



**Federation of
Uganda Employers**

MEMBER BRIEFING

Sustainable Migration



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MIGRATION POLICIES IN VIEW OF CHANGING EMPLOYMENT LANDSCAPE

A call for stronger dialogue

INTRODUCTION

Uganda has one of the youngest and most rapidly growing populations in the world. Its rapid population growth puts pressure on job creation. About 700,000 young people reach working age every year in Uganda, but the economy creates only 75,000 new jobs annually.

Uganda is a country of origin for people in mixed migration flows. High population growth, youth unemployment, low wages, and the demand for labour in destination countries are some of the key driving forces behind these flows. It is also a leading country of origin for high-skilled expatriates in OECD countries. International migrants constitute 3,9% of the population in Uganda out of which, 80% are refugees from South Sudan and the Democratic Republic of Congo¹. These numbers make Uganda the largest refugee-hosting country in Africa. In addition to being a destination for displaced populations, Uganda is also a source and transit region for human trafficking.

As Uganda grants refugees almost full access to the labour market, they are employed in different sectors providing opportunities. Agriculture is a popular sector for irregular and cross-border migrant workers who work in Uganda's tea, coffee, and sugar plantations during the harvesting season when labour demand for unskilled workers peaks. The service and hospitality sectors tend to attract semi and high-skilled workers.

LEGAL AND POLICIES FRAMEWORK ON LABOUR MIGRATION

As a Partner State of East Africa Community (EAC) and signatory to the East African Community Common Market Protocol (EAC-CMP), Uganda benefits from visa-free entry; access to Partner States' labour markets; and the right to residence and establishment, according to certain criteria. Through this framework, regular labour mobility and migration take place between Uganda and the other EAC Partner States.

Other than the EAC-CMP on Free Movement of Persons 2010 Uganda also promotes labour mobility and free movement of workers at regional level in the Common Market for Eastern and Southern Africa (COMESA) and the Intergovernmental Authority on Development (IGAD). It has partially ratified the COMESA 1984 "Protocol on the Gradual Relaxation and Eventual Elimination of Visa Requirements", and publicly expressed its support for the 2021 IGAD FMP. Over the past years, Uganda has taken significant steps to ease visa restrictions for citizens of other African countries and is now considered to be "the most open country in the region [East Africa] and 3rd in Africa to Africans visiting and seeking opportunities". Moreover, Uganda has an open-door policy for refugees and provides some 550,00 forcibly displaced persons from over 13 countries with land and access to the labour market.

¹Employers' Perspectives on Labour Migration in East Africa. A synthesis report with focus on Kenya, United Republic of Tanzania & Uganda, 2022 (unpublished)

Despite its openness towards international migrants Uganda has ratified only one of the four ILO International Labour Standards on labour migration governance and the protection of migrant workers, namely the Migrants Workers Convention 1975 (No.143). In order to enhance protection of Uganda migrant workers, Uganda has also signed bilateral labour agreement with some of the host countries in the Middle East including Jordan, Saudi Arabia, and the United Arab Emirates. Additional BLAs with Bahrain, Kuwait, Oman, and Qatar are in progress.

Uganda's policy frameworks governing labour migration is guided by the Migration Policy Framework for Africa and Plan of Action (2018 – 2030), the Common African Position (CAP) on the global compact for safe, orderly and regulatory migration and the IGAD Regional Migration Policy Framework and Action Plan². However, it has yet to establish a labour migration policy or strategy and regular migrants are currently covered by Uganda's national labour law.

Most efforts and initiative by the Uganda government to date have focused on promoting labour emigration and protection of Uganda workers abroad. The fact that most of the migrant workers in Uganda are part of the informal economy makes it difficult to appreciate the tangible and intangible value of their economic activities.

ISSUES AND CHALLENGES

- 1. Restrictions in workers' movement across the region.** While migration from EAC Member States is anchored in the treaties and protocols of the COMESA, EAC and IGAD, the harmonization of national law has been slow and several practical barriers to labour mobility remain in place, both workers and employers are still constrained in their efforts to utilize the freedom of movement of workers. For example, Kenya still imposes restrictions with a minimum age of 35 years and a monthly salary above US\$2000 and United Republic of Tanzania imposing high permit fees making it difficult for the youth to be the beneficiaries of the free movement of workers. In addition, the occupation list in the Schedule for Free Movement of Workers in the Protocol only includes qualified skilled workers and low-skilled workers are largely excluded.
- 2. Difficulties and complexity in getting a work permit.** The costs of work permits in Uganda are high and tied to employers and are only granted if the employer can prove that it was not possible to find a local worker with the required qualifications. In addition, obtaining a work permit in Uganda is administratively complex, the processing time takes several weeks, and employers are required to train a Ugandan to fill the position afterwards and to submit a proof of training to the authorities, making it difficult for company to implement intra-company transfers. Furthermore, different work permit systems and regimes among the EAC member states are lengthy and inconsistent and these bureaucratic processes can lead to corruption.

²The EAC is in the process of finalising the EAC Labour Migration Policy Framework.

- 3. Fragmented and uncoordinated implementation** and administration of labour migration by the different ministries and agencies coupled with inadequate resources inhibit effective synergy and coordination of labour migration management and implementation of programmes. For example, the Ministry of Gender, Labour, and Social Development (MGLSD) is primarily responsible for overseeing the external employment of Ugandan labour migrants, the Ministry of Education is responsible for developing skills recognition frameworks, the Ministry of Internal Affairs (MIA) is responsible for issuing work permits to regular in-coming labour migrants and for shaping Uganda's refugee policy, and the Ministry of Foreign Affairs (MFA) is responsible for bilateral labour agreements and diaspora engagement. The multitude of Ministries involved in governing labour migration and the lack of whole government approach in Uganda not only risks creating inefficiencies, but also makes it difficult for employers' organizations and international organizations to lobby and support labour mobility in Uganda effectively.
- 4. Lack of compliance and enforcement.** Even though migrants are covered by Uganda's national labour law that covers regular migrants and prevents discrimination in terms of access to trade unions and work conditions, however in practice, compliance with international norms and standards is weak and mutual recognition mechanisms often do not work well³.
- 5. Brain-drain.** The outflow of qualified Ugandan doctors and nurses in particular has pushed the government to look for foreign health professional from countries such as Cuba, the United Kingdom of Great Britain and Northern Ireland, India, and China⁴.
- 6. Lacks reliable, accurate and timely labour market information** on its migrant workers. Evidence-based policy dialogue on labour migration requires quality data on the situation of migrant workers in national labour markets, in particular with regard to their sociodemographic profile, the sectors and occupations in which they are working, and under what conditions etc. Yet, this information is largely missing, highlighting the need to better collect this information through future labour force surveys and other efforts aimed at improving national Labour Market Information Systems. The insufficient sharing of data between government agencies, lack of data analysis for labour migration policy development also hampers effective policy making.
- 7. Recognition of skills and language proficiency** especially in hiring refugee and irregular migrant workers, it is difficult to determine the level of skills and qualifications that these workers hold. A further complicating factor is the heterogeneity of official and tribal languages in Uganda and within its neighbouring countries. In the absence of targeted language and integration services, refugees and irregular migrant workers are often unable to integrate into the labour market quickly.
- 8. "Mismatch" and "inadequate" skills** to meet market demand. The labour market is characterized by significant skills shortages and low labour productivity.

³ Employers' Perspectives on Labour Migration in East Africa. A synthesis report with focus on Kenya, United Republic of Tanzania & Uganda, 2022 (unpublished)

⁴ Ibid

- 9. Protection of migrant workers and prevention of exploitation, forced labour and human trafficking.** Public and political scandals resulting from abuses of Ugandan migrant workers and the repatriation of the bodies of Ugandan workers who died in the Middle East, have heightened the attention of policy makers and civil society concerning the human rights and decent work protection of Ugandans migrant workers

Federation of Uganda Employers (FUE) Policy Approach on labour migration is based on Mobility, Development and Protection. FUE regards regular labour migration as a key pillar of economic integration and development and believes both countries of origin and destination benefit from fair, efficient and well implemented migration policies that permit the free movement of workers when and where they are needed.

FUE recognise that migrant workers can fill the skill shortage and contribute to the up skilling of local workers through on the job training and skills transfer. Ugandan employers appreciate migrant workers not only for their technical skills, but also for their attitude and work ethic. Therefore, FUE supports clear, transparent and efficient migration policies that are conducive for business, catalysing innovation and productivity - the building blocks of sustainable growth and development and stresses the importance of putting in place well thought and practical policies that are predictable and adaptable for harnessing the developmental benefits of migration and meeting the fast-changing requirements of the business and the different groups of workers..

In this context, four priorities drive FUE's policy framework on labour migration.

1. PREDICTABLE, CONDUCTIVE AND TRANSPARENT FRAMEWORK FOR THE MOBILITY OF SKILLS

The Common Market Protocol (CMP) came into force on 1st July 2010 provides for free movement of persons, labour, services, capital and goods across the EAC FUE applauds the integration process as the facilitation of all factors of production to freely move across a common market within the EAC. This as a driving force for economic growth and job creation in the region. The free mobility of labour not only leads to macro-economic benefits but also is a very tangible benefit of regional integration. Employers benefit from the free labour mobility by having better chances of matching job requirements with skills and qualifications when recruiting new employees, thus improving productivity and efficiency. However, the free movement of labour is still restricted by a number of barriers including complexity and cost of applying work permits, skills recognition, minimum age and salary, portability of social security benefits across borders and the rights of workers in other EAC member states.:

Further, migration systems should be predictable, conducive and transparent and be comprised of a variety of mechanisms to meet the need for human resources at all skill levels. Different instruments should be in place for different categories of migrants including high-skilled workers who help organizations fill managerial, executive and top research jobs with the most qualified candidates; intra-corporate transferees; and those on short-term assignments.

Even though government initiatives related to labour migration have focused almost exclusively on the externalization of labour through concluding bilateral labour agreements (BLAs), there has been increased efforts to benefit from a “brain-gain” effect and to promote the involvement of the diaspora in the development of the country. For example, the diaspora services department of the Ministry of Foreign Affairs has launched initiatives such as the development of a national diaspora policy, the promotion of public-private partnerships with the diaspora to develop Uganda’s energy, road and railway sectors, the creation of an investment opportunities compendium, and the organization of annual diaspora networking events in Uganda and abroad including the “Home is Best Summit” and the “Uganda Conventions”.

FUE urges the Government to take the lead to accelerate the implementation of the EAC-CMP on Free Movement of Workers and make migration eco-systems more efficient and business friendly by:

- ▶ Removing all restrictions on free movement of labour in accordance with Article 10 of the EAC-CMP including abolition of discrimination based on nationality in regard to employment, remuneration and other conditions of employment and work.
- ▶ Reviewing the immigration, employment and migration laws and policies and aligning them with the EAC-CMP.
- ▶ Harmonize fees, classification and procedures of work and residence permits and forms as stipulated in the CMP, including rights of establishment and business.
- ▶ Strengthen the National Coordination Mechanism on Migration (NCM) to improve inter-ministerial and inter-agencies coordination in the management and implementation of labour migration policies and programmes, including finalising the draft National policy framework and strategy.

2. SKILLS DEVELOPMENT PROGRAMMES, SKILLS RECOGNITION SCHEMES AND SKILLS MATCHING FRAMEWORKS THAT RESPOND TO LABOUR MARKET REALITIES

To remain competitive in global markets, employers require a readily available pool of talented workers equipped with the right knowledge and skills to be employable and work in productive, secure jobs which grow enterprises and economies. From an investors’ perspective, the ability to employ skilled migrant workers is imperative for successful business expansion. FUE regards labour migration as an opportunity to fill skill gaps, especially in green skills, the energy sector, and the blue economy. Skills exchange and transfer between the foreign and local workers is beneficial as well as the networking opportunities that come with it. In addition, low-skilled migrant workers with refugee or irregular status provide cheaper labour, notably in the agricultural sector and domestic work and are valued for their work ethic.

Skill development in Uganda is diverse in various Ministries and State agencies providing different levels of qualifications in the country. There are also different bodies in Uganda catering to the

recognition of skills and qualifications obtained abroad, and that migrant workers have access to. The harmonization of curricula and standards between Uganda and other EAC and IGAD Member States remains challenging. At the EAC level, MRAs have been developed for certain professions, as has the Regional Qualifications Framework for Higher Education. These systems do not function optimally, however.

In the EAC, the Inter-University Council for East Africa (IUCEA) coordinates inter-university cooperation and promotes the maintenance of internationally comparable education standards in the region. The IUCEA also works on the harmonization of curricula across the region and has developed a Regional Qualifications Framework for Higher Education, but it is not fully implemented. Moreover, a number of EAC mutual recognition agreements (MRAs) for professional services have been developed, including for accounting, engineering, architectural, and veterinary services enabling easy mobility of candidates in the above profession. However, the MRAs are not functioning well.

To support the Government efforts and initiatives and the EAC Treaty on Skills Development, FUE calls for:

- ▶ Proper coordination and networking of the inter-agencies to harmonize skills development in the Nation.
- ▶ Developing and implementing more bilateral and regional agreements on recognition of diplomas, skill certification and validation of prior learning. Acknowledgment of universal work certificates in both destination and origin countries.
- ▶ Enhance Public-private partnership and collaboration that reflects employers' views to improve skills development, skills certification, recognition and matching.
- ▶ Leverage the use of technology in data collection, analysis and skill matching and strengthen Labour Market Information System (LMIS).

3. RESPONSIBLE RECRUITMENT AND PROTECTION OF MIGRANT WORKERS

Uganda is a source and transit region for human trafficking. Although the country has taken provisions to suppress and punish such crimes, women and children are often smuggled into the country and become victims of forced labour and prostitution. Many migrants, particularly the refugees and irregular, take part in the informal economy in the agricultural sector and can face precarious and exploitative working conditions which are a risk for the welfare of the individual worker as well as to the supply chain compliance of the employer. In addition, many Ugandan travel abroad to work particularly to the Gulf countries and there has been increasing concern of exploitation and unfair labour practices.

In recent years, the Government has made significant efforts to address the problem of trafficking and the protection of Uganda migrant workers for instance, the Rules and Regulations Governing

the Recruitment and Employment of Ugandan Migrant Workers Abroad, 2005, and the 2015 Guidelines on Recruitment and Placement of Uganda Migrant Workers. The Government is also promoting the establishment of written, understandable, and enforceable employment contracts to serve as the basis for determining obligations and responsibilities, as well as the registration of migrant workers' contracts, with a view to ensure the protection of migrant workers⁵.

FUE strongly condemns any form of exploitation and abuse of migrant workers, and in support of Government's initiative and effort to eradicate labour exploitation and human trafficking for the protection of migrant workers. In addition to ensuring better migration experiences for workers, FUE believes there is a strong business case for companies to uphold responsible recruitment and employment practices. Hiring in an unethical manner can result in enormous administrative, legal and reputational costs for businesses. Further, fair recruitment and employment practices tends to attract meritorious candidates which contributes to higher productivity, efficiency and competitiveness FUE consider it is the duty of the Government to uphold human rights, consistent with international standards, including those of migrant workers, and to create an enabling legal and policy environment (including clear and consistent guidelines) that support the fair recruitment and employment of migrant workers. In this regard, FUE urges the Government to initiate and lead efforts for effective and sustainable policy, regulatory and behavioural changes needed to more effectively and efficiently to promote fair recruitment and protection of migrant workers, by:

- ▶ Creating awareness and disseminate information to educate potential migrant workers and their employers on rights and responsibilities, including the migrant workers in Uganda for their social and economic integration in the country.
- ▶ Strengthen cooperation with host countries, more bilateral agreement to foster fair recruitment and portability of social security to enhance protection and security of workers.
- ▶ Call for greater dialogue between countries of origin and destination, as well as employers and recruitment agencies to collectively find solutions to mitigate risks, by enhancing social security and recruitment frameworks.
- ▶ Support due diligence by the private sector to prevent and respond to risks of exploitation including forced labour and human trafficking, while ensure labour mobility is not compromised and the environment for cross-border recruitment remains conducive for employers to fill manpower needs.
- ▶ Digitalization of recruitment processes is key, and it can be facilitated to build more inclusive policies with better protection for migrant workers and more transparency for employers.
- ▶ Strengthen enforcement of laws and regulations.

⁵ Ibid

4. SOCIAL DIALOGUE AND CAPACITY BUILDING OF EMPLOYERS ORGANIZATIONS AND EMPLOYERS

FUE is active in policy discussions through continental, regional and national social dialogue. At regional level, employers' representatives support the harmonization of laws and skill recognition and were engaged in the drafting process of the EAC migration policy. At a national level, FUE and the National Organization of Trade Union (NOTU) contributed to the development of the national employment policy and takes part in various sectoral and National Migration Committees, including the Counter-Trafficking in Persons Advisory Committee.

The NCM is a government-led national platform for coordination on migration issues, however it is mainly participated by the different government agencies, and social partners are not given a seat in the NCM. Social partners including FUE, however, participate in national tripartite consultations where labour migrations issue are discussed and engage in the national Labour Advisory Board to advise the MGLSD on labour-related affairs.

To effectively participate and engage in the labour migration policy making and debate, it is imperative that employers and employer organization have a good understanding of the migration issues and trends in the country, in the region and in the world, and are able to conduct research and engage in evidence-based advocacy in labour migration policy making and debate. FUE urges:

- ▶ The Government to put in place mechanisms for active and continuous engagement with employers so that they can proactively voice their recommendations and proposals with their governments to have real impact;
- ▶ Improve the sharing of data and information with employers and stakeholder;
- ▶ Strengthening the technical capacity of employers and employer's organizations in evidence based advocacy in order to support their effective engagement and support to the labour migration policy making and debate.

CONCLUSION

Uganda has a long-standing tradition of welcoming international migrants within its borders. Today, migrants with regular, irregular or refugee status participate across Uganda's economy. However, despite being the most "open country" in East Africa, harmonization of the EAC-CMP and the IGAD-FMP has been incomplete.

Labour mobility constitutes one of the key priorities in Uganda regional integration objectives. Demand for skills, both low-skill casual agricultural work during the tea, maize, and sugar-cane harvest, and in high-skill managerial roles in the hospitality, logistics, and banking sector continues to be a crucial driver for employers to hire foreign labour.

FUE calls for predictable, conducive and transparent framework for the mobility of skills and free movement of workers within the region. FUE also calls for greater engagement of social partners to have more robust and inclusive policy processes, and capacity building of employers' organization and employers to enable the effective participation in the migration policy debate and discussion.