the final offer from the employer be verifiable against the original letter of demand. These requirements are built on the assumption that a single version of

the truth is available to all parties throughout the recruitment process, necessitating a shared platform.

The platform facilitates each of the key steps outlined in the description of the Alternative Model of Labour Recruitment, beginning with the employer's requisition, through real-time approvals by the respective government ministries, the online uploading and reviewing of candidate profiles by recruiters and employers, to the issuance and validation of the offer letter. Each step is undertaken on the platform, with different data interfaces and access points available to the different stakeholders.

The option remains to build additional modules around the platform. For example, the platform opens up the possibility of member states requiring evidence of online CIOP modules being undertaken on online by prospective workers, prior to the consideration of their profiles by employers. Alternatively, online skills training and badges validated by skills certification organisations could be made available to prospective employees to help differentiate themselves. The addition of these types of functionalities would contribute considerably to the prospect of an entirely holistic system of governance over temporary labour migration.

### TECHNOLOGY IN THE GOVERNANCE OF LABOUR MOBILITY: Summary of ADD Special Workshop Discussion

- Numerous participants noted that supplanting pre-existing processes with IT-enabled processes is relatively easy, but where the process is being developed from the ground-up, IT professionals need granularity on the strategy and policies of the initiative before further technological scoping can be undertaken.
- Participants discussed the relative benefits of cloud hosting: on the one hand, opex model provides a pay-per-use solution; on the other, it can quickly become very expensive to retain and states lose control of their own systems.
- It was emphasised that, if a cloud-based platform is implemented, there needs to be a very clear, upfront discussion on downstream costs.
- A cloud-based platform would also require a single recruitment process that is agreed on by all member states.
- However, participants were reminded that a user-hosted platform would require states being responsible for hiring and training staff to undertake the upgrades needed to maintain high levels of security.
- It was also noted that concerns around sovereignty over the platform can be overcome through in-country hosting, in partnership with local telcos.
- Participants were keen to understand who will own the platform and what the legal framework will be to manage ownership.
- The question was raised as to whether or not it was envisaged, at some point, workers being able to upload their own information to the platform, and whether it would offer some form of social media integration to help communicate with workers.
- Participants also pointed out that the platform may enable workers to raise the flag on potential abuses during the recruitment process.
- Some participants suggested that the platform might be oriented towards enabling mobility of workers within CODs.
- The possibility of using the platform for monitoring time taken to process applications and costs was raised.
- Participants were reminded that not every policy application can be integrated into the platform, as a result of different regulations in different member states. But there is the option to include functionalities including user satisfaction etc.