



# Recommendations of the Taskforce on International Migration and Diaspora







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*The Taskforce on International Migration and Diaspora is a policy-making body composed of experts on mobility from the Industry, the Government, and International Organisations as well as Independent experts, researchers, and academics that guides the work of the International Migration and Diaspora Division at the Federation of Indian Chambers of Commerce and Industry. The Taskforce met on the 27th of October, 2016. Following are some suggestions offered by the Taskforce members and observers present.<sup>1</sup>*

### **1. Skill development**

- Focus on the quality of skill development
- There are cultural preferences for skilling in particular trades; biases and prejudices prevent training in particular occupations even if they are 'lucrative occupations'. Therefore, one of the most important factors in training and skill development is identifying the 'right kind of people'.
- Focus on training male nurses as it may be an opportunity to address shortages globally
- Acknowledging and highlighting skill shortages in India: skill shortages felt for doctors, technicians and paramedics (this is not contradictory with the idea of talent mobility in healthcare)
- The Taskforce is willing to contribute by filling in labour information gaps by partnering with other chambers of commerce. It was suggested that this could be included in the Global Alliance on Talent, Entrepreneurship and Skills.
- An Industry dialogue could be organized on why skill development is not necessarily leading to better wages and working conditions.

**2. Participation at International forums** such as the Global Forum on Migration and Development (Dhaka, Bangladesh in December, 2016) and for the discussions on the Global Compact on Migration (for safe, orderly and humane migration) to be tabled in 2018.

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<sup>1</sup>Additionally, in Annexure I are specific recommendations by Mahindra & Mahindra (the co-chair of this Taskforce); Annexure II lists specific recommendations by the International Organisation for Migration (observers to the Taskforce):



3. **Social Security Agreements:** Facilitating and advocating for more bilateral social security agreements; lending Industry's voice to these agreements; research on the efficacy of these agreements.
4. **Addressing non-visa related barriers to attracting talent to India:** These include work culture and ethics, professionalism and other related issues.
  - Welcoming immigration to India by making it a more attractive destination country
  - Harnessing India's rich culture and heritage in self-improvement techniques rooted in spirituality to package it as a destination for those looking to focus on 'wellness'
5. **Addressing non-visa related barriers in mobility of talent from India to countries of destination** These include inadequate recognition of credentials and degrees (especially for healthcare workers and IT workers).
6. **Recruitment:** Focus on capacity building of recruiters; focus on 'self-regulation'; working closely with relevant ministries in the government of India to advocate for relevant changes and reforms in the Emigration Act 1983 through executive orders.
7. **Need for bilateral treaties and agreements on labour mobility** with important countries of destination such as the US, UK and Australia by leveraging good relations to ease some of the consular issues that emerge with frequent change in regulations and laws.
8. **The Sustainable Development Goals Agenda follows a 'bottom-up' approach** and therefore nations are responsible for implementation and therefore we must proactively address migration in these goals (5 out of 17 are relevant for migration and these include health, education, gender, economic growth and employment and infrastructure).
9. **Activate negotiations on the General Agreement on Trade in Services (GATS) of the WTO** in order to deal with non-visa issues (such as accreditation and qualifications) at the multilateral level in addition to addressing them at a bilateral level.
10. **Focus on the best practices** offered by other important source countries for Diaspora engagement and skill development for overseas employment.
11. **Involve missions overseas and different ministries of the government** (especially Ministry of External Affairs, Ministry of Skill Development and Entrepreneurship, Ministry of Labour and Employment and Ministry of Commerce) in our discussions
12. **Research on links between internal and international migration in India and South Asia** is already being carried out by UNESCO along with JNU and may be considered as an exercise for the International Migration and Diaspora division.



## Immigration Challenges (1/3)

Topic	GEO Impacted	Details	Impact to TechM
Recognition of Indian Varsities	US, UK & Germany	<ul style="list-style-type: none"> <li>Limited Indian Universities Recognised by the labour offices for High Skilled IT jobs across the globe.</li> <li>Differences between educational systems between India &amp; other countries</li> </ul>	<ul style="list-style-type: none"> <li>Challenges in Germany – the ANABIN recognition has very limited list of Indian UNIVs</li> <li>UK has mandatory checks from NARIC a Govt. agency to check the English language proficiency which increases rejection</li> <li>USA considers WES educational equivalency for foreign country educational systems.</li> </ul>
Volatile Business Environment	US	<ul style="list-style-type: none"> <li>US Congress has considered in the past and may consider in future extensive changes to immigration laws regarding admission of high skilled temporary and permanent workers. If such provisions are enacted, cost of doing business in US would increase and discourage local customers from seeking services from company's having Visa holders.</li> <li>From time to time there has been publicity about negative experiences associated with offshore outsourcing, such as domestic job loss, theft and misappropriation of sensitive client data, particularly involving service provider in India</li> </ul>	<ul style="list-style-type: none"> <li>TechM has global operations in more than 90 countries. It derives 49% revenue from US, 28% from Europe and 23% from the Rest of World</li> <li>The ability of foreign national to work in United States, Europe, Asia Pacific and other regions in which company operates is dependent upon necessary visas and work permits</li> <li>Risk of restriction on labour mobility and additional cost will get elevated if Republican party (Donald Trump) is elected in the upcoming elections</li> </ul>

## Immigration Challenges (2/3)

300% increase on H1 & L1 WP cost for dependent employers (H1 & L1) in US	US	<ul style="list-style-type: none"> <li>Huge fee increase for H1 &amp; L1 Visa in the past:               <ul style="list-style-type: none"> <li>Prior to Aug 13, 2010 –H-1 &amp; L1 fee \$ 2,000 &amp; 2,250</li> <li>Aug 13, 2010 –H-1 &amp; L1 fee \$ 4,000 &amp; 4,250</li> <li>Dec 16, 2015 –H-1 &amp; L1 filing fee \$ 6,000 &amp; 6,250</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Indiscriminate hike in visa fees towards visa dependent employers in USA</li> <li>Direct impact on revenue to the company</li> <li>Increase billing to the clients / loosing business</li> </ul>
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Topic	GEO Impacted	Details	Impact to TechM
USCIS has huge backlog & increased adjudication timelines in US	US	<ul style="list-style-type: none"> <li>H1 &amp; L1 adjudication lead times at USCIS are at a all time high at 8 months on an average</li> </ul>	<ul style="list-style-type: none"> <li>Client Dissatisfaction - Issues in timely staffing of associates due at client sites</li> <li>Additional cost due to upgrading the cases to premium due to delay</li> </ul>
L1 Blanket Visa Rejection & revised definition in US	US	<ul style="list-style-type: none"> <li>50% L1 Visa rejections at U.S Consulate</li> </ul>	<ul style="list-style-type: none"> <li>Huge cost impact to the company (~\$1 Million USD due to L1 Rejections in 2016)</li> </ul>
Cost Impact - Change in Immigration Regulations in UK	US	<ul style="list-style-type: none"> <li>UK – Increase in Min Salary for Non-Immigrants to £ 41,500</li> <li>Skills Surcharge of £1000 per person/year</li> <li>Levy of Immigration Health Surcharge £200 per person/year</li> </ul>	<ul style="list-style-type: none"> <li>Impact of £ 10 Million per annum</li> <li>Across Industry cost increase of £ 250 Million per annum as per NASSCOM</li> </ul>

## Immigration Challenges (3/3)

Uncertain Economic Conditions	UK & Europe	<ul style="list-style-type: none"> <li>Restrictions on immigration may affect the company's ability to compete for and provide services to clients, which could hamper growth and margins</li> </ul>	<ul style="list-style-type: none"> <li>Brexit is an impact of increasing trade barriers affecting fulfilment of client needs UK &amp; Europe</li> </ul>
Varied Labour Laws in Europe	Europe	<ul style="list-style-type: none"> <li>Lack of Single Work Permit Scheme for entire Europe or at least for Schengen member countries</li> </ul>	<ul style="list-style-type: none"> <li>Every country in Europe has its own labour laws for Non-EEA nationals and warrants Work Permission to work and stay in the country. This multiple work permit requirement does not support high value global delivery contracts</li> </ul>
Localization Employment Ratio	Middle East and Africa	<ul style="list-style-type: none"> <li>Barring a few countries, long term permits for foreign nationals are subjected to localization percentage</li> <li>SA Immigration Protocol Challenge -Using 11.2 visa for up to 6 months assignments</li> </ul>	<ul style="list-style-type: none"> <li>Due to lack of local talent, ability to meet the localization percentage applicable for countries in Middle east &amp; Africa is laborious</li> <li>Eg: South Africa, Saudi Arabia, &amp; Kenya</li> <li>Applying for Critical Skills permit in South Africa processing time is 4 + months</li> </ul>



## Skill Matching and Certification

The large demographic dividend of India is comprised of highly mobile population, as amongst the Indian workforce there are currently about 14 million workers<sup>i</sup> abroad who migrated in search of a better livelihood for themselves and their families back home.

At present only 2% of the total workforce in India is formally skilled, and unless they receive the adequate training and acquire the requisite skills to enter the formal market, they will either remain economically inactive or continue to be engaged in low-paid jobs<sup>ii</sup>. This is also valid for Indian emigrant workers, as 70% of them are estimated to be either unskilled or semi-skilled labourers (National Policy for Skill Development and Entrepreneurship 2015).

In such a scenario, not only industries cannot benefit from the potential of the young mobile population, but low skilled migrant workers tend to have higher level of vulnerabilities: they receive poor wages and lack access to welfare services in the country of destination; they have little access to social security benefits such as healthcare and other public services including education for their family members; and their working and living conditions are often abysmal and do not meet the required safety and occupational health standards. These safety concerns may vary according to the category of industry, so for example the construction sector presents occupational risks related to falling from a high height, heavy lifting, or dust exposure, while caregivers and domestic helpers are exposed to long hours with minimal rest, to the risk of sharp objects such as knives, sexual harassment and abuse<sup>iii</sup>.

Another factor that needs consideration is the mismatch between skills versus job requirements. This can be addressed through a unified and standardised system of skill development and recognition. The industry, in cooperation with the government, can play a crucial role in this process by providing relevant training, setting up common standards and conducting programmes based on certified curricula. Furthermore, inputs from representatives of destination countries can be incorporated into this unified system to facilitate a fair assessment of Indian skills/qualifications.

While the need of skill development is evident for the low-skilled workers, this is also true for the skilled workers, as the diplomas and certificates with which students graduate are usually not in line with the needs of the industry<sup>iv</sup>. To address this, the Current Training Curricula, especially in Industrial Training Institutes and

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<sup>i</sup>IFRC: Statistics on labor migration within the Asia Pacific Region (Geneva, 2015), [www.ifrc.org/Global/Documents/Asia-pacific/201505/Map\\_Infographic.pdf](http://www.ifrc.org/Global/Documents/Asia-pacific/201505/Map_Infographic.pdf) (accessed 04 Nov. 2016).

<sup>ii</sup> FICCI Skills Development Sector Profile. [http://ficci.in/sector/74/project\\_docs/sectorprofile.pdf](http://ficci.in/sector/74/project_docs/sectorprofile.pdf) (accessed on 04 Nov. 2016)

<sup>iii</sup> Hamad, Yuko. 'South to South migration in Asia: opportunities, challenges and policy implications for the 2030 Agenda for Sustainable Development'. Symposium on South/South Migration (2015)

<sup>iv</sup> FICCI Skills Development Sector Profile. [http://ficci.in/sector/74/project\\_docs/sectorprofile.pdf](http://ficci.in/sector/74/project_docs/sectorprofile.pdf) (accessed on 04 Nov. 2016)



Centres (ITIs/ITCs) should be upgraded to match international standards and be in line with accreditations required in the destination region.

In addition to enhancing the technical skills of the workforce, the Information and Communication Technology (ICT) itself could be used to expand access to skill development opportunities in India. For instance, the Government of India carried out a study within the E-migration project to assess the best practices that the Philippines use in terms of ICT to manage and supervise technical education and skill upgradation programs, which can be beneficial in the Indian scenario.

While there is a need to substantially increase the coverage of the skill training programmes in several parts of the country, it is also important to put in place measures on the process of selection of trainees as well as follow up and monitoring of trainers' skills and performance. The collaboration with the private sector in this regard can prove significantly effective and crucial for integrating labour market signals as inputs for market-driven trainings, development of occupational standards and qualifications, delivery of practical and industry-relevant skills<sup>v</sup>.

## Diaspora Engagement and Development

The resources of diaspora communities that flow across borders range from skills, knowledge and ideas to cultural capital, finance and trade links. The skills of diaspora members in sectors such as health, education and technology can make significant contribution to the development of the origin country.

This mobilization of skills, knowledge and expertise can be facilitated either via the actual return of skilled diaspora members on a short/long-term basis or 'virtually' through online support<sup>vi</sup>. For instance, IOM with the funding of the government of Netherlands is implementing the Temporary Return of Qualified Nationals (TRQN) programme. TRQN identifies and prioritizes sectors that are crucial to human development in target countries and can benefit from diaspora resource mobilization through temporary return of skilled migrants who originate from one of the target countries and are currently living in the Netherlands or other EU countries.

With regard to economic capital, the flows are represented not only by remittances and savings but also include direct investments made by diaspora members in several business activities. Many of the incentives to mobilize diasporas to return and invest in their countries of origin - such as tax reductions or waivers,

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<sup>iv</sup> UNDP: *Advancing South-South Cooperation In Education And Skills Development: Lessons From The Field* (New York, 2016) [http://www.undp.org/content/dam/undp/library/development-impact/SS%20Research%20Publications/11872%20-%20Advancing%20South-South%20Cooperation%20in%20Education\\_08\\_Web%20Version\(1\).pdf](http://www.undp.org/content/dam/undp/library/development-impact/SS%20Research%20Publications/11872%20-%20Advancing%20South-South%20Cooperation%20in%20Education_08_Web%20Version(1).pdf) (accessed on 10 Nov 2016)

<sup>vi</sup> IOM *Diaspora and Development*. <https://diaspora.iom.int/ioms-strategy-enable-engage-and-empower-diaspora> (accessed on 10 Nov 2016)



reduced remittance costs, loans and/or co-funding of business start-ups, support for SMEs, and others - require the cooperation of banks, credit institutions, businesses and other private sector partners<sup>vii</sup>. Hence, public-private cooperation can play crucial role to enhance diaspora engagement and contribution through remittances. In this respect, it is also crucial to increase the financial literacy of remittance senders and recipients through targeted programmes and initiatives.

Further, the degree to which diaspora can contribute is directly related to the ability of members of these communities to acquire the necessary skills and resources and develop their full potential. This necessitates measures and policies to enhance their social welfare and protection through access to essential services such as healthcare.

While these areas of concern described with regard to industry and mobility are not exhaustive, skill matching and accreditation as well as diaspora engagement are among the priorities of the current government. Therefore it is critical to develop a coordinated approach between the various stakeholders involved in the process, with a stronger attention to the crucial role of the private sector.

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<sup>vii</sup> IOM: *Diasporas and Development: Bridging Societies and States* (Geneva, 2013)  
[http://publications.iom.int/system/files/pdf/dmc\\_report\\_23aug13.pdf](http://publications.iom.int/system/files/pdf/dmc_report_23aug13.pdf) (accessed on 10 Nov 2016)







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