

# Cooperating on skills certification in the Asia-GCC labour migration corridors

## CONTEXT ON THE IMPORTANCE OF RECOGNIZING SKILLS IN THE ASIA-GCC LABOUR MIGRATION CORRIDORS

Four areas of future cooperation were articulated among ADD member governments following the Abu Dhabi Dialogue in in Sri Lanka on January 24<sup>th</sup> 2017. One of those four areas is skills certification and mutual recognition of skills and upskilling. This is a critical topic for both countries of origin and destination:

- For countries of destination, it's an imperative to support the increase in level of skills of contract workers and achieve a transition to a knowledge based economy. Skills certification is a lever to achieve greater transparency for the private sector to understand the skills level of incoming contract workers and improve recruitment practices.
- For countries of origin, greater transparency in the economic needs of the destination country and the specific skills required can support the tailoring of training of the workforce and improve the competiveness of the migrant workforce in destination countries.

#### **ECOSYSTEM OF SKILLS CERTIFICATION**

There are three parts to the ecosystem that needs to be put in place to support the scaling up of certification of skills in the Asia-GCC labour migration corridors: (i) policy levers, (ii) national occupational skills standards and (iii) recognized training and testing centers in countries or origin and destination.

#### 1. Policy levers

GCC countries aiming to transition to a knowledge based economy need to consider two categories of policy levers to achieve labour market objectives related to skills certification:

- a. Steering employers towards higher skills workers and knowledge intensive sectors.
- b. Introducing incentives for employers to encourage certification of existing workers.

Each GCC country will need to consider different policy levers that are best adapted to the specific economic and labour context they are facing and the existing policies and incentives already in place in the labour market. The policies GCC countries can consider to achieve the objectives stated above include:

- For employers, incentives to encourage the employment of higher skills workers and invest in knowledge intensive sectors while avoiding to increase cost of doing business of sectors that are key to the GCC economies. This can take the form of differentiated work permit fees, sector level quotas, quality rating systems, or imposing certified skill levels in certain professions (e.g., electricians), among others.
- For workers, putting in place a set of incentives that are differentiated depending on the skill level of worker so that workers are encouraged to move on to the next level of skills to increase their benefits in the country of destination.

At the same time, countries in Asia should explore ways to incentivize those interested in working abroad to invest in upskilling, for example through remote services provided in destination countries for certain skill levels (e.g., social security in home country, housing purchasing support in home country).

### 2. National Occupational Skills Standards

National Occupational Skills Standards are the standards a country expects workers in different jobs at different levels to have mastered. Those standards are a critical element of scaling up the skills certification ecosystem as training providers and testing centers would develop training programs and assess workers against those standards in order to be able to declare them "certified" for country X or Y. While GCC countries have started developing a set of NOSS mainly based on international best practices, the range of NOSS available remains limited (typically below 100 in any given GCC country). Those NOSS are also not always made publically available for training providers to use in the development of qualifications. Skills sector councils typically play a critical role in developing and maintaining NOSS, but tend to be under developed or inexistent in the GCC.

A few immediate steps are required from GCC countries to scale up the standards:

- a. GCC countries need to prioritize the development of a set of critical NOSS for their economy, aligned with international standards, so that training and testing centers in countries of origin and the GCC can develop qualifications in line with the needs of the countries of destination and assessments that allow for both knowledge and practical testing of the qualifications developed. In the short term the development of NOSS should be prioritized against the highest volume occupations of contract workers for which they are no existing NOSS already developed in the country of destination.
- b. To accelerate that process, GCC countries can work with outsourced providers on the first set of priority NOSS. In that

- process existing international NOSS can be used as a starting point but will need to further refined with the input of private sector so they can be contextualized to the local economy and the recruitment needs of employers
- c. In parallel, GCC countries need to further expand equivalences of academic and vocational degrees with key source countries through MoUs. This would allow countries of destination to de-facto recognize all skills already certified in the country of origin if it has been certified following the standards of that country. GCC countries can also consider leveraging the countries with whom they already have MoUs and recognize equivalences from third party countries their direct partners have MoUs with. For example if the UAE recognizes skills certified in Australia and Australia recognizes skills certified in India supported by the mapping of the two qualifications framework, the UAE could recognize skills certified in India using the same mapping of the qualifications framework.
- d. GCC countries may consider providing a unified transparent framework to awarding bodies detailing which standards are common across the GCC countries and which ones differ to accelerate the recognition of training and testing centers against the different countries of destination.

For countries of origin, two important steps can help accelerate the recognition of skills in the Asia-GCC migration corridor:

- a. Countries that have not put in place a qualifications framework which maps to international standards should accelerate the development of the framework without which MoUs of mutual recognition of skills cannot happen
- b. Countries of origin that have a qualifications framework in place may want to proactively engage in MoUs with GCC countries to recognize equivalences, but can also consider accelerating that process with other third party countries (e.g., Europe, Singapore). The recognized mapping of their qualifications framework to third party countries can then be shared with GCC countries transparently so GCC countries can consider recognizing the same mapping through their existing partners.
- 3. Recognized training providers and testing centers in countries of origin and destination

The cornerstone of the skills certification process is the network of awarding bodies, training facilities and testing centers. In order to increase the number of contract workers with skills that are recognized by GCC countries, there needs to be a network of licensed centers that train and test workers against the NOSS of the GCC countries. It is important to note that testing centers could test workers who have not received formal training but have years of experience learning on the job to recognize the skills they've acquired over time. As it's typically impractical for government entities to directly license and audit large networks of training and testing centers abroad at scale, awarding bodies

play that role. Awarding bodies are entities licensed by a government entity to issue recognized qualifications on behalf of the government entity from the training and testing facilities they recognized.

GCC countries can consider taking a few steps to rapidly expand the network of training and testing centers that can certify contract workers against their NOSS:

- a. **Developing a common licensing policy for awarding bodies** to operate both in GCC countries and in countries of origin. Globally and regionally recognized awarding bodies would then apply for a license under the parameters outlined and have the delegation of authority to issue recognized qualifications in countries of origin on behalf of GCC governments via a large network of training and testing centers which they recognized and quality audit. The more aligned the policies are across GCC countries the easier awarding bodies will be able to scale up their activities across countries of origin.
- b. Developing or refining existing licensing policies for training and testing centers to deliver qualifications in line with the standards of the GCC countries. Those policies are not always in place across all GCC countries for the training and testing of workers in the country of destination and needs to be developed to ensure qualifications can be issued against the national qualifications framework. In countries of origin, the policies need to be developed by GCC countries, potentially with the support of the future awarding bodies, to serve as a framework for awarding bodies of the parameters under which they can recognize and quality assure training and testing facilities abroad. It is important to note that most international awarding bodies already have policies and procedures under which they recognize training and testing centers in the target countries of origin which can be used as a first basis to accelerate implementation.
- c. **Developing a fee model for all the players in the ecosystem.**Awarding bodies may pay a licensing fee to regulators in countries of destination to issue recognized qualifications in countries of origin (can be as a lump sum or for each qualification issued). In turn training and testing centers delivering training and tests typically also pay a licensing fee to the awarding body, which may be subsidized by the country of origin or passed onto the end consumer.

Countries or origin also have a major role to play in facilitating and accelerating the process described above by:

- a. Encouraging existing training and testing centers to be recognized by awarding bodies and align their training and assessments methodologies to the requirements of the awarding bodies. A few players of important scale already exist in the countries of origin.
- b. **Encouraging workers to have their own skills tested** by recognized testing centers in the country, the list of which could be made publically available online.

c. **Developing a national database of skills** that captures the recognized skill levels of the workforce against their own national qualification framework, allowing thus foreign recruiter to easily access the most relevant pool of talent for a specific vacancy. This database could be shared among countries of origin and destination to provide transparency in the recruitment process. This can take the shape of "digital certificates" which can capture elements of qualifications as opposed to full degrees, certified by the awarding bodies. This database can be linked to the recruitment process of contract workers to allow employers a greater understanding of the level of skills of contract workers. In return, contract workers who would have been upskilled during their work in one of the GCC countries would have their upgraded skill level recognized in the database shared with the countries of origin.

While all the actions described above can be done bi-literally there may be some benefits in cooperating among GCC countries to accelerate and harmonize the recognition of skills in the GCC-Asia migration corridors. As immediate next step, one of the GCC countries could take the lead in developing the ecosystem described above with the main countries of origin. This could then serve as a model for other GCC countries to follow and avoid duplication of efforts.