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A REPORT ON THE SECOND LABOUR MIGRATION MINISTERIAL
CONSULTATIONS FOR COUNTRIES OF ORIGIN IN ASIA

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1. The International Organization for Migration (IOM) first organized the ministerial level Consultations for Asian labour sending countries on April 1-3, 2003 in Colombo, Sri Lanka in response to the requests of several labour sending countries in Asia. As agreed by the participating States in the Colombo Consultations, a **Second Labour Migration Ministerial Consultations was held in the Philippines last September 22-24, 2004** to follow-up the Colombo recommendations.
2. The aim of the second Ministerial Consultations was to provide a forum for Asian Labour sending countries to:
 - Share experiences, lessons learned and best practices on labour migration policies and practices.
 - Consult on issues faced by labour migrants and sending States and propose practical solutions to protect migrants as well as optimize development benefits.
 - Review and monitor the implementation of recommendations of the Colombo Consultations and identify steps for action.
3. The Ministers responsible for foreign employment from ten (10) main labour sending countries in Asia, namely Bangladesh, China, India, Indonesia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Vietnam and two or more senior officials from each country participated in the Consultations. Afghanistan was invited to participate as an Observer. The International Labour Office (ILO), Asian Development Bank (ADB), Department for International Development (DFID), U.K. and regional experts were also invited to participate.
4. Prior to the meeting of the Ministers, a preparatory meeting among Senior Officials and a study tour of Philippine overseas employment institutions were held.
5. Following the review in progress, the topics discussed by the participants during the Consultations were organized in three (3) thematic areas:
 - a) protection of migrant workers and services to migrant workers;
 - b) optimizing benefits of organized labor migration; and
 - c) institutional capacity building and inter-state cooperation.

While the first Ministerial Consultations covered a broad range of issues within the three themes, the second Consultations focused on priority areas identified.

Recommendations of the Ministers

6. The participating States identified the following measures as being conducive to the effective management of labour migration programmes and furthering the recommendations made at Colombo in 2003:

6.1. Protection of and provision of support services to migrant workers

- *Regulatory frameworks and allied measures to prevent malpractice and abuses in recruitment.*

A priority concern for all labour sending governments is to ensure the well-being of migrant workers and to secure the payment of decent wages and basic provisions. There are no perfect systems of regulation of labour migration but sending countries have at their disposition a range of policy strategies to extend the scope and improve the efficiency of their regulatory mechanisms to include:

- a) The conduct of pre-employment orientation seminars (PEOS) and intensified information campaigns, especially in rural communities to provide applicants with sufficient information to enable them to make decisions;
 - b) The empowerment of migrant workers, especially through the formation of community based organizations, to enable their voice to be clearly heard and taken account of in policy development;
 - c) Streamlining and simplification of regulations and procedures intended to protect workers, to prevent the regulatory framework from becoming unwieldy and thus an unintended inducement to irregular migration;
 - d) Close supervision and monitoring by governments of recruitment activities undertaken by overseas employment promoters/agencies, to minimize malpractice and abuses against those seeking overseas jobs; and, the introduction of criminal proceedings, in addition to the cancellation of licences, against serious offenders;
 - e) Special attention to the supervision of recruitment and deployment of categories of workers especially vulnerable to malpractice and abuse, such as female domestic workers;
 - f) The raising of the skill levels of workers to higher standards to improve their employment opportunities, and the promotion of their deployment abroad, taking into account any brain drain concerns;
 - g) Introduction of stronger measures to ensure enforcement of the employment contract at the worksite, particular through bilateral arrangements and agreements with host governments.
- *Establishment and operation of Migrant Welfare Funds (MWF)*

Migrant Welfare Funds are an innovative and financially sustainable means of providing support services to vulnerable migrants and those migrants in distress. They have the

potential to be of value to all labour sending countries. Measures to optimise their efficiency and effectiveness include:

- a) The channelling, wherever possible, of services through existing specialized institutions with a proven track record, rather than the setting up of ad hoc arrangements;
- b) The targeting of vulnerable migrants and a focus on core protection activities rather than general purpose welfare intervention;
- c) The setting up and regular review of benefit entitlements in the light of good industry practice;
- d) The provision of on-site assistance in the country of destination as a top priority;
- e) The provision of interest-subsidised loans for pre-departure preparation, housing and self-employment in preference to the direct administration of credit programs;
- f) The provision of compulsory insurance against job-site risks and possibly a second component in terms of a voluntary insurance scheme;
- g) An evaluation of skills development programmes funded by the MWF to identify good practices in the development and administration of employment enhancing programmes;
- h) The systematic collection of data on significant aspects of overseas employment for purposes of analysis and research, and the submission of regular financial reports duly audited.

▪ *Pre-departure Orientation Services (PDOS)*

Pre-departure arrangements form an integral part of a comprehensive approach to labour migration. An optimal approach to pre-departure preparation would benefit from:

- a) The introduction of PDOS in all labour-sending countries, taking account of the experiences of countries already having PDOS;
 - b) Ensuring sustainability of PDOS through funding from the MWF or receiving countries/employers.
- *Feasibility study on the establishment of a Common Migrant Resource Centre (MRC) in the Gulf Cooperation Council (GCC) States*

The GCC states are the major destination for Asian workers, although there has been a growth in new destinations since the 1990s. Migration to the Middle East is both a big opportunity, in terms of foreign employment and remittances, and a challenge. To give effect to a recommendation made at the first Ministerial Consultations towards the establishment of a joint Migrant Resource Centre, a feasibility study was undertaken and presented at the Consultations. The following action was identified as appropriate to carry the concept forward:

- a) The conduct of a pilot implementation project, preferably in Kuwait, subject to additional detailed feedback from participating states on the feasibility study, and the determination of an appropriate funding strategy. In this regard the IOM will explore the possibility of organizing a meeting of interested states before the next Ministerial Consultations.

6.2. Optimising Benefits of Organised Labour Migration

- *Facilitating managed labour migration*

Labour migration policy necessitates adequate emphasis on the promotion and facilitation of managed external labour flows and should not be limited to the regulating and protecting function of the State. Some of the specific modalities through which states can engage in the facilitation and promotion of international labour migration are:

- a) The establishment of a labour market monitoring entity which is responsible for the projection of manpower requirements in the major labour receiving countries, with special attention to emerging skill requirements in the external labour markets to meet demand with matching skills;
- b) The creation of a system to disseminate the information among the potential emigrants;
- c) The development of improved models of bilateral agreements with major labour receiving countries.

- *Remittances*

Enhancing Accessibility, Expanding Infrastructural Capabilities and Widening Outreach of Formal Financial Institutions

Some of the major policy initiatives that can contribute to the increased absorption of remittances and savings of migrants through formal channels are:

- a) The setting up of simplified and clear regulatory frameworks pertaining to foreign exchange management and liberalisation of the exchange rate regime;
- b) The introduction of measures to deepen and widen the foreign exchange market and provide specialized banking services to Non-Residents;
- c) Involvement of a larger number of banking and other financial institutions in the transfer of remittances;
- d) The strengthening of communication and relations in general with the diaspora in different countries;
- e) Transformation and adaptation of formal transfer systems, to incorporate qualities of speed, flexibility, cost-effectiveness and accessibility that make informal systems currently attractive to migrants and their households;
- f) The adoption of innovative linkages between information technology and financial transfer systems to reduce the cost of remittance flows, taking into account the best national and international experiences;
- g) Increased access to banking service points both in the source and recipient countries to reduce costs and increase efficiencies;
- h) Ensuring that countries which have a system of emigration clearance for departing workers give the opportunity to migrants to open a bank account of their choice;

- i) The offer of low cost pre-departure loans as a way of encouraging migrants to use formal banking channels;
- j) Information dissemination on remittance services and options via pre-departure orientation and in Migrant Resource Centres established in countries of destination;
- k) Enhanced coordination between the Department of Labour Migration, the Department of Finance, major financial institutions and other agencies, as appropriate, on the issue of external labour migration and associated remittance flows;
- l) Capacity building for improved consular services for migrants, including the setting up of data bases, and the issue of identity documents, which are secure, to facilitate use of formal remittance channels.

Enhancing the Developmental Impact of Remittances

It should be recognized that the remittance inflows are the source of not only foreign exchange receipts, which can be used to finance the balance of trade deficits or the current account deficit, but also of productive investment and social development. Bearing in mind that remittances are private funds, the development potential of remittances can be magnified through the adoption of the following measures:

- a) The identification of productive and sustainable avenues of investment for remittances, for instance by facilitating the setting of enterprises directly by migrants or through intermediate mechanisms and by transferring savings via deposit accounts;
- b) The formulation of policies that enhance the contribution of migrant associations to country of origin development by replicating innovative initiatives, such as the matching fund programme developed in some countries outside the region.

Baseline and Policy Oriented Research on Remittances and Sharing of Good Practices

- a) The sharing of best practices and technical expertise and expanding the remittances knowledge base, access to information and know-how among governments and other stakeholders.

▪ *Training and Skills Development*

Migrants optimize benefits from migration when they are able to choose the best foreign employment option. But imperfect conditions – poor information and lack of financial resources and credit – would disable would-be migrants from acquiring the skills and choosing the destination that gives the highest return. Effective responses to this challenge include:

- a) The collection of accurate and up to date information on both the domestic and foreign labour market and Education/Training institutions, and its dissemination to the labour force and the youth;
- b) The development of financial support schemes to help the youth acquire skills that are sought on the domestic and foreign labour market;
- c) The certification and enforcement of professional and technical standards for qualifications, for instance through a national Training Council linked to international standard-setting entities;

- d) A review of skills development training structures and systems that will take into account the importance of quality in education and emerging labour market needs.

6.3 Capacity Building, Data Collection and Inter State Cooperation

Asian labour sending states have been in the forefront of developing policies and mechanisms to protect migrant workers and in promoting managed labour migration. Further steps that would be beneficial in facilitating capacity building, data collection and cooperation include:

- *Sharing of information on international labour migration*
 - a) The implementation, in line with the recommendations made at the Colombo Ministerial Consultations, of mechanisms of exchange for the sharing, on a voluntary and regular basis, of information about changes in policy and legislation, on major labour migration destinations, on types of migrant workers, and on bilateral agreements, with a focal point being identified in each country.
 - b) The exploration of the concept of a common web portal to share information relating to the protection of migrant workers and, more generally, to the management of labour migration.
- *Training and Capacity Building*
 - a) Institutional capacity building for labour migration management structures, and labour and welfare attaché offices.
 - b) The implementation of joint courses on labour migration administration for administrators and labour attachés with the assistance of IOM and ILO.
 - c) The adaptation of the training curriculum for labour administrators and labour attachés developed by IOM as a follow-up to the Colombo Ministerial Consultations, for national training purposes; and the giving of continuing attention to the training of labour administrators and labour attachés.

- *Inter State Cooperation*

There are limits to what a state can do to protect its migrant workers without the active cooperation of other states of origin as well as states of employment. Moreover, although world migration pressures have increased, the progress towards a multilateral approach in the area of migration management is far slower than in the management of trade and capital flows. In such a context, it is important that labour sending countries take a lead role in highlighting the urgency for the development of multilateral approaches to the international movement of people, for instance through the Berne Initiative or the Global Commission on International Migration. It is important that strategies are formulated at regional and multilateral levels to initiate dialogue between countries of origin and destination. Such dialogue should endeavour to: exchange information on surpluses and shortages of labour; develop coordination of policy among labour sending countries; and create harmony of policies among labour receiving countries and protect vulnerable migrants.

Specific starting points for inter-state cooperation include:

- a) The establishment of a Common Migrants' Resource Centre as indicated earlier.
- b) The establishment of information sharing mechanisms.

- c) The setting up of informal networks of labour attachés and diplomatic missions of labour sending countries in countries of destination.
 - d) The implementation of common training ventures.
 - e) The active exploration of opportunities for dialogue between countries of origin and destination for instance through the Seminar on the Rights and Obligations of Migrants to be organised by IOM in the Gulf Countries
7. Pushing for increased efficiency of regulatory frameworks and measure to prevent malpractice and abuses in recruitment; establishment of Migrant Welfare Funds; effective pre-departure orientation services; pilot implementation of a Common Migrant Resource Centre (MRC) in the Gulf State; active involvement of states in the facilitation and promotion of international labour migration; and training and capacity-building of labour attaches and administrators were the highlights of the Ministers' recommendations during the second Consultations.
 8. The Meeting agreed that a follow-up consultation on labour migration management will be held in Indonesia in 2005. In-country meetings will also be conducted to assess the implementation of the Consultations' recommendations before the next Consultations.
 9. Following the recommendations of the Consultations, trainings for labour attaches and labour administrators were undertaken last December 18-20, 2004 in Kuwait and March 1-4, 2005 in Bangkok, Thailand, respectively. The Philippine Labor Attaches in Riyadh and Libya participated in the Training for Labor Attaches while the Labour Administrators' Training Course was participated in by the Administrator of the Overseas Workers' Welfare Administration (OWWA) and the Executive Director of the National Maritime Polytechnic (NMP), agencies under the supervision of the Department of Labor and Employment (DOLE). Negotiations for the establishment of Migrant Resource Center in Kuwait were also taken up during the trainings for labor attaches and administrators.
 10. The Philippine Department of Labour and Employment (DOLE) hosted the second Consultations with assistance from the IOM and funding support from the United Kingdom's Department of International Development (DFID) and Asian Development Bank (ADB).
 11. The active participation of all concerned reaffirmed the importance of multi-governmental dialogue, negotiation and agreement on best practices to facilitate more manageable labour migration.

THANK YOU.