

Win-Win Migration Outcomes: Global Skills Partnerships for Prosperous Labor Mobility

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Global Lead for Migration

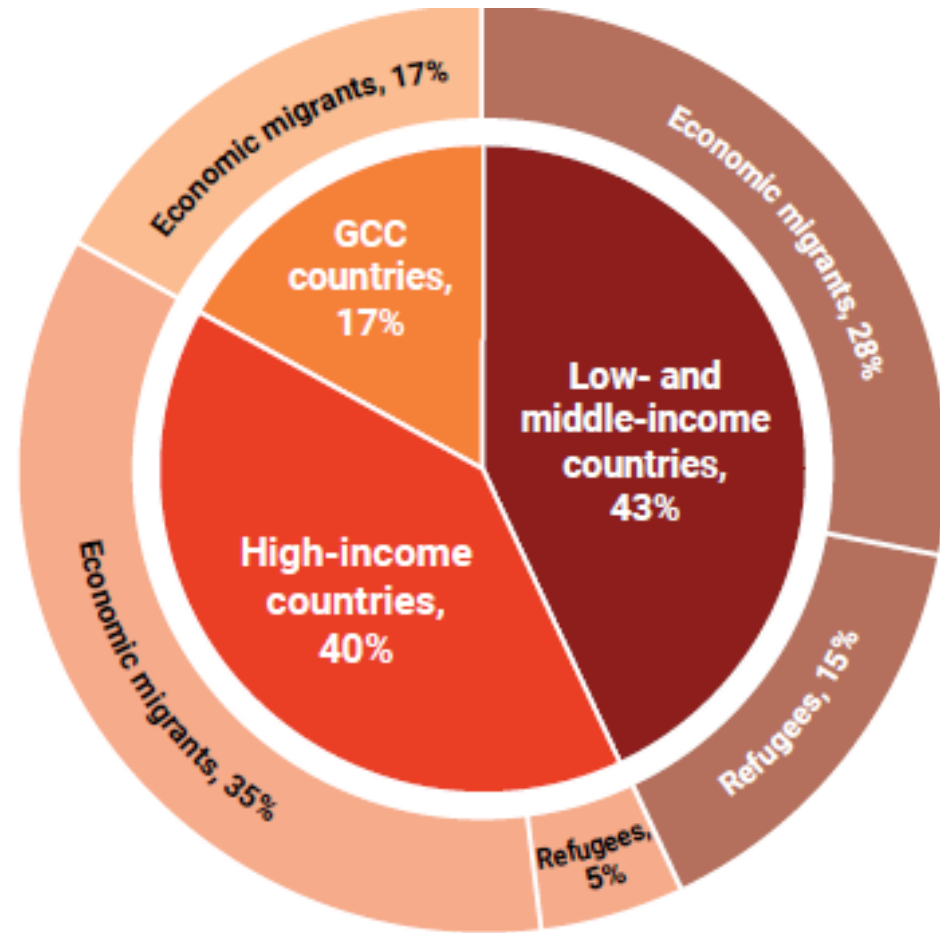
Social Protection and Jobs Global
Practice

World Bank

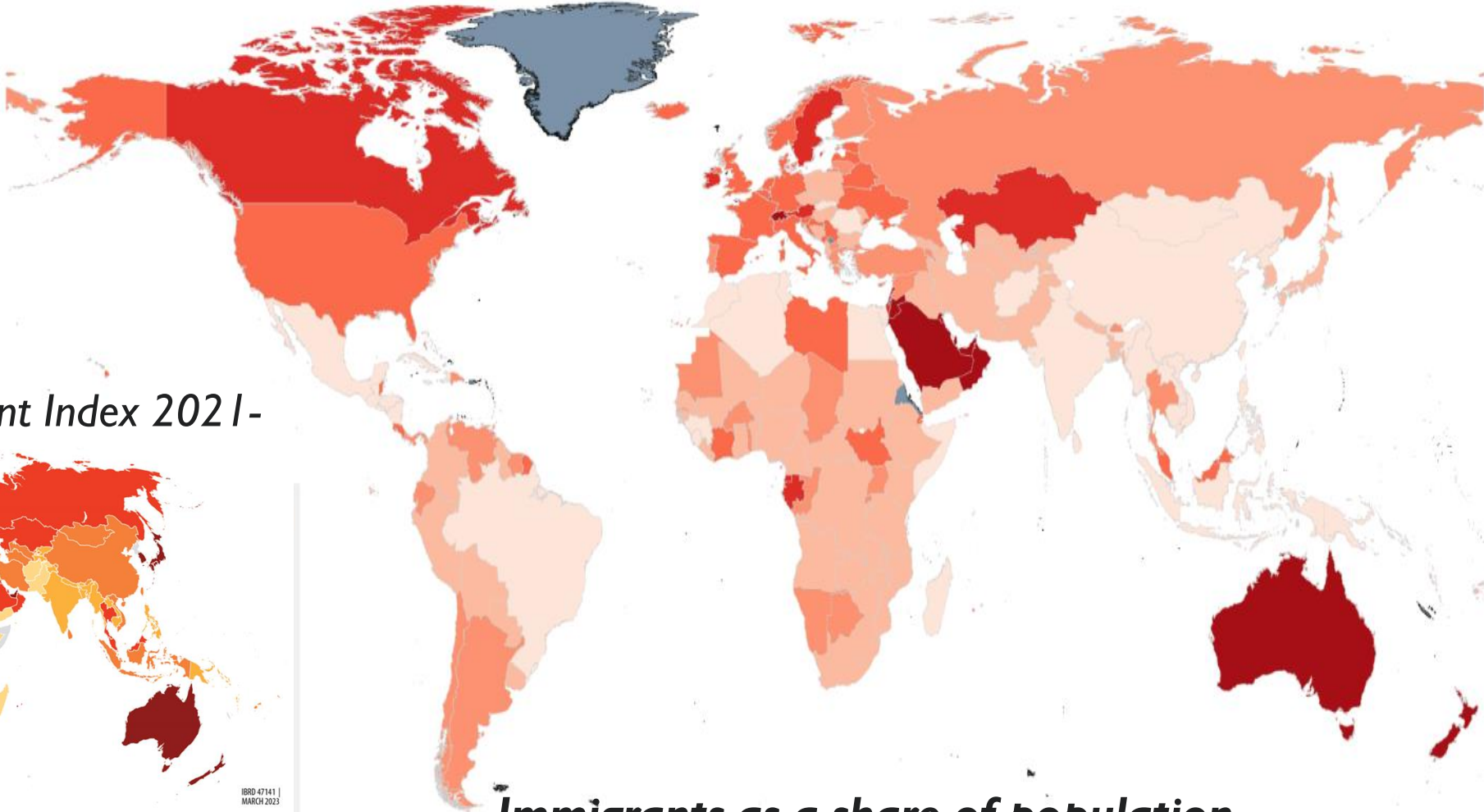


MIGRANT is someone who is not a citizen of the countries they are living currently living in...

184 million people
Currently satisfy this criteria
2.3 percent of the world population

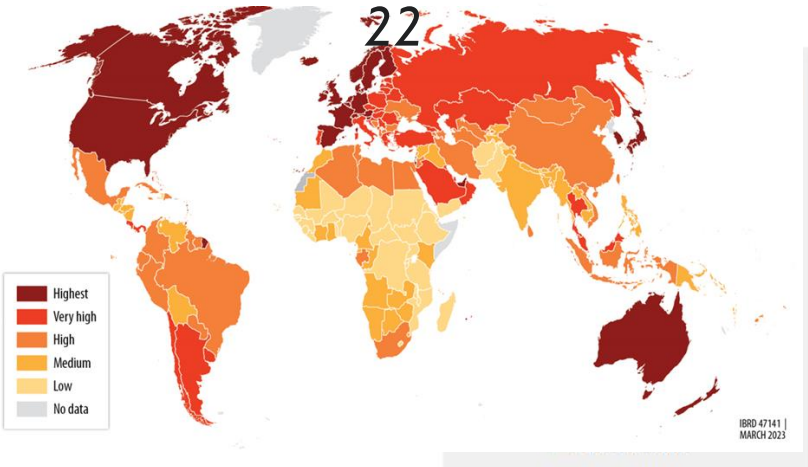


Share of Immigrants in Destination Country Population



Human Development Index 2021-

22



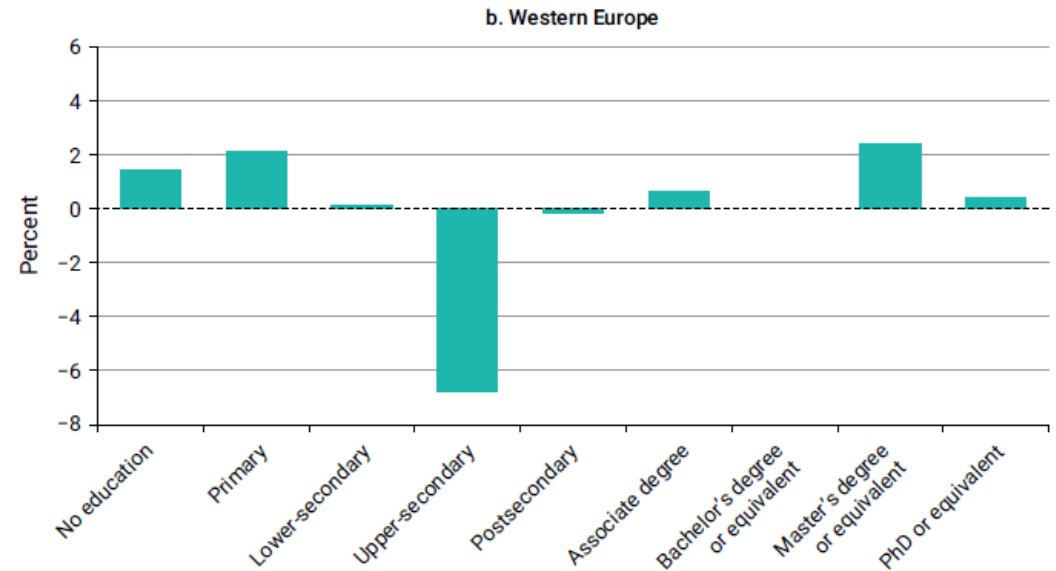
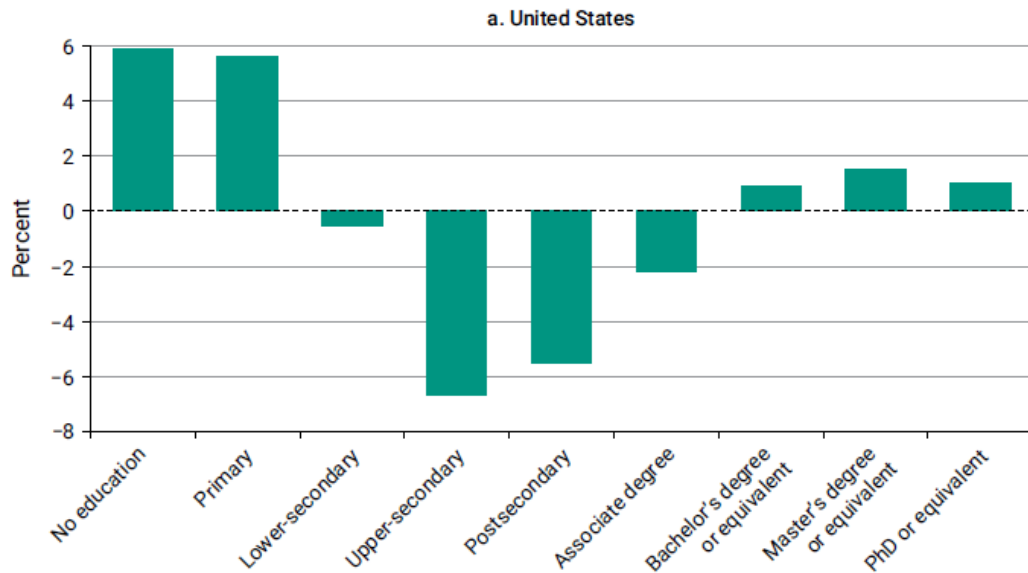
Immigrants as a share of population

REGIONAL COMPOSITON – East Asia and Pacific

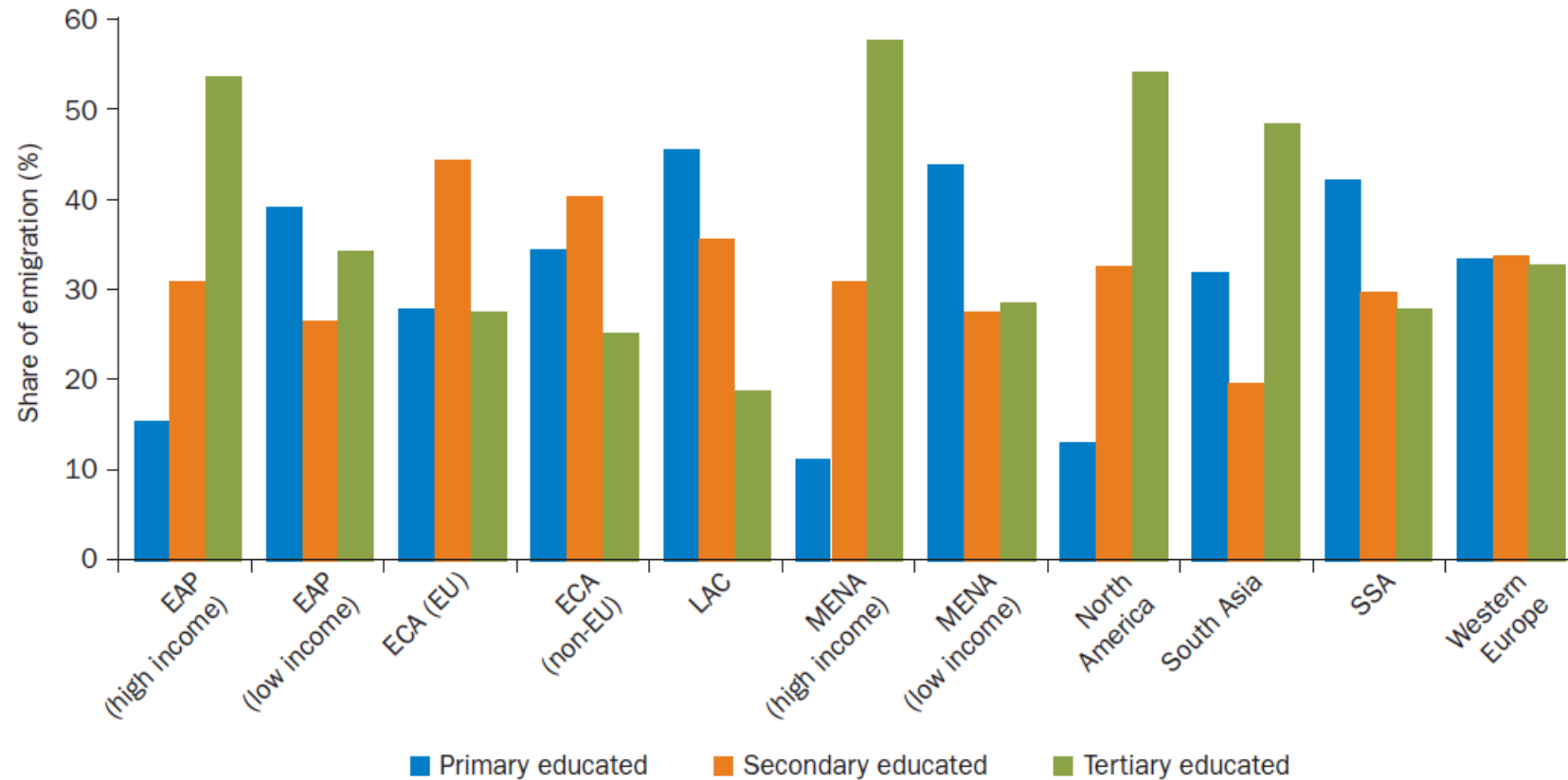


Migrants are overrepresented at both ends of the skill spectrum

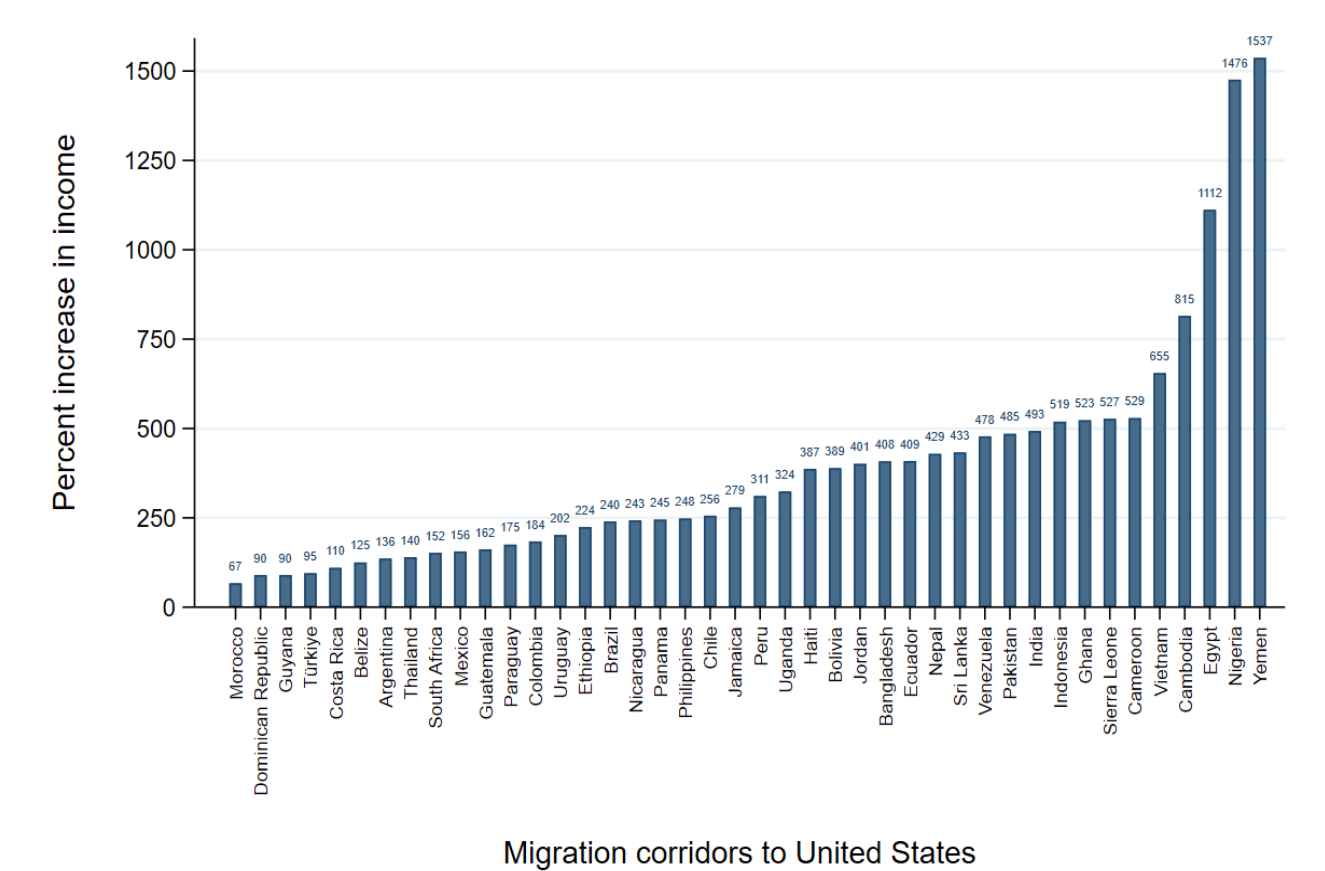
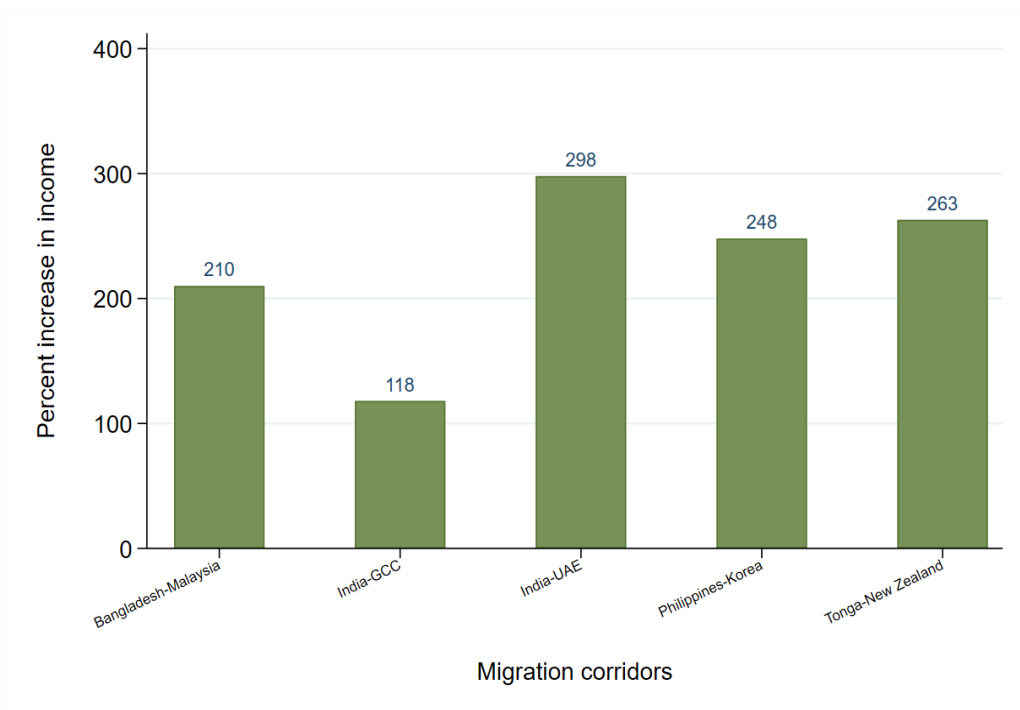
Difference between the shares of migrants and natives in the labor force in each skill group



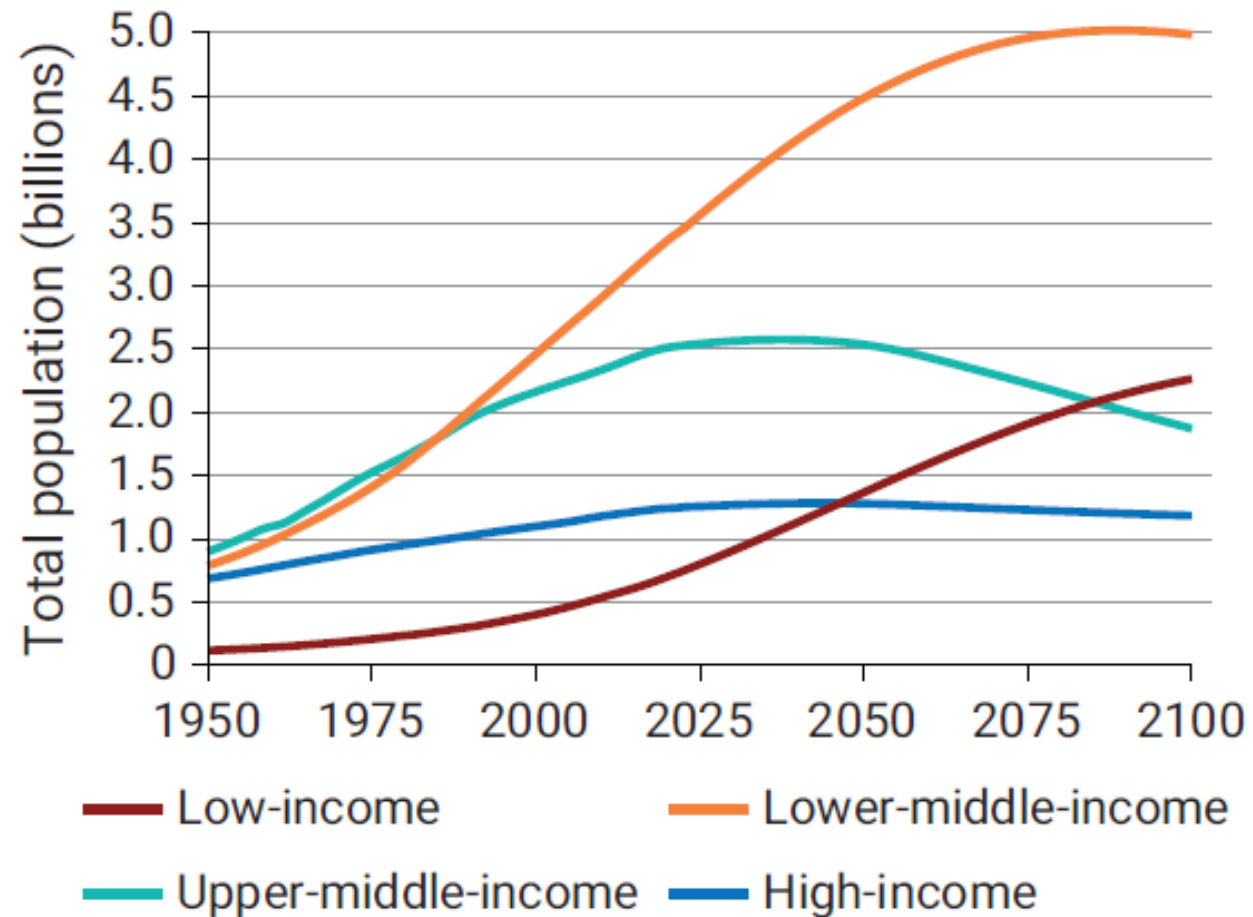
Share of Emigrants with Tertiary education in origin regions



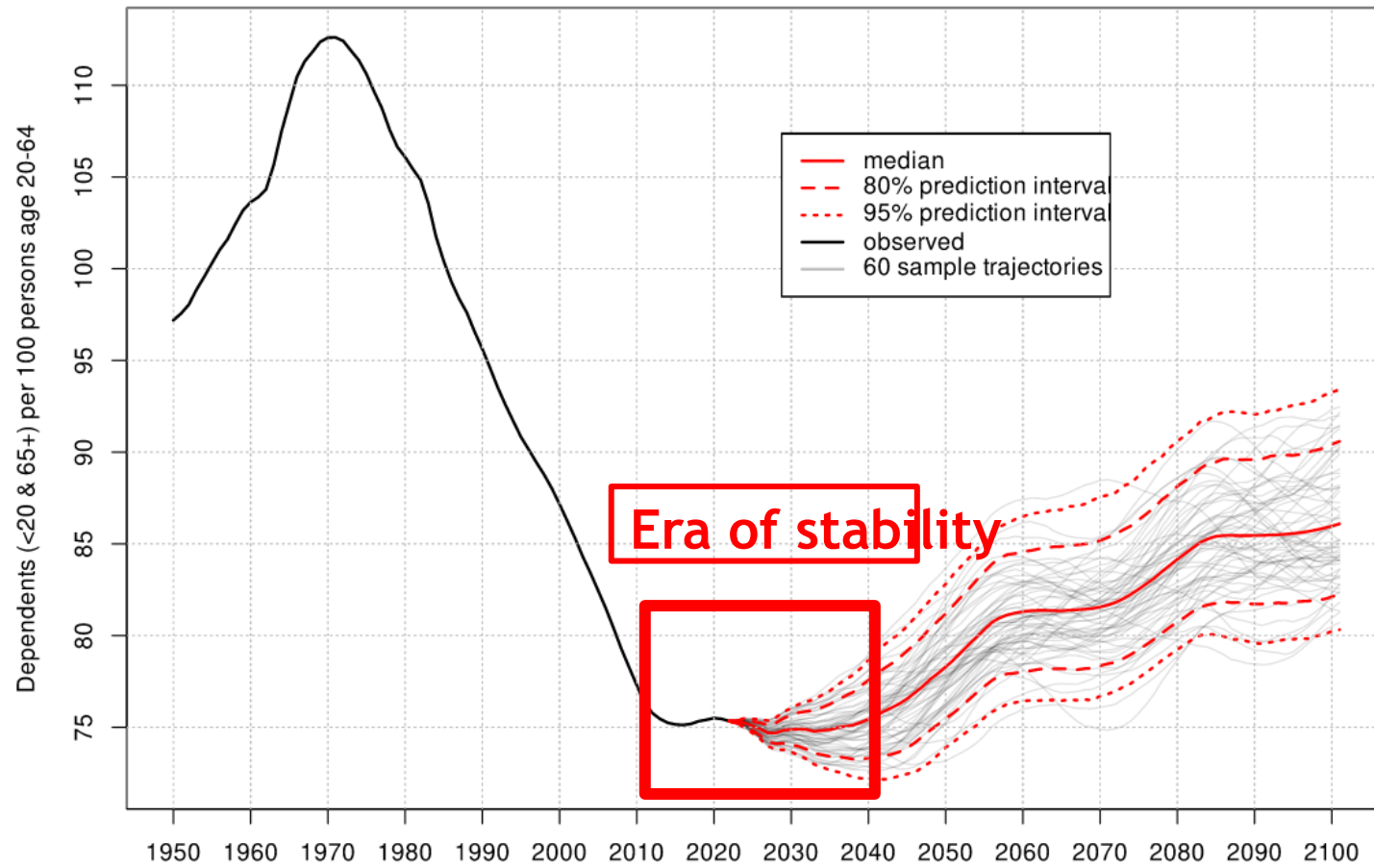
Wages gains across corridors



Population Growth by Income Groups of Countries

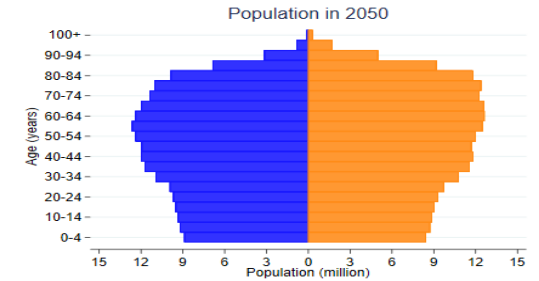
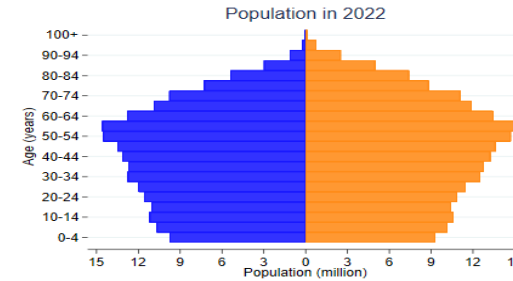
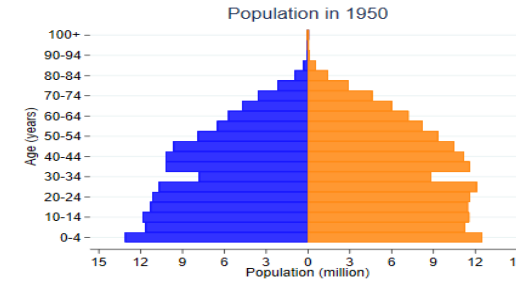


Global Dependency Ratio

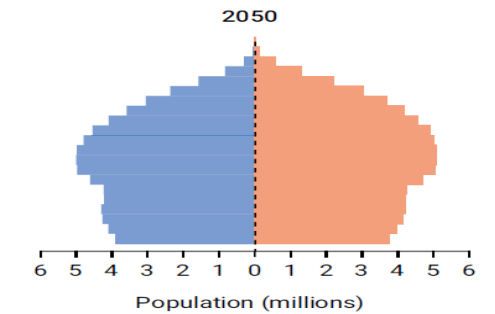
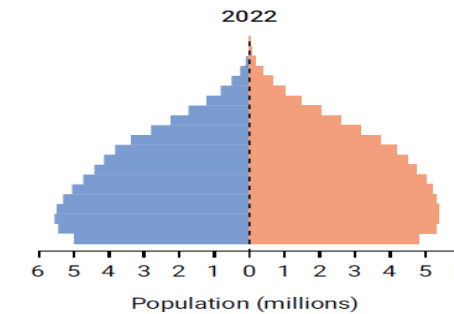
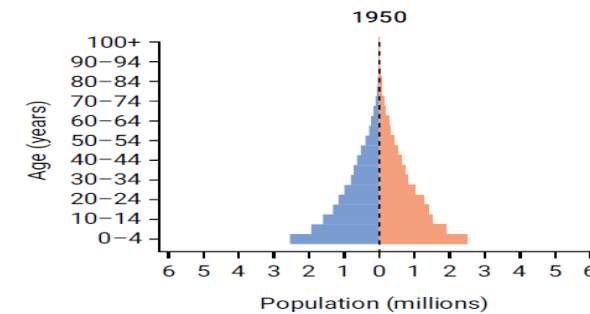


DEMOGRAPHIC TRANSITION AND LABOR MARKET IMBALANCES WILL MEAN GREATER COMPETITION FOR TALENT

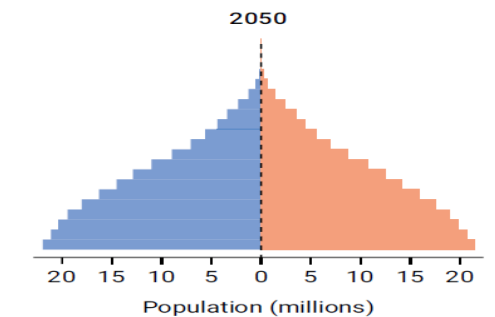
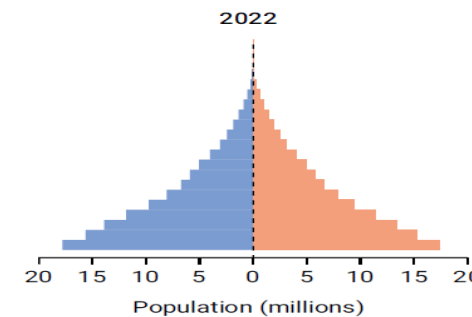
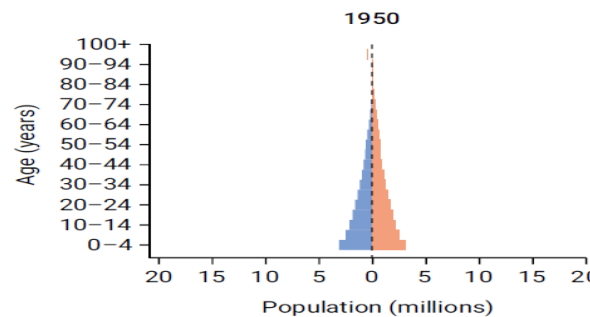
Western Europe's population is aging and declining



In Mexico, the demographic transition is well under way and is expected to accelerate



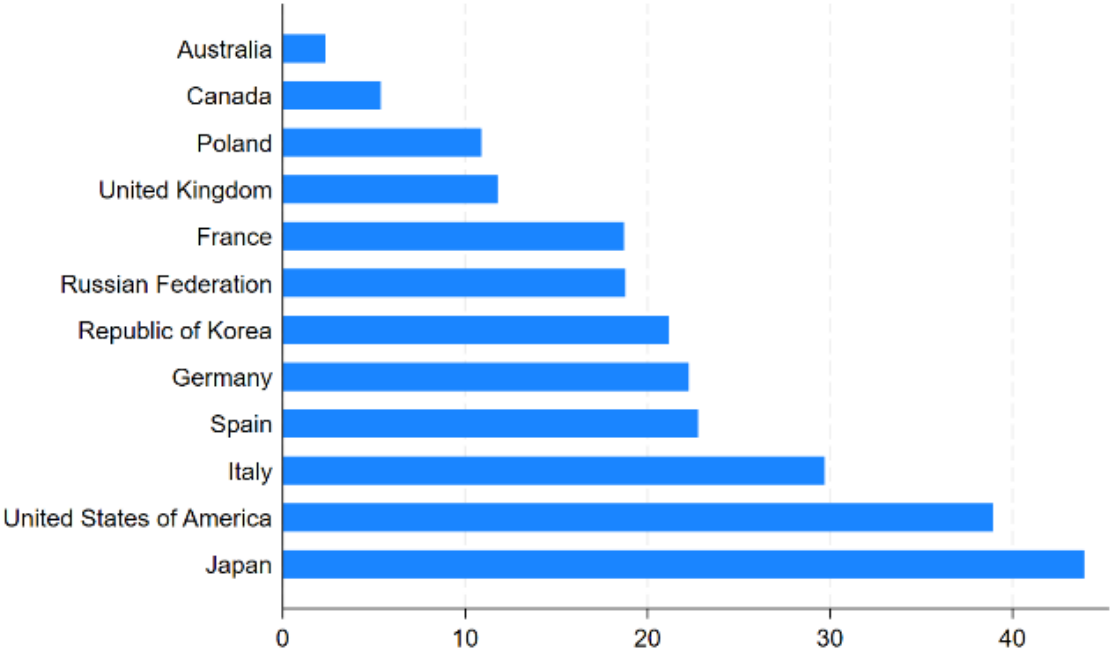
Nigeria will remain young well through the middle of the century



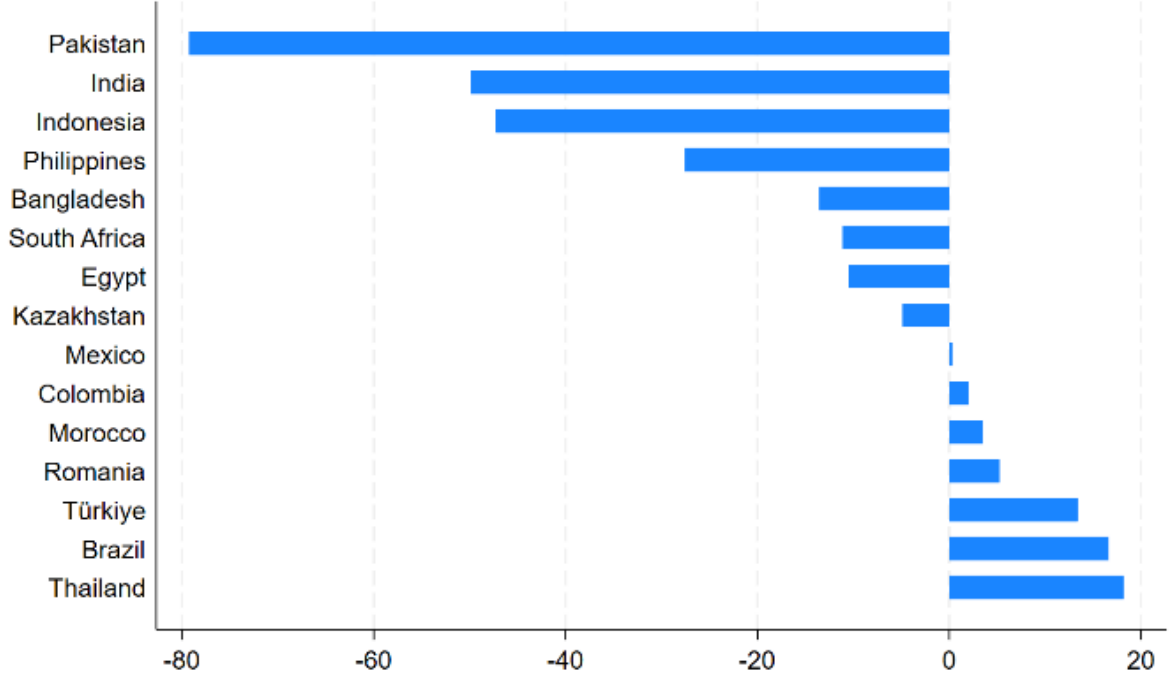
■ Males ■ Females

Worker Shortages in 2050

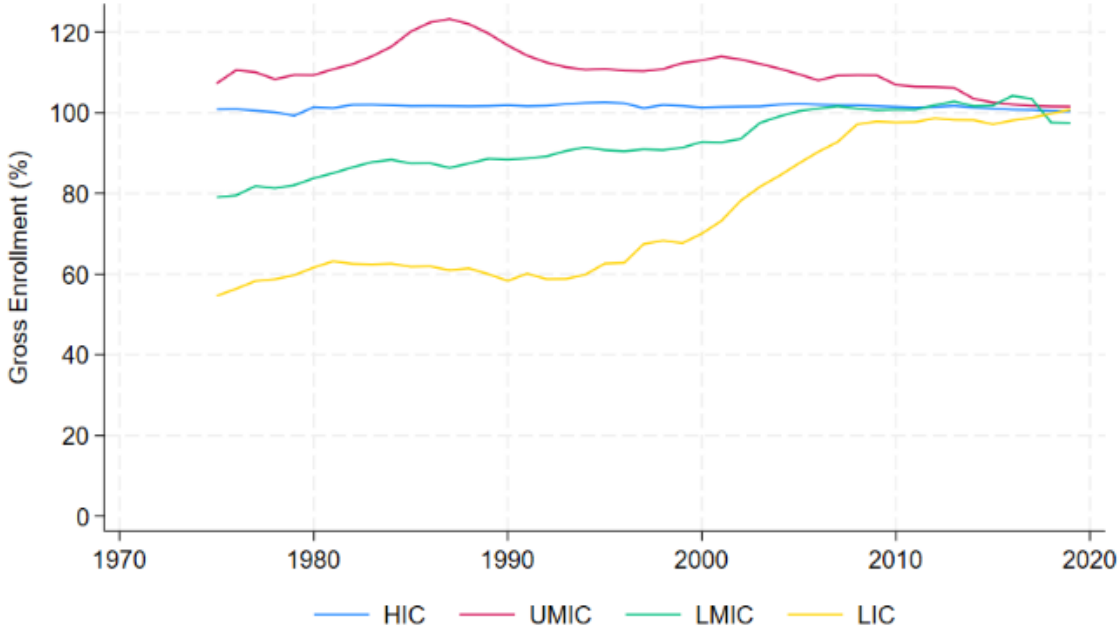
High Income Countries



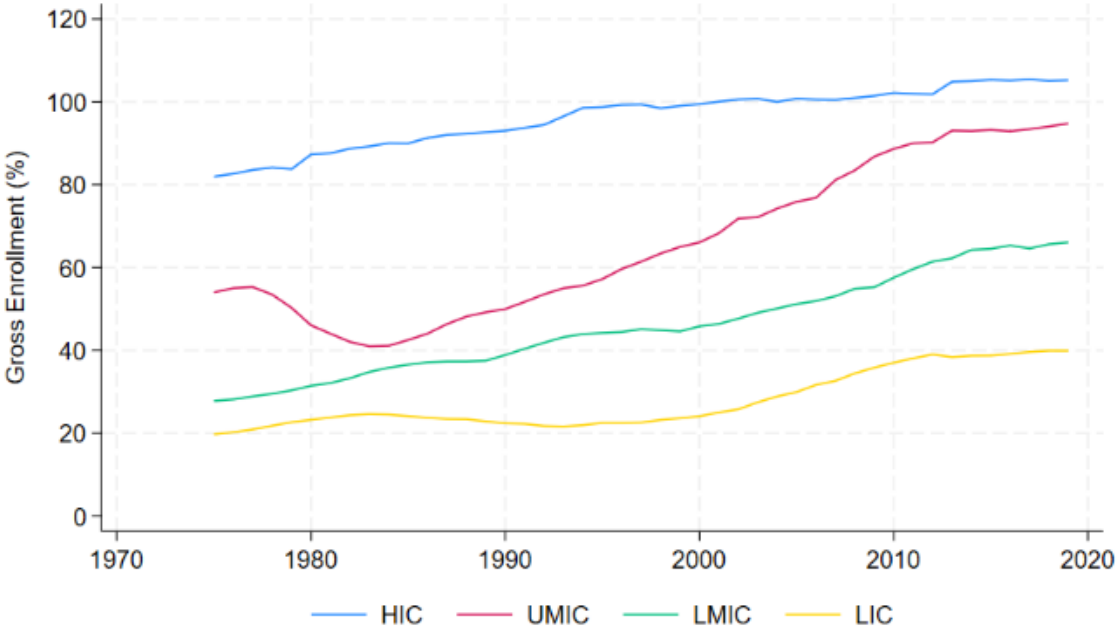
Traditional Origin Countries



School Enrollment is a better indicator of future skills level



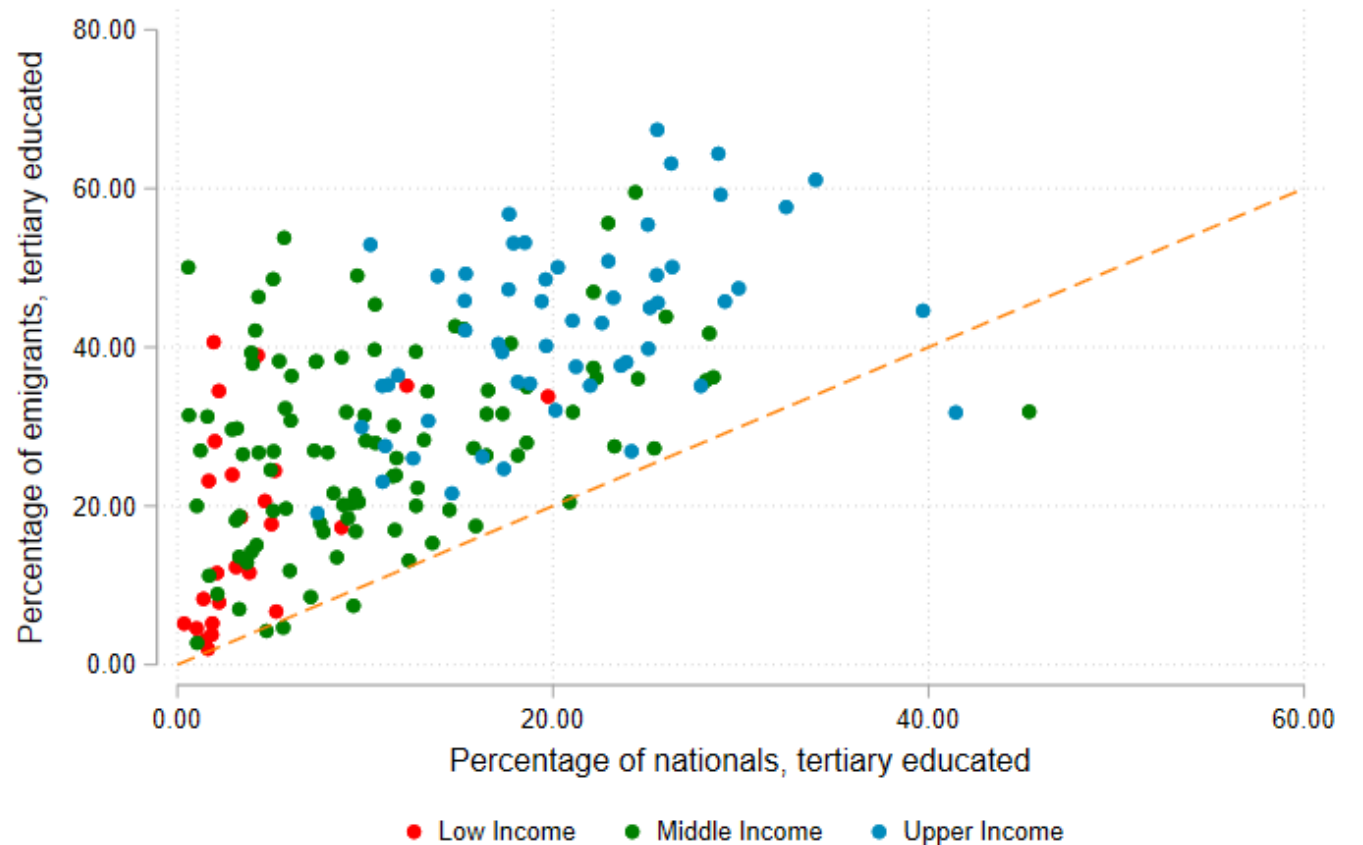
PRIMARY ENROLLMENT



SECONDARY ENROLLMENT

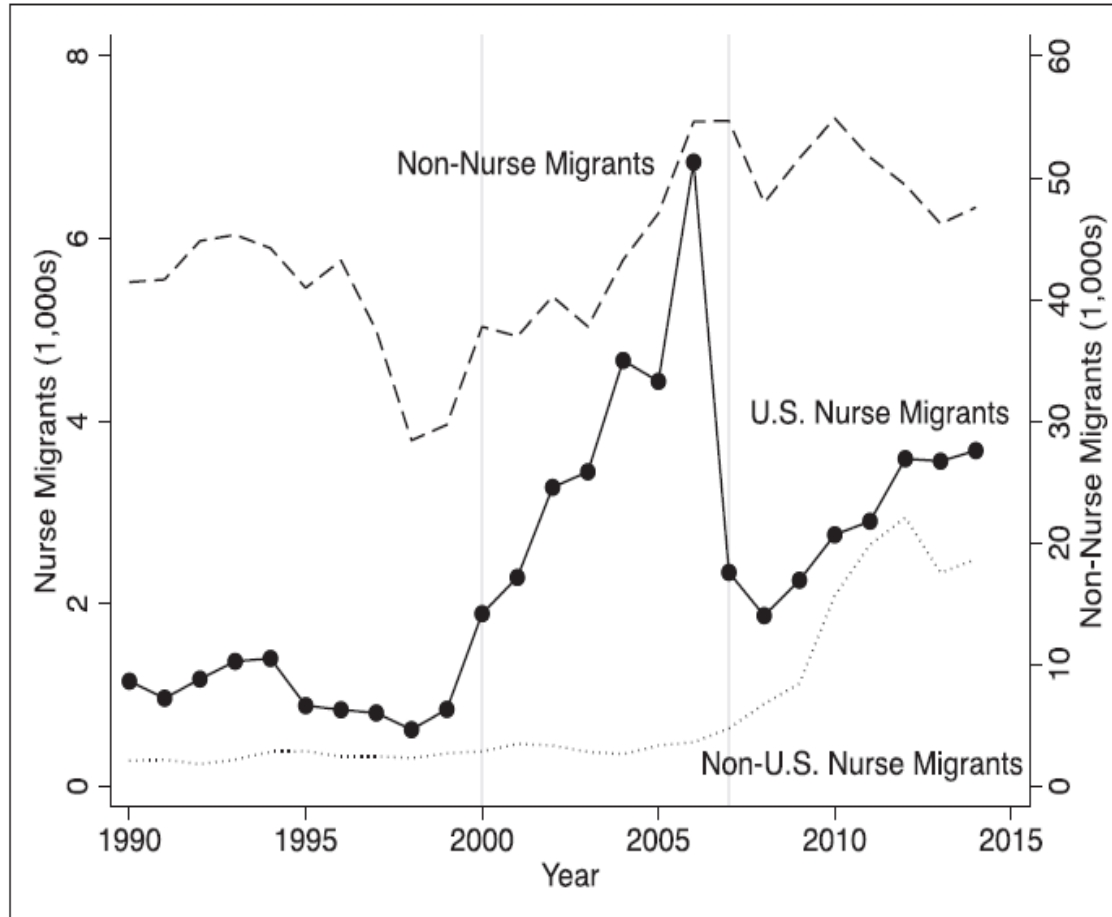
But win-win migration requires strategies to mitigate “brain drain”

- Globally, emigrants tend to be more educated than average
- Semi- and high-skill emigration have large benefits for the origin, including high remittances, large skill gains, and skill transfers and investment from diaspora
- **It can also increase incentives to invest in human capital in the origin**
- However, brain drain remains a concern in some settings

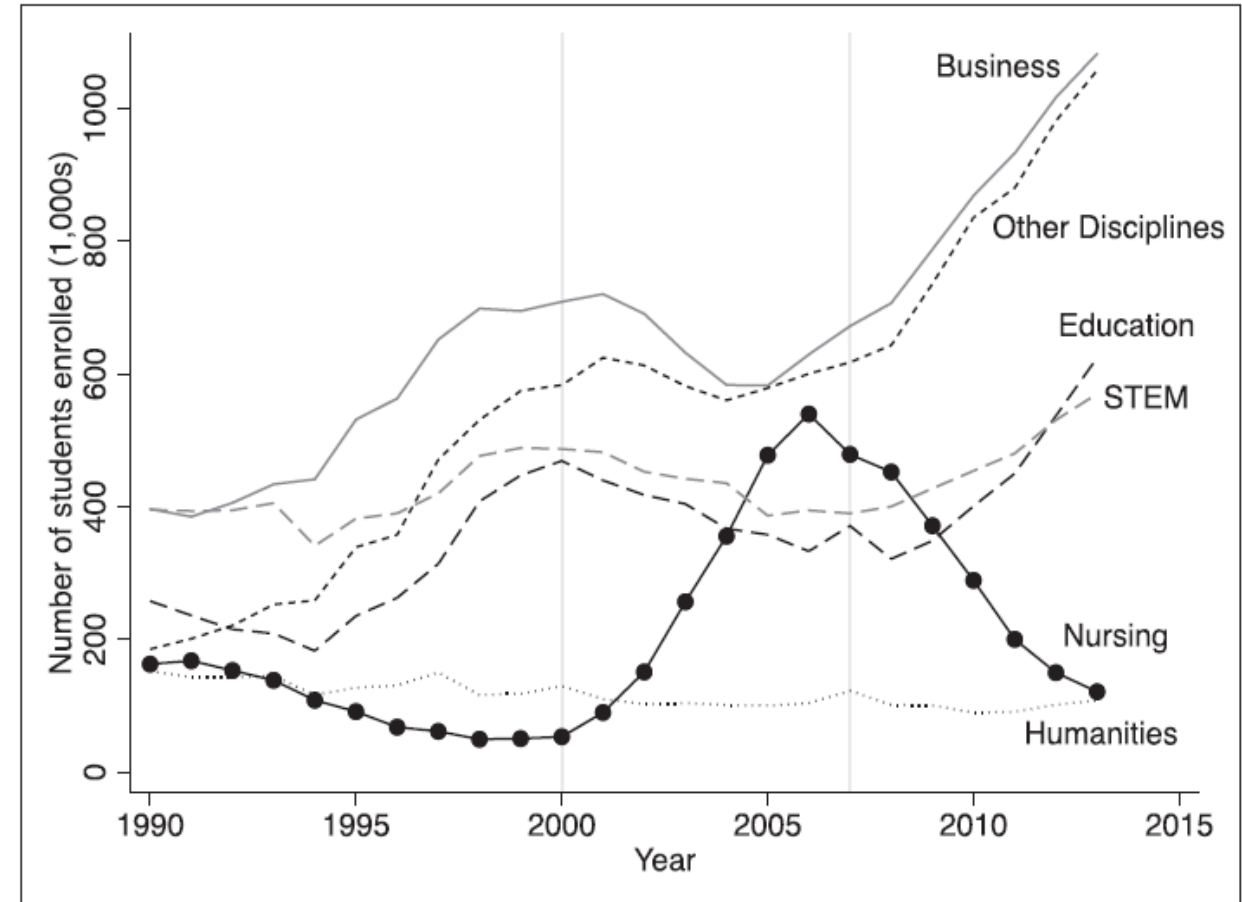


EXAMPLE: FILIPINO NURSES IN THE US

(a) Number of Nurse Migrants and Non-Nurse Migrants



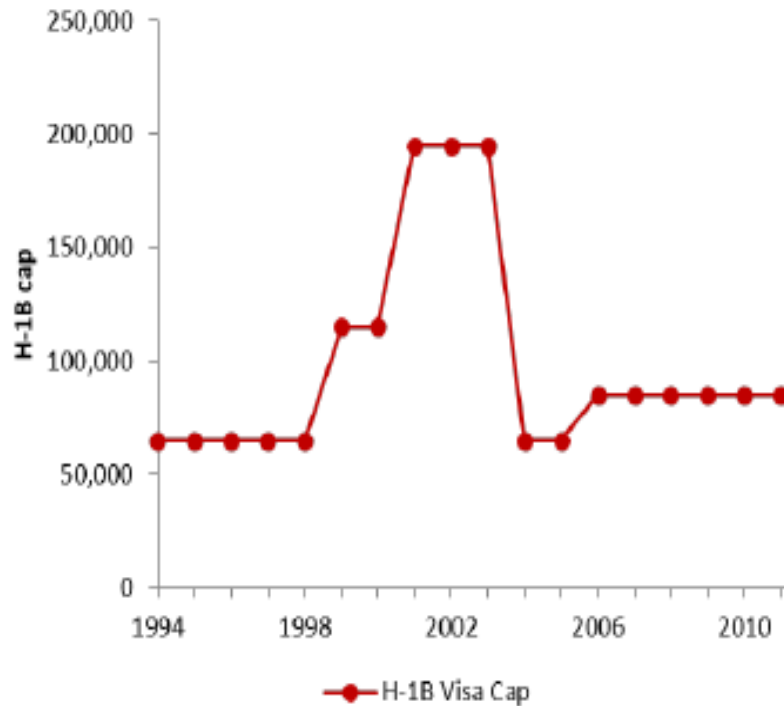
(b) Postsecondary Enrollment by Discipline



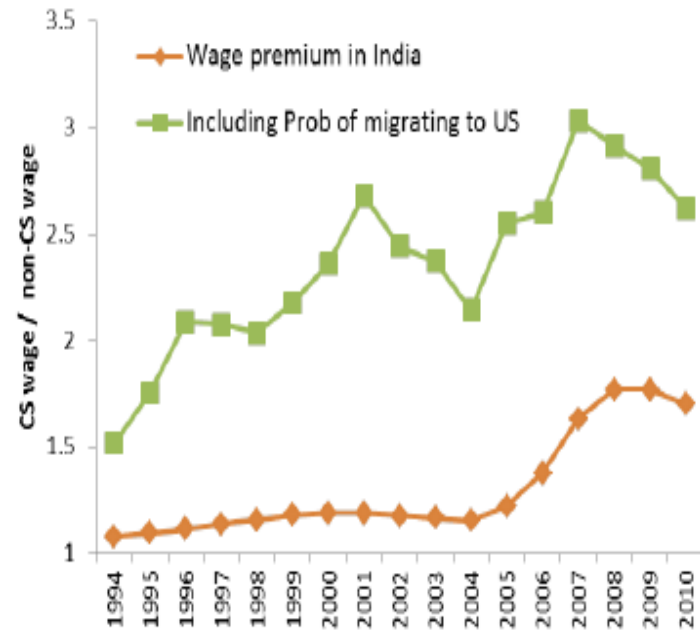
Source: Abarcar and Theoharides (2024)

Example: Indian IT Professionals and Migration to US

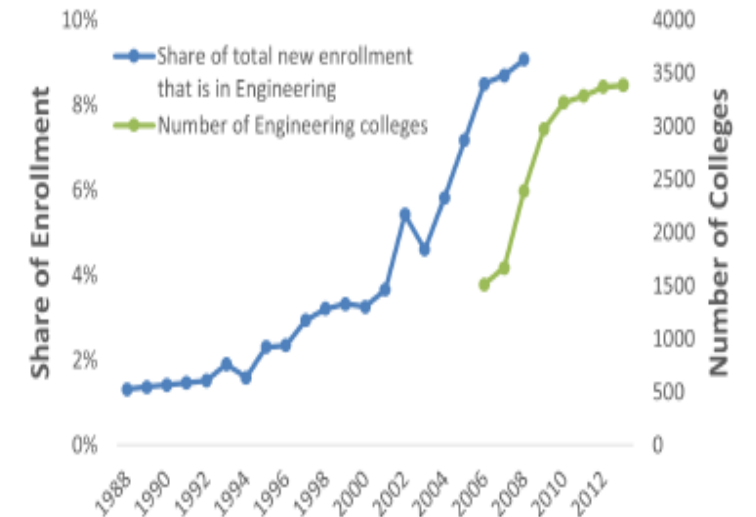
(a) Change in H-1B Cap (1994-2012)



(a) CS Wage Premium in India with Prob of Migration



(b) Growth in Degrees and Colleges in India

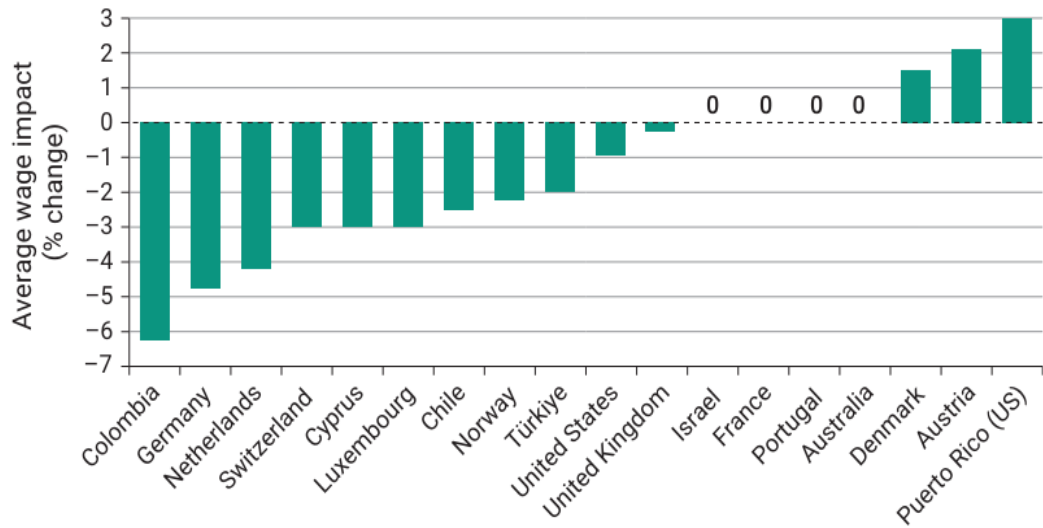


Source: Khanna and Morales (2023)

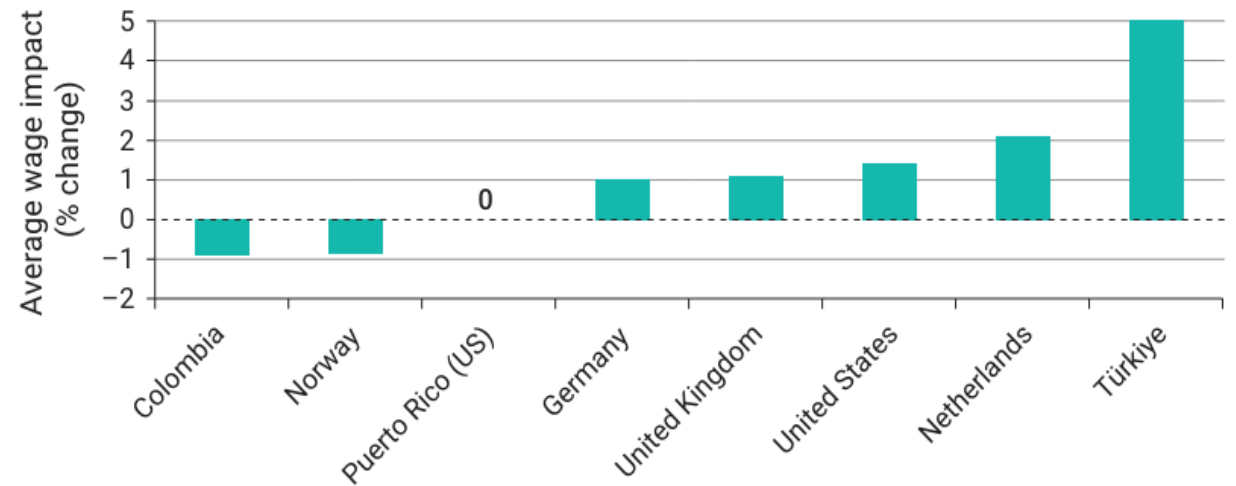
What happens to the wages of existing workers?

It all depends on labor market conditions and varies by skill type. Some workers may suffer

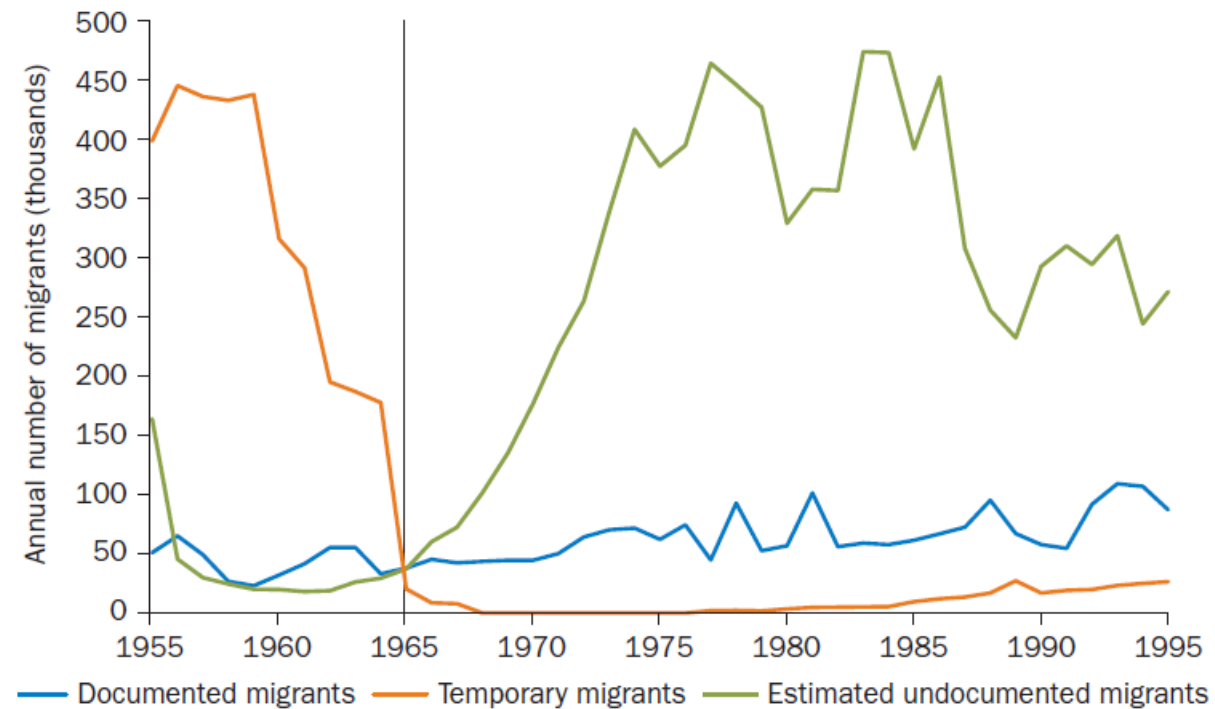
a. Impacts on low-skilled workers



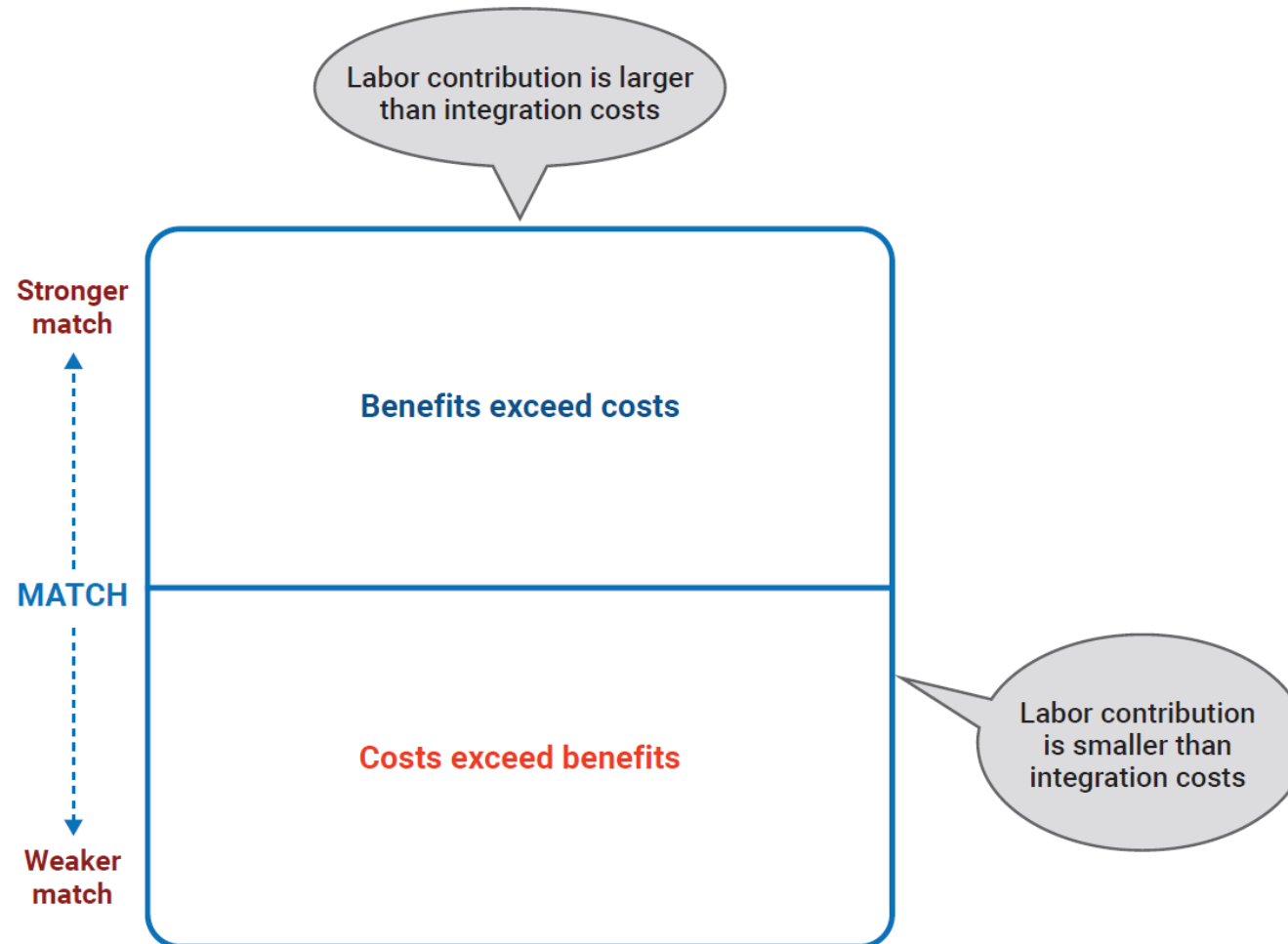
b. Impacts on high-skilled workers



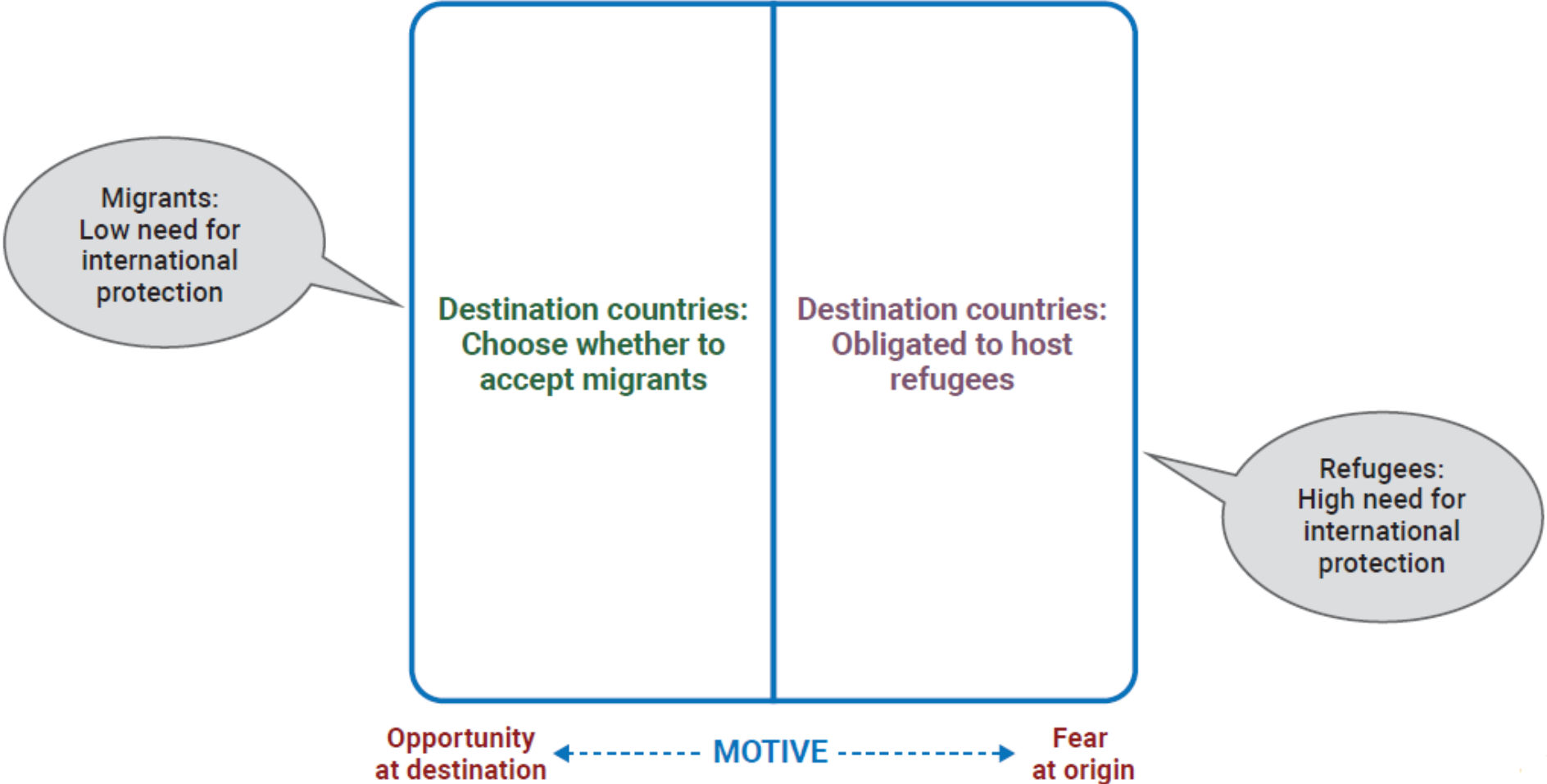
Mexican migration to the United States, 1955–95 (with the cancellation of the Bracero program)



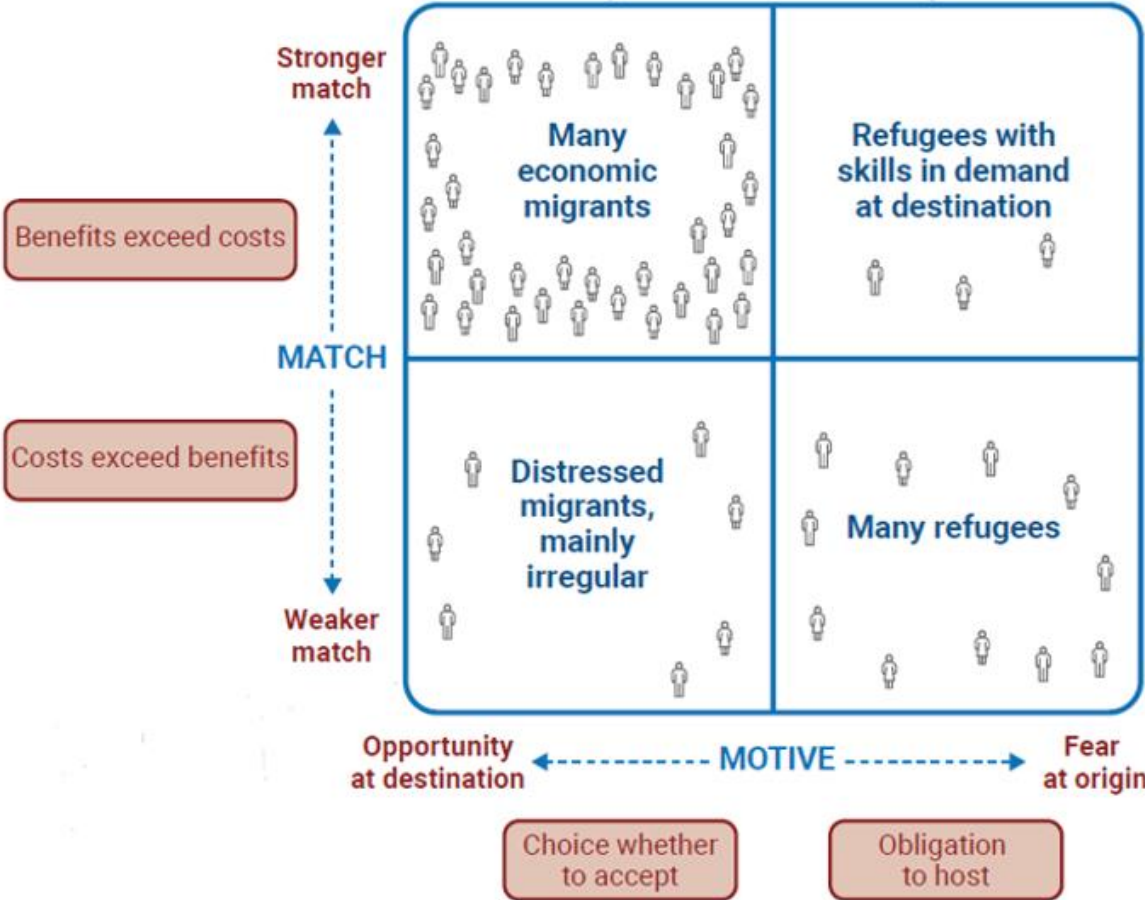
THE “MATCH AND MOTIVE” FRAMEWORK



THE "MATCH AND MOTIVE" FRAMEWORK

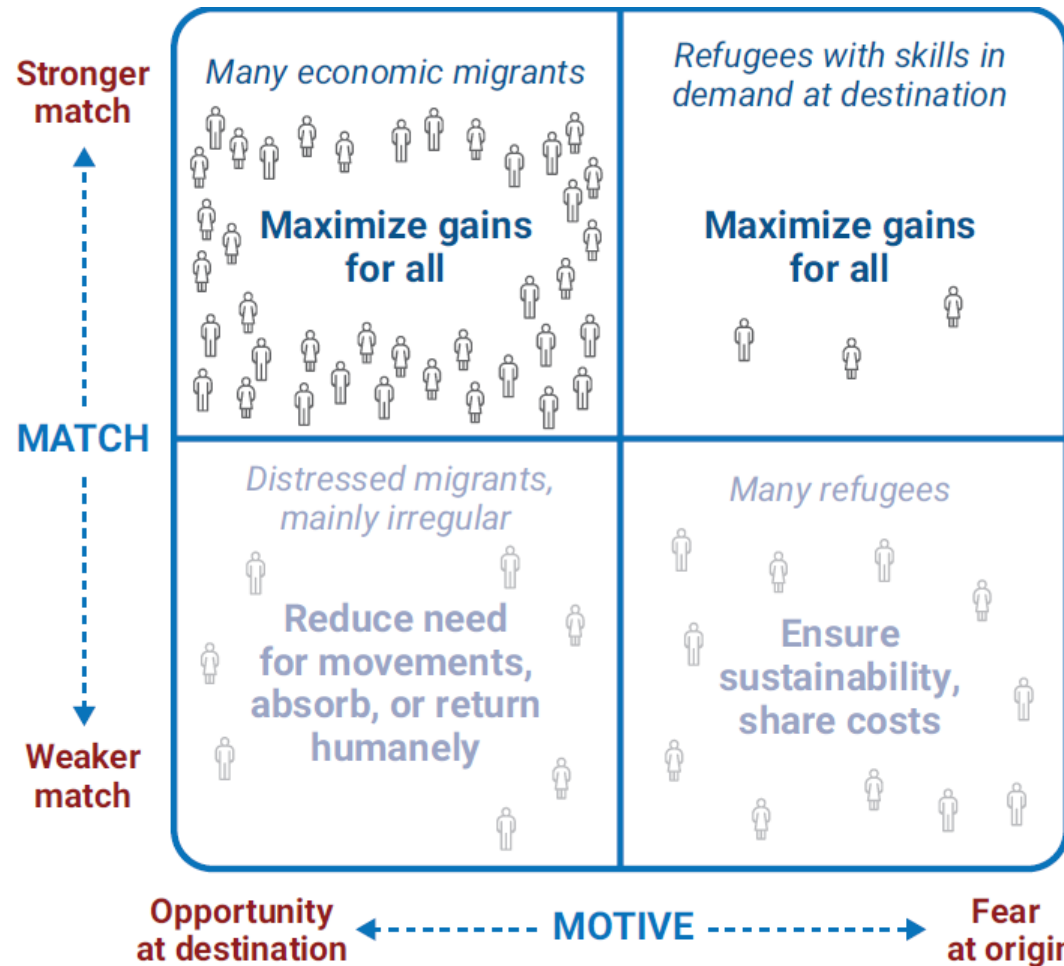


THE “MATCH AND MOTIVE” FRAMEWORK



WIN-WIN MIGRATION REQUIRES MATCHING MIGRANT SKILLS WITH DEMAND

Bilateral and training agreements help to ensure a strong match for all migrants, regardless of their motive



Source: World Development Report 2023



WORLD BANK GROUP



International Labour Organization



IOM UN MIGRATION



KNOMAD



SPJ CLASS CORE LEARNING ACADEMY & SOLUTIONS SERVICES



CORE COURSE BANGKOK

Context for Migration Policies (WDR 2023)

Migration as a mechanism to adapt to global shocks and imbalances

Global demographic imbalances

- Higher-income countries are rapidly aging
- Upper-middle income countries are experiencing rapidly declining fertility rates, and many have started to age as well
- Low-income countries face growing populations and high youth underemployment
- **There are significant skills shortages in countries of all income levels**

Migrant skills dev and match yields gains for both origin and destination

- **Origin:** Mitigates brain drain via domestic skill development while optimizing benefits of emigration
- **Destination:** Addresses labor shortages by attracting skilled migrants in high labor demand fields

Effective policies can mitigate migration and displacement costs

- Destination countries must navigate political hurdles and facilitate organized migration
- Destination countries must guarantee migrants' rights and protection
- Origin countries should proactively incorporate migration into their national development strategy
- Underrepresented voices must be included throughout the migration cycle

INTERNATIONAL LABOR MOBILITY: TRANSFORMING A GLOBAL CHALLENGE INTO AN OPPORTUNITY



Invest in human capital to enable country level talent to be more competitive in the global job market

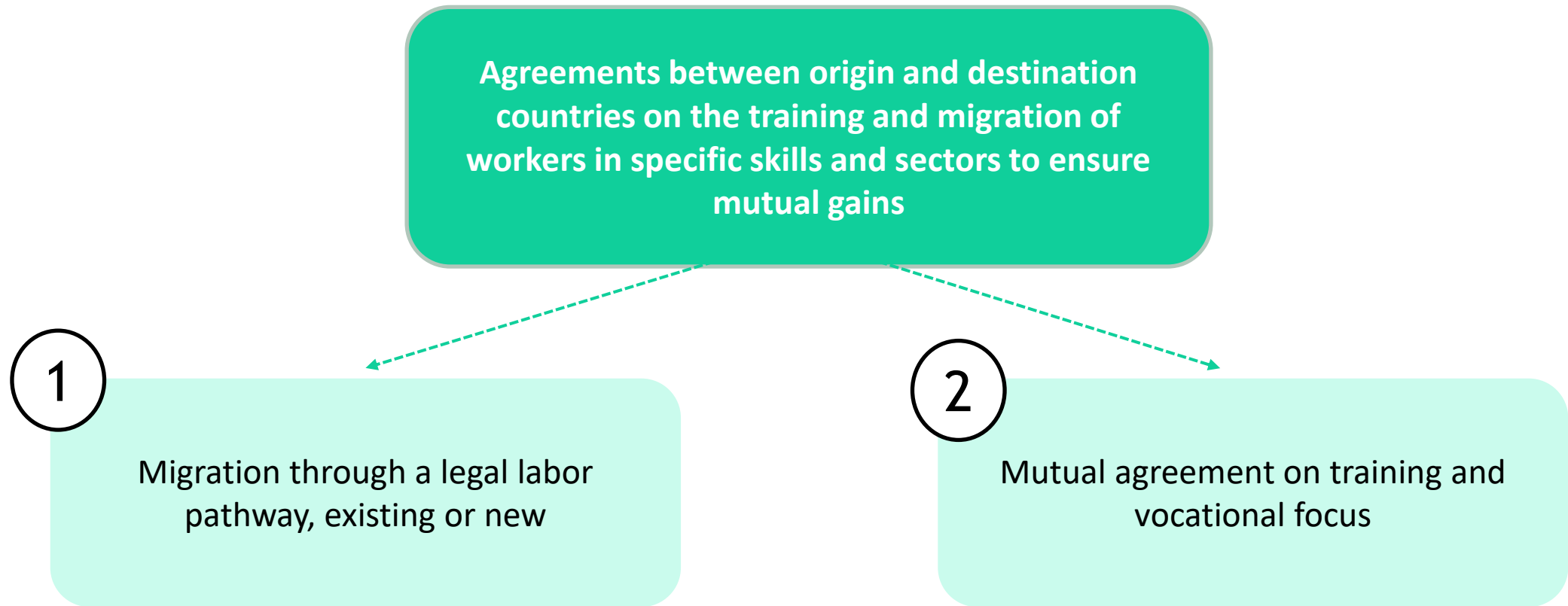


Build international labor market intermediation systems to facilitate cross-border economic gains through jobs that consider the needs of both migrants and labor markets in destination countries



Foster global dialogue and partnerships to promote international cooperation and collaboration for successful managed migration via sharing of knowledge and best practices

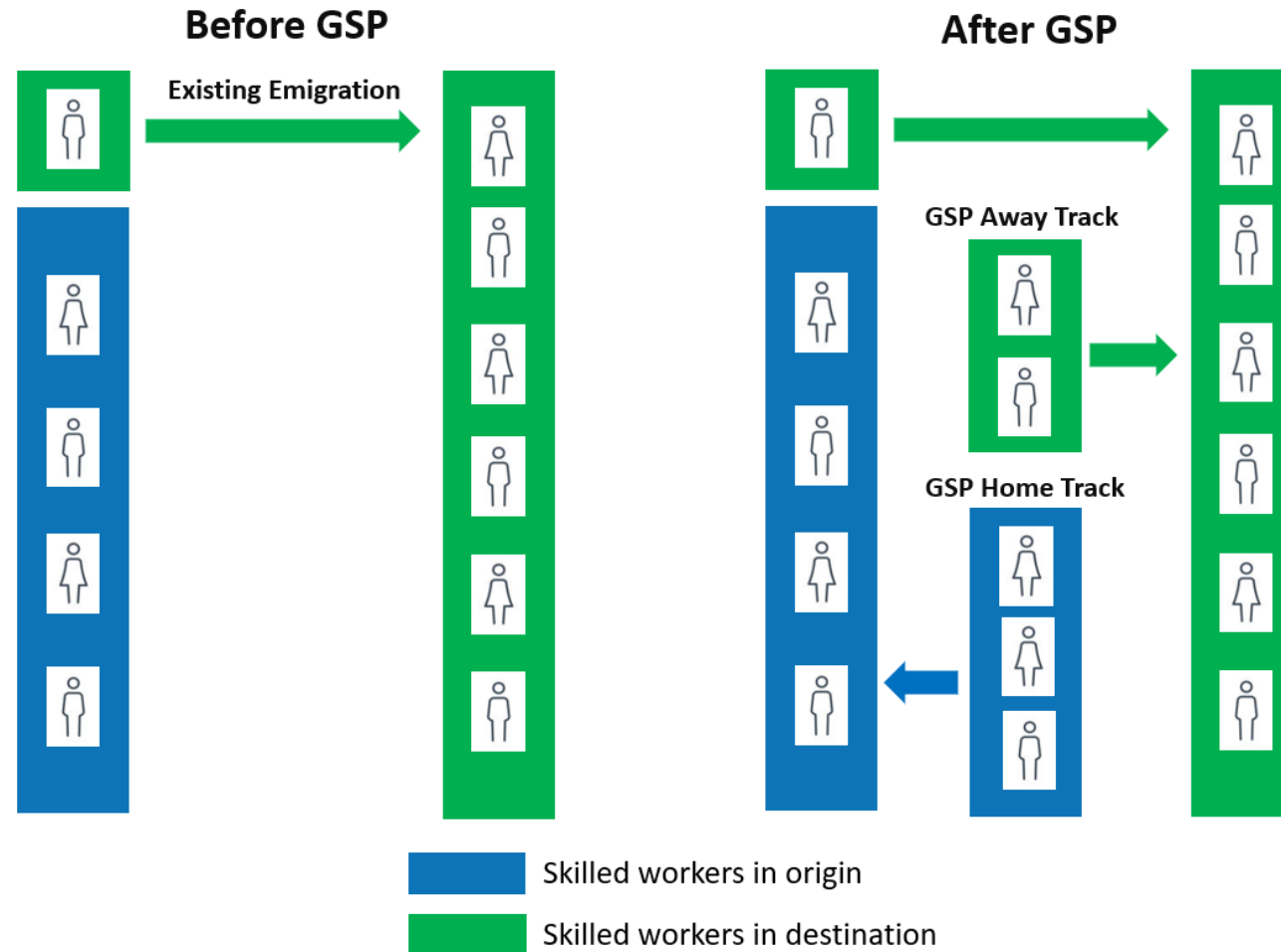
What are Bilateral Training and Migration Agreements?



The exact structure of who will be trained and who migrates depends on different country contexts

GLOBAL SKILLS PARTNERSHIPS CAN HELP TO INVEST IN SKILLS IN BOTH ORIGIN AND DESTINATION COUNTRIES

Training occurs in the origin with **domestic (“home”)** and **international (“away”)** tracks



GLOBAL SKILLS PARTNERSHIPS CAN IMPROVE JOB OUTCOMES IN ORIGIN AND DESTINATION COUNTRIES

Basic principles of GSP bi-lateral agreements:

1. Training occurs in the origin with **domestic** and **international** tracks
2. Skill development is shaped by **demand** in origin and destination countries
3. Training is a **shared responsibility** of all stakeholders (private sector, workers, governments)
4. Labor mobility facilitated through more **agile and legal pathways**
5. **Institutional alignment** of various stakeholders at origin and destination countries (e.g. foreign relations; training institutions; employment offices; industry associations; trade unions; skills certification agencies)

Potential Outcomes

Origin countries

- Remittances and human capital enhancement

Destination countries

- Cost-effective mitigation of labor shortages in priority sectors

Workers

- Improved welfare for migrants, their families and children

GSP Examples

Belgium, Morocco, and Tunisia in ICT, auto repair, and industrial installation / maintenance

Australia and the Pacific in various sectors

Germany and Kosovo in construction

Certain migration schemes may be more applicable according to workers' level of skills

Low-skilled workers

Example: Agriculture
Circular Migration



RSE Scheme



Medium-skilled workers

Example: Construction
Global Skills Partnerships






High-skilled workers

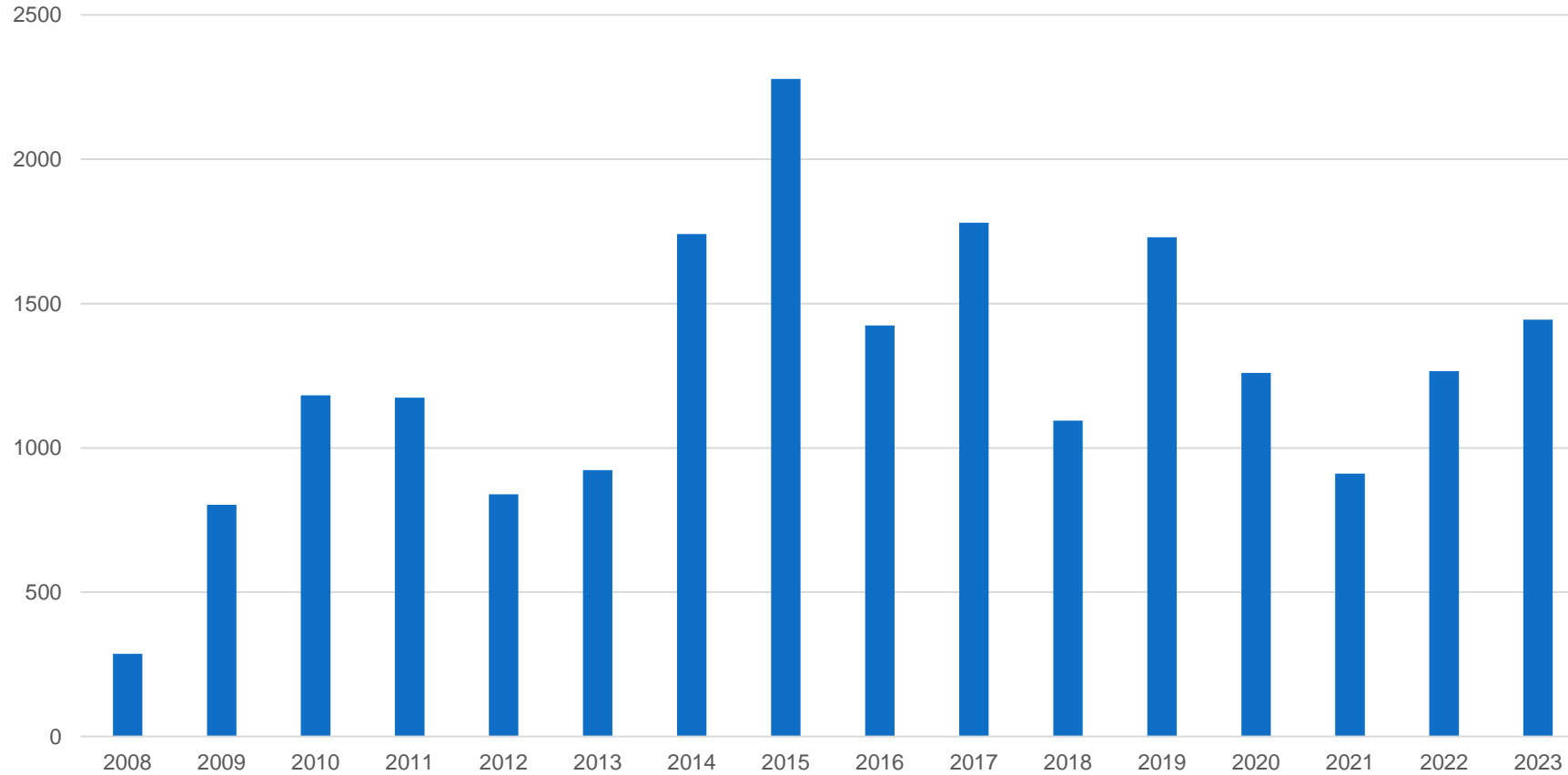
Examples: IT Professionals
Work Visas



EXAMPLES OF GSPTS

Project	Australia Pacific Training Coalition (APTC) 	Pilot Project Addressing Labour Shortages through Innovative Labour Migration (PALIM) 	Towards a Holistic Approach to Labour Migration Governance and Labour Mobility in North Africa (THAMM) 
Duration	2007-present	2019-2021	2019-2023
Countries	Australia and the Pacific	Belgium and Morocco	Belgium, Morocco, and Tunisia
Sectors	Auto repair, manufacturing, construction and utilities, tourism and hospitality, health and community services	ICT	ICT, industrial installation and maintenance, and automotive repair
Funder	Mainly Australia's Department of Foreign Affairs and Trade	European Union (EU)	EU trust fund and BMZ
Number of participants	Over 18,000 beneficiaries since its founding; 1,353 graduates (2019)	120 trainees	At least 400
Results	84% employed domestically and 3% placed abroad (2019), expansion of "away" track in process	80% employed domestically, "away" track delayed by COVID: 2 working in Belgium, others in process of moving (2023)	Training completed, employment for "home" and "away" tracks in process, and workers expected to be in the thousands

APTC has over 20,000 full qualification graduates since 2008



Important lessons in the evolution of APTC over time

2

From “enclave” model to TVET strengthening

Through partnerships with TVET providers:

- Upgrade **facilities and equipment**
- Develop **teacher capability**
- Design **new courses and curricula**
- Enhance **qualification standards**
- Improve **alignment with domestic labor market needs**



DON BOSCO TECHNOLOGICAL INSTITUTE

Important lessons in the evolution of APTC over time

3

Cost-reduction and cost-sharing for financial sustainability – APTC is mostly funded by DFAT, and cost-per-graduate has reduced from over AUD 25,000 in 2011 to around 15,000 in 2022

Economies of scale:

Large fixed costs pay off with scale

Increase employer contributions:

Cost-sharing by many actors, but firms in destination in strongest position to contribute

Hire local trainers:

Embedding in local TVET systems also reduces cost

South Korea's Employment Permit System (EPS) is a G2G temporary labor migration scheme



Duration	2004 - present
Countries	Bangladesh, Cambodia, China, Indonesia, Kyrgyzstan, Lao PDR, Mongolia, Myanmar, Nepal, Pakistan, the Philippines, South Korea, Sri Lanka, Thailand, Timor-Leste, Uzbekistan, Vietnam
Main stakeholders involved	Ministry of Employment and Labor, Human Resources Development Service of Korea, Korea Employment Information Service, sending governments
Sectors	Manufacturing, construction, agriculture, livestock, and fisheries
Funder	Employers and government of South Korea
Number of participants	About 56,000 a year; in 2022, over 264,000 were working on EPS visas

Despite large success, EPS still has areas for improvement

Areas for improvement:

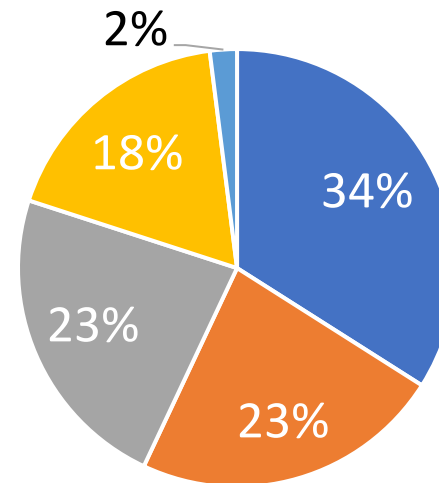
Further strengthen worker protections in agriculture, livestock, and fisheries

Improve job placement to high-potential industries and to better consider characteristics important to firms

Reduce duration and simplify the administrative process for placement

Results of employer survey by Korea Development Institute and World Bank 2019

Key areas for improvement



- Long duration from application to employee's first day of work
- Challenges in meeting employer's conditions, e.g., soft skills
- Complex administrative process
- Lack of information on EPS employees
- Others

Source: Choo et al. 2018

These schemes can lead into solid migration management systems, as seen in the Philippines



Office of the
Undersecretary for
Migrant Workers' Affairs
(OUMWA, Department
Foreign Affairs)



Philippine Overseas
Labor Offices (POLO,
DOLE)

International Labor
Affairs Bureau
(ILAB, Department
of Labor and
Employment
(DOLE))



COMMISSION ON FILIPINOS OVERSEAS



National
Reintegration
Center for
OFWs (OWWA)



International Social
Services Office
(Department of Social
Welfare and
Development)

BUILDING BLOCKS OF GLOBAL SKILLS PARTNERSHIPS



Legal and regulatory frameworks

Successful 'away' tracks require **legal entry pathways and employment visa categories**, with essential **political buy-in** from governments and stakeholders



Institutional coordination

Public employment services, industry associations and firms at origin and destination, training providers



Institutional capacity

Key areas include **recruitment and training provision, labor market intermediation, diaspora engagement, and capacity for oversight**



Skill recognition



Financial sustainability

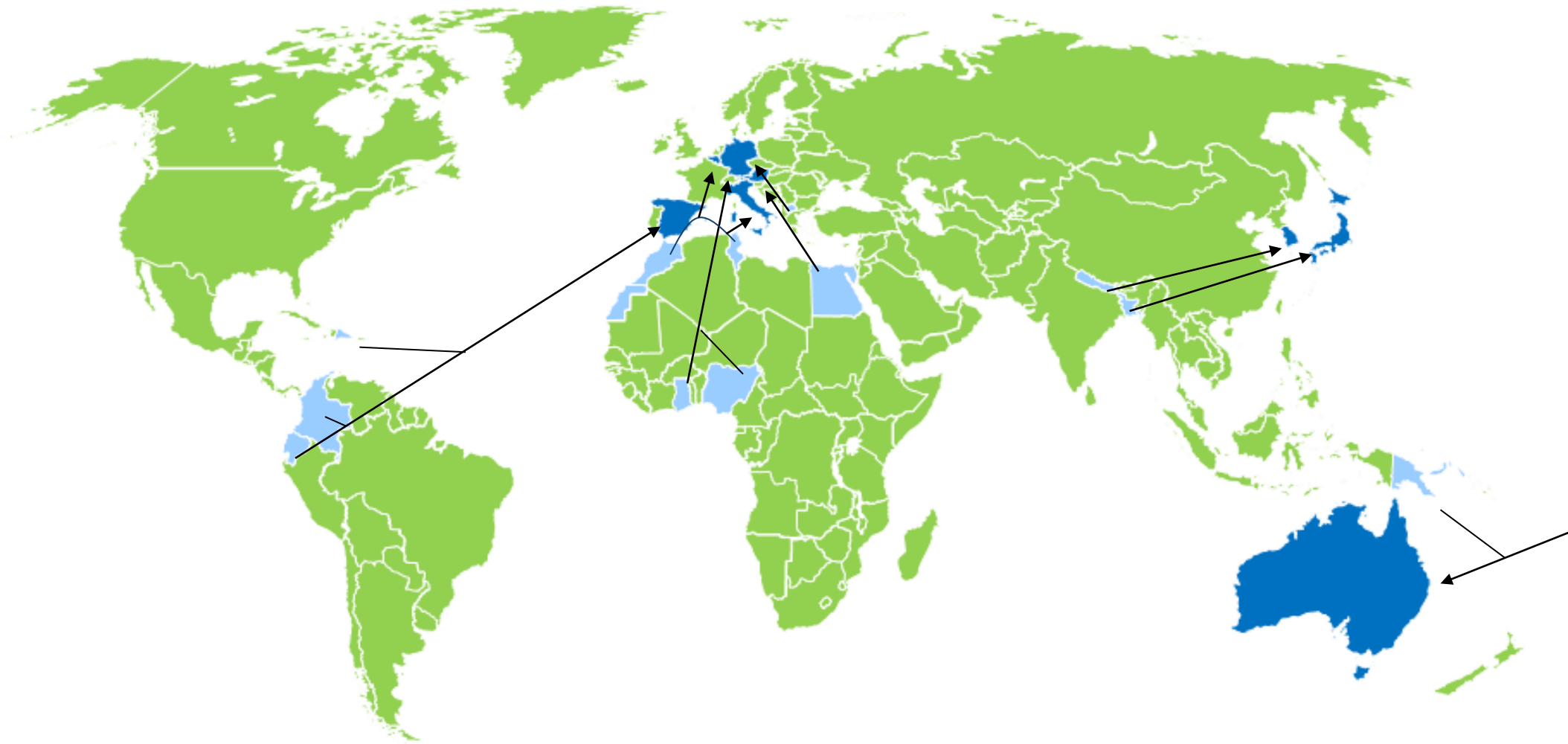


Welfare protection



Social integration

POTENTIAL WORLD BANK SUPPORT TO AT LEAST 10 GSPS IN 2024



Legend:  Origin country  Destination country  track

GSP BETWEEN SPAIN AND LATIN AMERICAN COUNTRIES: COLOMBIA, ECUADOR, AND DOMINICAN REPUBLIC

Recent memorandum of agreement for the establishment of a GSP between Spain and Latin American countries

The WB will support the first phase in:

- ✓ Selecting sectors with skills gaps at destination.
- ✓ Identifying appropriate training programs.
- ✓ Creating skills matching tools to link labor supply and demand.
- ✓ Strengthening institutions through capacity building.
- ✓ Improving the legal framework of the GSP, including regulations on recruitment agencies.
- ✓ Enhancing statistical capacity to monitor data.



 **EAST ASIA AND PACIFIC
MIGRATION**
CORE COURSE AND CONFERENCE

THANK YOU

