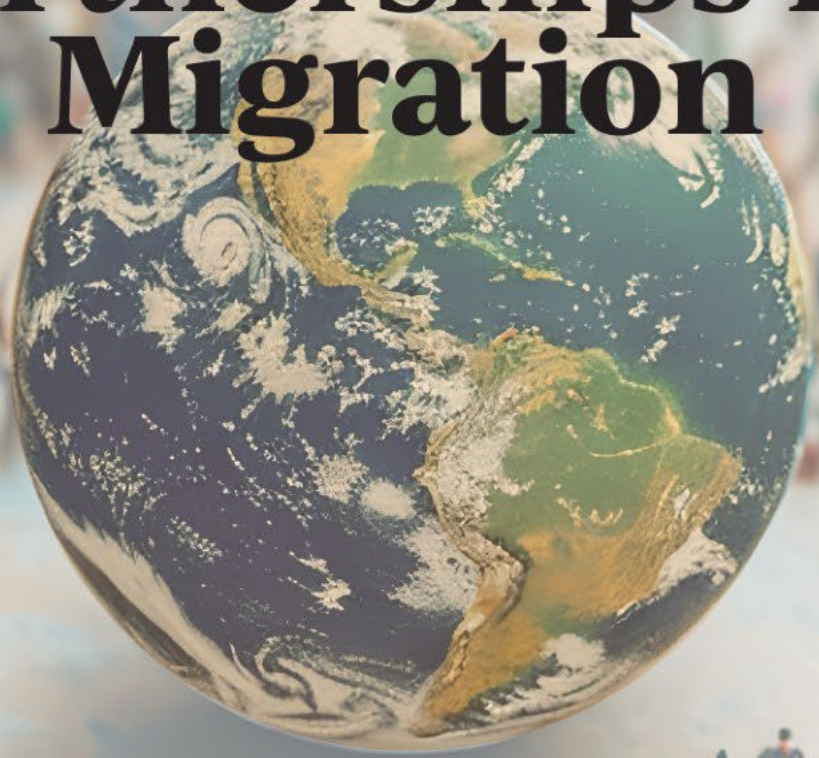
Global Skill Partnerships for Migration



PREPARING TOMORROW'S WORKERS FOR HOME AND ABROAD

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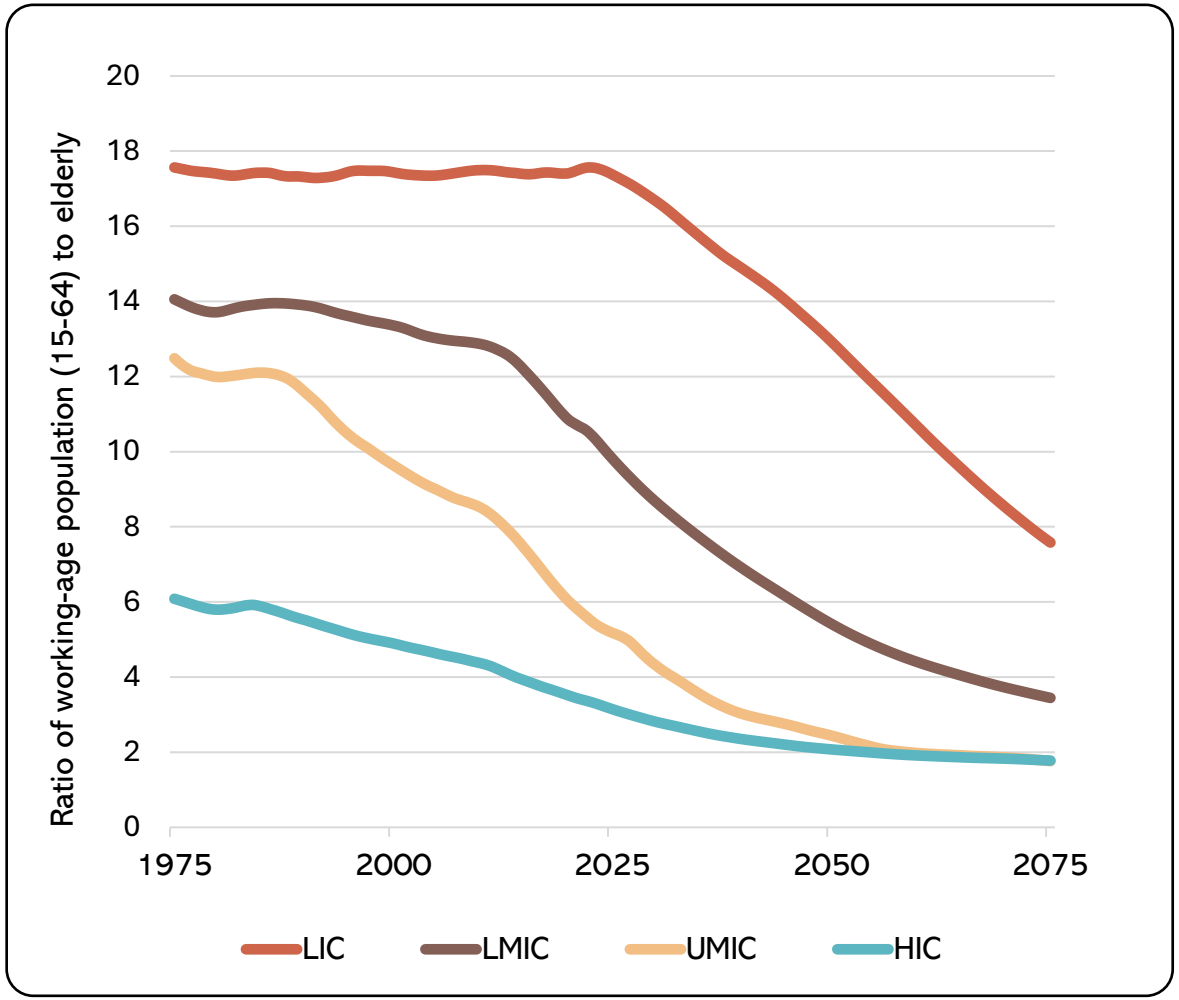
The world is at a *demographic inflection point*

Countries of all income groups are aging
but HICs and UMICs are aging significantly faster



Source: Authors' calculations based on the UN Population Division median variant projections (2022). Retrieved March 28, 2024.

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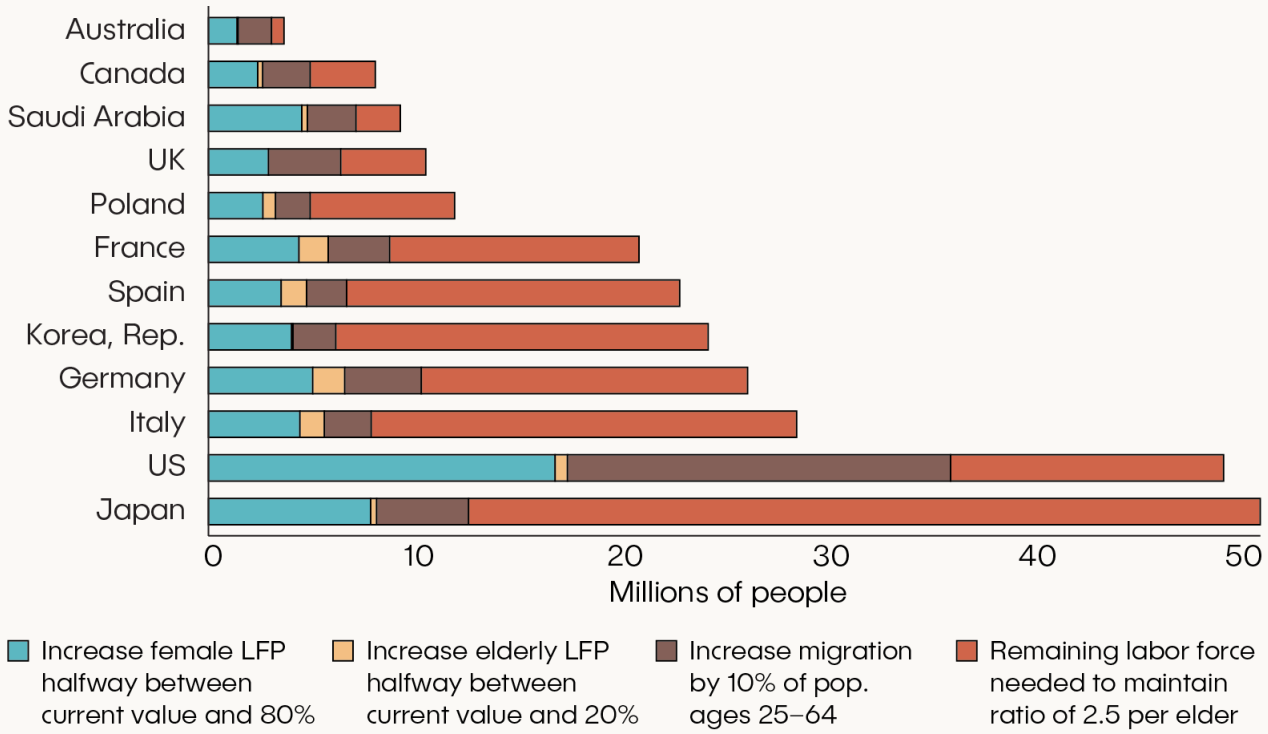
Labor force (millions) needed to maintain 2.5 workers per elder (65+) by 2050



Source: Authors' calculations based on the UN Population Division median variant projections and labor force participation rates from ILO.

In HICs, *millions of workers* are needed to maintain an adequate numbers of workers in the economy and sustain pension systems

A combination of policies are needed, including:

- Increasing female labor force participation
- Increasing retirement ages
- Increasing migration

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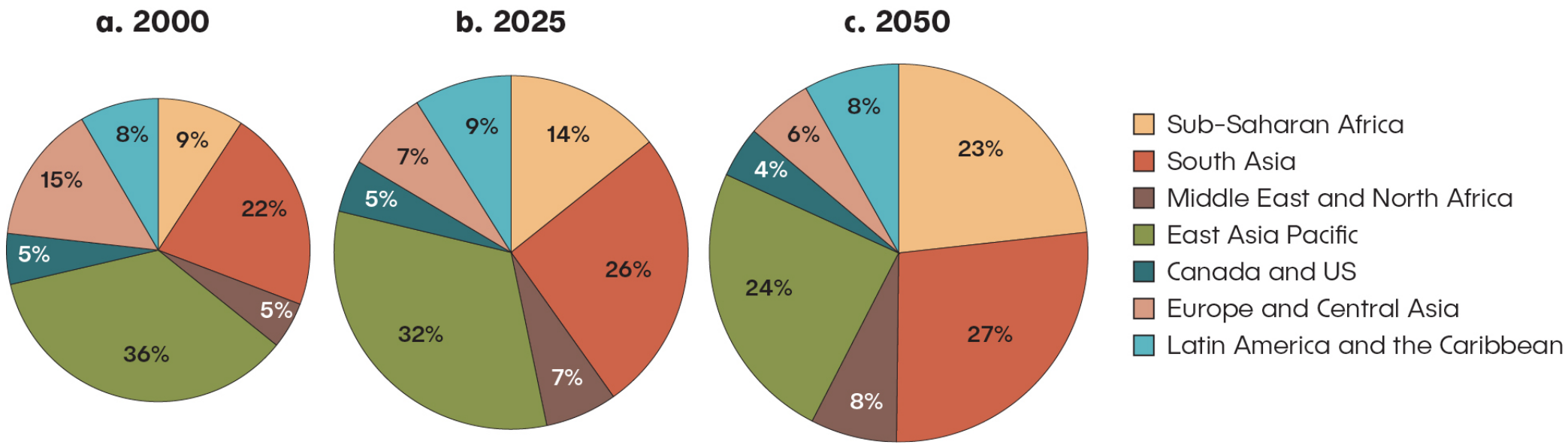
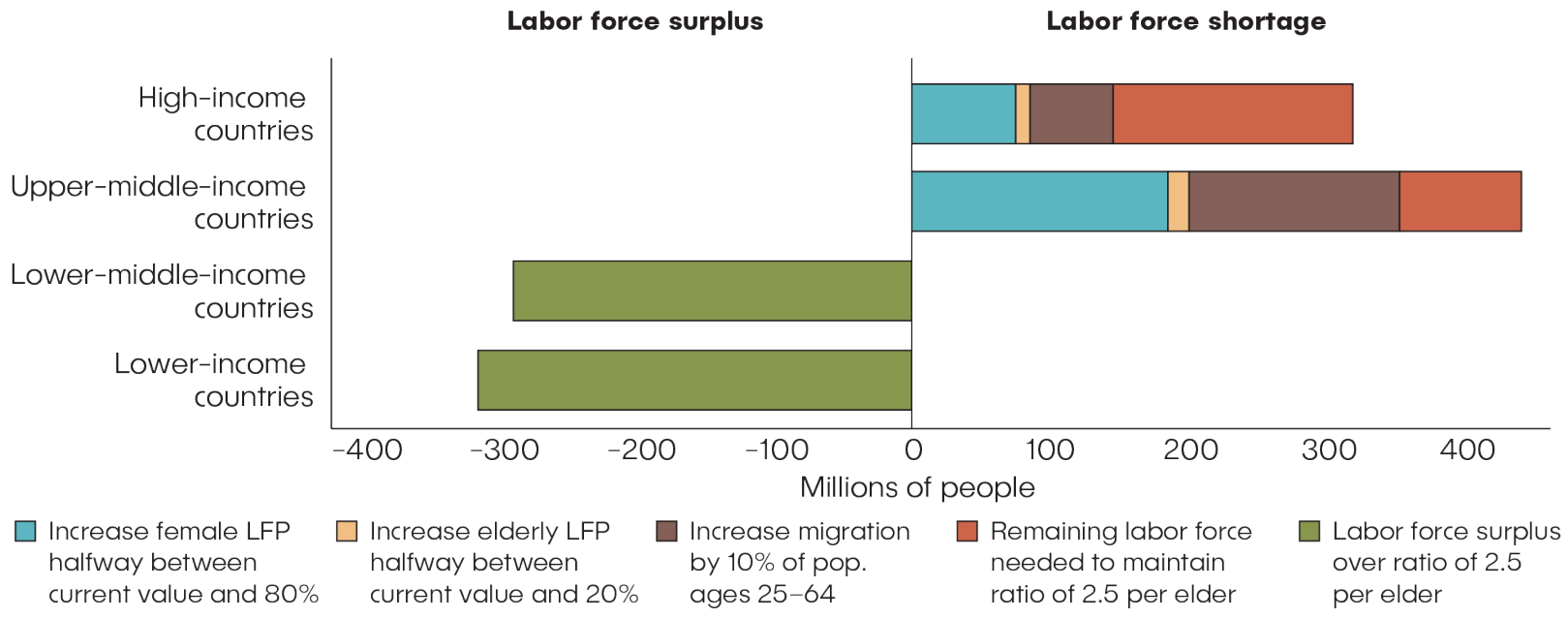
The largest growth in the working-age populations (15-65) will occur in Sub-Saharan Africa and South Asia



Source: Authors' calculations based on the UN Population Division median variant projection

HICs and UMICs will together face a shortage of *750 million workers* by 2050

Meanwhile, LICs and LMICs can *lose up to 600 million workers* before facing shortages



80% of the shortage in UMICs is driven by China

Source: Authors' calculations based on the UN Population Division median variant projections and labor force participation rates from ILO.
Note: HIC = high-income country; LIC = low-income country; LMIC = lower-middle-income country; UMIC = upper-middle-income country.

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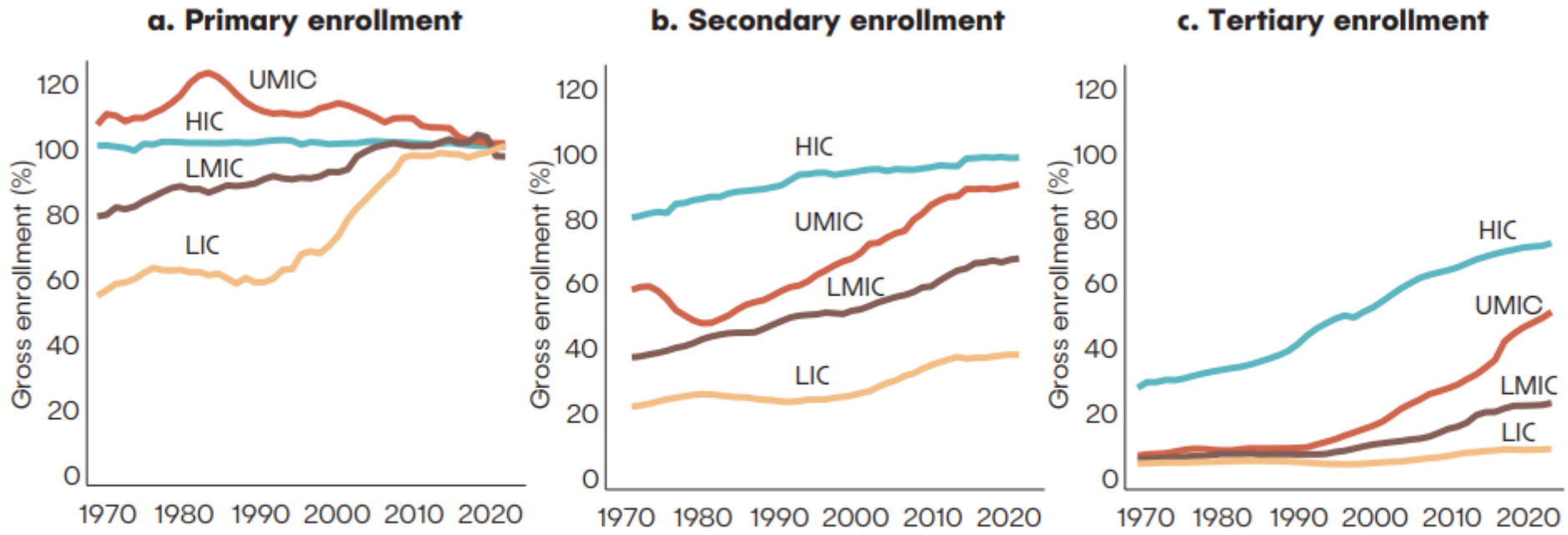

Source: Author calculations based on World Development Indicators. Country-level education enrollment rates weighted by population.

There is no shortage of workers in L/MICs, but they lack the needed skills

While primary school enrollment rates are *converging*, secondary and tertiary enrollment is *diverging*

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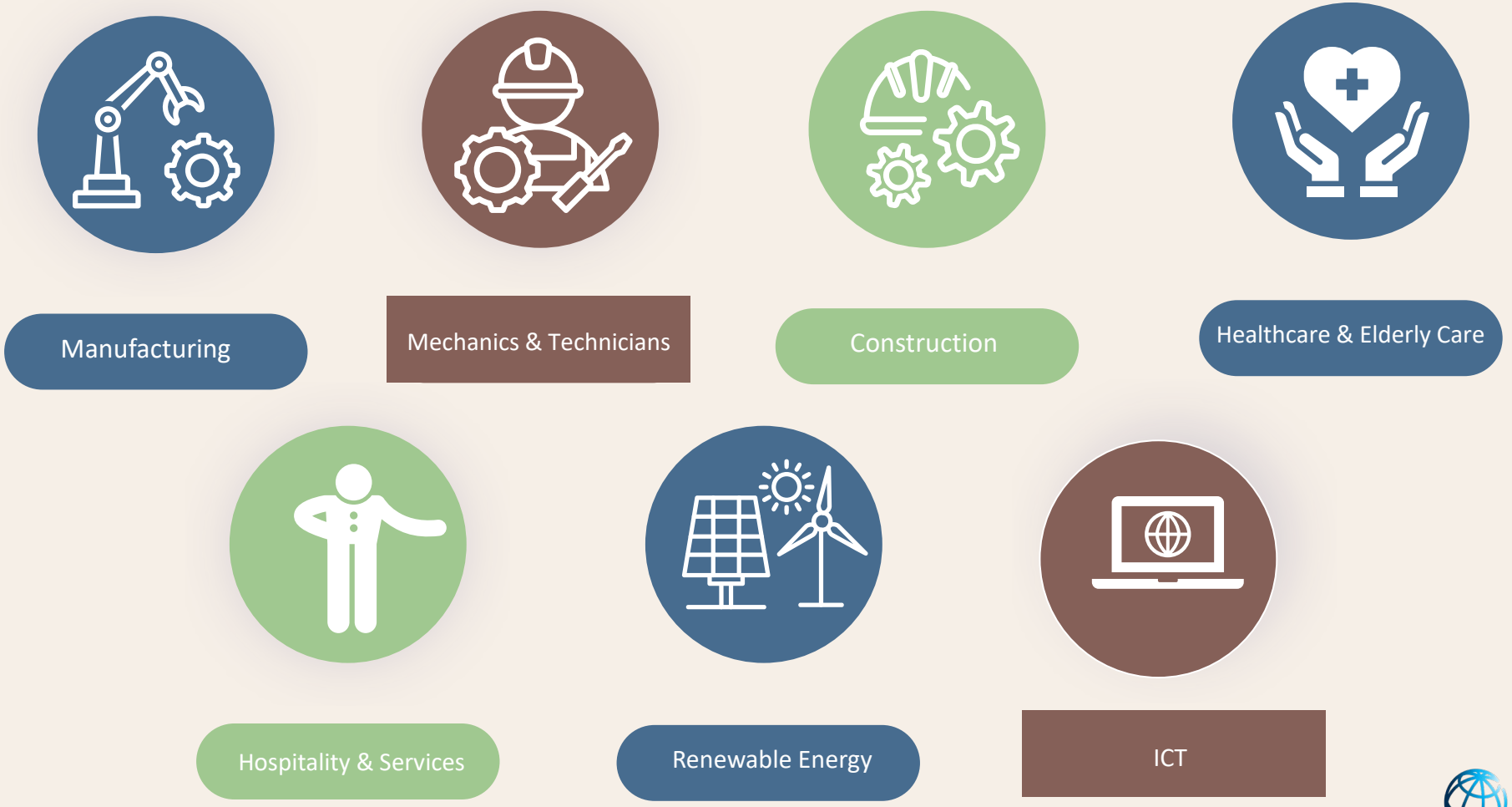
Shortages are especially prevalent in *mid-skill occupations* across many sectors



Source: CEDEFOP 2023; World Economic Forum 2023

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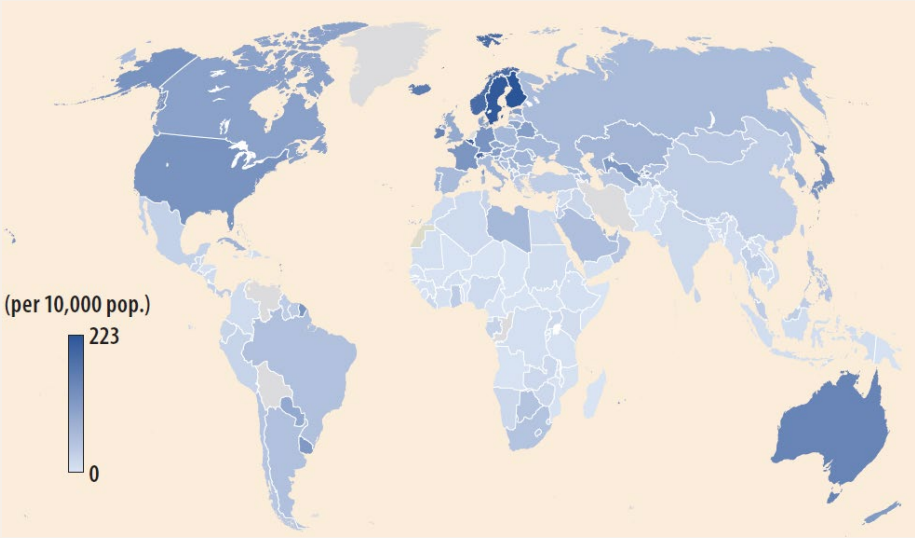
Shortages in the *health* and *aged care* sectors are particularly pressing

As populations age, the global health worker shortage is projected to reach **15 million by 2030** (Liu et al. 2017)

LICs and LMICs also face a shortage of skilled health workers, highlighting the need to **mutually invest in health worker training**

Other sectors such as **teaching** face similar challenges

The density of nurses per capita is highly unbalanced

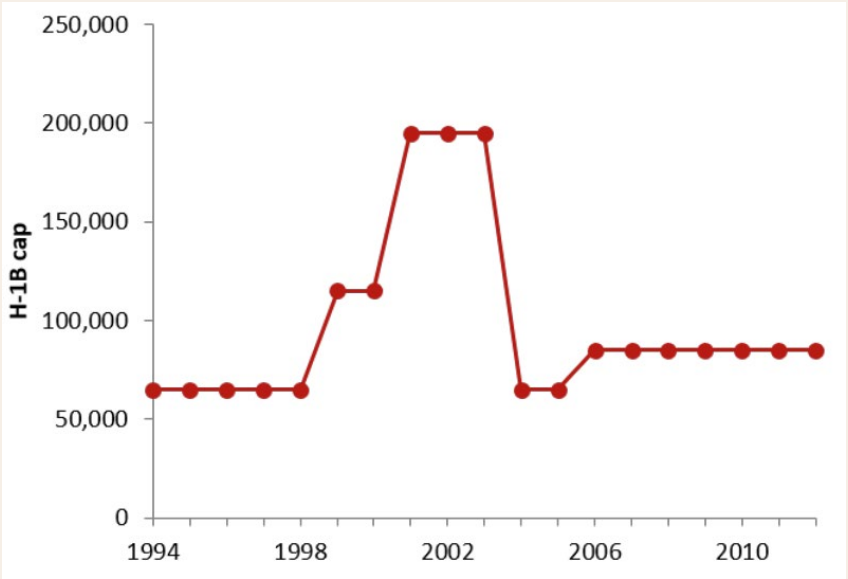


Source: Authors' calculations based on data from World Health Organization for 2018–19

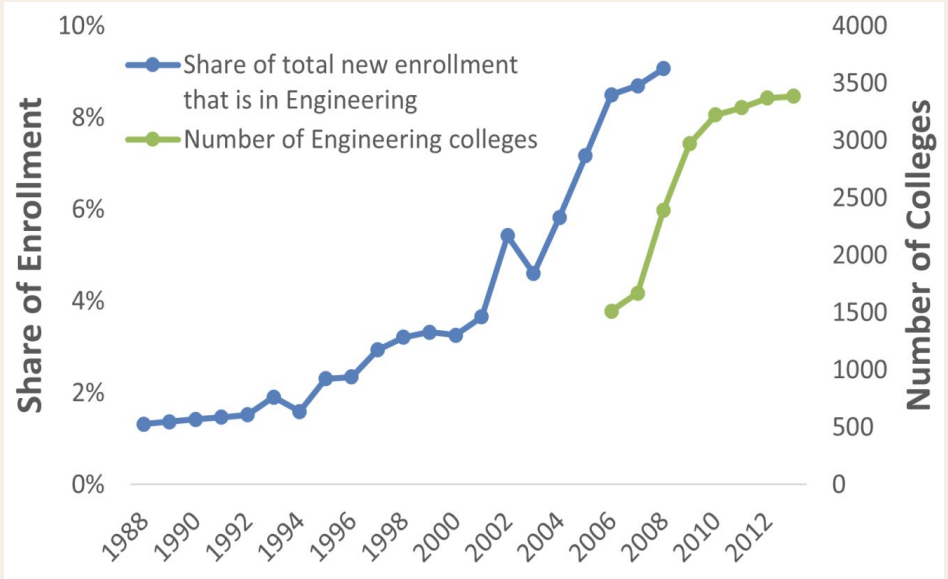
Education and skills training amplify the development benefits of migration

Example: India's long-term investments in Polytechnic Universities paid off during the 1990s "IT boom"

U.S. skilled visa caps increased



Indian IT degree enrollments surged



Some migrated to the US, transferring knowledge and investment back home

Many more graduates remained in India and contributed to India's own "IT Boom"

Source: Khanna and Morales (2023)

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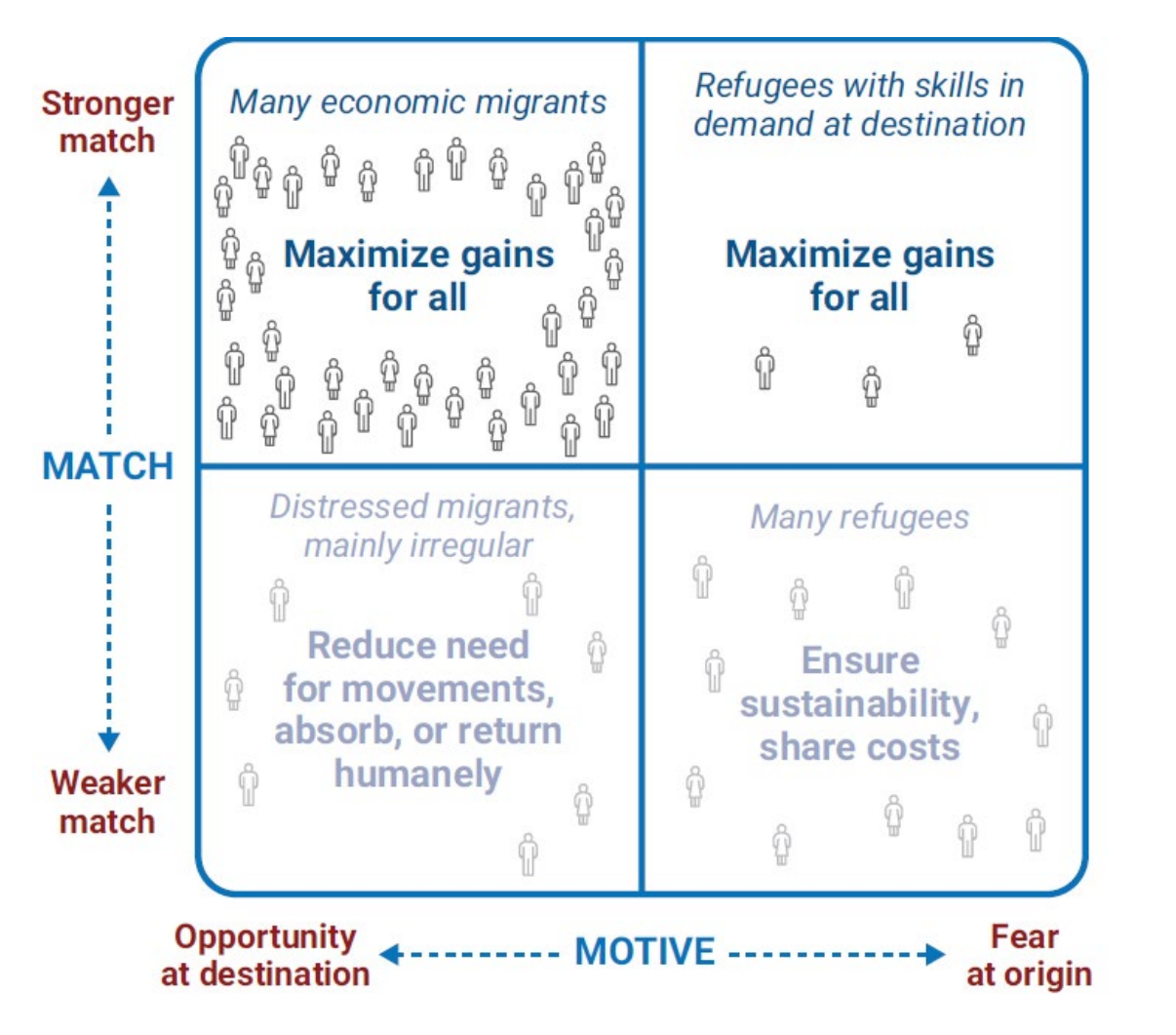
The 2023 Word Development Report "Match and Motive Framework":



Win-win migration requires matching migrant skills with demand

A strong match requires skills certification, legal pathways, and labor market intermediation

These are facilitated by coordination through bilateral labor agreements

Global Skills Partnerships (GSPs): Bilateral training and migration agreements that are *mutually beneficial*

Structure

Training in origin with **domestic ("home")** and **international ("away")** tracks

3 essential components of a GSP

Skill development is shaped by **demand in both origin and destination** countries

Financing is a **shared responsibility** of all stakeholders (firms, workers, governments) in both countries

Labor mobility is facilitated through **agile and legal pathways**

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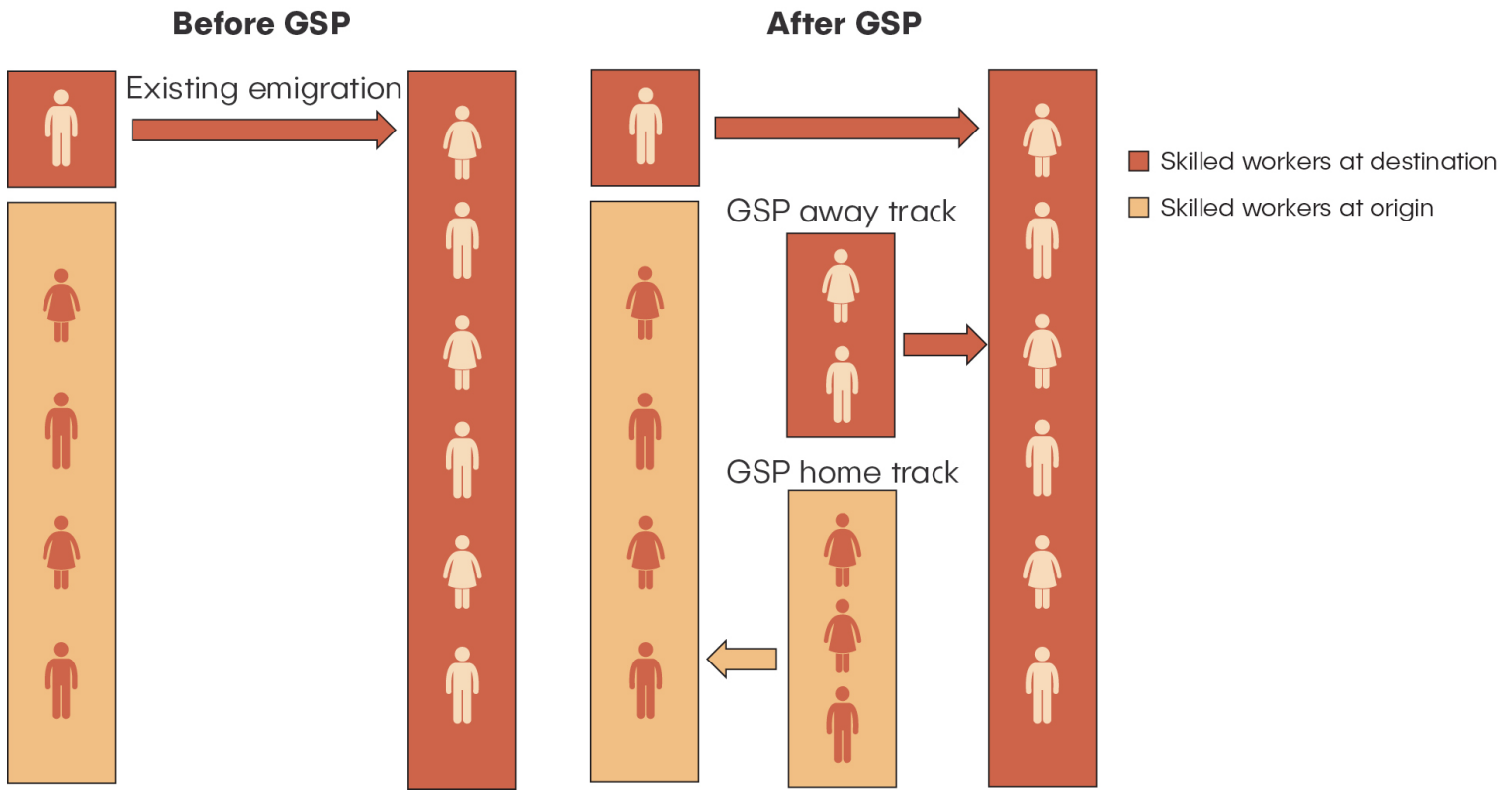
GSPs increase the total pool of skilled workers for both origin and destination countries

A portion emigrate to the destination country

The remaining stay at home and enter the domestic labor market



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Australia Pacific Training Coalition (APTC)

APTC
AUSTRALIA PACIFIC TRAINING COALITION

Duration	2007 - present
Countries	Australia, 9 Pacific island countries, and Timor Leste
Funder	Mainly Australia's Department of Foreign Affairs and Trade (DFAT)
Sectors	Hospitality and tourism, engineering, built environment, community services, aged care, education, agriculture, business
Result	Over 20,000 full qualification graduates since 2007

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Important lessons in the evolution of APTC over time

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1. **Increased graduate migration** from <1% in 2014 to 8% today by **aligning training with legal pathways** and **engaging with the private sector**

2. **Move from "enclave model" to TVET strengthening** through partnerships with local TVET institutions, increasing cost-effectiveness and development impact

3. **Increase financial sustainability** through (i) **economies of scale**, (ii) increasing **employer contributions**, and (iii) **embedding in local TVET with local trainers**

   ➔ cost-per-graduate reduced from over AUD 25,000 in 2011 to around AUD 15,000 in 2022

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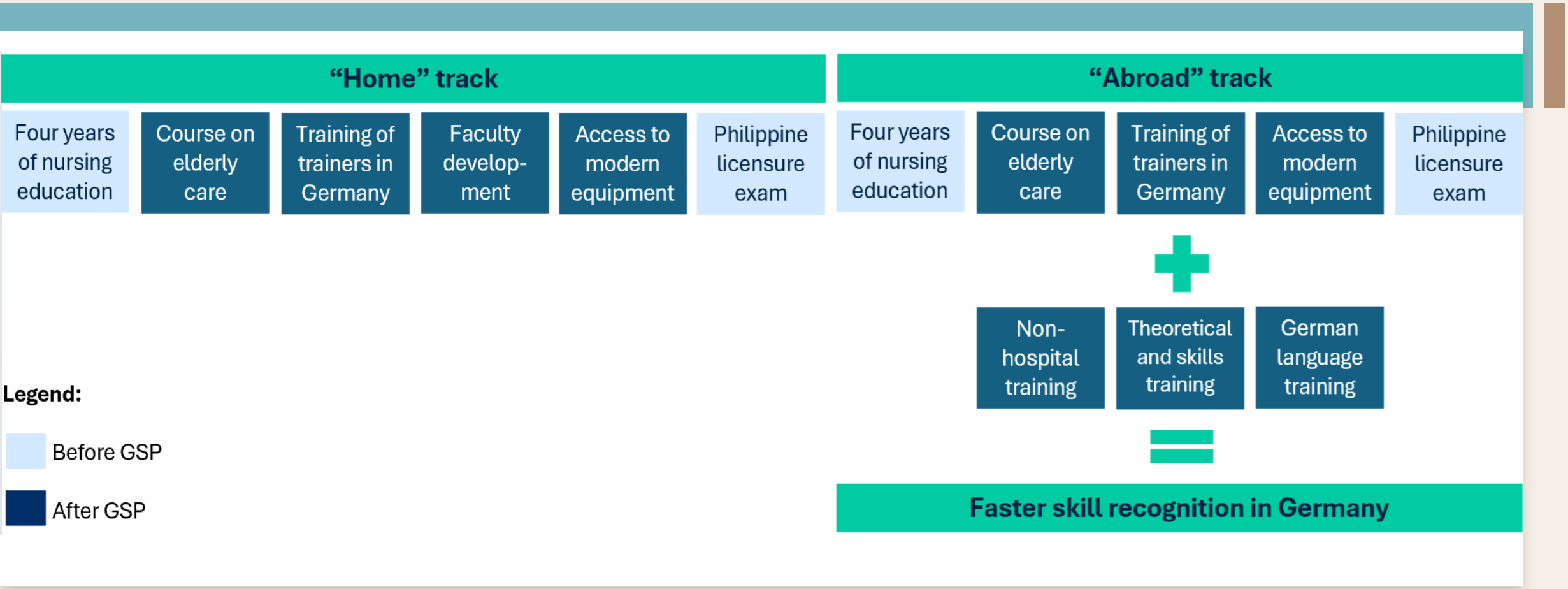
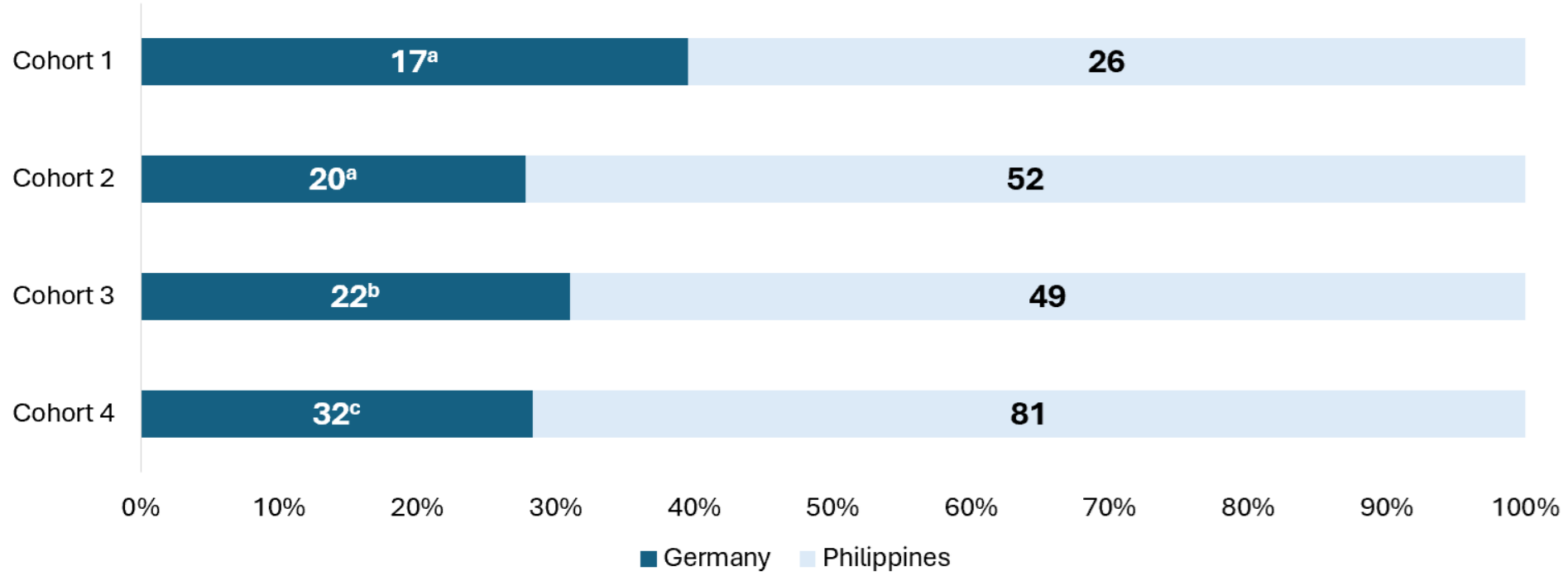
GSP in Nursing between Germany and the Philippines



GSP in Nursing between Germany and the Philippines

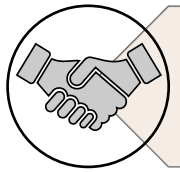


Legend: [a] Deployed in Germany; [b] Training for German language proficiency for Common European Framework of Reference for Languages (CEFR) B1 and B2 levels; [c] Training for German language proficiency for CEFR A2, B1, and B2 levels.

Private sector examples demonstrate the ***sound economic principles*** underlying GSPs

Companies often choose to ***train workers in origin countries:***	**Porsche training centers in Manila** and around the world **Seafarer training centers in the Philippines** for international cruise and shipping industry
GSPs can naturally appear when companies have ***international subsidiaries:***	**Tata training centers in Singapore** helped strengthen domestic training capacity **Ghana Industrial Skills Development Center** founded with Dutch textile company
Examples are also found in ***diaspora investment:***	**Heimerer Medical College in Kosovo** founded by a Kosovar-German investor, and some graduates are supported to migrate to Germany

Building blocks of *scalable* Global Skill Partnerships

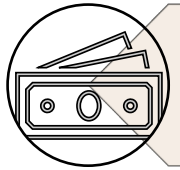


Multi-stakeholder Coordination

GSPs must coordinate with government agencies (migration, labor, and skills), training providers, and private sector to ensure skills are aligned with demand

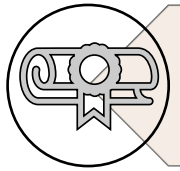
Legal and regulatory frameworks

Migration requires legal entry pathways and employment visa categories, with essential political buy-in from governments and stakeholders



Financial Sustainability

In the long-term, financing from destination government and firms helps to ensure financial sustainability, and development organizations can be catalysts



Skills Recognition

Skills certification must be recognized by both origin and destination countries, and the process can differ for the home and away track

GSPs require a *sustainable cost-sharing model* in which actors contribute according to how they benefit

Fixed and Variable Costs

Category	Detailed Items	Size
Preparation	Program design; Stakeholder engagement; Strengthening institutional capacity	Medium
Training & Intermediation	Curriculum design; Outreach and candidate selection; Facilities, trainers, & equipment; Certification; Facilitate firm interviews & placement	High
Migration	Travel costs; Passport & visa fees; Health & security checks; Pre-departure training, Relocation & integration support	Medium
Monitoring & Evaluation	Participant tracking; Surveys; Focus groups	Low

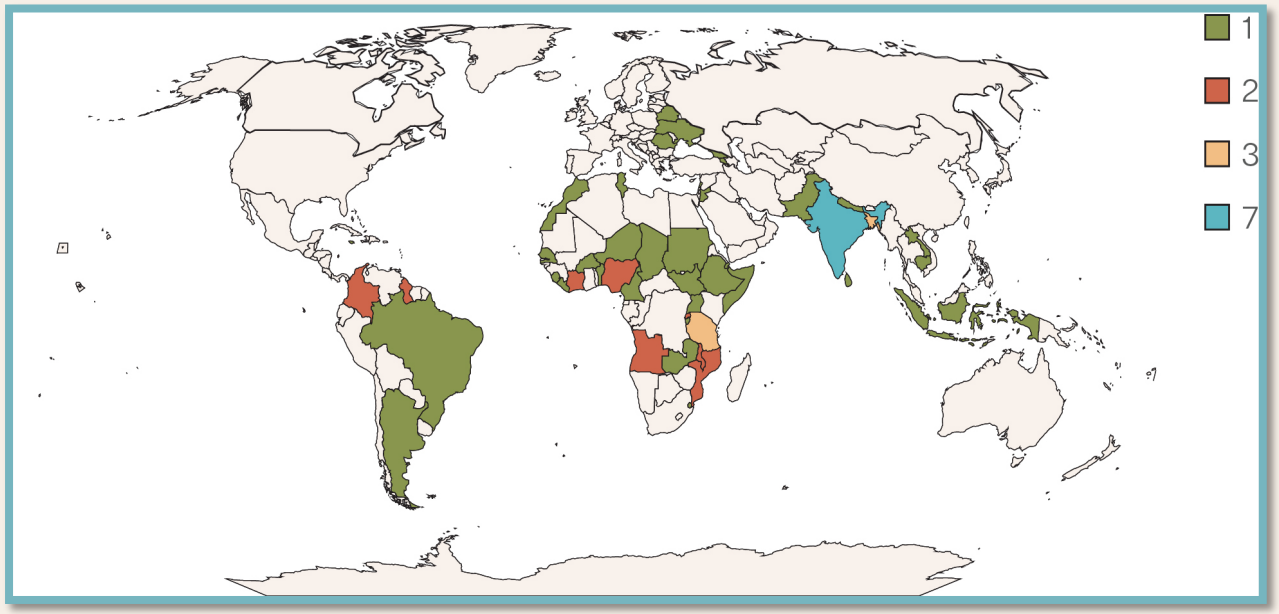
Stakeholders

Possible role

- Training for away track and migration
- Training for home track
- Fees for training and migration
- Design, institutional strengthening, and evaluation

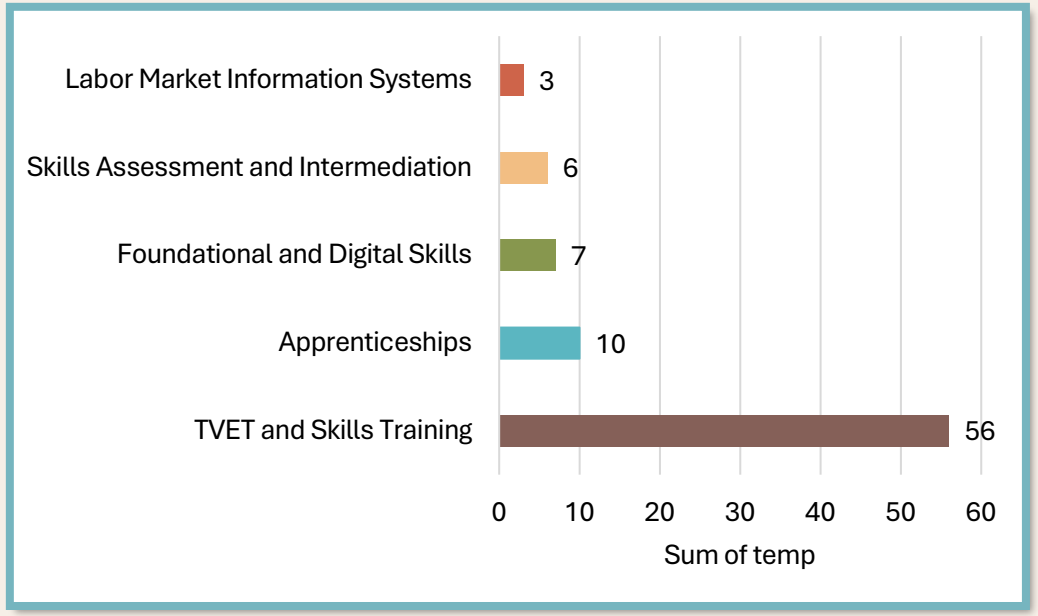
The World Bank can leverage operations and expertise on youth employment, education, TVET, and labor intermediation

World Bank training and labor intermediation operations



Source: World Bank Education Portfolio Database (2023). Note: Calculation is based on number of active World Bank–funded training/employment-related projects as of 2023.

Active Skills-related Operations (Educ and SPJ)



Source: WB Portfolio review (2023). Includes all projects with a "skills development" tag, or a "labor market" tag and identified to have a skills component

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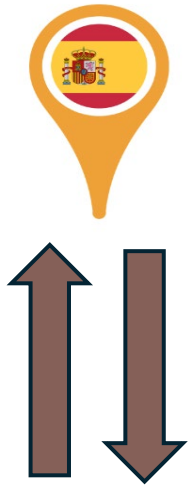
Convening and technical assistance to support GSPs between Italy – Tunisia and Spain – 3 Latin American countries

Spain



Ecuador I Colombia I Dominican Republic

Identify sectors and skill gaps in both origin and destination

Assess migration institutions and capacity of existing legal pathways

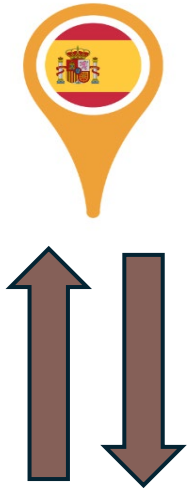
Strengthen institutions through capacity building

Convene stakeholders across agencies and countries

Support design of GSPs and skill matching tools

Enhance statistical capacity to monitor data

Italy



Tunisia

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Leveraging a youth employment operation to support a GSP between Kenya – Canada

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GSP Platform: The National Youth Opportunities towards Advancement (NYOTA) project

- NYOTA is a World Bank Youth Employment Project in Kenya targeting 100,000 vulnerable youth including 10,000 refugees

Key Features of Pilot

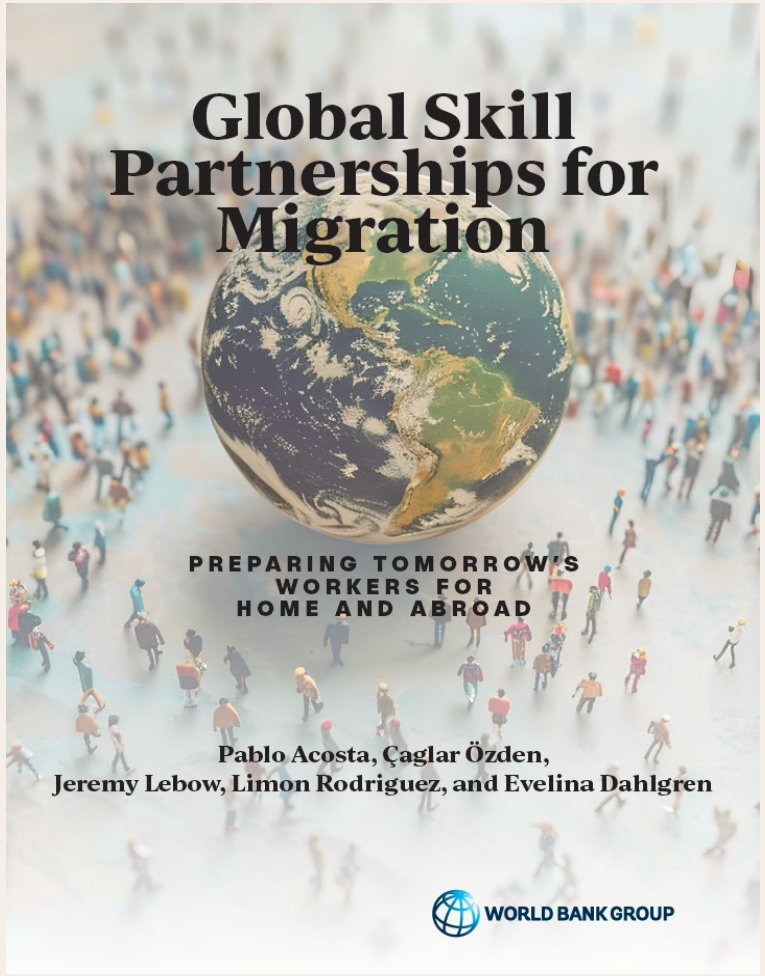
- 100 beneficiaries including ~10-20 refugees will be selected
- Preliminary sectors include construction, transportation, caregiving, hospitality, and mechanics
- MoU (in progress) between Gov of Kenya & Provincial Gov of Canada (dialogue led by NYOTA's Ministry of Labor team)

Training and skill recognition

- Recognition of Prior Learning (RPL) may be followed by additional training
- Matching with Canadian employers for selected migrants who meet Canadian Occupational Standards

Suggested Reading

https://www.worldbank.org/en/topic/migration



https://openknowledge.worldbank.org/entities/publication/ec7bae47-3efe-459f-b566-e236a7ddd32a

Thank you

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