EMPOWERING MIGRANTS AND COMMUNITIES:
Private Sector Engagement for Inclusive Sustainable Development
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EXECUTIVE SUMMARY

Empowering Migrants and Communities: Private Sector Engagement for Inclusive Sustainable Development offers a roadmap to governments and other stakeholders on scaling up the participation of the private sector in delivering the development benefits of migration. The report draws on the experiences of the International Organization for Migration (IOM) and the United Nations Development Programme (UNDP), and builds on ‘Making Migration Work for Sustainable Development’ (M4SD), a joint global programme supported by the Swiss Agency for Development and Cooperation (SDC).

Migration is usually a triple-win situation for migrants themselves as well as their countries of origin and destination. Yet, a series of challenges, including limited access for migrants to the formal labour market, but also to finance, healthcare and education, combined with difficulties in having their skills or diplomas recognized, and increasing xenophobia, racism and discrimination, tend to limit the benefits of human mobility for sustainable development. As a major driver of job creation and economic growth, the private sector can help overcome these obstacles by creating employment opportunities for migrants and other communities, supporting entrepreneurship, improving access to products and services, and advocating for migrants’ socioeconomic integration. This is particularly important for less developed regions.

However, turbulent global headwinds and a country’s overall economic and social conditions, as well as its legal, regulatory and policy frameworks, significantly affect the feasibility of involving the private sector. Within the private sector itself, limited capabilities, a bias or negative attitudes towards migrants, consideration of trade unions and gender-based discrimination raise further barriers. All of this occurs within a context where the governments that could play a pivotal role in promoting more robust private sector engagement often lack the necessary capacities and incentives to do so.

The need to expand private sector engagement for enhanced migration and sustainable development outcomes is very clear. Governments and international cooperation should focus on evidence-informed, participatory and long-term multi-stakeholder solutions.

Operating in Bangladesh, Ecuador, Jamaica, Kyrgyzstan, Moldova, Morocco, Nepal, the Philippines, Senegal, Serbia and Tunisia, the M4SD Programme utilized mapping of the private sector; advocacy to overcome hostility, reluctance or disinterest; capacity development and technical assistance; convening and knowledge-sharing; and service delivery and collaboration.

The mappings carried out within the framework on this global Programme helped identify private sector priorities and relevant actors currently participating in migration and sustainable development initiatives, as well as those to be engaged. In Nepal for instance, the private sector mapping focused on returning female migrant workers, the majority of whom take up employment in the informal economy. The mapping showed the need to address gender equality and social inclusion in business. In Senegal, the mapping showed how high unemployment drives young people to emigrate to Europe, mostly using irregular
routes, and identified measures with the private sector to create new economic opportunities at home for potential emigrants and return migrants.

In Ecuador, mappings showed that indifference and uncertainty towards migration topics prevail in the private sector. Many perceptions of migrants are rooted in false narratives and misinformation and are often fuelled by xenophobia and racism. By making the parts of the private sector who are skeptical, disinterested or unwilling to be involved aware of the benefits that migration can bring for their businesses, positive changes can be achieved. Partners in Ecuador carried out several activities to facilitate greater understanding by the private sector on the contributions that migrants can bring to their businesses, namely trainings on inclusive hiring practices for the private sector and on CV writing for community members, including migrants, and the creation of municipal job banks.

To support governments in enhancing private sector engagement, the M4SD Programme provided technical support to strengthen local or national capacities to work more closely with the private sector. In Serbia, the private sector mapping highlighted opportunities for cooperation among Serbian businesses and the diaspora. The M4SD Programme supported the Business Council for Diaspora of the Chamber of Commerce and Industry in Serbia (CCIS) in developing a new, results-based strategy, providing a clear action plan to harness the potential of the diaspora, while promoting economic growth and collaboration.

Knowledge-sharing serves to better understand and mutualize what works and what does not work to improve private sector engagement, partnerships and programming in issues related to migration, including identifying and scaling up potential areas for collaboration and future concrete next steps.

To enhance the well-being of community members, including migrants, governments should work with the private sector on providing access to decent jobs. In Bangladesh, the National Intelligence for Skills, Education, Employment and Entrepreneurship (NISE) platform aims to bridge the gap between the demand and supply sides by matchmaking among the government, public and private skills service providers, employers and youth.

To create an enabling environment for private sector engagement, governments should address policy and regulatory barriers that restrict the rights of migrants, especially women and youth, and inhibit their access to employment, education, health, social protection, among others. The M4SD Programme has supported local and national authorities in comprehensively mainstreaming migration considerations in development policies and planning. For instance, the M4SD Programme provided technical assistance in drafting the National Diaspora Policy in Jamaica.
Key recommendations for governments and development actors

> Use private sector mappings such as those developed in the M4SD Programme to build evidence-informed strategies, enhanced by collaborating with the private sector.

> Advocate with the private sector to raise awareness of the benefits that migration can bring for their businesses.

> Support the creation of Public-Private Partnerships (PPPs) and promote private sector-driven knowledge exchange at the global, regional, national and local levels.

> Increase access to decent jobs for migrants, especially women and youth, through targeted traineeships, mentoring and the provision of childcare solutions.

> Address policy and regulatory barriers to migrants’ integration, while promoting social cohesion.

> Involve the private sector in decision-making processes regarding migration policies as well as sectoral policies affected by, or having an impact on, migration, in particular labour market policies.
1. INTRODUCTION

The private sector can be a crucial partner for governments and organizations in the field of international development cooperation in improving the lives of migrants and communities around them, bolstering migration governance and amplifying migrants’ contributions to sustainable development. This is particularly important for developing countries, where intricate challenges frequently impede socioeconomic progress. Less developed regions are home to around 40 per cent of international migrants, with around 80 per cent of migrants hailing from these very regions (United Nations Department of Economic and Social Affairs (UN DESA), 2020).

Despite the important contributions migrants can make to their countries of destination, transit and origin, these are often restricted by several challenges, including limited access to the formal labour market, difficulties in having their skills recognized, inadequate access to finance, health care and education, and xenophobia (International Labour Organization (ILO), 2018); Organisation for Economic Co-operation and Development (OECD), 2016a). Migrant women face even greater obstacles, resulting in higher rates of unemployment, informal work and increased vulnerabilities (OECD, 2020).

In this context, engaging the private sector allows governments and organizations in the field of international development cooperation to address the challenges faced by migrants and other community members in developing countries more effectively and efficiently, to harness migrants’ contributions to the developing countries they reside in or are from, and to achieve sustainable development for all. As a major driver of economic growth and job creation, the private sector can create employment opportunities for migrants and other community members, support entrepreneurship, improve access to products and services and advocate for migrants’ inclusion (Bisong & Knoll, 2020; Dos Reis et al., 2017; López Gross et al., 2021).

Despite the benefits of governments and organizations in the field of international development cooperation engaging the private sector for the well-being of the entire community, including migrants and the private sector itself, there remains a need to strengthen and enhance this engagement as inadequate information, a lack of private sector or political will and direct or indirect discrimination towards migrants limit private sector involvement.

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1 Following an inclusive definition of migration, the following definition of migrants from the IOM glossary will be used which defines a migrant as “[a]n umbrella term, not defined under international law, reflecting the common lay understanding of a person who moves away from his or her place of usual residence, whether within a country or across an international border, temporarily or permanently, and for a variety of reasons. The term includes a number of well-defined legal categories of people, such as migrant workers; persons whose particular types of movements are legally defined, such as smuggled migrants; as well as those whose status or means of movement are not specifically defined under international law, such as international students.” (IOM, 2019, p. 132). This document, nonetheless, mainly focuses on international migrants but also includes prospective migrants, internal migrants and displaced people.

2 Along these lines, international agreements and agendas have recognized that the private sector has a critical role to play in ensuring that migration is managed in a safe, orderly and regular manner and that migrants can contribute to sustainable development. See for instance the Global Compact for Safe, Orderly and Regular Migration (GCM) and the Global Compact on Refugees (GCR); the 2030 Agenda for Sustainable Development. See section 1.2 for more detail.
Against this background, the United Nations system and international organizations have an important role to play, together with governments, to strengthen private sector engagement (PSE) for the mutual benefit of local communities, including migrants and the private sector. For this reason, this publication aims to support national and local governments and organizations in the field of international development cooperation aimed at increasing private sector engagement. The document draws on UNDP and IOM’s long-standing experiences of working with the private sector and on specific experiences with private sector engagement as part of the IOM-UNDP Joint Global Programme, ‘Making Migration Work for Sustainable Development’ (M4SD).

Funded by the SDC, the M4SD Programme aims to harness the development benefits and to reduce the negative effects of migration on host and home communities, on migrants and on their family members. It builds on the achievements of the previous two phases of the Joint Global Programme on Mainstreaming Migration into Development Strategies, which have been jointly implemented by IOM and UNDP since 2011, and on the Joint Migration and Development Initiative. The Programme’s third phase aims to further solidify results and achievements reached to date and to help translate policy-oriented and process-driven actions into concrete results on the ground.

The Programme operates in 11 countries: Bangladesh, Ecuador, Jamaica, Kyrgyzstan, Moldova, Morocco, Nepal, the Philippines, Senegal, Serbia and Tunisia. It supports national and local governments to apply a ‘whole-of-government’ approach to migration governance with a focus on four main sectoral areas: education, economic inclusion and employment, health, social security and human rights. In a whole-of-society approach, the concrete initiatives of the Programme include migrants and local communities, the private sector, diasporas and civil society. These local initiatives are overviewed in Figure 1.

Private sector engagement has been one component within the Programme’s concrete initiatives that aims to enhance partnerships with the private sector and to jointly identify opportunities for cooperation, thereby enabling the private sector to contribute to the roll-out of concrete initiatives at the community level. Furthermore, synergies were sought with the Programme’s diaspora engagement component.

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For more detail see the M4D Net (migration4development.org) and the respective country pages.
While no universally agreed-upon definition exists, **private sector engagement** can be defined “as an activity that aims to engage the private sector for development results” (OECD, 2016b, p. 1), or, in the context of this discussion, to achieve improved migration and development outcomes. It refers to a process led by national or local governments, or by organizations in the field of international development cooperation. While the SDC highlights that PSE implies “joining forces on an equal footing for an impact-driven development intervention” (SDC, 2021, p. 7), other definitions have emphasized the active role of the private sector (Di Bella et al., 2013; OECD, 2016b) as characteristic of PSE.

PSE may take varying levels of formality, ranging from informal collaborations to formalized partnerships, such as public-private partnerships (OECD, 2016b). The OECD put forward a rather complete typology of private sector engagement in development cooperation, distinguishing between five modalities (knowledge and information-sharing, policy dialogue, technical assistance, capacity development and finance), for each of which different mechanisms can be used (see OECD, 2016c, p. 44). For instance, knowledge and information-sharing can be facilitated through multi-stakeholder networks, learning platforms, con-
ferences, seminars, workshop and other events, as well as through funding for research. Other mechanisms, not included in this typology, include exploratory consultations, linking businesses to new opportunities and advocating business practices (Donor Committee for Enterprise Development (DCED), 2019).

Here, the focus is on PSE as part of migration and development-related initiatives. This means PSE that leverages the development benefits and mitigates the adverse impacts of migration on host and home communities, migrants and their family members and that fosters sustainable development. This includes the following processes:

- **Integration**, being defined as the “...two-way process of mutual adaptation between migrants and the societies in which they live, whereby migrants are incorporated into the social, economic, cultural and political life of the receiving community. It entails a set of joint responsibilities for migrants and communities and incorporates other related notions, such as social inclusion and social cohesion.” (IOM, 2019, p. 106).

- **Reintegration**, referring to the “...process which enables individuals to re-establish the economic, social and psychosocial relationships needed to maintain life, livelihood and dignity and inclusion in civic life.” (IOM, 2019, p. 176).

- **Social inclusion**, defined as “the process of improving the ability, opportunity and dignity of people disadvantaged based on their identity, to take part in society.” (World Bank, 2013, p.4).

- **Social cohesion**, referring to “the extent of trust in government and within society and the willingness to participate collectively toward a shared vision of sustainable peace and common development goals.” (UNDP, 2020d, p. 11).

Thereby, PSE mutually benefits migrants, local communities and the private sector, enhancing migrants’ and local communities’ socioeconomic well-being by ensuring that everyone can equally participate in society, enjoy equitable access to rights and benefits and by promoting and enhancing private sector profit and market access.

A migrant can be defined as any “person who moves away from [their] place of usual residence” (IOM, 2019, p. 132), thereby including individuals who move internally and internationally, and for different durations and reasons. M4SD Programme countries comprise a variety of migration and development contexts. The Programme takes an inclusive approach to migration, including prospective migrants, internal migrants and displaced people, even though the focus is on international migrants. In the case of international migrants, the term migrants – as used throughout this document – encompasses the different stages of the international migration cycle that migrants, including refugees and asylum seekers, could pass through, namely emigration, transit migration, immigration and return migration (UNDP, 2020a).

PSE has also addressed diasporas – here defined as communities of emigrants and their descendants who identify with their country of origin and maintain strong ties with the same

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4 The original definition states “his or her” which was replaced by “their” to be inclusive of all genders.
5 “The term includes a number of well-defined legal categories of people, such as migrant workers; persons whose particular types of movements are legally defined, such as smuggled migrants; and a those whose status or means of movement are not specifically defined under international law, such as international students.” (IOM, 2019, p. 132).
Throughout this document, the terms migrants and diaspora members will be used separately, acknowledging that – in line with the above definition – not all diaspora members are migrants and not all migrants are part of the diaspora.

Private sector engagement as part of migration and development-related initiatives mostly includes the following entities (UNDP, 2020b):

> Companies, including large companies, micro, small and medium-sized enterprises (MSMEs), cooperatives and social enterprises
> Intermediary institutions and interlocutors, such as chambers of commerce, industry and business associations, business alliances and round tables
> Financial institutions, such as commercial banks, microfinance institutions and cooperative banks

Other privately-owned entities, such as private schools, universities and the media, are not considered here.

Throughout this document, the specific focus will be put on large companies and MSMEs, intermediary institutions and financial institutions. In countries of origin, transit and destination, these entities may support the efforts of governments and organizations in the field of international development cooperation to build prosperous and resilient societies that encompass everyone and ensure opportunities for all, depending on the type of entity, as presented in Figure 2.

**Figure 2**: Private sector activities related to education, employment and economic inclusion, health, social security and human rights

<table>
<thead>
<tr>
<th>EDUCATION</th>
<th>EMPLOYMENT &amp; ECONOMIC INCLUSION</th>
<th>HEALTH</th>
<th>SOCIAL SECURITY &amp; HUMAN RIGHTS</th>
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<tbody>
<tr>
<td>Large companies &amp; MSMEs</td>
<td>Large companies &amp; MSMEs</td>
<td>Large companies</td>
<td>Large companies</td>
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<tr>
<td>&gt; Support skills training, language courses</td>
<td>&gt; Hiring</td>
<td>&gt; Support access to healthcare, energy and other basic services</td>
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<tr>
<td>&gt; Provide mentorship</td>
<td>&gt; Support incubators &amp; accelerators*</td>
<td></td>
<td>&gt; Promote inclusive hiring practices</td>
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<tr>
<td>&gt; Offer apprenticeships</td>
<td>&gt; Invest in/source from migrant enterprises</td>
<td></td>
<td>Intermediaries</td>
</tr>
<tr>
<td>Financial institutions</td>
<td>Financial institutions</td>
<td>&gt; Promote inclusive hiring practices</td>
<td></td>
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<tr>
<td>&gt; Support financial literacy programmes</td>
<td>&gt; Improve access to financial services</td>
<td></td>
<td></td>
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<tr>
<td>&gt; Intermediaries</td>
<td>&gt; Tailor financial services</td>
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<tr>
<td>Intermediaries</td>
<td>Intermediaries</td>
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<td></td>
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<tr>
<td>&gt; Coordinate educational opportunities with companies</td>
<td>&gt; Introduce awards and recognitions</td>
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Source: Own elaboration based on a review of the literature.
While the private sector may engage with migrants in other ways as well, for instance by funding humanitarian assistance (see International Finance Cooperation, 2019) or by providing services on behalf of governments (see Bisong & Knoll, 2020), the report focuses on the aforementioned forms of private sector practices as they foster inclusive sustainable development.

While migrants are often viewed as beneficiaries of private sector engagement, and therefore separate from the private sector, they can also be active participants in the private sector themselves. Both migrants and diaspora members can be business owners, investors and entrepreneurs in countries of origin and destination and, as such, can be part of the private sector (Bisong & Knoll, 2020).

### 1.2. Background

Private sector engagement is not a recent phenomenon but has gained increasing attention and importance as stakeholders recognize the value of partnerships and multi-stakeholder approaches in maximizing the positive impact of migration on individuals, communities and economies. International development agendas, with the [2030 Agenda for Sustainable Development](https://www.un.org/sustainabledevelopment/) and its 17 Sustainable Development Goals (SDGs) in the forefront, have highlighted the importance of multi-stakeholder approaches, including engagement with the private sector together with other non-governmental stakeholders, as part of forging more comprehensive solutions to sustainable development.

This is particularly the case for SDG 17 on partnerships. Along these lines, the United Nations has long embraced a multi-stakeholder approach, recognizing the private sector as a crucial partner in addressing global challenges. Major initiatives include the UN Global Compact, the UN Private Sector Forum (PSF) and the [Business and Industry Major Group (B&I MG)](https://www.un.org/en/development/desa/population/migration/index.html), advancing sustainable and responsible business practices and promoting dialogue on global issues, such as climate change, sustainable development and human rights.

In addition to these well-established forums and initiatives, the United Nations Secretary-General (UNSG) has continuously emphasized the role of the private sector in sustainable development. 6 In his report "Our Common Agenda" the UNSG called for more "inclusive multilateralism", including the private sector and other non-state actors, and announced the “Summit of the Future” in 2024 as another high-level, multi-stakeholder forum (United Nations, 2021). UN agencies collaborate with numerous private sector companies and have developed their private sector (engagement) strategies. 7 Initiatives include the following ones:

> The **Connecting Business initiative (CBi)** which engages the private sector in disaster preparedness, response and recovery.

> The **SDG Philanthropy Platform** which aims to optimize efforts and resources to achieve the SDGs.

> The **Business and Human Rights Initiative** which aims to improve human rights standards in business.

> The **Gender Equality Seal for Private Sector** which promotes gender equality and women’s empowerment in the private sector.

The importance of private sector engagement in migration governance has been demonstrated by the creation of the **Global Forum on Migration and Development (GFMD) - Business Mechanism**, which culminated in the private sector’s recognition as a distinct and separate stakeholder. Created in 2015, and housed at the **International Organisation of Employers (IOE)**, the GFMD Business Mechanism serves to include private sector perspectives in migration and development policy dialogues (GFMD, 2023). The mechanism then played an important role in contributing to the **Global Compact for Safe, Orderly and Regular Migration (GCM)**, one of which guiding principles is a **whole-of-society approach**:

> The Global Compact promotes broad multi-stakeholder partnerships to address migration in all its dimensions by including migrants, diasporas, local communities, civil society, academia, the private sector, parliamentarians, trade unions, national human rights institutions, the media and other relevant stakeholders in migration governance.

(United Nations General Assembly, 2019, Para. 15, j)

The GCM highlights the role of the private sector to invest in human capital development, providing accurate and timely information at all stages of migration, enhancing the availability of regular pathways for migration, facilitating fair and ethical recruitment, addressing vulnerabilities in migration, promoting skills recognition, create conditions for migrants and diasporas to fully contribute to sustainable development in all countries, promote faster, safer and cheaper transfer of remittances and foster financial inclusion of migrants.

While the need for private sector engagement for enhanced migration and development outcomes is very clear, more needs to be done to engage the private sector in an effective and efficient way.
1.3. Approach and structure

To strengthen PSE, this publication focuses on three key aspects, which aim to build the ground for longer-term partnerships with the private sector:

1. **Private sector mapping (Chapter 2)** which serves to inform private sector engagement strategies,

2. **Advocacy (Chapter 3)**, which allows increasing PSE to be actively involved in issues related to migration and sustainable development,

3. **Instruments to strengthen PSE (Chapter 4)**.

It should be noted that they are complementary and may be undertaken simultaneously or consecutively. They differ according to their aim, the depth of engagement with the private sector, the role of the private sector, the frequency of interaction and resources brought in (see Figure 3). The engagement modalities presented in this publication are not new and have been used for private sector engagement in other contexts, namely development and crisis recovery, among others. Their conceptualization has been adapted from previous publications (see DCED, 2019; OECD, 2016 b,c). Nonetheless, this publication illustrates their application as part of migration and sustainable development related initiatives.

**Figure 3: Overview of approach and structure**

Source: Own elaboration drawing on DCED (2019), OECD (2016b,c).
Designing effective private sector engagement strategies that benefit everyone, requires a sound understanding of the private sector’s characteristics, their current involvement related to migration and sustainable development, potential challenges to their engagement and opportunities to engage with migration and sustainable development policies and practices.

In the M4SD Programme, private sector mappings were used to generate this in-depth understanding of the private sector and to inform the consequent strategies for private sector engagement. Mappings were conducted in all six countries of M4SD where concrete community initiatives were established (Ecuador, Morocco, Nepal, Serbia, Senegal and Tunisia). The private sector mapping exercises were a crucial component in the development of the private sector engagement practices in each country. Mappings allowed the identification of the private sector’s thematic or geographic priorities; the engagement of specific private sector actors in the implementation of the initiatives; and the identification of how the private sector is currently engaging on migration issues, sustainable development and on the most effective forms of their engagement.

The mappings facilitated the identification of the main challenges or threats and the opportunities or entry points for private sector engagement. Then, based on these, models were developed to engage and to work with the private sector to increase the results and sustainability of small initiatives supporting migrants and communities.

This chapter presents the private sector mapping methodology developed and tested as part of the M4SD Programme. This tool can be replicated and adapted in different contexts. The chapter outlines the key steps and considerations to conduct a private sector mapping, including data sources and methodological considerations. It also presents alternative assessments that can be conducted.

2.1. Study focus and key elements of the private sector mapping

Before the start of private sector mapping, its objectives and scope should be clearly defined. This will help to ensure that the mapping meets the needs and expectations of the implementing organization and of all stakeholders involved. Criteria to define the scope of the mapping exercise include:

1. **Study objective:** Clearly defining the purpose of the mapping study and determining the specific information needs will ensure that the study meets its goals.

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8 See Ecuador – Félix (2020); Morocco – H2Y Conseil (2021); Nepal – Arjal (2023); Serbia – IOM; SDC and UNDP (2022); Senegal – Wade (2022); Sy (2022 a, b); Tunisia – Saibi (2021).
2. **Previous studies:** Existing local, regional or international efforts to map the private sector can serve as a starting point to define the scope of the mapping exercise. Focusing on research gaps in previous studies ensures that the time and effort spent on the mapping are utilized efficiently.

3. **Geographical scope:** Determining the geographic area to include in the study (region/country/province/city). Focusing on one area can enable more in-depth analysis while choosing several geographic areas can allow for comparative analysis.

4. **Sector focus:** Defining whether the study takes a sector-specific or a cross-sectoral approach. Identifying the specific industry or sector to map can allow for a more focused analysis.

5. **Private sector of interest:** Deciding whether the study will cover all types of private sector entities, or if it will focus on specific company sizes (e.g. MSMEs), or sectors (e.g. financial institutions).

6. **Population of interest:** Deciding whether the study will focus on a specific group of migrants (e.g. migrant workers, refugees), or specific community members (e.g. young people, women).

7. **Data collection methods:** Determining the methods for data collection (desk research, qualitative, quantitative, mixed methods) based on resources available, time constraints and the level of detail required for the study.

8. **Time frame and budget:** Setting a realistic time frame and budget for the study, considering the complexity of the industry/sector, data collection methods and the depth of analysis required.

Private sector mappings comprise five main elements (as summarized in Figure 4 below): the private sector’s current involvement in creating more migrant-inclusive communities, contextual information, the private sector’s characteristics, entry points or opportunities for private sector engagement and challenges and threats.

**Figure 4: Key elements of the private sector mapping**

![Diagram](Image)

Source: Own elaboration.

First and foremost, the private sector mapping aims to identify ways in which the private sector is currently involved in issues related to migration and sustainable development. Private sector activities may encompass the following:
The in-company provision or (co)funding of external skills training, language courses, mentorship, apprenticeships and financial literacy programmes for migrants and communities.

The engagement with migrants as employees, suppliers, clients or beneficiaries of social responsibility initiatives.

The participation in specific initiatives for hiring and skills-matching, such as membership in an alliance supporting the (re)integration of migrants (e.g. hiring, mentorship), commitments to hire migrants and participation in a job-matching platform for migrants.

The provision of business incubation training, start-up grants or seed funding to migrant entrepreneurs, implementation of a specific programme/project/policies to hire migrants in supply chains and the provision of targeted financial products for migrants.

The support to local governments in increasing access to health care, housing, energy and other basic services.

The advocacy to governments to improve migration pathways and immigration and return processes for employment, ultimately enabling/allowing migrants to work.
BOX 2.1
PRIVATE SECTOR ACTIVITIES IN ECUADOR, MOROCCO AND SERBIA

The ways the private sector engages with migrants and communities are quite far-ranging and can be vastly different between countries but also between cities or regions within certain countries. The M4SD Programme’s small set of examples illustrates a snapshot of this variety:

In Ecuador, respondents from private sector companies completed a survey which was complemented through 20 interviews with private sector representatives and other key informants.

> Out of the 30 survey respondents, nearly one third (28 per cent) reported having worked with people on the move, which in Ecuador currently are mostly Venezuelan migrants and refugees.

> Of those who had, approximately 71 per cent indicated that their companies had employed migrants.

> Additionally, about 43 per cent reported working with migrants through corporate social responsibility initiatives. The private sector acting as suppliers (28 per cent) and clients (14 per cent) of migrants were less commonly mentioned relationships.

On the other hand, in Morocco, where the private sector mapping exercise focused on employment and self-employment for immigrants within the Tangier-Tétouan-Al Hoceïma region, the study findings showed that only three of the 59 companies (5 per cent) included in the study had employed immigrants.

> In addition, a similarly low share of companies was willing to hire and offer internships to immigrants while the vast majority were not.

Yet the private sector may also be interested not only in hiring migrants but also in decision-making around migration and development governance. In Serbia, the private sector mapping exercise focused on two types of engagement for migrants and sustainable development: cooperation between the Serbian diaspora abroad and businesses in Serbia and the employment of migrants.

> The study draws on a survey of 646 companies across four cities (Ivanjica, Kniževac, Prokuplje and Belgrade).

> Thirty-six per cent of businesses surveyed participated in creating or implementing development and/or migration policies through various types of cooperation between the business sector and local stakeholders.

The analysis of how the private sector is engaging with migrants should be embedded along with contextual information on the area of study. This may include the following:

> Key socioeconomic indicators

> An overview of the national and international legal, regulatory and policy framework related to the private sector, migrants and their socioeconomic (re)integration, including access to employment, entrepreneurship and education.

To understand how the private sector can engage, it is also important to provide a clear picture of the migrant population in question. Depending on the migrant population chosen for the private sector mapping exercise and key characteristics of this population, the following should be provided:

> Size and geographical location of the migration population.

> Demographic characteristics, such as gender, age, household compositions and living arrangements.

> Socioeconomic characteristics, such as educational attainment, labour force participation, occupation, industry, income, poverty rates, homeownership.

> Migration-related information, such as legal status, reasons for migration, the continuum between voluntary migration, such as labour migration, family formation or reunification, education and forced displacement, and the countries of origin or destination (as applicable).

The characteristics of the migrant population should be considered in relation to the main migration trends within the geographical area of study, using the information on the foreign and foreign-born population, the net migration rate\(^9\) and the migrant stock, for instance\(^10\). For this part of the mapping exercise, the IOM guide for migration profiles could be consulted (see IOM, 2011).

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9. The net migration rate — as calculated by the United Nations Population Division — is the difference between the number of immigrants and the number of emigrants of one country within a certain period.

10. The number of migrants, which generally are estimates, are calculated at a certain point in time.
BOX 2.2.
RETURNEE FEMALE MIGRANT WORKERS IN NEPAL

Focusing the assessment on a certain population allows for the generation of specific insights for this group, which serves as a basis for targeted interventions. The private sector mapping in Nepal focused on assessing the private sector’s needs and requirements to reintegrate returnee female workers in Nepal. In 2021, women comprised 13 per cent of returnee migrant workers, the majority of whom take up employment in the informal economy. The mapping showed the need to mainstream efforts to address gender equality and social inclusion in the operations of SMEs, federations and associations to support the economic reintegration of female returnee workers, to increase understanding of the gendered nuances of employment and entrepreneurship and to include these features in the core functions of organizations.

Source: Arjal (2023).

In addition, the mapping exercise should identify key characteristics of the private sector in the country, region or area of focus. This may include:

> Composition
> Concentration by territories
> Economic sectors
> Types of organizations
> Company size
> Year of establishment, or length of company operation
In Senegal, separate private sector mappings were conducted for each of the three regions included in the programme: Diourbel, Saint-Louis and Sédhiou. Agriculture is an important sector in all three, with over 80 per cent of households in Sédhiou practicing agriculture. In addition, the private sector is active in livestock, fishing and trade and tourism. Agro-industry companies include large companies and MSMEs. Since high rates of unemployment drive young Senegalese to migrate to Europe, mostly using irregular routes, identifying measures with the private sector to create new economic opportunities for potential emigrants and return migrants will generate greater local development for all.

Source: Wade (2022), Sy (2022 a,b).

2.2. Data sources and methods

The private sector mapping exercise may employ quantitative or qualitative methods, as well as a mixed methods approach. The choice of mapping methodology depends on the realities on the ground in each country and the availability of resources. In addition, the characteristics of each method, its suitability to the context of the mapping exercise and the objectives of the study should be considered. Quantitative research allows one to test or to confirm hypotheses. Qualitative research allows one to explore a certain topic or issue in detail and to generate in-depth insights to improve our understanding of this specific issue. Independent of the approach chosen, a desk review of existing data sources should be conducted before any collection of primary data takes place. An inception report may be used to guide the private sector mapping exercise.
**BOX 2.4**  
**INCEPTION REPORT AS A TOOL TO GUIDE THE PRIVATE SECTOR MAPPING EXERCISE**

**Objective:**
Chart a course of action that can structure the private sector mapping exercise. In effect, the inception report may already outline a step-by-step approach to conducting the mapping exercise and should be harnessed as a useful resource to avoid the duplication of efforts.

**Elements:**

- Objectives, purpose and scope of the private sector mapping.
- Background information (e.g. context on the composition of the private sector, migration flows, effects of the COVID-19 pandemic on employment) that can be used to contextualize and guide the mapping.
- Workplan with the time required to complete each task during the mapping. This timeline should be adjusted, if necessary, but serves as a guide to plan the mapping exercise.
- List of relevant literature, to be reviewed by the consultant (assuming a consultant is hired).
- Draft survey questionnaire for private sector actors.

Source: see Arjaı (2022).

Data for the private sector mapping can be collected in several ways. Secondary data should be identified through a desk review and used as available to provide an overview of the general context, private sector characteristics and migration trends. Depending on the quality of data available, they may also be used for quantitative analysis. The desk research should cover existing databases, such as administrative databases and existing surveys. In addition, publications from international non-governmental organizations (INGOs) and public institutions, scientific papers, policy documents and legislative documents should be reviewed. In that regard, national and international sources should be consulted. In some country contexts, secondary data may be scarce, as was the case in the region of Diourbel in Senegal.

Primary data collection should then be used to address the data gaps and generate more detailed insights regarding the specific focus of the study. In the following, the main sources and tools for each data type will be discussed. Primary data should be collected where existing data are not sufficient. The main data collection methods discussed here are surveys, focus groups and interviews with key informants. These methods may be combined to complement each other.
A survey allows information to be collected from a larger sample size. For instance, in Serbia, an online questionnaire was conducted with a convenience sample of 646 businesses. In contrast, focus groups and in-depth interviews allow the collection of more detailed information from a smaller group of people.

All three methods may be conducted virtually or in person. If opting for a virtual option, accessibility to the internet, familiarity with and social acceptance of online surveying, local languages or diversity of languages spoken by leaders in the private sector and migrants, data validity or verification and other factors, are all aspects to consider.

BOX 2.4.
SECONDARY DATA SOURCES – EXAMPLES FROM THE M4SD SERBIA PRIVATE SECTOR MAPPING EXERCISE

Administrative databases

> National Statistical Office of Serbia, company data
> Serbian Chamber of Commerce and Industry, quarterly reports on company performance

Existing surveys

> USAID Annual Surveys of Serbian companies

Publications from INGOs

> Feasibility Study Facilitating Diaspora Investments, Vienna, ICMPD

Publications from public institutions

> Migration Profile of the Republic of Serbia, Commissariat for Refugees and Migration of the Republic of Serbia
> The impact of the COVID-19 pandemic and measures to prevent it on the employment and working conditions of women and men in Serbia, SeConS Development Initiative Group
Policy documents

- Serbian Economic Migrations Strategy for 2021-2027 and the accompanying Action Plan
- Migration Management Strategy
- Strategy for Safeguarding and Strengthening the Relations between Serbia and its Diaspora and between Serbia and the Serbs in the Region
- Local action plans
- Serbian Association of Employers’ report on the effects of COVID-19

Legislative documents

- Law on Migration Management
- Law on the Diaspora and the Serbs in the Region
- Law on Foreigners
- Law on Employment of Foreigners, Law on the Conditions for Posting Workers Abroad for Temporary Assignments and on their Protection.


The selection of private sector respondents for surveys, focus groups or in-depth interviews should be guided by inclusion and exclusion criteria, which may include the following:

- Size (micro, small, medium and large companies)
- Location
- Scope of operations (city/town, state/regional, national)
- The sector of operation.

A recommendation put forward is to take the complementarity of data and possibilities for data triangulation into account through the use of primary and secondary data.
BOX 2.5.
DATA COLLECTION METHODS

<table>
<thead>
<tr>
<th>Data collection method</th>
<th>Survey</th>
<th>Focus groups</th>
<th>In-depth interviews</th>
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<tbody>
<tr>
<td>Target group</td>
<td>&gt; Private sector</td>
<td>&gt; Private sector</td>
<td>&gt; Key informants</td>
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<td></td>
<td>&gt; Online, self-administered</td>
<td>&gt; Migrants</td>
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<td>Modality</td>
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The COVID-19 pandemic has restricted the extent to which data could be collected in person, creating the need for virtual modes of data collection. While virtual modes of data collection may not be equally effective as in-person data collection, they provide a valid alternative, especially where in-person data collection is not possible. As Box 2.5. shows, the main data collection methods for the mapping exercise can all be implemented virtually.

Another way to facilitate access to respondents in multiple locations is to localize the mapping exercise at a subnational level. Within the M4SD Programme, this approach was chosen in Senegal where UNDP contracted researchers from universities in three regions of the country (Diourbel, Saint-Louis, Sédhiou) who then reached out to the local private sector, tapping into pre-existing networks of local stakeholders and experts. This also allows for an in-depth analysis of all three regions.
To access a broader audience and to identify private sector actors, it is recommended to partner with global and local networks that can facilitate contact with private sector entities. This may include:

- **IOE**: With over 150 member organizations, the IOE is the largest private sector network. Its members, the National Employers Federations, can be used as an entry point at the national level as they can point to sectoral associations or companies.

- **CBI Member Network**: Launched in 2016, the joint UNDP and OCHA initiative engages the private sector in disaster preparedness, response and recovery.

- **Global Compact Local Network**: Global Compact Local Networks are business-led, multi-stakeholder platforms that work directly with businesses to help them implement the Ten Principles of the [UN Global Compact](https://www.globalcompact.org) and to advance the SDGs.

- **GFMD Business Mechanism**.

- **Local business networks**.

- **Business and industry associations, local chambers of commerce and employer associations**.

While private sector mappings were used to inform the PSE strategies within the Programme, some other tools were employed to analyse PSE and related activities. This included the following:

1. **Labour market analyses** - Labour market analyses serve to understand, plan and improve labour market dynamics by predicting future labour market requirements and demographics. They constitute an important base of information to develop targeted policies and initiatives to address skills mismatches and facilitate the alignment of education and training programmes. To tailor employment and skills training to the local labour markets, two analyses in Ivanjica in Serbia were carried out, one of which consisted of an analysis to understand the needs of both unemployed youth and local businesses.

   A key finding was that wood, metal and agricultural employers need skilled machine operators and technicians. Such analyses ensure that training provides youth with skills that can be matched directly with available opportunities. Similarly, an analysis of the needs and conditions of the labour markets in Manta and Santo Domingo in Ecuador was carried out which served to identify the main opportunities and challenges on hiring migrants.

2. **Needs assessments with companies** - While labour market analysis provides the bigger picture of a country, region or municipality, needs assessments with companies are essential for gaining a comprehensive understanding of companies’ specific requirements, challenges and areas of improvement. This is particularly important in an era marked by advancements in artificial intelligence and by an increasing prevalence of remote work opportunities in certain professions, which rapidly transform the landscape of the workforce and labour market.

   Additionally, the effects of climate change are devastating to more traditional livelihood
options. These profound shifts are reshaping the way employers perceive, desire and even can hire community members, including migrants. To inform vacancies to be included in the municipal job banks, a needs assessment was conducted in Manta and Santo Domingo that identified the hiring needs of companies in both Ecuadorian cities.

The assessment showed that in Santo Domingo, the companies with the greatest job opportunities are those of logistics, agro-industrial and trade services, while Manta’s economic dynamics revolve around the port, so the main vacancies are concentrated in fishing production operators. In Manta, economic shocks, such as the war in Ukraine and the COVID-19 pandemic, strongly affected international trade, having a direct impact on the reduction of jobs. The most required profiles in both cities are of a commercial and industrial nature, and the level of education required for most vacancies are a high school diploma and technological training. The issue of nationality at the time of hiring is largely irrelevant in both cities, although certain employers prefer to hire Ecuadorian nationals to avoid possible documentation problems or staff turnover, which they think they will experience when hiring migrants, while others opt to prioritize local labour.

3. Policy assessments - By evaluating the impact, effectiveness and coherence of policies, policy assessments provide valuable insights into the outcomes and implications of existing policies. In Nepal, the M4SD Programme supported the assessment of provincial policies on migration and development.

4. Skills and interest mappings with migrants and community members - By identifying the talents, skills and expertise present within both migrant populations and local communities, skills and interest mappings enable the matching of skills with available opportunities and the identification of skill gaps and areas for training and tailored support. They also allow leveraging the diversity of skills and interests to foster innovation, problem-solving and entrepreneurship within the community. An example of such an analysis from the M4SD Programme is the second analysis carried out in Ivanjica (Serbia) which consisted of a study to understand young people’s interests in self-employment and business start-ups.

It found that three in four young people were interested in starting their own business in a wide range of areas. Digital tools are increasingly being used to collect and transform this information, making it readily accessible for migrants and their partners involved in facilitating labour market integration and in fostering inclusion. For instance, within the context of the LINK IT project, implemented by IOM UK, a pre-departure Skills Profile Tool was developed which serves to collect information on refugees’ education history, work experience, personal skills, digital skills, lingual abilities, aspirations and other relevant health/caring considerations, based on which a Skills Profile was generated and maintained by the refugees themselves.

5. Mapping of services for community members, including migrants - To ensure the comprehensiveness and complementarity of services for community members, including migrants, mappings of services allow to systematically collect the necessary information. For instance, in Nepal, a mapping of reintegration services was carried out. This study allowed the mapping of available services that directly or indirectly contribute to the sustainable reintegration of returning migrant workers.
2.3. Key recommendations for action

This chapter presented the private sector mapping methodology, the criteria for selecting the study focus and the key elements of the mapping, data sources and methods. The experiences presented in this chapter can be used to implement private sector mappings to inform consequent engagement strategies.

1. Use private sector mappings

Better understanding private sector interests, labour market needs and migrants’ skills requires data, and governments themselves should take the lead on data collection. Organizations working in international development cooperation can support these efforts. To identify the private sector’s thematic or geographic priorities, private sector actors to be engaged, existing engagement and the most effective forms of engagement, governments could conduct private sector mappings. Private sector mappings serve to inform consequent engagement strategies, allowing the identification of private sector priorities, the private sector actors to be engaged and the most effective forms of engagement. In that regard, governments can draw on the approach presented in this chapter.

2. Collaborate with private sector entities

To benefit from their reach and expertise, governments could collaborate with existing private sector networks and associations. Global and local business networks and associations and chambers of commerce can help when identifying private sector partners. Drawing on their reach and expertise, they can help to identify private sector priorities and select private sector entities to work with. Depending on the network, they may also be a private sector partner themselves, especially for modalities with minimal or low depth of engagement, such as capacity development and advocacy. In the case that a private sector mapping is conducted, private sector networks and associations can facilitate data collection by convening private sector entities for focus groups or for distributing a survey.

To determine to what extent migrants’ skills meet the general labour demands of companies and their need for specific skills and to inform the design of skill training programmes, governments and organizations working in international development cooperation could partner with businesses. Particularly large companies could use their resources and networks to conduct assessments using big data, for instance through geo-located social media activity on platforms such as X (formerly known as Twitter) and Facebook.

3. Collect disaggregated data for age, gender and diversity

Private sector mappings and skills assessments should include disaggregated data for age, gender and diversity in order to design interventions accordingly. To ensure that governments have the data for evidence-informed strategies for private sector engagement, organizations working in international development cooperation can support assessments and data collection. This should include the collection of disaggregated data for age, gender and diversity to identify existing or potential inequalities, intersectionality and specific protection needs.
3. HOW TO CONTINUE ADVOCACY WITH THE PRIVATE SECTOR?

At this stage, the two issues of why migration matters for the private sector and why the private sector should be involved in migration policymaking have been clearly presented. In sectors or areas with a high dependency on migrant labour or acute skills shortages, the private sector has demonstrated great interest in migration topics and is invested in advancing labour migration pathways and legal frameworks for the mobility of skills, in addition to initiatives as part of companies’ corporate social responsibility activities.

A different picture emerges in contexts where the private sector has limited dependency on migrant labour and migration occurs independently from employers. This is especially relevant in developing countries with limited job opportunities, resulting in high unemployment rates and informal or low-paying jobs for many individuals. Experience within the M4SD Programme has shown that the private sector can be reluctant to engage on migration-related issues.

In Ecuador, the private sector mapping showed that indifference and uncertainty towards migration topics prevail in the private sector. Immigrants are mainly perceived as beneficiaries of corporate social responsibility programmes, less as potential employees or service providers. In Morocco, only four out of the 59 companies included in the study voiced a willingness to hire or offer internships to immigrants. This was mostly attributed to a lack of incentives, showing the importance of advocacy.

In Serbia, where the focus was on local development plans, 45 per cent of businesses surveyed expressed a willingness to participate in the development or implementation of local action plans more generally. Yet, among these businesses, only 5 per cent expressed an interest in local action plans specifically for migrants, while interest in local action plans on other topics prevailed (41 per cent on economic and social development; 30 per cent on youth; and 24 per cent on employment). Since all these topics are closely related to migration, businesses could be engaged on these topics while incorporating migration-related themes. In addition, two thirds of businesses were interested in hiring migrants and 30 per cent were willing to provide training.

In light of the political and economic situation in Tunisia and the context of the COVID-19 pandemic, when the mapping was conducted in mid-2021 private sector respondents were hesitant to respond any questions related to migrants, resulting in a response rate of 15 per cent for this part of the private sector mapping exercise. Besides being a major study limitation, this low level of response is emblematic of a broader hesitance and lack of interest in engaging with migration-related topics.

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11 See the following publications: Business Advisory Group on Migration (2022), Dos Reis et al. (2017), Harnoss et al. (2022) and World Economic Forum (2013).

12 See, for example, the views of African and Asian employers’ organizations, as summarized in the IOE and the Business Advisory Group on Migration (2022a,b).

13 The survey question asked about “Local Action Plans for Migrants” without specifying whether any such action to support migrants would be part of wider economic and social development initiatives that host communities would also benefit from.
to get involved in migration-related issues in a crisis context. At the same time, the fact that the private sector does not necessarily perceive migration as an “issue to be solved” – as has become a common narrative in many contexts – may also constitute an opportunity as it may point to the private sector’s understanding that migration is a positive part of their profit.

The mapping in Ecuador also showed that financial institutions see a broad spectrum of financial risks with migrants as clients, namely the loss of payment capability, the absence of a credit history, instability and money laundering, among various other issues. It is crucial to recognize that many of these perceptions are rooted in false narratives and misinformation, and are often fuelled by xenophobia and racism. To ensure the realization of the sustainable development goals, it is imperative to tackle the systemic, cultural, societal and economic challenges underlying these perceptions through informed policies and practices.

The lack of information in the private sector related to issues surrounding migrants and sustainable development constitutes another challenge. This may include a lack of information about the qualifications of migrants, including those who have returned after working abroad, the legal framework to employ immigrants and the collaboration mechanisms aimed at facilitating the inclusion of migrants in society and in the economy. For instance, in Morocco, the private sector mapping exercise showed that private sector entities were not informed about the National Immigration and Asylum Strategy which provides the basis for integrating regularized migrants.

In Serbia, where the mapping exercise focused on exploring the possibilities for cooperation between Serbian businesses and the Serbian diaspora with the use of PPPs, the mapping showed that businesses lacked information about the diaspora, the process and benefits of PPPs and immigrants’ qualifications. These findings confirm what a study on private companies’ engagement in the labour market integration of refugees identified: among MSMEs an information gap exists on available support services for companies employing refugees and for refugees themselves (Torfa et al., 2022).

To address this, it is important to continue advocacy with the private sector. By convincing those in the private sector, who are sceptical, disinterested or unwilling to be involved, to be aware of the benefits that migration can bring to their business and the positive changes that can be achieved. This builds the ground for engaging the private sector as part of migration- and development-related initiatives.

### 3.1. Why private sector engagement continues to matter

Migration matters for the private sector, as migrants may allow addressing general labour shortages and businesses’ needs for specific skills, increasing creativity and innovation through diversity and helping MSMEs to adapt to international markets and to buy their products. The private sector’s resources and unique capabilities make it a crucial partner for improving the lives of international migrants and communities around them, and for enhancing the contribution of migrants to sustainable development.
Why migration matters for the private sector

Although businesses may be driven by a sense of social responsibility to work with migrants, in practice this sense of social responsibility is more focused on displaced populations, as evidenced for instance in relation to the arrival of a large number of refugees in Germany in 2015/2016 (Müller, 2021; Torfa et al., 2022), or during the Ukraine crisis (Beaulieu & Elbayar, 2022). However, there is also a clear business case related to the relevance of other forms of human mobility for the private sector, with estimates suggesting that migration may grow into a US$20 trillion opportunity for business by 2050 (Harnoss et al., 2022).

Hiring migrants can mitigate general labour shortages and address businesses’ needs for specific skills (Business Advisory Group on Migration, 2022; Dos Reis et al., 2017). In 2019, there were 169 million international migrant workers in the world, constituting 4.9 per cent of the global labour force in destination countries (ILO, 2021).

Well-managed migration can match skills to fill labour market gaps in countries of destination and respond to labour market surpluses in countries of origin. According to the Employment Outlook Survey conducted by Manpower Group, 75 per cent of the over 40,000 employers across 40 countries and territories, with predominantly very high or high levels of human development, were experiencing talent shortages in 2022 (Manpower Group, 2022). Serbian companies are currently experiencing a shortage of workers in various occupations, such as production workers, welders, cooks, computer numerical control (CNC) operators and electricians (Chamber of Commerce and Industry of Serbia, 2022). In particular, small and medium-sized companies can be interested in employing migrants to address companies’ labour shortages.

While skill shortages due to ageing populations and declining birth rates currently mostly affect countries with very high levels of human development, addressing skill gaps plays a significant role in creating better development outcomes and skills shortages are an issue in many developing countries. For example, Senegal faces major shortages in horticulture, tourism and agro-processing (Aly Mbaye et al., 2021). In Tunisia, where youth unemployment rates have been high, employers are facing difficulty in finding skilled workers, resulting in 45 per cent of advertised job vacancies remaining unfilled in 2018 (Grundke & Goldstein, 2022). Identifying solutions to address the mismatch between the skills of unemployed people and businesses’ needs would create more opportunities for all.

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14 See, for instance, Torfa et al. (2022) a study in the Germany city of Stuttgart which showed that small and medium enterprises were particularly interested in employing refugees with technical qualifications training to address their labour shortages.
Through private sector engagement, sector-specific labour shortages in one country may be addressed through labour supply from another country. The Triple Win programme operated by the German Agency for International Development Cooperation (GIZ) and the Service Centre for Professional Recognition at the Federal Employment Agency aims to address the shortage of qualified nurses in Germany by placing nurses from Bosnia and Herzegovina, the Philippines, Serbia and Tunisia in Germany.

‘Triple win’ refers to the contributions the programme aims to make in the following spheres: (1) labour markets in countries of origin; (2) sustainable development in countries of origin; and (3) the demand for nurses in Germany.


As highlighted in IOM’s most recent World Migration Report, “migrants provide a source of dynamism globally, and are overrepresented in innovation and patents, arts and sciences awards, start-ups and successful companies” (McAuliffe & Triandafyllidou, 2021, p. 301). Ample empirical evidence exists regarding the impact of migration on innovation in the United States of America and Europe15, while scant attention has been paid to the effect of migration on innovation in developing countries. What is important from the employer’s perspective is that “[a] more diverse workforce tends to boost creativity and innovation […]” (Legrain, 2017, p. 6).

Evidence from small- and medium-sized enterprises in the United Kingdom suggests that firms with a greater share of migrant owners or partners are more likely to introduce new products and processes due to a “diversity effect” (Lee, 2015). Migrant scientists created several of the COVID-19 vaccines and many multinational companies have been founded by migrants, for example, the Zoom platform (Anderson, 2020; Ewing, 2020).

Finally, migrants may allow companies to expand their markets and access new ones (Legrain, 2017). In particular, MSMEs may benefit from migrants’ and diaspora members’ networks in countries of origin and destination to help them adapt to international markets and to understand regulatory requirements (IOM, 2022). Migrant entrepreneurs often connect markets and consumers in countries of origin, transit and destination. For instance, in Morocco, micro-entrepreneurs have been sourcing products from their communities in West Africa to sell them (for more detail see the M4SD case study “Business incubation and employment support for regular migrants and communities”). Migrants may also be important consumers themselves. In 2014, immigrant-led households held 14.3 per cent of total U.S. spending power (New American Economy, n.d.). The total tax revenues generated by Venezuelan migration in Ecuador in 2021 represented 0.04 per cent of GDP for that year (Cavenpe & Kas, 2022). Furthermore, public

15 See Lissoni (2018) for a review of the literature.
support for vulnerable migrants, including refugees, can help businesses garner further consumer backing (Economist Impact, 2021).

Why engaging the private sector matters for enhanced migration and development outcomes

Talent Beyond Boundaries facilitates skilled labour migration pathways for refugees. As the below quote illustrates, their experiences are also applicable when the private sector is to be engaged to foster integration and inclusion.

“Businesses can be and are an incredibly effective agent for positive social integration and the experience Talent Beyond Boundaries and our candidates have had confirms that. We’ve seen businesses make serious efforts to ensure the relocation of workers and their families and that they’re welcomed into their new communities, everything from employers collecting the family from the airport, [...] and arranging buddies to help them orient to the local area to providing cash on arrival, transitional housing, assistance finding long-term accommodations, paying for English language classes and assisting with finding schooling for children.”

Gary Slaiman, Corporate Outreach Advisor to Talent Beyond Boundaries

Source: International Migration Review Forum Side Event organized by UNDP.

The private sector’s resources and unique capabilities make it a crucial partner for governments aiming to improve the lives of migrants and communities around them, and for enhancing the contribution of migrants to sustainable development in countries of origin and destination alike. The private sector is the largest employer of migrant workers and accounts for 90 per cent of all jobs in the average developing country (OECD, 2015; World Economic Forum, 2019).

The role of companies as employers and their capacities and financial resources can be a valuable asset in supporting initiatives to improve employment and education among community members, including migrants, allowing them to offer or (co)fund training for consequent employment. In the Serbian Municipality of Ivanjica, for example, 40 young people
Within the M4SD Programme, projects in local communities in Serbia have empowered young people to build their careers. ©M4SD

Another 20 young people were trained to become CNC operators, for which students were paid by MATIS, a local business. A local academy certified all students; the company then hired all 20 graduates. This example illustrates how by engaging the private sector, local governments can create direct training-to-employment pathways for unemployed youth.

Private sector engagement serves to achieve greater reach than otherwise possible and builds the ground for long-lasting solutions by not only offering training but employment, illustrating how private sector engagement serves to support and scale up the impact of migration and development initiatives. (For more detail see the M4SD case study “Triple-win: Improving young people’s quality of life, prosperous towns and growing businesses”.)

Thus, the private sector may not only increase employment and economic inclusion for migrants, but it can also contribute to combatting forced labour and protect (migrant) workers’ rights throughout their supply chain. This is particularly relevant for countries with high shares of migrants in vulnerable situations, including refugees (Verité & TENT, 2021). Companies sourcing from these countries may therefore have an interest in ensuring that their suppliers employ migrants under decent work conditions. Businesses can assume a role model function by advocating for the protection of (migrant) workers and by implementing the Employer Pays Principle which guides companies to pay the full costs of recruitment. An example is H&M’s Group Foreign Worker Programme in Türkiye (see Box 3.3.).

A tool the private sector can use is the Labour Migration Process Mapping Guide which aims to help business enterprises identify, mitigate and address human and labour rights risks faced by migrant workers in global supply chains (see IOM, 2023a).
BOX 3.3.
H&M GROUP’S FOREIGN WORKER PROGRAMME

In Türkiye, the H&M Group – a member of UNDP’s Business Call to Action (BCtA) – has been working with suppliers as part of their Foreign Worker Programme.

When joining the BCtA in 2014, the H&M Group committed to addressing the need for skilled workers and quality vocational training in the textile industry in Bangladesh by providing training to 5,000 individuals in its supply chain by 2016. In 2021, the H&M Group renewed their commitment through the Foreign Worker Programme in Türkiye.

The programme aims to foster the integration of refugees in Türkiye and to increase awareness about formal employment in H&M’s supply chain there through training on fair and equal labour principles and advocacy for fair labour recruitment practices.


Private sector entities also have specific technical knowledge that – when combined with governments – allows them to co-design innovative solutions. Migrants may also benefit directly from the private sector’s technical expertise, for instance through mentoring or business development counselling for migrants (Huang, 2017). Along these lines, the private sector can support business incubation programmes that enable migrants to acquire new skills based on the destination country’s labour market requirements and to foster migrant entrepreneurship to alleviate job scarcity. Another way to support migrant entrepreneurship is through direct investment in migrant-owned or migrant-led enterprises (Bisong & Knoll, 2020; Hachigian, 2016; Haller & Kreiner, 2019; Kluge et al., 2018).

The private sector can influence policy and decision-making. In particular, business associations or large companies may use their influence on a local or national level to lobby for migrants’ economic inclusion and integration support (Bisong & Knoll, 2020; Huang, 2017). In their capacity as participants in national migration systems, the private sector possesses know-how that is of relevance when designing labour migration and integration policies (Business Advisory Group on Migration, 2020).
BOX 3.4. SKILLS PASSPORT

The Skills Passport allows returning migrant workers in Sri Lanka a certification of the skills and experiences obtained informally, at the same time facilitating recruitment for employers. The initiative is a joint project of the Ministry of Skills Development, Employment and Labour Relations, the Employers’ Federation of Ceylon and the International Labour Organization (ILO).


3.2. Examples of action

Advocacy should focus on raising awareness among private sector entities about the needs for and benefits of engaging with, hiring, empowering and advancing partnerships with migrants. It can include activities to sensitize and change attitudes among the private sector globally, nationally or locally, making a clear business case for involvement in the area of migration. Advocacy can centre around the following key messages to highlight the case for business:

1. **Private sector engagement for enhanced migration and development outcomes benefits everyone**: Emphasize that the private sector’s active involvement in migration-and development-related initiatives benefits the private sector but also the broader society, thereby fostering economic growth, social cohesion and sustainable development.

2. **Employing migrants allows one to mitigate general labour shortages and to address businesses’ needs for specific skills**: Highlight how migrants can fill critical labour gaps, enabling companies to meet their staffing requirements and to access specialized skills that may be scarce in the local workforce, thereby enhancing productivity and competitiveness.

3. **With migrants, the private sector can gain new customers**: Showcase how the presence of migrant communities opens up new market opportunities, as migrants often maintain connections with their countries of origin, creating avenues for expanded trade, cultural exchange and diverse consumer preferences that can fuel business growth.

4. **Migrants increase creativity and innovation through diversity**: Communicate the advantages of diverse workforces, emphasizing that migrants bring unique perspectives, experiences and cultural backgrounds, which contribute to increased creativity, innovation and problem-solving within the private sector.
In practice, advocacy may comprise information and awareness-raising campaigns, workshops, closed-door meetings or working groups.

**Information and awareness-raising campaigns**

Information and awareness-raising campaigns serve as powerful tools to educate and inform the private sector about the benefits of active participation in migration- and development-related initiatives. By disseminating accurate and relevant information about the economic advantages, social impact and legal frameworks associated with migration, these campaigns can help alleviate misconceptions and create a conducive environment for private sector involvement. Emphasizing the advantages of migration can encourage companies to prioritize decent work, to protect the rights of migrant workers and to promote inclusive practices. They also serve to highlight the positive contributions that migrants bring to communities for a broad audience.

On a global scale, the “It Takes a Community (#ITAC)” campaign is an example of an international multi-stakeholder campaign. Facilitated by the GFMD, through the Ad Hoc Working Group on Public Narratives on Migration and led jointly by IOM and the Governments of Canada and Ecuador and the GFMD Mayors Mechanism, the campaign showcases the positive impact that migration can have on communities, contributing to global endeavours to foster social cohesion, manage migration and combat xenophobia and the discrimination of migrants.

From April to August 2021, ITAC achieved significant outreach through its social media platforms, generating over 6.4 million impressions. In addition, more than 115 pieces of content were created on the campaign website and the campaign toolkit reached an audience of over 10,000 individuals. The GFMD Business Mechanism contributed to the campaign by recording 20 videos with private sectors leaders advocating for well-managed migration.17

Country-level examples of similar campaigns include the *Tu Causa es Mi Causa (Your Cause is My Cause)* campaign in Peru, which seeks to reinforce solidarity with refugees and migrants, particularly Venezuelans, and the *Somos Lo Mismo (We are the Same)* campaign in Panama, promoting solidarity and integration among migrants and other community members.

While such campaigns allow for reaching a broad audience, which may include the private sector, campaigns targeted to the private sector allow for providing specific information about the legal, regulatory and policy framework, in addition to highlighting the importance of private sector engagement. As part of the M4SD Programme, two awareness-raising videos were developed in Morocco. The first video targeted the private sector and aimed to disseminate information about the National Immigration and Asylum Strategy, as well as the incentives and benefits provided by the National Agency for the Promotion of Employment and Skills to support businesses in recruiting migrants and promoting diversity.

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17 Videos can be seen on IOE’s YouTube Channel, [https://www.youtube.com/@IOEmployers/videos](https://www.youtube.com/@IOEmployers/videos)
The second video was directed at migrants residing in Morocco, informing them about the opportunities and available services that facilitate their labour market integration. This is important in a context where both the private sector and migrants voiced a lack of information.

**Awareness-raising workshops and training**

Complementary to information and awareness-raising campaigns, awareness-raising workshops create a platform to build the private sector’s capacity and deepen its knowledge around diversity, inclusion and sustainable practices. Through workshops and training, participants can develop a deeper understanding of the challenges faced by marginalized groups, such as migrants, and the potential contributions they can make to the workforce. Through interactive sessions and discussions, participants gain insights into the importance of ethical recruitment, non-discrimination and decent work for all employees, regardless of their background. These workshops also facilitate the exchange of best practices and successful case studies, inspiring businesses to adopt more inclusive policies and practices.

As the two local M4SD projects in the municipalities of Manta and Santo Domingo in Ecuador focused on sustainable development through employment and socioeconomic inclusion, the M4SD Programme supported several complementary activities to promote the employability of migrants and other community members through private sector engagement.

To promote the employability of new arrivals, such as Venezuelan and Colombian individuals displaced to Ecuador and other community members who may find it difficult to access the labour market, including Ecuadorian youth and women, Fundación Esquel, a local NGO, carried out several activities to facilitate greater understanding by the private sector on the contributions migrants can bring to their businesses. PSE activities combined awareness-raising campaign and training on inclusive hiring practices for the private sector with “Training of Trainers” (ToT) on inclusive hiring practices in the private sector for public officials and training on CV writing for community members, including migrants, and the creation of municipal job banks. With regards to the private sector, 79 staff from 41 companies in Manta and Santo Domingo were trained in inclusive hiring practices. Simultaneously, companies were part of an awareness-raising campaign. The training and campaign aimed to encourage companies to adopt more inclusive hiring practices and employ migrants. The training consisted of four thematic sessions.\(^\text{18}\)

1. Fundamental concepts of human mobility
2. Normative framework
3. Employability guide
4. Selection and recruitment process

\(^\text{18}\) A promotional video was developed which summarizes the aim and content of the training.
The following myths and facts were discussed with participants as part of the inclusive hiring training in Manta and Santo Domingo.

<table>
<thead>
<tr>
<th>Myth</th>
<th>Fact</th>
</tr>
</thead>
<tbody>
<tr>
<td>The foreigner probably did something inappropriate that forced them to leave their country.</td>
<td>Different migrants experience different motivations (academic, employment, economic) or compulsions (armed conflict, humanitarian crisis, natural disasters) to leave their country.</td>
</tr>
<tr>
<td>Migrants are criminals.</td>
<td>It is prejudicial to think that crime is linked to nationality.</td>
</tr>
<tr>
<td>Migrants are poor.</td>
<td>Poverty status does not depend on nationality.</td>
</tr>
</tbody>
</table>

Source: Training material elaborated by Fundación Esquel.

Teresa, owner of a business selling pharmaceutical products and participant of the training in Santo Domingo, described the experience as follows:

“This course has helped me to become more aware [...] we have some workers, including some people [who have been denied opportunities] because they did not have the necessary documentation and in other places they have been exploited, but here we have supported them until they were able to regularize their status. This course has allowed me to understand the legal framework [...] It gives me joy to see that in our country the legal regulations treat immigrants and us Ecuadorians equally.”

Consequently, local government officials in three Ecuadorian municipalities (Manta, Portoviejo, and Santo Domingo) were trained in inclusive hiring practices and 57 migrants and members of host communities received training on CV writing, preparing them to sign up for the municipal job banks, the creation of which was supported simultaneously.
Closed-door meetings, working groups and alliances

Closed-door meetings, working groups and alliances play a crucial role in driving collaboration, innovation and collective action within the private sector, but they also serve as a platform to raise awareness within the private sector. By convening closed-door meetings, governments and other stakeholders can engage in confidential and strategic discussions, allowing for open dialogue on sensitive topics, fostering trust and enabling focused problem-solving. For instance, in the Philippines, UNDP has led bilateral discussions with business groups about migrant-related issues such as reintegration and employment.

Similarly, working groups and alliances allow businesses to join forces with like-minded organizations, leveraging their combined resources, influence and expertise to drive impactful change, tackle specific challenges or pursue shared objectives. These alliances provide a unified voice on critical matters, enhancing advocacy efforts and strengthening the private sector’s ability to influence policy, to drive innovation and to promote sustainable practices. Thus, alliances can serve as a platform to raise awareness around the importance of private sector engagement for enhanced migration and development outcomes and to allow private sector actors to encourage engagement from fellow private sector actors.

For instance, the International Recruitment Integrity System (IRIS) is IOM’s flagship initiative and a global IOM-led multi-stakeholder engagement that assists governments, civil society, private sector and recruiting agencies in the ethical recruitment of migrant workers for the promotion of safe labour migration. These include the IOE, the World Employment Confederation, the Leadership Group for Responsible Recruitment, the Responsible Business Alliance (RBA), the Consumer Goods Forum, Amfori, Association of Labour Providers (UK), Sustainable Hospitality Alliance, among others, as well as global brands and employers (IOM, 2023b).

The IRIS Secretariat signed a project agreement with several companies, including the H&M Group. IOM conducts awareness-raising and capacity-building on the ethical recruitment for staff in H&M operations and supply chains. The project reflects the IRIS multi-stakeholder approach to create an enabling environment for ethical recruitment and reinforces strategic efforts to build demand for ethical recruitment in global supply chains. The initiative included the following activities in two Programme countries:

- IOM Bangladesh facilitated a series of introductory training sessions on the IRIS Standards between 2020-2022. Private recruitment agencies who sought to pursue IRIS certification after the introductory training were later inducted into the IRIS Labour Capacity-Building Programme, where they received hands-on support in implementing policy changes in their recruitment operations to adhere to IRIS Ethical Recruitment Standards. As a result, two private recruitment agencies (Catharsis International and Imperial Resources Limited) who are part of the IRIS certification programme have sent 20 workers to Malaysia following the ‘Employer Pays Principle’ in 2023.

- IOM Nepal, with the funding support from the IOM Development Fund and the RBA regional projects organized a two-day IRIS introductory training in seven provinces where over 300 targeted stakeholder representatives were trained from civil society organizations (CSOs), migrant resource centers (MRCs), migrants’ community, private
recruitment agencies and ministries. Additionally, national workshops and multi-country round-table dialogues were conducted with the objective of promoting engaged stakeholders, i.e. private sector, businesses and governmental bodies so that they respect, promote and remedy the human and labour rights due diligence of migrant workers in the labour migration corridor. The IRIS programme intervention has provided support in advancing the SDG and GCM of which the Government of Nepal is a Champion Country.

3.3. Key recommendations for action

This chapter has illustrated that migration matters for the private sector, as migrants may address general labour shortages and businesses’ needs for specific skills, increase creativity and innovation through diversity, help MSMEs adapt to international markets and to buy their products. The private sector’s resources and unique capabilities make it a crucial partner for improving the lives of migrants and communities around them, and for enhancing the contribution of migrants to sustainable development.

1. Raise awareness with governments, the private sector and civil society

To create an enabling environment for private sector engagement, organizations in the field of international development cooperation could focus on awareness-raising with governments, the private sector and civil society. Awareness-raising with governments should highlight the importance of enhanced migration and development processes and of engaging the private sector to enhance these processes, while awareness-raising with the private sector should highlight its benefits.

Implementing organizations can draw on the key messages presented in this chapter. Some of these messages can also be used for awareness-raising with civil society, which should highlight the positive impact of migration on individuals, communities and economies. In addition to awareness-raising with broader civil society, governments and organizations in the field of international development cooperation may target specific civil society groups, such as trade unions. Since trade unions represent the interests of local workers, they may perceive migration as threatening the wages and interests of their members.

Raising awareness among trade unions of the benefits that migrants may have for local economies and local workers is therefore important. For all groups, awareness-raising should aim to change the perceptions of migrants, to combat xenophobia and to minimize discrimination, thereby emphasizing the protection and promotion of the human rights of all individuals, including migrants, throughout all stages of the migration process.
2. Involve the private sector in decision-making processes and migration policymaking

To ensure that policies reflect the realities of the private sector and that initiatives that engage the private sector address its interests and needs, governments should involve the private sector in decision-making processes and migration policymaking. This includes the design and formulation of labour market policies, e.g. related to immigrants’ integration into the labour market and policies in the areas of financial inclusion and business creation. The private sector itself can also use international forums and mechanisms, such as the GFMD through its Business Mechanism to disseminate good experiences, challenges and priorities and to advocate that national and local governments open spaces for them to contribute to national and local policymaking.

Governments and organizations in the field of international development cooperation play a role in reinforcing and cultivating such involvement. Thereby the focus should be on collaborating with the most representative and organized national employers’ bodies and associations to ensure that the right private sector actors are involved.

3. Balance development and commercial goals

Balancing development and commercial goals within private sector engagement strategies allows for promoting sustainable development for migrants and host communities while ensuring private sector buy-in. Private sector engagement in the area of human mobility should include activities for the mutual benefit of migrants, local communities and the private sector, enhancing people on the move’s (local communities) socioeconomic well-being, participation, equitable access to rights and benefits and private sector profit and market access. Demonstrating, or creating, a commercial incentive for the private sector is imperative.

Thus, targeting private sector engagement to areas of key interest and meeting the needs of the private sector entities ensures its buy-in. The closer private sector engagement is aligned with the needs and interests of the private sector, the easier the business case for PSE. To secure private sector interest and commitment, private sector engagement should focus on areas of interest to the private sector. In Ecuador, the private sector mapping exercise showed that buy-in from the private sector may be more attainable for specific issues or subtopics, such as education, gender, employability and entrepreneurship.

At the same time, as highlighted in the studies from Ecuador and Serbia, the COVID-19 pandemic has created new demands for skills and solutions. Focusing on a specific area of relevance for migrants and sustainable development and addressing areas of key interest, for instance in the field of innovation and technology, will make these topics more approachable and relevant for the private sector and therefore help secure private sector interest and commitment.
4. Measure and showcase the impact

To incentivize the private sector to engage, it is important to promote the collection of data on the positive impact of private sector engagement in enhancing migration and development outcomes and to highlight the benefits of this engagement for the private sector. This can be done by sharing success stories, case studies and impact assessments that demonstrate the value of private sector engagement. A key aspect is the private sector seeing explicit financial gains from engaging with migrants. In addition, providing incentives for the involvement of the private sector, such as recognition and prizes, can promote the same. These incentives can also come from within the private sector as, for instance, intermediary institutions such as chambers of commerce could introduce awards and recognitions.
4. HOW TO ENGAGE THE PRIVATE SECTOR MORE EFFICIENTLY?

While advocacy serves to address a lack of will and information in the private sector, efficiently engaging the private sector requires further action. This chapter highlights ways in which the M4SD Programme has supported private sector engagement to enhance migration and sustainable development. The strategies, solutions and actions presented in this chapter derive from the specific experiences within the M4SD Programme and IOM’s and UNDP’s broader work on private sector engagement.

4.1. Modalities for increased engagement

This section discussed three modalities for increased PSE, which have been implemented within the M4SD Programme and which can be adapted, replicated or scaled by governments and other partners.

Capacity development and technical assistance

To support governments to enhance private sector engagement, the M4SD Programme provided technical support to strengthen local or national capacities to engage the private sector. This includes establishing mechanisms for collective action or working groups and for reinforcing existing ones:

> In Ecuador, training was given to local government officials to create and foster opportunities for migrants’ employment, livelihoods and income generation. Between September and October 2022, a total of 47 local government officials were trained (15 in Manta, 15 in Portoviejo, 17 in Santo Domingo) through a “Training of Trainers” (ToT) on inclusive hiring in the private sector for public officials. Thereby, the ToT built on the training material from the 2021 training process on employability (see Chapter 3). This process fosters partnerships between local governments and the private sector and will allow municipalities to continue to train private sector actors on inclusive hiring processes beyond the duration of the joint programme.

> In Serbia, the re-establishment of the Business Council for Diaspora of the Chamber of Commerce and Industry in Serbia (CCIS) has been supported. Founded in 2002, the Diaspora Business Council focuses on harnessing the potential of the Serbian diaspora for economic development and fostering collaboration between Serbian businesses and individuals living abroad. The council operates under the umbrella of the CCIS and different government agencies are institutional members of the Council. The primary objective of the Business Council for Diaspora is to strengthen economic ties and to facilitate business opportunities between Serbian...
diaspora members and businesses in Serbia, serving as a platform for knowledge and technologies transfer on multiple government levels (central, regional and local). Despite its decade of existence and track record in connecting diasporas and businesses, the Council was confronting a number of challenges and untapped opportunities, including a lack of interest from its members, a lack of skilled labour in the Serbian economy and the limited use of digital platforms. To enhance the Council’s effectiveness, the development of a new, results-based strategy was supported by the M4SD Programme. This strategy represents the culmination of a capacity gap analysis, incorporating inputs from various key stakeholders and aligning with the government’s diaspora engagement strategy for development. It also draws inspiration from the accomplishments of the Chamber of Commerce and Industry of Serbia through the Link Up! Serbia II project, implemented by the International Centre for Migration Policy Development (ICMPD) from December 2019 to November 2022. The strategy serves as a road map for the Council, providing a clear direction and action plan to harness the potential of the diaspora and to promote economic growth and collaboration.

> In Moldova, joint local economic councils were established. The SDC-UNDP “Migration and Local Development” Project (2019-2022) aimed to improve the local business environment and to create additional income-generating opportunities in communities from Moldova affected by outward migration. The project supported the building of “four-leaf clover partnerships” (Local Economic Forums) by bringing together the public and private sectors, civil society organizations, and local diaspora organizations (Hometown Associations) to jointly elaborate and implement Local Economic Development Road Maps.
BOX 4.1  
METHODOLOGY TO DEVELOP AND ADOPT THE STRATEGY FOR THE BUSINESS COUNCIL FORDIAZPORA OF THE CHAMBER OF COMMERCE AND INDUSTRY OF SERBIA

The re-establishment of the Council through its new strategy followed the steps described below:

**Step 1: Capacity gap analysis** which assessed the institutional experience and included interviews with key stakeholders and a questionnaire filled out by relevant sectors, associations and regional Chambers of Commerce. It also included an analysis of how the Council could support the “Strategy on economic migration of the Republic of Serbia for the period 2021-2027”.

**Step 2: Draft Strategy**, based on the capacity gap analysis.

**Step 3: Consultation process based on the draft strategy**, including active consultations with diaspora investors, entrepreneurs, business owners and engineers in the DACH region (Austria, Switzerland and Germany) and round tables with experts, stakeholders and partners in Belgrade.

**Step 4: Onboarding of Council Members and Assembly in Belgrade**

Following the development of the strategy, members of the Council were taken on board and invited to a Business Council Assembly Meeting. The meeting served to finalize the strategy in full; relevant national partners were proposed and approved for implementation; and the submission of the strategy as a project document was presented to the relevant donor for funding.

**Step 5: Strategy adoption**

The Strategy for the Business Council for Diaspora CCIS 2023-2026 will be adopted by the Chamber of Commerce and Industry of Serbia as an overall cooperation strategy with the business diaspora in the following five years.

The forums aimed to stimulate and facilitate diaspora economic and investment engagement in local economic development in rural municipalities. This resulted in the expansion of existing businesses and the establishment of startups by returned migrants and their family members, leading to an overall boost in local economies. The project helped to create 862 new jobs, to expand/upgrade business operations of 144 existing local firms and to launch 109 start-ups and co-generate investments for $19.2 mn.

Since the focus is on establishing the ecosystem, there is limited engagement with the private sector as part of these activities, mostly with intermediary institutions and interlocutors, such as chambers of commerce and industry and business associations.

**Convening and knowledge sharing**

Knowledge sharing serves to share what works and what does not work to improve private sector engagement, partnerships and programming in issues related to migration, including identifying and scaling up potential areas for collaboration and future concrete next steps. It also creates opportunities for mutual learning. Knowledge sharing with private sector representatives is important to ensure that migration and development solutions address the interests, needs and challenges of the private sector as they are developed and when they are implemented.

Knowledge sharing can happen virtually or in person, be highly formal or rather informal and more relaxed and can include the private sector, national and local government officials, NGOs and other stakeholders. Knowledge sharing and convening efforts are most practical and useful when they have a particular purpose or specific goal in mind: for example, updating a policy relevant to the private sector’s interests, developing a new initiative in which the private sector has a stake or identifying potential areas of collaboration to overcome a specific challenge related to migrant employment in a certain city.

Within the M4SD Programme, a core workstream has been knowledge management and capacity development. Over the course of the Programme, several global webinars and peer exchanges around private sector engagement were organized, namely the following ones:

> A webinar on "Engaging the private sector: from mapping to action" in which Committed to Good and H&M presented their experiences. The webinar served to: (i) share experiences, practices and lessons learnt from the Global Programme countries on moving from mapping and planning stages for private sector engagement towards concrete engagement of private sector actors; (ii) inform ongoing and future activities by showcasing Private Sector Engagement initiatives in the areas of employability and entrepreneurship; and (iii) prepare the ground for the government-led Peer Exchange Group on private sector engagement.

> A peer exchange on "Promoting migrant employability", co-led by the Municipal Government of the Manta Canton, which allowed: (i) sharing of knowledge and good practices on how to promote migrant employability; (ii) providing expert capacity-
building by sharing the experience of the implementing partner Fundación Esquel; and (iii) identifying key success factors and common challenges to promoting migrant employability.

> A peer exchange on “Advancing the Financial Inclusion of People on the Move and Host Communities”. The event focused on: (i) sharing knowledge and good practices on supply-side interventions with financial institutions; (ii) suggesting context-adaptable engagement models on financial inclusion for people on the move; and (iii) identifying key success factors and common challenges to promote financial inclusion of people on the move through supply-side interventions with financial institutions.

While many solutions are highly context-dependent, global exchanges, such as the ones facilitated through the M4SD Programme, allow for an exchange of experiences across countries.

On the other hand, convening and knowledge sharing on a country or at the local level may allow for more specific discussions. Examples of country-level convening and knowledge sharing as part of the joint programme include private sector workshops in Senegal and a private sector mapping dialogue in Serbia.

> **Private sector workshops in Senegal:** As part of the Programme’s private sector component, workshops were organized in three regions: Diourbel, Saint-Louis and Sédiou. The workshops brought together local government and private sector representatives to discuss strategies to further involve the private sector, difficulties with the financing of private sector initiatives and the reintegration of return migrants. Recommendations to further involve the private sector included the following steps: setting up a framework for consultation between the main stakeholders to ensure that their needs are better taken into account; providing access to information, training, formalization and funding; creating an investment-friendly environment; and setting up public-private partnerships to improve the business environment at the local level. The workshops also showed the need to strengthen synergies and to, for instance, promote inclusive financing mechanisms for MSMEs and set up incubation centres.

> **Private sector mapping dialogue in Serbia:** On 28 October 2022, UNDP Serbia invited partners from the government, private sector and organizations in the field of international development cooperation to discuss the findings of the private sector mapping report, published within the framework of the M4SD Programme. While the mapping focused on the role of diasporas in the countries’ economic development, the event also provided an opportunity for partners to discuss the employment of youth, immigrants and returning migrants as a tool to address the labour shortages the country is facing in several sectors and to share good practices, showing the importance of dialogues that include the private sector.

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19 These are some examples of a set of nearly a dozen Peer Exchange Groups hosted within the M4SD Programme on various topics, some global, some regional and some national. For more of these exchanges and key tips for programming and policymaking gathered from several of these, see synthesis reports at https://migration4development.org/en/about/our-programmes.
Inviting private sector representatives to participate in these events allows partners to better understand their reality, opportunities and challenges. Depending on how this approach is implemented, the private sector may play a more or less active role. When aiming for active private sector participation, the lead role in such events would be taken by intermediary institutions or national Business Membership Organizations (BMOs). This ensures that discussions directly address the real-world challenges and aspirations of local businesses. Governments and organizations in the field of international development cooperation can then provide support by gathering stakeholders and preparing information to be shared.

Convening may also provide an opportunity to co-create innovative solutions with the private sector, thereby increasing migrants’ and communities’ access to products, services and rights. To support private sector initiatives to foster financial inclusion of migrants and all community members, financial institutions in Ecuador were accompanied to adapt their financial products to serve people on the move. Training took the form of three workshops with three themes: empathy, design and prototypes. The participatory ideation resulted in the drafting of three draft products targeted at migrants. As part of the training, participants also discussed steps on how to implement a trial.

Service delivery and collaboration

This modality serves to deliver services for migrants’ enhanced socioeconomic well-being and wider community development with the support of the private sector, and it can be seen as the most akin to partnerships. The role of the private sector can be that of a beneficiary and participant but also as a provider of financial and non-financial resources, according the private sector a more active role than in the other modalities. It is important to emphasize that this modality does not replace engaging with the private sector as true partners in migration and development initiatives and should rather be seen as a way to build the ground for partnerships. Two examples in programme countries can be highlighted:

> Municipal job banks in Manta and Santo Domingo, Ecuador: Within the framework of the M4SD Programme, IOM Ecuador has supported the local governments of Manta and Santo Domingo to launch online job banks and marketplaces to connect community members, including migrants, to job opportunities in the public and private sectors. Both platforms were built in participative processes with public officials and technical personnel so they could respond to the relevant needs and to the institutional nature and individual vision of each of the municipalities. The concept, design and function were constructed with beneficiaries in different focus groups and approved by the municipal focal points.

In the case of Santo Domingo, both platforms have been delivered to the Economic Development Administration, and although they are fully functional, the municipality is working on a strategic plan to generate opportunities for job seekers and entrepreneurs. In Manta, the platforms have been tied to the Economic Development Administration, but also to the co-working inside Casa de la Mujer, a project aimed to generate productive opportunities for vulnerable women and young people in the city.
Another example from a programme country is the National Intelligence for Skills, Education, Employment and Entrepreneurship (NISE), Aspire to Innovate (a2i), implemented by UNDP Bangladesh. Developed by the a2i team, NISE was piloted in Bangladesh and replicated in Somalia (Shago Abuur) and Jordan (Digi Maharat). The platform aims to bridge the gap between the demand and supply sides by matchmaking among the government, public and private skills service providers, employers and youth. In the case of Bangladesh, youth include job seekers, entrepreneurs and potential migrant workers.

Through the platform, they receive access to AI-based career guidance, skills training, job forecasts, apprenticeship opportunities, business and entrepreneurship guidance and migration suggestions. The platform has been designed with people with disabilities in mind. The implementation of the platform in Bangladesh, Jordan and Somalia shows its suitability for countries of origin and destination. Plans exist to expand the project to Haiti, the Maldives and Nepal.

Examples of matchmaking platforms from other countries include:

> **Dukkan.work**: A global freelance platform, Dukkan.work matches Arabic-speaking professionals with employers. While the platform aims to create digital livelihood opportunities for Syrian refugees in Türkiye, it is available to freelancers and employers worldwide. Job categories offered on the platform include graphic design, digital marketing, writing and translation, video and animation, music and audio, programming and tech, business and data.

> **Intégrate**: Intégrate is a digital platform that coordinates the efforts between UNDP, local actors and the private sector to promote and improve social and economic integration of people in human mobility contexts in Mexico. This platform allows such people to elaborate their own profiles and to identify their needs and capacities. Based on this information, UNDP links them with local actors and the private sector to facilitate their access to job opportunities and meet their needs. Additionally, Intégrate provide access to users to training programmes, psychosocial support and mentoring plans, and to prioritize the most vulnerable people to be hired in local enterprises. This model seeks to be replicated in different hosting communities, respecting their specific contexts.

> **Upwork-IOM collaboration**: In partnership with Upwork, a freelancing platform, IOM is helping displaced Ukrainians find remote work opportunities. This is done by identifying displaced jobseekers and by matching their skills with those in demand on the platform. IOM is also providing basic training and support services and assisting participants to establish themselves as online freelancers.

While job-matching platforms are a common tool the private sector can support by offering vacancies, this form of private sector engagement extends to other areas as well, such as entrepreneurship. The CREANDO project in Peru is one example. Aiming to promote the entrepreneurship of Venezuelans and Peruvians, it serves as a space for capacity-building and networking. The platform, which was launched in 2022, connects organizations that provide entrepreneurship support at the national level from the government, the private sector, civil society and organizations in the field of international development cooperation.
with migrant entrepreneurs in Peru. Private sector entities include the World Council of Credit Unions, Equilibrium, a business development consultancy, KUNAN, a platform for social entrepreneurship in Peru, and the Association of Peruvian Banks.

4.2. Challenges and key actions

Private sector engagement as part of migration-and development-related initiatives is not without challenges. Experiences within the M4SD Programme and beyond have shown that a country’s overall economic context and its legal, regulatory and policy framework influence the extent to which the private sector can be engaged. Widespread xenophobia and gender-based discrimination further complicate engagement. Within the private sector, limited capacities, discrimination against migrants, the interests of trade unions and gender-based discrimination constitute a challenge for engagement and initial engagement has proven difficult to maintain. This is in a context where governments that can play a major role in driving more enhanced private sector engagement also lack the capacities and interest to do so.

Addressing global crises and uncertainties

The current global context is framed by multiple global crises and uncertainties that have taken their toll on the world economy, resulting in economic instability and recession, a disruption of value chains, high rates of inflation and debt tightening (UNDP, 2022a). The wider macroeconomic context of the country in which private sector engagement is to take place plays an important role in the engagement design and process.

The COVID-19 pandemic and its economic repercussions have affected the private sector in many parts of the world, inhibiting business operations and causing major layoffs. In part, this exacerbated the private sector’s lack of will to engage with migrants. This was the case for Serbia, where the mapping exercise showed that changed economic circumstances due to the COVID-19 pandemic led to a lack of will or ability to engage.

A key point – this occurred in a context where foreign labour was not significantly relied on and in that regard Serbia stood apart from other countries or sectors, such as the tourism industry, which experienced the consequences of relying heavily on foreign labour during the COVID-19 pandemic, resulting in the private sector advocating for a resumption of labour migration.
BOX 4.2
IMPACT OF THE COVID-19 PANDEMIC ON BUSINESSES IN TUNISIA

In Tunisia, 19 per cent of companies surveyed as part of the private sector mapping exercise reported to have dismissed employees due to the pandemic. In addition, 21 per cent of companies reduced the costs associated with hiring or training. The same share of companies reduced the number of new hires or issued a hiring freeze.

About a third of companies had to adapt their product or service offers due to the pandemic, and 81 per cent of respondents acknowledged the need to upgrade their workforce skills to be able to adapt to the new working conditions.


In Ecuador, the slow economic revival limits the generation of new jobs. Ecuador’s economic crisis since 2018, which was further aggravated by the impacts of the COVID-19 pandemic in 2020, has led to unprecedented levels of unemployment and aggravated levels of underemployment across the country. As a result, the country has experienced an increase in informality and precariousness for all community members, including migrants, with only about one third of the country’s working-age population having adequate employment in 2022 (National Institute of Statistics and Censuses (INEC), 2022).

This challenge is of global relevance: 60 per cent of the world’s employed population works in the informal economy. The share of informal employment is higher for men than for women: 58.1 per cent of women work in the informal economy, compared to 66 per cent of men. Youth ages 15 to 24 are disproportionately affected by informal employment, with 77.1 per cent of employed youth working in the informal economy. In most of the M4SD programme countries, informal employment is high. Countries like Bangladesh (91.3 per cent, 2016), Nepal (77.6 per cent, 2016) and Senegal (88 per cent, 2018) (UNDP, n.d.) have particularly high rates of informality.

It should be noted that it is notoriously difficult to identify exact figures of informal employment, and any estimates are assumed to be lower than actual informality. Globally, most migrants reside in lower- and middle-income countries. These countries often exhibit higher rates of informality within their labour markets rendering migrants particularly vulnerable to informal, unregulated and unsafe working conditions. These conditions not only compromise migrants’ and locals’ well-being but also hamper overall development efforts by perpetuating inequalities, hindering socioeconomic progress and impeding the realization of the sustainable development goals.

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20 This is the proportion of informal employment in non-agricultural employment (percentage of total employment in non-agriculture). The data reflects the most recent available statistics.

21 The percentages of informal employment for the other M4SD programme countries are as follows: Ecuador–52.6 per cent (2018), Kyrgyzstan–50.4 per cent (2017), Moldova–22 per cent (2022), Serbia–12.2 per cent (2019). Data for Morocco, Philippines and Tunisia is not available (UNDP, n.d./ *updated internal data).*
Against this background, governments should focus on providing access to decent jobs for migrants and local communities. Ensuring individuals obtain formal contracts, health benefits and social protection is key. Thereby, governments should specifically increase access to decent jobs for migrant women and youth. This could be done through targeted traineeships, mentoring and the provision of child-care solutions.

Given the prevalence of informality, it becomes imperative to adopt a comprehensive approach to also engage the informal economy. Therefore, the focus should be on formalizing businesses, the importance of which has been illustrated in crisis and post-crisis contexts but also extends beyond them (UNDP, 2022b). By addressing informality through a holistic lens, this approach recognizes the multifaceted nature of the issue and seeks to create an environment where businesses can transition into the formal sector.

**Combining private sector engagement with private sector development** allows to strengthen the private sector and fostering job creation. The COVID-19 pandemic and its economic repercussions have affected the private sector in many parts of the world, inhibiting business operations and causing major layoffs. In part, this exacerbated the private sector’s lack of will to engage for and with migrants. Combining private sector engagement with private sector development may strengthen the private sector and foster job creation, for instance.

For example, UNDP’s Suppliers’ Development methodology is a value chain methodology with a business and social approach that builds business relationships between the lead company and its suppliers, with the ultimate goal of increasing competitiveness, productivity and quality employment. UNDP has effectively applied this approach across a range of economic sectors in several countries. The methodology forms part of the [SDG value chain programme](#) which comprises a set of additional methodologies that support MSMEs to improve their financial, managerial and production skills, business models and digitalization.

Related to the above, a certain adaptability might be an advantage. As the experience with Tunisia shows, in these more divergent contexts with a challenging political and economic situation, it makes sense to adapt private sector mappings and dialogues to ongoing developments. This may include adapting the private sector target group, the strategies to approach the private sector and the migrant beneficiary group to focus on. For example, the strategy or focus could be tailored to the engagement of the private sector on young prospective migrants, internal migrants and other potential or future people on the move.

### Overcoming legal, regulatory and policy barriers

A challenge to private sector engagement identified during the private sector mapping exercises is the legal, regulatory and policy framework in place, namely policies regulating the regularization of irregular immigrants and their access to employment, education and social services. Policies and legislation at local and national levels determine the extent to which migrants have access to rights and services.

**Legal, regulatory and policy barriers** restricting entry, labour market access, entrepreneurship, or access to formal education for migrants may limit the target beneficiary groups
of private sector engagement and private sector engagement as such. Policies and legislation also create the possibilities for private sector engagement by defining the mechanisms, forms of collaboration and ways for the sector to participate in policy development.

In Morocco, 41 per cent of companies included in the study reported ‘social and legal conditions’ as the main difficulty in recruiting immigrants. In this context, lengthy and costly administrative procedures disincentivize businesses to recruit immigrants. In Serbia, some of the obstacles identified in relation to the cooperation between businesses from Serbia and the diaspora were related to the legal and policy framework. Policy measures such as a reduction of taxes, a transparent and efficient tax policy, lower transportation costs and a facilitated procedure for shipping parcels abroad, among others, were identified as necessary to remove current obstacles and incentivize Serbian diaspora business owners to contribute to the Serbian economy. These findings confirm data presented in a recent Boston Consulting Group (BCG)-IOM report on businesses’ role in migration which identified a lack of legal frameworks as a key obstacle (Harnoss et al., 2022).

Nonetheless, the studies also highlighted favourable conditions concerning policies in some of the countries. In Serbia, the *Strategy for Economic Migration of the Republic of Serbia for 2021-2027* envisions the creation of programmes aimed at retaining skilled human resources within occupations facing shortages and attracting and integrating individuals with diverse educational backgrounds from abroad into the labour market of the Serbia. The strategy also foresees harmonizing the education systems to labour market demands, thereby creating an enabling environment to engage the private sector. In Morocco, the implementation of the National Immigration and Asylum Policy, adopted in September 2013, allowed considerable progress concerning regularization, with 50,000 irregular migrants receiving a regular status and documentation between 2014 and 2017.

Other policies include the Development Plan (2017- 2022) of the Tangier-Tétouan-Al Hoceïma region and the regional employment programme (2021-2022) in Morocco. These policies not only address the legal and administrative aspects of migration, but also actively involve the private sector in the integration process by recognizing the potential of migrants as valuable contributors to the workforce and to the local economy, and by demonstrating a comprehensive approach to migration management that benefits both migrants and the broader society.

In Ecuador, the irregular migration status of Venezuelans, who form the majority of new arrivals over the last years, constitute the main barrier to labour market access and small business loans, among others. The Ecuadorian Government is currently undertaking a regularization process for Venezuelan citizens which was initiated on 1 September 2022 and is expected to close in August 2023.\(^2\)

Such processes are an important step in creating an enabling environment for private sector engagement. Policies allowing immigrants to obtain employment and own businesses also have positive financial benefits for the countries of destination (UNDP, 2020c). While policies for the regularization of migrants correspond to countries of destination and transit,

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\(^2\) See [https://estoyaqui.ec](https://estoyaqui.ec)
regulating the right of entry and the right to work for instance, countries of origin also play a role, guaranteeing the protection and rights of emigrants and of return migrants.

To create an enabling environment for private sector engagement, governments should address policy and regulatory barriers that inhibit migrants’ access to employment, education, health and rights. This includes regularization processes and the recognition of credentials, but also extends to mainstreaming migration into development planning. This goes for both countries of origin, transit and destination, as the country-of-origin governments may foster the regularization and recognition of skills of emigrants and return migrants, while the transit- and destination-country governments may guarantee the same for immigrants or transit migrants.

UN agencies can support governments in removing these barriers and updating policies and regulations. Along these lines, the M4SD Programme has supported local and national authorities to comprehensively include migration considerations in development policies and planning. For instance, in Ecuador, the M4SD Programme provided targeted capacity-building support on integrating migration considerations into local development planning to its two partner municipalities (Manta and Santo Domingo), while in Jamaica the Programme provided technical assistance in drafting Jamaica’s National Diaspora Policy.

While regularization processes generally fall within the purview of national governments, local governments may also play a role in addressing policy and regulatory barriers. For example, in Nepal, the M4SD Programme supported a new “Foreign Employment and Reintegration Policy” which has been passed and implemented by the Dhankuta Municipality.

Promoting inclusion and combating xenophobia

Negative attitudes around migration at the local and national levels can result in discriminatory public policies. Even where policies and legislation allow migrants’ access to education, employment, economic inclusion, health, social security and human rights, xenophobia may impede migrants’ inclusion as discrimination, hate speech, verbal attacks and physical assaults restrict their access to economic opportunities, housing and basic services and negatively impact their physical and mental health (IOM, 2020), as illustrated by a recent wave of xenophobia and racism towards sub-Saharan immigrants and locals of sub-Saharan African descent in Tunisia in early 2023 (Ben Hamad, 2023).

Overall attitudes can be echoed within the private sector. Indirect and direct discrimination of migrants within the private sector may exclude migrants from employment or the means to make a living, as recruitment processes ban them directly by giving preference to nationals or indirectly, for instance by requiring fees for recruitment agencies or documentation to obtain a loan that is not affordable or achievable for many migrants.

Discrimination may further extend to the salary, advancement and promotion migrants receive compared to nationals once employed. Besides discrimination, the implementation of policies is often hindered by various systemic barriers and complexities, such as costly
To attract and retain a diverse workforce, private sector entities should **create inclusive hiring processes and non-discriminatory work environments**. This includes reviewing, reforming and monitoring hiring processes for inclusivity, implementing measures to create a non-discriminatory work environment and supporting the integration of immigrants and the reintegration of return migrants. In practice, this may include internal communication campaigns addressing biases and prejudices, tailored preboarding and onboarding processes, and training human resources officers to better understand legislation on hiring migrants. To support migrants’ integration into the workplace, large companies could also offer language class subsidies for immigrant workers or implement buddy programmes that match immigrants and locals, or return migrants and locals.

To combat the direct or indirect discrimination of migrants in the private sector, collaborating with BMOs and other employers’ organizations is essential. Working together allows for coordinated efforts, making the impact more significant. BMOs and employers’ organizations have a deep understanding of labour markets, employment practices and industry dynamics. Their expertise can inform strategies to address discrimination and to promote fair recruitment and work practices. BMOs can play a role in educating their member companies about the benefits of diversity, the dangers of discrimination and the positive impacts of treating all workers fairly.

The **interests of trade unions** may constitute another challenge. While “…businesses often lobby for more liberal immigration policies, trade unions historically have often seen immigration as threatening the wages and interests of their members” (UNDP, 2020c, p. 38).

Furthermore, **addressing the needs of migrants and host communities simultaneously** by integrating aspects of social cohesion ensures that the needs of both migrants and host communities are met in an equitable and sustainable manner. This requires an in-depth understanding of the needs of both migrants and host communities.

### Combating gender-based violence and discrimination

Migrants and other community members in the local population may be subject to **sexual and gender-based violence** (SGBV). Estimates suggest that around 30 per cent of women globally have experienced intimate partner violence or non-partner sexual violence (World Health Organization (WHO), 2021). Rates of SGBV are higher for migrants in transit and destination countries compared to local populations, and migrant women in vulnerable situations are at particular risk. Despite the prevalence of women among SGBV victims, increasing attention is being put on GBV against boys and men, including in international migration contexts (Tan & Kuschminder, 2022). SGBV can have detrimental impacts on the mental and physical health of survivors, leading to profound consequences on economic activity, including employment.

It is therefore crucial that private sector engagement is coupled with measures to address the specific protection needs of survivors of SGBV and of other migrants and local com-
munity members in vulnerable situations. This includes facilitating access to health care for survivors of SGBV. For example, the civil society organization Maroc Solidarité Médico-Sociales (MS2) assists members of the Oriental community in Morocco to access local public health services, thereby supporting the work of local authorities. Thanks to the initiative, over 650 women, children and individuals in vulnerable situations have received access to psychosocial counselling. For more detail see the M4SD case study “Integrated Local Health Systems Support Survivors of Violence”. Future programming could also draw on the lessons learned from UNDP pilots integrating SGBV prevention activities in livelihoods and women’s economic empowerment projects (see UNDP, 2023; UNDP, 2022c, d).

Women-migrants and local community members may be subject to gender-based discrimination, resulting in lower labour market participation rates, reduced wages and restricted access to education, among others. The most recent Global Gender report by the World Economic Forum (2022) shows that, despite progress, a 40 per cent gap remains between women’s economic participation and opportunity compared to men’s at 60.3 per cent (see Economic Participation and Opportunity subindex).

The gender gap in this area remains particularly high in Bangladesh, Morocco, Senegal and Tunisia, which rank among some of the lowest of the 146 countries included in this subindex (see Figure 5). The below figure shows the results of the economic participation and opportunity subindex. Indicators for this subindex comprise the labour-force participation rate (%), wage equality for similar work (1-7, best), estimated earned income (int’l $1,000), legislators, senior officials and managers (5), professional and technical workers (percentage).

The scores displayed in the figure (0-1) indicate the extent to which parity was achieved, with “1” representing the optimal situation or “parity”. The rank indicates how a country ranks compared to the other countries for this subindex composed of 146 countries.

Migrant women may particularly face greater levels of gender-based discrimination and experience multiple and aggravated forms of discrimination, being discriminated against as a woman and a migrant (OECD, 2020).
Globally, the COVID-19 pandemic resulted in a decline in gender parity for labour-force participation as women have been facing increased rates of unemployment, reduction in working hours and unpaid care work due to the pandemic. A lack of care infrastructure also continues to limit women’s participation and advancement in education and employment (World Economic Forum, 2022). Disadvantages may be aggravated for migrant women who are overrepresented in the informal sector and who may face multiple discrimination based on their legal status, nationality, race and ethnicity, in addition to gender.

Even though women migrants also make up a significant portion of labour migrants, women migrants are more likely to be employed than non-migrant women in the same community, and women were the backbones of the care sectors during and after COVID-19 (Foley & Piper, 2020; ILO, 2021; IOM, 2022; UNDP, 2020c).

To increase the labour market integration of (migrant) women, youth and minorities, organizations in the field of international development cooperation could foster the labour market integration of these groups. This includes addressing gender-related barriers to the labour market, discrimination and a lack of care infrastructure. This could be done through targeted mentoring, apprenticeships and skills training.
Securing private sector interest and commitment

In addition to sparking private sector interest where there is a lack thereof, such interest needs to be sustained to translate into a longer-term commitment. **Maintaining private sector engagement** over the duration of the M4SD Programme (four years) has proven challenging. During the training process with companies in Ecuador, dropout was frequent. While several actions were taken to decrease dropouts from the training, the lack of interest and commitment of the private sector transcends the training process, making it difficult to engage the private sector on an ongoing basis.

Modalities to engage the private sector build the ground for longer-term partnerships with the latter in the area of migration. The methods discussed are complementary and may be undertaken simultaneously or consecutively, with the ultimate goal of establishing long-term partnerships. Strategies to engage the private sector may be followed by resource mobilization. Thus, **sustained engagement of the private sector** is important. For instance, workshops on the design of financial products targeted to return migrant entrepreneurs could be followed by awards for financial institutions that promote the financial inclusion of return migrants. This also relates to fostering longer-term partnerships beyond a specific intervention.

MSMEs employ a limited number of staff, resulting in **limited capacities** to hire migrants and limited availability to participate in training sessions. Targeting MSMEs for private sector engagement implies a particular set of challenges. With an overall number of employees between 10 to 50, in the case of small enterprises, and 51 to 250 employees, in the case of medium enterprises, MSMEs have limited capacities when it comes to hiring, compared to large multinational companies. This becomes even more challenging in the case of microenterprises.

Similar challenges can be observed for training, with staff having limited availability to participate in training sessions. In addition, large multinational companies benefit from being able to showcase and leverage their contributions at the international level, for instance through forums, such as the GFMD. Doing so is more difficult for MSMEs since their business activities focus on the local or national level, and their capacities only allow engagement with a limited number of people, which translates into limited international relevance.

There are a few ways the different private sector entities can engage:

- **Target migrants and diasporas as consumers:** To expand their markets to include migrants, large companies, MSMEs and financial institutions should get to know migrants and diasporas and the diverse user profiles among them as these may constitute consumers of their product or service. This may take place through market intelligence with a view to identifying migrants and diasporas. In addition, the private sector can engage migrants in innovating new products and services for this customer segment through hackathons and incubation programmes. These can be facilitated through partnerships with governments, civil society and organizations in the field of international development cooperation.
Support training, skilling and reskilling of migrants, returnees, youth and others:
In light of the need to invest in training and skills development, in particular large companies could support the training, skilling and reskilling of migrants in areas that benefit the company. This may include skills training and mentorships for migrants, prospective migrants (including youth) and return migrants. While MSMEs do not have the same capacities (human and financial) as large companies to support the skilling and reskilling of migrants, they can do so by offering apprenticeships. Such efforts could be coordinated by intermediary institutions, such as chambers of commerce. In turn, financial institutions can support financial literacy programmes for migrants and other community members.

Promote dialogue on diverging and conflicting interests across the private sector/within companies:
Across the private sector and within companies, diverging and conflicting interests exist regarding the benefits supporting the socioeconomic (re)integration may have for the private sector. For instance, while company owners may support the hiring of immigrants to fill skills shortages, HR managers may fear additional paperwork. The private sector could therefore promote dialogue on these different interests.

Integrate migrant businesses into the supply chain:
To build more reliable and inclusive supply chains that increase the quality of production of the product or service being offered, companies could integrate migrant businesses into their supply chains.

Channel financing towards migrant ventures with promising potential:
Channeling financing towards migrant ventures with promising potential to grow could be beneficial for companies aiming to introduce a new product or service line as these ventures could be potential future candidates for a buy-out or merger.

Strengthening government capacities for private sector engagement
Origin and destination country governments lack the capacities and interest to effectively engage the private sector on migration. This includes a lack of data, a lack of human and financial resources and a lack of leadership and needs prioritization. A multi-stakeholder approach to private sector engagement enhances the comprehensiveness of the process and ensures its sustainability. Therefore, governments should build a strong ecosystem of actors.

A multi-stakeholder approach is one of the guiding principles of the GCM, the Global Compact on Refugees, the 2030 Agenda for Sustainable Development and “Our Common Agenda” and has been central to the M4SD Programme. In Ecuador and in Morocco, the private sector mapping exercise showed a strong engagement by civil society. In Morocco, this included national and international civil society and transnational associations. In Ecuador, specialized NGOs have a track record of working with vulnerable populations, including migrants, and possess expertise the private sector lacks.

This constitutes an important opportunity to build on strategies to engage the private sector by creating partnerships with established actors in the field of migration and sustainable
development. Thus UNDP, IOM and the international community’s role, positioning, mandate and presence should empower and support existing initiatives to bring together a range of stakeholders for the implementation of concrete initiatives.

Furthermore, linkages to diaspora engagement could be built. In Serbia, the private sector mapping highlighted opportunities for cooperation among Serbian businesses and the diaspora. To promote and strengthen this cooperation, existing mechanisms of cooperation, such as the Diaspora Business Council, could be used. Once reformed, the Diaspora Business Council could serve as a platform for knowledge and technology transfer on multiple government levels, namely central, regional and local.

In addition to working with and enhancing the capacities of the existing ecosystem of actors, additional strategic partnerships and alliances should be explored. The private sector mapping exercise for Ecuador highlighted an opportunity to work with employment intermediaries, such as MULTITRABABAJO, POR FIN EMPLEO and PORTALTALENTO, among others. These platforms are currently limited to providing a space for companies to advertise their vacancies, but could be sensitized and trained for efforts focused on increasing immigrants’ employment opportunities, for instance.

Along these lines, another possibility identified in Ecuador is to work with accredited certifiers, which may both be linked to the public authorities and to private union representatives. At the same time, creating new platforms – such as the municipal job banks in Manta and Santo Domingo – allows platforms to target their functionalities to migrants, other community members and the private sector.

Furthermore, interventions should build on existing engagement. Despite overall low levels of engagement, the fact that some engagement, such as in Ecuador and Serbia, exists is promising as it can serve as an entry point for further private sector engagement.

The design of replicable processes provides opportunities for scale and ensures sustainability. This may include producing resources that can be used beyond a project or programme (e.g. a training module on an online platform).

Addressing migrants’ and other community members’ need for training, skills development and information

Private sector engagement in the area of employment requires migrants’ qualifications and the labour market needs to be aligned. The private sector mapping exercises in Ecuador and Morocco showed a mismatch between migrants’ qualifications and labour market needs, demonstrating a need to invest in training and skills development. In addition, migrants often work in jobs below their actual skill level (ILO, 2018).

For instance, survey data found 72 per cent of Venezuelan immigrants in Ecuador have experienced occupational downgrading (Olivieri et al., 2020). Return migrants may also experience similar challenges upon return to their country of origin (African Union, 2020). This can be addressed by offering training and skills development opportunities for migrants and other community members. Examples of training for community members,
including migrants, are those that can complement PSE and that can take place in collaboration with the private sector. They include the following:

> **Basic digital skills** - As part of the project “Strengthening access to online skills training for young workers in Viet Nam”, IOM, together with the Directorate of Vocational Education and Training and the Microsoft Corporation, introduced an upgraded online learning platform to enhance the digital skills of Vietnamese youth, including migrant workers.

> **Skills to enhance employment prospects** - As part of the M4SD Programme, 57 migrants and host community members in Manta and Santo Domingo received training on labour rights, types of employment contracts and working hours in Ecuador and learned about strategies to implement in their job search, tips for CV writing and techniques to use during job interviews.

Non-governmental and civil society organizations can provide support services to help prepare migrants and the local population in countries of origin and destination to access the labour market and to foster entrepreneurship. This may include the provision of training and skills development. Specific focus should be placed on migrant women and youth.

The private sector mapping exercise also showed that, in addition to inadequate knowledge among its entities, migrants may also lack information in certain areas, potentially inhibiting them from benefitting from private sector practices. This included:

> A limited understanding of investment opportunities in Serbia among the country’s recent emigrants and diaspora

> Insufficient insight on employment opportunities and service offers among immigrants in Morocco’s Tangier-Tétouan-Al Hoceima region in Morocco

> Communication problems between the private sector and return migrants in Senegal

Providing the necessary information to migrants is therefore the key to successful PSE.
4.3. Key recommendations for action

This chapter presented capacity development and technical assistance, convening and knowledge sharing and service delivery and collaboration as instruments to increase PSE. It also discussed key challenges and actions. Based on these, the following key recommendations are presented:

1. **Focus on providing access to decent jobs (especially for migrant women and youth)**

To enhance the well-being of community members, including migrants, governments should focus on providing access to decent jobs. This includes ensuring that individuals obtain formal contracts, health benefits and social protection. Therefore, governments should specifically increase access to decent jobs for migrant women and youth through targeted traineeships, mentoring and the provision of child care solutions.

2. **Support Public-Private Partnerships**

To create longer-term partnerships, governments could use the engagement modalities (capacity development/technical assistance, convening and knowledge sharing, service delivery/collaboration). These allow for building the foundation for public-private partnerships in migration. To focus funding and technical support on innovative, scalable and replicable approaches that aim to create longer-term partnerships with the private sector, organizations in the field of international development cooperation should support public-private partnerships.

3. **Promote private sector-driven knowledge exchange (global, regional, national, local)**

Promote knowledge exchange on good practices and replicable strategies among government, private sector, civil society and organizations in the field of international development cooperation at local, national, regional and global levels, thereby ensuring the inclusion of private sector perspectives and encouraging and tracking the balance of speakers and attendees with regards to gender, ethnicity, age and migration experience.

4. **Address policy and regulatory barriers**

To create an enabling environment for private sector engagement, governments should address policy and regulatory barriers to migrants’ integration and inclusion. This includes regularization processes and the recognition of credentials in countries of origin, transit and destination. Such processes should be driven by the private sector by working with or through employers’ organizations such as BMOs.
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