





# Creating a Global Skill Partnership with Central America Using Existing US Visas

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# **Abstract**

The United States is currently looking for ways to stimulate economic development within, and expand legal migration pathways from, El Salvador, Guatemala, and Honduras. At the same time, US employers are struggling with shortages in key "mid"-skill industries, such as health care, information and technology (IT), and tourism and hospitality. One way to meet both needs is to implement a Global Skill Partnership, a bilateral migration agreement which trains workers in needed skills within a country of origin prior to migration. A Global Skill Partnership between the US and El Salvador, Guatemala, or Honduras could be implemented within existing visa categories—the Exchange Visitor Program (EVP), the H-2B visa, and Schedule A Employment-based green cards—without needing congressional approval.

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# **Key messages**

- The United States (US) is currently looking for ways to stimulate economic development within, and expand legal migration pathways from El Salvador, Guatemala, and Honduras.
- At the same time, US employers are struggling with shortages in key 'mid'-skill industries, such as health care, information and technology (IT), and tourism and hospitality.
- One way to meet both needs is to implement a Global Skill Partnership, a bilateral migration agreement which trains workers in needed skills within a country of origin prior to migration.
- A Global Skill Partnership between the US and El Salvador, Guatemala, or Honduras could
  be implemented within existing visa categories—the Exchange Visitor Program (EVP), the
  H-2B visa, and Schedule A Employment-based green cards—without needing Congressional
  approval.

# **Expanding lawful pathways in the Northern Triangle**

Addressing migration from Central America to the US, particularly unauthorized or irregular migration, has long vexed policymakers. In particular, the current Biden-Harris administration has stated a desire to reduce irregular migration from three Central American countries—El Salvador, Guatemala, and Honduras—collectively known as the 'Northern Triangle.'¹ To achieve this, the administration has developed two overarching strategies: the *Collaborative Migration Management Strategy* (Migration Strategy) and the *U.S. Strategy for Addressing the Root Causes of Migration in Central America* (Root Causes Strategy).² Both strategies aim to expand economic opportunities within these countries, while also expanding access to lawful pathways to the US.

This focus on expanding lawful pathways for people from El Salvador, Guatemala, and Honduras is both welcome and necessary. In six of the last seven years, people from these three countries have accounted for more apprehensions at the US southern border than those from Mexico, despite their collective populations only being 25 percent of the size of Mexico's. Part of the reason for this is the absence of lawful pathways to the US, forcing those who want to move to go through irregular

Sarah Rose, Reva Resstack, Helen Dempster, Elisa Cascardi, and Jeremy Weinstein (2021) Addressing the "Root Causes" of Irregular Migration from Central America: An Evidence Agenda for USAID. Center for Global Development (CGD) Policy Paper 243. Washington DC: CGD. https://www.cgdev.org/publication/ addressing-root-causes-irregular-migration-central-america-evidence-agenda-usaid.

White House (2021) *Collaborative Migration Management Strategy*. Washington DC: White House. https://www.whitehouse.gov/wp-content/uploads/2021/07/Collaborative-Migration-Management-Strategy.pdf; and White House (2021) U.S. Strategy for Addressing the Root Causes of Migration in Central America. Washington DC: White House. https://www.whitehouse.gov/wp-content/uploads/2021/07/Root-Causes-Strategy.pdf.

<sup>3</sup> Michael Clemens (2021) "The Missing Piece in Biden's Plan for Central America: Bilateral Labor Agreements." Center for Global Development (CGD) Blog, February 9, 2021. https://www.cgdev.org/blog/missing-piece-bidens-plan-central-america-bilateral-labor-agreements.

routes. Currently, the only employment-based route to the US available to people without a university education is the H-2 visa program (Figure 1).<sup>4</sup> The H-2 visa program is split into two parts—the H-2A Temporary Agricultural Workers Program and the H-2B Temporary Non-Agricultural Workers Program—both of which only allow workers to stay for particular seasons within specific employment categories on a visa that remains valid for a maximum of three years. In 2020, someone from Mexico was 32 times more likely than someone from Honduras to access an H-2 visa. Not by chance, Hondurans were twice as likely than Mexicans, per capita, to be apprehended at the US border.<sup>5</sup>

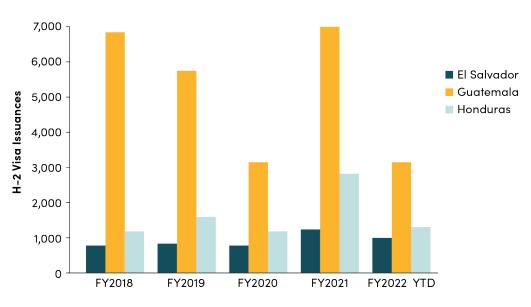


FIGURE 1. H-2 work visas issued to those from Central America

 $Source: US\ Department\ of\ State\ (DOS)\ Visa\ Statistics.\ Available\ at\ https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics.html.html.$ 

Since the Biden-Harris administration took office, they have expanded access to the H-2 visa program to nationals from El Salvador, Guatemala, and Honduras. For example, in May 2021, the Department of Homeland Security (DHS) announced the release of an additional 22,000 H-2B visas with 6,000 reserved for nationals from the three Northern Triangle countries. While there were logistical and implementation issues inherent within this process, the administration has continued

<sup>4</sup> US Department of Homeland Security (DHS) (2019) "Yearbook of Immigration Statistics 2019." https://www.dhs.gov/immigration-statistics/yearbook/2019.

<sup>5</sup> US Customs and Border Protection (2019) "U.S. Border Patrol Nationwide Apprehensions by Citizenship and Sector in FY2019." https://www.cbp.gov/sites/default/files/assets/documents/2020-Jan/U.S.%20Border%20Patrol%20 Nationwide%20Apprehensions%20by%20Citizenship%20and%20Sector%20%28FY2007%20-%20FY%202019%29\_1. pdf.

<sup>6</sup> US Department of Homeland Security (DHS) (2021) "DHS to Make Additional 22,000 Temporary, Non-Agricultural Worker Visas Available." https://www.dhs.gov/news/2021/04/20/ dhs-make-additional-22000-temporary-non-agricultural-worker-visas-available.

<sup>7</sup> Gray Delany (2021) "Lessons Learned from the Northern Triangle H-2B Visa Allocation and Next Steps." https://sealabor.com/2021/10/12/2306/.

to pursue policies intended to promote access. In December 2021, DHS and the Department of Labor (DOL) announced another 20,000 H-2B visas for fiscal year (FY) 2022, with 6,500 visas set aside for the three Northern Triangle countries and Haiti. And in March 2022 and May 2022, two additional rounds of 11,500 visas each were reserved. The administration has also taken action to facilitate access to the H-2A program in the Northern Triangle, including expanding recruitment operations into Guatemala through a partnership between the US Agency for International Development (USAID), the International Organization for Migration (IOM), and the ethical recruitment company Cierto. The program is the property of the program of the program in the Northern Triangle, including expanding recruitment company Cierto.

Despite these moves, it remains difficult for people from El Salvador, Guatemala, and Honduras to access the US labor market. The expansion of the temporary work programs in the region is certainly a promising start; H-2 visa issuances to nationals of El Salvador, Guatemala, and Honduras grew by 238 percent, year-on-year, in comparison to FY2020. In comparison to the number of apprehensions (not people) at the US southern border, however, these visas remain marginal and an unregulated black market for labor persists. There are also few avenues available through other visa categories (Table 1).

This limited visa access does little to support the US labor market and its rising worker shortages. At the beginning of May 2022, the US had 11.5 million job openings, the highest level in the history of the Bureau of Labor Statistics' (BLS) Job Openings and Labor Turnover Series (JOLTS). At the

<sup>8</sup> US Department of Homeland Security (DHS) (2021) "For First Time, DHS to Supplement H-2B Cap with Additional Visas in First Half of Fiscal Year." https://www.dhs.gov/news/2021/12/20/first-time-dhs-supplement-h-2b-cap-additional-visas-first-half-fiscal-year.

<sup>9</sup> US Department of Homeland Security (DHS) (2022) "DHS Announces Availability of Additional H-2B Visas for First Half of Fiscal Year." https://www.dhs.gov/news/2022/01/27/dhs-announces-availability-additional-h-2b-visas-first-half-fiscal-year; and US Department of Homeland Security (DHS) (2022) "DHS and DOL Announce Availability of Additional H-2B Visas for Second Half of Fiscal Year." https://www.dhs.gov/news/2022/05/16/dhs-and-dol-announce-availability-additional-h-2b-visas-second-half-fiscal-year.

 $<sup>10\ \</sup> Cierto\ (n.d.)\ "Increasing\ Access\ to\ Agricultural\ H-2A\ Visas\ for\ Guatemala."\ https://www.ciertoglobal.org/northerntriangle/.$ 

<sup>11</sup> US Department of State (DOS) Visa Statistics. Available at https://travel.state.gov/content/travel/en/legal/visa-law0/visa-statistics.html.html.

<sup>12</sup> The number of apprehensions is a misleading proxy for the number of people migrating irregularly, particularly during the implementation of Title 42. Under this policy, people who enter the US without documentation can be automatically expelled without formal deportation processing. This results in shorter processing times and no documentation of unlawful entry, both of which allow people to reenter multiple times. According to US Customs and Border Protection (CBP), "prior to the pandemic, about one in eight border encounters involved a person previously encountered during the prior year. However, since CBP began expelling noncitizens under the CDC's Title 42 public health order to limit the spread of COVID-19, the repeat encounter rate jumped to more than one in three encounters, including almost half of single adult encounters." Thus, the number of total encounters at the US southern border overstates the number of unique people attempting to cross.

<sup>13</sup> Matthew Hall and Emily Greenman (2015) "The Occupational Cost of Being Illegal in the United States: Legal Status, Job Hazards, and Compensating Differentials," *International Migration Review* 49(2): 406–442. https://doi.org/10.1111%2Fimre.12090.

<sup>14</sup> US Bureau of Labor Statistics (BLS) (2022) "Job Openings and Labor Turnover Summary—2022 M03 Results." May 3, 2022. https://www.bls.gov/news.release/jolts.nr0.htm. Job openings increased in retail trade and durable goods manufacturing, while openings decreased in transportation, warehousing, and utilities; state and local government education; and in the federal government.

TABLE 1. Current US temporary work visa immigration routes open to those from Central America

Visa category	Specialty or university degree required	Percent granted to Central American nationals
H-1B	Yes	0.13
H-2A	No	1.75
H-2B	No	5.84
strL-1	Yes	0.17
O-1	Yes	0.15
P-1	Yes	1.07
P-2	Yes	0.41
P-3	Yes	0.33

Source: US Department of State (DOS) (2022) "Nonimmigrant Visa Statistics; FY1997–2020 NIV Detail Table." https://travel.state.gov/content/travel/en/legal/visa-statistics/nonimmigrant-visa-statistics.html.

Note: Percent granted to Central American nationals calculated using data across FY2012 – FY2020.

time of publishing, this rate has decreased but continues to remain high at 10.1 million job openings as of August 31.15 As of September 2022, the unemployment rate in the US was 3.7 percent (6.0 million people), about as low as pre-COVID levels, and one of the lowest rates in the last fifty years. This dynamic—an increase in job openings at the same time as a decrease in those unemployed—is leading to absolute labor shortages. These shortages are especially acute in durable goods manufacturing; wholesale and retail trade; financial activities; professional and business services; leisure and hospitality; and education and health services. 17

Impediments to accessing employment-based visas also do little to help the economies of El Salvador, Guatemala, and Honduras. The Biden-Harris administration's two strategies describe a desire to encourage economic development within the region and point to lawful migration as one means of achieving this aim. But the theory of change adopted by the administration seems to rely chiefly on the impact that remittances—financial, skill, and technological—could have on their economies. Certainly, the evidence to date shows that such remittances have a significant impact

<sup>15</sup> US Bureau of Labor Statistics (BLS) (2022) "Job Openings and Labor Turnover Summary—2022 004 Results." October 4, 2022. https://www.bls.gov/news.release/jolts.nr0.htm.

<sup>16</sup> US Bureau of Labor Statistics (BLS) (2022) "Employment Situation Summary—2022 S02 Results." October 4, 2022. https://www.bls.gov/news.release/empsit.nr0.htm.

<sup>17</sup> Stephanie Ferguson (2022) "Understanding America's Labor Shortage: The Most Impacted Industries." US Chamber of Commerce, April 20, 2022. https://www.uschamber.com/workforce/understanding-americas-labor-shortage-the-most-impacted-industries.

on the economies of these countries;<sup>18</sup> expanding lawful pathways would likely increase the size of these remittances, and therefore the economic benefit. Still, as the Biden-Harris administration slowly increases the number of H-2 visas in response to US labor demand, they should diversify their strategy. Structuring lawful pathways in alternate ways could provide an even greater economic benefit for the US and Northern Triangle countries alike.

# The Global Skill Partnership model

There has been a growing interest in recent years, particularly within Europe, Australia, and New Zealand, in implementing 'skills mobility partnerships.' Skills mobility partnerships can take many forms and have many names. At their heart is an emphasis on better linking skills development in migrant countries of origin with migration. These arrangements seek to realize the goals of the *Global Compact for Safe, Orderly, and Regular Migration*—an international agreement recently committed to by the Biden-Harris administration<sup>19</sup>—to expand lawful pathways and provide migrants with decent work opportunities at home and abroad. Typically, these partnerships involve five components: (1) formalized state cooperation; (2) multi-stakeholder involvement; (3) training; (4) skills recognition; and (5) migration.<sup>20</sup>

This focus on increasing skills within countries of origin is a welcome change. For too long, countries of destination have neglected to place a strong focus on the development impact of their migration pathways. <sup>21</sup> To the extent they did consider development effects, they focused almost exclusively on remittances, highlighting the role that such transfers can play in enhancing economic development. This narrow focus is proving insufficient for two main reasons. Firstly, pathways designed this way do little to combat 'brain drain,' a frequent concern of countries of origin, especially within sectors with a shortage of skilled personnel such as health care. <sup>22</sup> Secondly, countries of origin

<sup>18</sup> According to the World Bank, in 2020, remittances made up 24, 14, and 24 percent of GDP in El Salvador, Guatemala, and Honduras, respectively. For more on the impact of remittances, see Pablo Acosta (2020) "Intra-Household Labour Allocation, Migration, and Remittances in Rural El Salvador," *The Journal of Development Studies* 56(5): 1030–1047. https://doi.org/10.1080/00220388.2019.1626832; and Richard P.C. Brown and Eliana Jimenez-Soto (2015) "Migration and Remittances," in Barry Chiswick and Paul Miller (eds.) *Handbook of the Economics of International Migration*. London: Elsevier. https://www.elsevier.com/books/handbook-of-the-economics-of-international-migration/chiswick/978-0-444-53764-5.

<sup>19</sup> US Bureau of Population, Refugees, and Migration (PRM) (2022) "Global Compact for Safe, Orderly, and Regular Migration (GCM)." https://www.state.gov/global-compact-for-safe-orderly-and-regular-migration-gcm/.

<sup>20</sup> International Organization for Migration (IOM) (n.d.) "Skills Mobility Partnerships (SMPs)." https://eea.iom.int/sites/g/files/tmzbdl666/files/documents/Skills-Mobility-Partnerships-Infosheet.pdf.

<sup>21</sup> Michael Clemens, Helen Dempster, and Kate Gough (2019) Maximizing the Shared Benefits of Legal Migration Pathways: Lessons from Germany's Skills Partnerships. Center for Global Development (CGD) Policy Paper 150. Washington DC: CGD. https://www.cgdev.org/publication/maximizing-shared-benefits-legal-migration-pathways.

<sup>22 &#</sup>x27;Brain drain' is a term used to refer to high rates of emigration of highly qualified people. Some policymakers cite the unfairness of this situation; that while the country of origin may pay for the training of these people, their talents are not being used to benefit the country of origin. There is much debate as to whether 'brain drain' exists and what the impacts of it are. See Docquier (2014) "The brain drain from developing countries." *IZA World of Labor* 31. https://wol.iza.org/articles/brain-drain-from-developing-countries/long.

are increasingly appreciating the strong bargaining power that they have in these negotiations. If countries of migrant destination such as the US are to secure skilled personnel to meet labor shortages, in exchange, they will likely need to channel substantial investment towards improving economic development within countries of origin.

There are many ways to enhance the development impact of migration pathways. <sup>23</sup> One approach involves promoting migration coupled with investment by the country of destination in the country of origin. The form of this investment will vary depending on the development needs of the country of origin but could include investing in training and education systems; upgrading curricula; supporting the development of migration management systems, policies, and data; buying equipment and upgrading physical infrastructure; experimenting with schemes to encourage the recruitment and retention of workers; and / or providing general aid and budget support for other priorities. Mutually defining and incorporating such investments within migration schemes helps build an equal partnership and encourages better state cooperation between countries of origin and destination.

One example of a skills mobility partnership, the Global Skill Partnership model, was first proposed by the Center for Global Development (CGD) in 2014,<sup>24</sup> expanded upon in 2017,<sup>25</sup> and included as a recommendation in the 2018 *Global Compact for Safe, Orderly, and Regular Migration*.<sup>26</sup> The remainder of this section will outline the structure of the Global Skill Partnership model, and how it could bring benefits to both the US and the countries of the Northern Triangle.

# Understanding the model

A Global Skill Partnership is a bilateral labor migration agreement between a country of origin and a country of destination.<sup>27</sup> The country of origin agrees to train people in skills specifically and immediately needed in both the country of origin and destination. Some of those trainees stay and increase human capital in the country of origin (the 'home' track); others migrate to the country of destination (the 'away' track). The country of destination provides technology and finance for the training and receives migrants with the skills needed to contribute and integrate quickly (Figure 2).

<sup>23</sup> Helen Dempster, Jenniffer Dew, Samuel Huckstep, Martina Castiglioni, and Cassandra Zimmer (2022) Enhancing the Development Impact of the UK's Immigration Pathways. Center for Global Development (CGD) Policy Paper 258. Washington DC: CGD. https://cgdev.org/publication/enhancing-development-impact-uks-immigration-pathways.

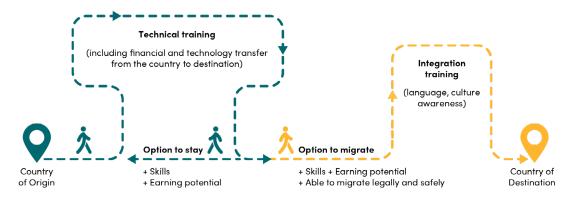
<sup>24</sup> Michael A. Clemens (2015) "Global Skill Partnerships: a proposal for technical training in a mobile world." *IZA Journal of Labor Policy* 4(2). https://link.springer.com/article/10.1186/s40173-014-0028-z.

<sup>25</sup> Michael Clemens (2017) Global Skill Partnerships: A Proposal for Technical Training in a Mobile World. Center for Global Development (CGD) Brief. https://www.cgdev.org/publication/global-skill-partnerships-proposal-technical-training-in-mobile-world-brief.

 $<sup>26\ \</sup> United \ Nations (2018) \ \textit{Global Compact for Safe, Orderly and Regular Migration}. Final \ Draft, \ July 11, 2018. \ https://refugeesmigrants.un.org/sites/default/files/180711_final_draft_0.pdf.$ 

 $<sup>27\ \</sup> For more information about the Global Skill Partnership model, please see https://cgdev.org/bettermigration.$ 

FIGURE 2. The Global Skill Partnership model



Global Skill Partnerships are unique and distinct from other migration schemes in four main ways:

- 1. They target those without existing skills, and train potential migrants in their country of origin *before* they move;
- 2. They facilitate economic development not just through remittances, but through targeted investments in training institutions and wider systems;
- 3. They work directly with employers to design curricula and place trainees in both the country of origin and destination; and
- 4. They focus on professions which face global shortages, particularly those that are 'mid'-skill.

Today, there are three pilots of the model underway: between Belgium and North Africa in information and technology (IT); between Germany and Ecuador in construction and engineering; and between Australia and the Pacific Islands in a range of vocational skills including health care. Many more are being discussed, including by the United Kingdom (UK), Switzerland, the Netherlands, and Germany. This is an approach that the authors would recommend; piloting with a small number (say, 100) of trainees within a given sector, evaluating, and scaling those partnerships that prove to be effective.

# Benefits to the Northern Triangle

El Salvador, Guatemala, and Honduras differ in their current political contexts. While each country faces distinct challenges to implementing a Global Skill Partnership, each also stands to gain.

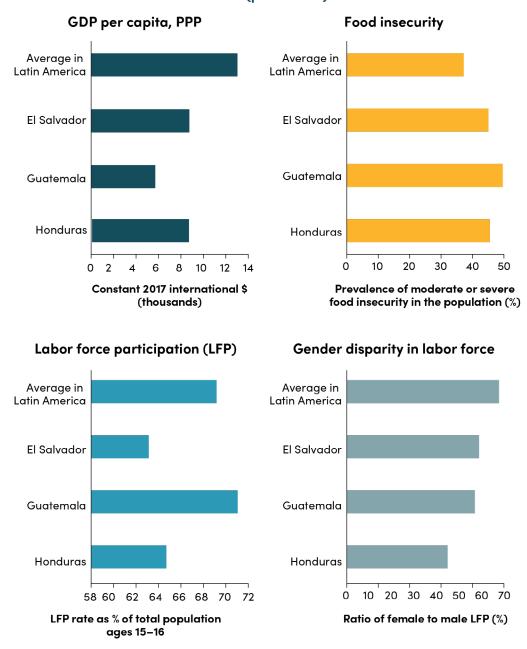
Guatemala is the most politically feasible country with which to establish a Global Skill Partnership,

<sup>28</sup> Center for Global Development (CGD) (n.d.) "Global Skill Partnerships in Action." https://gsp.cgdev.org/gsps-in-action/.

<sup>29</sup> This last project, Partnership Approaches for Development-oriented Vocational Training and Labor Migration (PAM), is being implemented by the German Development Agency Deutsche Gesellschaft für internationale Zusammenarbeit (GIZ). More information can be found here: Fragomen (2021) "Global Skill Partnerships." https://www.fragomen.com/insights/global-skill-partnerships.html.

but El Salvador and Honduras are arguably more in need of such a pathway; they rank as lower-middle income economies and score among the lowest tercile of countries in Latin America (in terms of GDP per capita); insecurity (as measured by homicides); and, perhaps most importantly, education (Figure 3). As school closures and lack of access to remote learning persist throughout the COVID-19 pandemic, the Global Skill Partnership model could prove to be an effective option for 'ninis'—those who neither study nor work, and often migrate irregularly.

FIGURE 3. Important indicators for El Salvador, Guatemala, and Honduras, 2019 (pre-COVID)



Source: World Bank (2022) "Open Data." https://data.worldbank.org/, accessed March 14, 2022.

Each of the three countries has already instituted a formal training and/or employment program, and both Guatemala and El Salvador have signed bilateral agreements with the US to address labor migration. The infrastructure required to set up a Global Skill Partnership is therefore already partially in place. The administration has also recently announced the establishment of a Central America Service Corps for youth. The Global Skill Partnership model would be a fruitful offshoot of these formalized programs but available to adults, particularly if targeted at municipalities of origin with the highest rates of irregular out-migration and offered for free.

In addition to offering guaranteed employment at the end of the training program, the Global Skill Partnership model could allow or require participants in the 'away' track to return to their country of origin for periods of time, granting greater development returns. Support is already offered to returnees who have been deported, <sup>32</sup> but could be structured for people who intend to circularly or permanently migrate through a regulated program. Organizations such as the Grupo Monitoreo Independiente de El Salvador (GMIES) already work with US companies and municipal governments on labor issues and could facilitate support for those on the 'away' track. Programming could encourage the use of formal financial services, investment in microbusinesses, and increased education expenditures, all in the country of origin. This is made easier if returns to the program, such as remittances, are invested in human capital rather than consumption goods.

Finally, across each of these countries, Global Skill Partnerships could also provide a structured, regulated way to encourage women to participate in labor migration.<sup>33</sup> Men have dominated as the primary visa holders among existing lawful migration pathways. Indeed, the first labor case under the US-Mexico-Canada Agreement (USMCA) surrounds gender discrimination in the H-2 programs against women from Mexico.<sup>34</sup> This is also at odds with the fact that many of the adults apprehended

<sup>30</sup> US Department of State (DOS) (2020) Agreement Between the United States of America and the Republic of Guatemala Concerning Temporary Agricultural and Non-Agricultural Worker Programs. Washington DC: US DOS. https://www.state.gov/wp-content/uploads/2020/12/20-917-Migration-and-Refugees-Guatemala-9.17.2020.pdf; and ES Ministerio de Trabajo (2020) "El Gobierno de El Salvador firma acuerdo con Estados Unidos para otorgar visas temporales de trabajo." https://www.mtps.gob.sv/2020/02/07/el-gobierno-de-el-salvador-firma-acuerdo-con-estados-unidos-para-otorgar-visas-temporales-de-trabajo/.

<sup>31</sup> White House (2022) "Fact Sheet: Vice President Harris Announces the Central American Service Corps (CASC)." Statements and Releases, June 07, 2022. https://www.whitehouse.gov/briefing-room/statements-releases/2022/06/07/fact-sheet-vice-president-harris-announces-the-central-american-service-corps-casc/#:~:text=Central%20 American%20Service%20Corps,-Through%20CASC%2C%20youth&text=Youth%20service%20programs%20 harness%20the,of%20civic%20responsibility%20and%20belonging.

<sup>32</sup> US Agency for International Development (USAID) (2022) "Integrated Response on Migration in Central America." https://www.usaid.gov/guatemala/programs/integrated-response-migration.

<sup>33</sup> Reva Resstack and Megan O'Donnell (2021) "Work Visas to the US: How Do We Make Sure Women from the Northern Triangle Don't Get Left Behind?" Center for Global Development (CGD) Blog, July 13, 2021. https://www.cgdev.org/blog/work-visas-us-how-do-we-make-sure-women-northern-triangle-dont-get-left-behind.

<sup>34</sup> The US-Mexico-Canada Agreement (USMCA) is a free trade agreement between the countries and replaced the North America Free Trade Agreement (NAFTA). There is a chapter dedicated to labor issues, and anyone can submit a complaint against any of the governments. For more information, see Christine Murray (2021) "Mexican women say gender discrimination plagues U.S. temporary work programs." Reuters, March 23, 2021. https://www.reuters.com/article/us-mexico-labor-trfn-idUSKBN2BF2O7.

at the US-Mexico border are women. A Global Skill Partnership provides the opportunity to correct for this discrimination from the outset through a mandated parity quota.

#### Guatemala

Guatemala has the highest GDP per capita and the largest population among the three Northern Triangle countries. Yet the country faces widespread food insecurity across its departments, stark gender disparities in its labor force, and a GDP per capita still lower than elsewhere in the region. Guatemala is also the most common nationality among those apprehended at the US southern border from the norther triangle in FY2022 year-to-date. The Global Skill Partnership model can help to address the latter.

In 2021, the World Bank published a jobs diagnostic for Guatemala and the findings were not promising. To Ver the last 14 years, average hourly earnings have consistently declined across sectors in Guatemala, with employment prospects slim. According to the World Bank, "growth in demand for workers from formal firms has almost stopped." Even during a doubling of firm sales in the country, there was a disappointing level of increase in employment growth, when comparing Guatemala to its peers. Guatemala also has the highest male-to-female gap in labor force participation across its peer countries. This indicates a need for employer incentivization in equitable job creation. Offering employment placement through a Global Skill Partnership with higher productivity per worker, after participants graduate from training, could support economic growth in a way that increased firm sales currently do not.

**TRAINING CENTERS:** A training program for people to gain skills for employment at home and abroad could either take place at an existing training facility or created anew. The Instituto Técnico de Capacitación y Productividad (INTECAP, or Technical Institute for Training and Productivity), run by the Guatemalan Ministry of Work and Social Provision, is a training facility based in Guatemala City. <sup>40</sup> The highest shares of the international out-migration population, however, are present in the Western Highlands and the southeastern municipalities that make up Chiquimula and Jutiapa. INTECAP sends occasional mobile units to those regions <sup>41</sup> and USAID implementing partners

<sup>35</sup> US Customs and Border Protection (2022) "Southwest Land Border Encounters." https://www.cbp.gov/newsroom/stats/southwest-land-border-encounters.

<sup>36</sup> Michael A. Clemens (2021) "Violence, Development, and Migration Waves: Evidence from Central American Child Migrant Apprehensions." *Journal of Urban Economics* 124 (July): 103355. https://doi.org/10.1016/j.jue.2021.103355.

<sup>37</sup> Andreas Eberhard-Ruiz (2021) *Guatemala Jobs Diagnostic*. Washington DC: World Bank. http://hdl.handle.net/10986/35367.

<sup>38</sup> The World Bank analysis (ibid) cites comparator countries of Bolivia, El Salvador, Honduras, Nicaragua, and Paraguay.

<sup>39</sup> World Bank (2022) "Open Data; Ratio of female to male labor force participation rate (%) (national estimate)." https://data.worldbank.org/, accessed May 19, 2022.

<sup>40</sup> INTECAP (2022) https://intecap.edu.gt/.

<sup>41</sup> INTECAP (2022) "Región Occidente". https://intecap.edu.gt/empresarial/occidente/; and INTECAP (2022). "Región Oriente". https://intecap.edu.gt/empresarial/oriente/.

similarly hold temporary vocational trainings there. Such areas of high irregular out-migration should be considered for the establishment of permanent training centers. These centers could support the Global Skill Partnership program, while also incentivizing others away from irregular migration. <sup>42</sup> In addition, there are a number of programs that already exist in the US to bring US-trained health care workers to Guatemala; these links could be built upon and reversed. <sup>43</sup>

**INDUSTRIES:** The existing programming offered by INTECAP includes courses in IT, hospitality, and health management, among others. <sup>44</sup> If there was a certification process incorporated into these trainings, as needed for US and Guatemalan labor markets, labor market integration could be expedited. Further, guaranteed positions for those in Guatemala and the US, as suggested by the Global Skill Partnership model, could reduce inefficiencies caused by imperfect labor market matching processes. <sup>45</sup>

PRACTICAL VIABILITY: The extensive cooperation required to establish a Global Skill Partnership already exists across relevant stakeholders in the Guatemalan Ministry of Work and the US' DOL and DHS. The agreement surrounding H-2 work visas provides a convenient model of how such a bilateral agreement on labor migration could be structured. The fact that certain H-2 recruiters, such as Cierto, are already initiating operations in Guatemala (solely out of the three countries) is testament to the viability of such operations. Further, existing USAID implementing partners could work with INTECAP to establish new centers in targeted municipalities. For these reasons, Guatemala is the most likely partner for a pilot Global Skill Partnership.

#### El Salvador

In 2020, the World Bank published a jobs diagnostic for El Salvador, which suggested that the foundation for a healthy labor market—skills, savings, and appropriability of investments—were present, yet job growth did not reflect these positive inputs. <sup>46</sup> This was attributed to two factors: crime and lack of innovation. According to the World Bank, "the expected costs of crime as well as the large expenditures that firms must incur for prevention represent a dramatic tax to the private

<sup>42</sup> Gaurav Khanna, Emir Murathanoglu, Caroline B. Theoharides, and Dean Yang (2022). "Abundance from Abroad: Migrant Income and Long-Run Economic Development." National Bureau of Economic Research (NBER) Working Paper 29862. Cambridge: NBER. https://www.nber.org/papers/w29862.

<sup>43</sup> For example, see University of Colorado Anschutz Medical Campus (2018) "CU Faculty Train Guatemalan Nurses to Improve Care." May 2018. https://medschool.cuanschutz.edu/deans-office/cu-med-today/featuresarchives/training-nurses-in-guatemala; and St. Jude Children's Research Hospital (2018) "St. Jude Children's Research Hospital expands international reach with St. Jude Global." May 24, 2018. https://www.stjude.org/media-resources/news-releases/2018-medicine-science-news/st-jude-expands-international-reach-with-st-jude-global.html.

<sup>44</sup> INTECAP (2022) "Programación de Cursos o Carreras." https://intecap.edu.gt/informacion-de-cursos/.

<sup>45</sup> David McKenzie (2017) How Effective Are Active Labor Market Policies in Developing Countries?: A Critical Review of Recent Evidence. Policy Research Working Paper no. 8011. World Bank: Washington, DC. https://openknowledge.worldbank.org/handle/10986/26352.

<sup>46</sup> Nancy Banegas and Hernan Winkler (2020) *El Salvador Job Diagnostic: Understanding Challenges for More and Better Jobs in El Salvador—An Integrated Approach.* World Bank Job Series no. 24. Washington DC: World Bank. https://openknowledge.worldbank.org/handle/10986/34699.

sector—without any expected benefits." While the Global Skill Partnership model can do little about levels of crime, it can help address the lack of innovation.

From 2002 to 2017, the number of tertiary education graduates per 1,000 inhabitants more than doubled and has continued to grow since. <sup>47</sup> Yet average real wages were lower in 2018 than they had been in 2004. This may be due to the profile of firms in the country; jobs are mostly concentrated in very small firms which often do not want to assume the risk of expansion. Large firms are often targets for higher levels of extortion; as such, many firms prefer to remain small and informal to minimize their costs. Further, while the Government of El Salvador has previously introduced various online job search platforms, "there is a great need for intermediaries and job placement specialists who can serve as a much-needed bridge between the training programs, private sector employers, and youth."<sup>48</sup>

TRAINING CENTERS: The Instituto Salvadoreño de Formación Profesional (INSAFORP, or Salvadoran Institute for Professional Training), run by a board of representatives from the Salvadoran Ministries of Work and Social Provision, External Affairs, and Education, has partnerships with particular training facilities in various departments of El Salvador. INSAFORP and the Ministry of Education and Science and Technology are responsible for certifying competencies. The government has carried out efforts in establishing a National Coordinating Council of Technical Education and Training to establish a national certification system, but it is still in the early stages. The highest shares of the international out-migration population in El Salvador are present in San Salvador and San Miguel. 49 USAID implementing partners operate in those regions, at times even working on workforce development initiatives funded by the Millennium Challenge Corporation (MCC). Such areas should be considered for the establishment of permanent training centers.

INDUSTRIES: The existing programming offered by INSAFORP includes courses in IT, industrial mechanics, finance, and hospitality, among others. <sup>50</sup> Engineering and IT are among the most popular majors for those entering college in the country, yet opportunities for graduates in these higher-productivity sectors remain limited. The US plan for investment, however, highlights IT and finance as sectors for investment. If there was a certification process incorporated into these trainings, as needed for US and Salvadoran labor markets, these industries could grow in coordination with private sector investment from US firms. Further, guaranteed positions for those in El Salvador and

<sup>47</sup> United Nations Educational, Scientific and Cultural Organization (UNESCO) (2022) "UIS Statistics; Gross graduation ratio from tertiary education." http://data.uis.unesco.org/, accessed May 20, 2022.

<sup>48</sup> Marc Hanson (2016) Migration, U.S. Assistance, and Youth Opportunities in Central America. Washington DC: Washington Office on Latin America. https://www.wola.org/wp-content/uploads/2016/02/WOLA\_Final\_Youth\_Opportunity.pdf.

<sup>49</sup> Adriana Velásquez, Reva Resstack, and Helen Dempster (2022) "The Relationship Between Migration and Development in El Salvador." Center for Global Development (CGD) Blog, May 17, 2021. https://www.cgdev.org/blog/relationship-between-migration-and-development-el-salvador

<sup>50</sup> INSAFORP (2012) "Formación para Trabajadores de Empresas." https://www.insaforp.org.sv/index.php/programas-de-formacion-profesional/programas-para-trabajadores-de-empresas.

the United States, as suggested by the Global Skill Partnership model, could reduce inefficiencies caused by imperfect labor market matching processes, particularly if evaluated properly.

PRACTICAL VIABILITY: At the time of publication, there is a state of exception imposed across El Salvador, which limits mobility and effectively prohibits the establishment of new economic ventures. <sup>51</sup> A Global Skill Partnership is therefore not likely in the near-term. However, the impracticality imposed by such emergency interruptions are supposedly temporary. The administrations in both the US and El Salvador have consistently cooperated on bilateral labor migration. Such policies are now being led by the Salvadoran Ministry of Foreign Affairs, but outreach to the Ministry of Education and Science and Technology to engage with INSAFORP programming is also recommended.

#### Honduras

Out of the three countries in the Northern Triangle, Honduras is the most economically impoverished. Honduras has the highest level of extreme poverty, lowest level of educational attainment, and lowest health worker density. According to a jobs diagnostic completed by the World Bank in 2019, faster productivity growth is needed in Honduras, especially for people with low income. <sup>52</sup> Annual per capita GDP growth has ranged from just 3 percent to negative 10.4 percent in the past 10 years. Of the growth that has occurred, a majority is simply a result of demographic change; no other country in the region depends as heavily as Honduras has on demographic change for its economic growth. Further, only 38 percent of the total population was working as of 2016. According to the World Bank, "to reduce poverty, accelerating the growth of better jobs emerges as a central challenge for Honduran policymakers."

In 2014, the Government of Honduras established an employment initiative called "Con Chamba Vivis Mejor" which offers short-term work experience for those who are unemployed. Members of the Chambers of Commerce and Industry offer job vacancies that match the profiles of those registered with the National Employment Service (SENAEH). Training covers both technical and behavioral skills relevant for specific jobs, designed and delivered by the employers in the workplace. The program, which pays 50 percent of wages for three months, was initially supported by the Inter-American Development Bank (IADB). A World Bank-financed evaluation in 2014 found that participants increased their wages, likelihood of employment, and likelihood of formal employment. The implementation and evaluation systems for a Global Skill Partnership are therefore already in place.

<sup>51</sup> Nelson Renteria (2022) "El Salvador extends state of emergency for third time to curb gangs." *Reuters*, June 21, 2022. https://www.reuters.com/world/americas/el-salvador-extends-state-emergency-third-time-curb-gangs-2022-06-22/

<sup>52</sup> Veronica Michel and Ian Walker (2019) *Honduras Jobs Diagnostic*. Washington DC: World Bank. https://openknowledge.worldbank.org/bitstream/handle/10986/33304/Jobs-Diagnostic-Honduras.pdf?sequence=7.

<sup>53</sup> Ibid.

**TRAINING CENTERS:** The Instituto Nacional de Formación Profesional (INFOP, or National Vocational Training Institute) is a training organization established in 1972 to improve employability among the Honduran population. INFOP, run by a board which includes members of the President's Advisory Council, offers a range of courses, including biomedical education. <sup>54</sup> There are currently no nursing training courses available; the majority focus on agricultural activities.

**INDUSTRIES:** The Honduras 20/20 Plan (El Programa Honduras 20/20) to focus on strategic sectors includes tourism, social housing construction, and outsourcing in the IT sector. INFOP does have existing programming for tourism and construction, but the governmental infrastructure currently does not exist to train people in IT and nursing through government-led programs. Thus, a partnership with PAHO is warmly welcome to involve the multilateral sector in increasing institutional capacity.

PRACTICAL VIABILITY: Bilateral cooperation has been muted in past years, but the newly elected Honduran president Xiomara Castro is seemingly open to more collaboration with the US. Honduras is the only country out of these three which has not yet established a bilateral agreement on labor migration with the US; if an agreement were to be created, it should include a pilot Global Skill Partnership in coordination with INFOP or CENET.

#### Benefits to the US

As described above, despite the adverse effects of the COVID-19 pandemic, the US labor market is expected to create almost 12 million new jobs by 2030. 55 While some industries will shrink, jobs that don't require more than a high school education will account for roughly one-third of net growth in employment. The US could invest in training for these skills in El Salvador, Guatemala, and Honduras with mutual economic benefits. This section will outline how that could be done within three sectors: health care; IT; and tourism and hospitality.

#### Health care

According to the BLS, employment of registered nurses (RNs) in the US is projected to grow by nine percent from 2020 to 2030 (3,356,800 jobs<sup>56</sup>), which is about as fast as the average for all occupations.<sup>57</sup> An average of 194,500 openings for RNs are projected each year, on average, over the decade.<sup>58</sup> Despite being the latest data from BLS, these figures were calculated prior to COVID-19, and

<sup>54</sup> Instituto Nacional de Formación Profesional (2022) "Biomédica." http://www.infop.hn/biomedica/.

<sup>55</sup> US Bureau of Labor Statistics (BLS) (2021) Employment Projections – 2020–2030. Washington DC: BLS. https://www.bls.gov/news.release/pdf/ecopro.pdf.

 $<sup>56</sup> Sarah \, Handzel \, (2022)\, "Nursing \, challenges \, and \, opportunities \, in 2022." \, Wolters \, Kluwer \, Blog, \, February \, 25, 2022. \, https://www.wolterskluwer.com/en/expert-insights/nursing-challenges-and-opportunities-in-2022.$ 

<sup>57</sup> US Bureau of Labor Statistics (BLS) (n.d.) "Registered Nurses: Occupational Outlook Handbook." https://www.bls.gov/ooh/healthcare/registered-nurses.htm.

<sup>58</sup> Ibid.

the true number of openings for RNs is likely significantly higher.<sup>59</sup> Although enrollment in Bachelor of Science in Nursing (BSN) programs increased by 5.1 percent in 2019, there still are not enough nurses to meet the growing demand.<sup>60</sup>

In addition, the US population is rapidly aging, with the over-65 population predicted to grow to 80.8 million by 2040 and to 94.7 million by 2060. Employment of in-home aides is therefore projected to grow 33 percent between 2020 and 2030, much faster than average for all US occupations. It is projected that there will be about 599,800 openings for home health and personal care aides per year between 2020 and 2030. Many of the openings for RNs, personal care aides, and home health aides are expected to result from the need to replace workers who transfer to different occupations or exit the labor force through retirement.

Designing health care migration partnerships with countries in the Northern Triangle could help mitigate these shortages within the registered and older persons' care nursing professions. As described in the paragraphs above, health worker density throughout the region is low and training systems suffer from a lack of capacity and equipment. The US could invest in training RNs and older persons' care nurses within the Northern Triangle, aligning the curriculum and creating new visa pathways to ensure some of the qualified graduates, those on the 'away' track, would be able to access opportunities in the US. <sup>63</sup> Those on the 'home' track would increase the health worker density within the Northern Triangle and contribute to improved health outcomes.

### Information and technology (IT)

In 2016, a study by Randstad NV found that technology and science jobs in the US outnumbered qualified workers by 3 million. <sup>64</sup> Today, 64 percent of US businesses feel a shortage of talent is standing in the way of adopting new technologies and becoming more productive. <sup>65</sup> In addition, the number of people with digital skills in the US falls behind many other OECD countries, skills that are increasingly needed in the labor market. For example, in 2016, 70 percent of US jobs require medium-

<sup>59</sup> Kathleen Gaines (2022) "What's Really Behind the Nursing Shortage? 1,500 Nurses Share Their Stories." Nurse.org Blog, January 26, 2022. https://nurse.org/articles/nursing-shortage-study/.

<sup>60</sup> Sarah Handzel (2022) "Nursing challenges and opportunities in 2022." Wolters Kluwer Blog, February 25, 2022. https://www.wolterskluwer.com/en/expert-insights/nursing-challenges-and-opportunities-in-2022.

<sup>61</sup> Administration for Community Living (ACL) (2021) "Projected Future Growth of Older Population." https://acl.gov/aging-and-disability-in-america/data-and-research/projected-future-growth-older-population.

<sup>62</sup> US Bureau of Labor Statistics (BLS) (n.d.) "Home Health and Personal Care Aides: Occupational Outlook Handbook." https://www.bls.gov/ooh/healthcare/home-health-aides-and-personal-care-aides.htm.

<sup>63</sup> Victoria Rietig and Allison Squires (2015) *Building Skills in North and Central America: Barriers and Policy Options toward Harmonizing Qualifications in Nursing.* Washington DC: Migration Policy Institute (MPI). https://www.migrationpolicy.org/research/building-skills-north-and-central-america-barriers-and-policy-options-toward-harmonizing.

<sup>64</sup> Pedro Nicolaci Da Costa (2019) "Tech Talent Scramble." International Monetary Fund (IMF), March 2019. https://www.imf.org/Publications/fandd/issues/2019/03/global-competition-for-technology-workers-costa.

<sup>65</sup> Gartner (2021) "Gartner Survey Reveals Talent Shortages as Biggest Barrier to Emerging Technologies Adoption." September 13, 2021. https://www.gartner.com/en/newsroom/press-releases/2021-09-13-gartner-survey-reveals-talent-shortages-as-biggest-barrier-to-emerging-technologies-adoption.

high levels of digital skills, versus 44 percent in 2002. This has led the Information Technology and Innovation Foundation (ITIF) to call for an increase in investment to build digital skills, including expanding training within workforces and ensuring there are more computer science graduates.<sup>66</sup>

The IT sector is a powerful driver of economic growth and job creation. As the youth population among each of the Northern Triangle countries expands, investing in digital skills can help support tech businesses at home and abroad. USAID's Digital Strategy 2020–2024 recognizes the need to invest in digital skills and training, and the agency actively does so in select contexts (e.g. the HEEAP program in Vietnam). The US could therefore support the training of, for example, software developers within the Northern Triangle (as they do in the Puentes Program in El Salvador Promoting the migration of half of the trainees. Previous initiatives facilitated by USAID and multilateral institutions, such as entra 21 and its successor NEO, provide the framework for an IT Global Skill Partnership (Box 1).

#### **BOX 1. Entra21 and NEO**

Entra 21 was designed to provide disadvantaged young high school graduates in Latin America and the Caribbean with employment training and job placement services, particularly in IT.<sup>a</sup> It was developed in 2001 and benefited from early support from USAID and other multilateral organizations, including the IADB. In 2009, the IADB and the International Youth Foundation (IYF) evaluated that first phase of the entra 21 program. They found that the program had exceeded its targets serving 19,649 youth, achieving an average employment rate of 54 percent, with 74 percent earning minimum wage or better. Similar positive indicators could be seen in female participation, earnings increases, and employer satisfaction. In addition, they were able to build relationships with potential new funding sources which enabled the program to continue after the end of the initial grant.

Entra21 evolved to become NEO (New Employment Opportunities), which was launched in 2012. This initiative, led by the IADB, has since funded training initiatives in countries throughout Latin America, including El Salvador. Various impact evaluations generated by the initiative, including on the return of investment (ROI) as well as the alignment between training centers and employment opportunities, serve as a strong evidence base for a Global Skill Partnership in the region.<sup>c</sup>

<sup>66</sup> Stephen Ezell (2021) "Assessing the State of Digital Skills in the U.S. Economy." Information Technology and Innovation Foundation (ITIF), November 29, 2021. https://itif.org/publications/2021/11/29/assessing-state-digital-skills-us-economy/.

<sup>67</sup> Higher Engineering Education Alliance Program (HEEAP) (n.d.) "Home." https://heeap.org/.

<sup>68</sup> Emilie Bagby, Edith Felix, Patricia Costa, Nany Murray, and Beryl Seiler (2019) Latin America and the Caribbean (LAC) Ready Evaluation Contract: Second Annual Central America Workforce Development Report. Washington DC: USAID. https://pdf.usaid.gov/pdf\_docs/PA00XKGF.pdf, page G.12.

a. entra21." https://www.entra21.com.br/.

b. Inter-American Development Bank (IADB) and International Youth Foundation (IYF) (2009) Final Report of the entra 21 Program Phase I: 2001-2007. Washington DC: IADB. https://publications.iadb.org/publications/english/document/Final-Report-of-the-entra 21-Program-Phase-I-2001-2007.pdf.

c. Miguel Székely, Aída Arango, and Ana Miranda (2018) *Modelos para mejorar la alineación entre las entidades de formación y la empresa privada*. Washington DC: IADB. http://dx.doi.org/10.18235/0001493; and Juan Pablo Jimenez (2018) Retorno de la inversión (ROI) para la iniciativa NEO: Caso NEO México. Washington DC: Inter-American Development Bank (IADB). http://dx.doi.org/10.18235/0001495.

#### Tourism and hospitality

The tourism and hospitality industry is facing a record scarcity of workers, particularly cooks, fast food and counter workers (and their supervisors), and waiters and waitresses.<sup>69</sup> Prior to the pandemic, the industry had roughly 1 million job openings, an increase from 600,000 in 2015 and 350,000 in 2009.<sup>70</sup> Migrants make up 31 percent of the tourism and hospitality workforce (compared to 13 percent of the total US population) and restrictive immigration policies have slowed this supply of labor. While COVID-19 hit the industry hard, business is rebounding quickly and may return to pre-pandemic levels soon.

Tourism is also one of the main drivers of economic growth throughout the Northern Triangle, particularly in Guatemala where their National Tourism Reactivation Plan is touted as a route to recovery post-COVID. Yet, the country lacks the funding to expand and improve the professional education courses needed for its growing industry. The US could invest in training cooks and hotel supervisors within Guatemala, perhaps targeting those who may migrate irregularly, preparing them for roles within both the Guatemalan and US labor markets (Box 2).

#### BOX 2. Vocational training in Guatemala for hospitality occupations

Both the International Labor Organization (ILO) and the Swiss Agency for Development and Cooperation (SDC) collaborate with the government in Guatemala, working to improve vocational training for hospitality services in the country. These collaborations have generated programming that would contribute to a successful Global Skill Partnership.

The ILO works with INTECAP in Guatemala to implement, improve, and evaluate vocational training for hospitality. INTECAP trainings incorporate the ILO's guidance in their modules for both generic and complex competencies, offering an academic, or more theoretical, track as well as a more practical, labor competency track. A 2015 evaluation of this programming showed that only a small percentage of the Guatemalan population can access these trainings however, given

<sup>69</sup> Michael Clemens, Reva Resstack, and Cassandra Zimmer (2020) Harnessing Northern Triangle Migration for Mutual Benefit. Center for Global Development (CGD) Policy Brief. https://www.cgdev.org/publication/harnessing-northern-triangle-migration-mutual-benefit.

<sup>70</sup> Barbara Peterson (2020) "The Hospitality Industry's Labor Shortage." Meetings and Conventions (M&C). https://www.meetings-conventions.com/News/Hotels-and-Resorts/hospitality-hotels-labor-shortage-immigration.

INTECAP is funded by employer's taxesa. International financing could help scale these offerings to areas of high irregular out-migration.

The SDC works with the Guatemalan Ministry of Tourism and Ministry of Labor and Vocational Training to "promote vocational and professional orientation in a personalized way from anywhere in the country." b This effort includes a new a web portal through which people can search for better employment and vocational opportunities and receive individual guidance from a career coach. Unfortunately, this tool is not widely publicized.

Improvements in the curriculum taught by INTECAP as facilitated by international organizations, broader coverage of training centers, and a simple web portal to search for opportunities are starting points for a successful Global Skill Partnership, all of which are in place for the hospitality sector in Guatemala.

a. Association of Caribbean States (ACS) (2015) "Guatemala Case Study: Technical and Vocational Education and Training (TVET)." https://www.academia.edu/25354097/GUATEMALA\_CASE\_STUDY\_April\_2015\_TECHNICAL\_AND\_VOCATIONAL\_EDUCATION\_AND\_TRAINING\_TVET.

b. Swisscontact (2021) "A web portal to guide young people in Guatemala on vocational training and job opportunities." September 16, 2021. https://www.swisscontact.org/en/news/a-web-portal-to-guide-young-people-in-guatemala-on-vocational-training-and-job-opportunities.

# Implementing a Global Skill Partnership through existing US visa programs

The Global Skill Partnership model is being piloted by a number of countries around the world. Many of these countries are relying on an existing or new visa arrangement which allows in skilled professionals who meet strict criteria; for example, they work in an occupation which is in shortage in the country of destination (potentially detailed on a shortage occupation list), they speak the language at a high level, and / or they have a minimum level of qualification. These visa arrangements can allow the visa holder to bring their family and stay either on a long-term temporary basis (e.g. three years) or permanently.

The immigration system in the US largely does not make visas available to address shortages in particular occupations. Employers do need to show they cannot find US workers when applying for employment-based visas, but there is not a general list of occupations, set by the US government, that governs who can access these visas. Creating a new visa would require the acquiescence of Congress, a process which has historically been politically difficult and time-consuming. For example, in January 2021, President Biden unveiled a blueprint for the U.S. Citizenship Act, which was introduced

<sup>71</sup> Madeleine Sumption (2011) "Filling Labor Shortages through Immigration: An Overview of Shortage Lists and their Implications." Washington DC: Migration Policy Institute (MPI). https://www.migrationpolicy.org/article/filling-labor-shortages-through-immigration-overview-shortage-lists-and-their-implications.

shortly thereafter in the Senate and House of Representatives.<sup>72</sup> The legislation contains a range of provisions aimed at supporting immigrants and making immigration more accessible. But progress on both measures has stalled. The House has advanced only a selection of immigration provisions, which have found insufficient support in the Senate. In the current political climate, creation of a new employment-based visa would appear unlikely.<sup>73</sup>

As a result, if the US and its partner countries want to implement a Global Skill Partnership, they will likely need to rely on the existing employment-based visas in place. The rest of this paper explores the categories of visas that could potentially be used to facilitate a Global Skill Partnership— the Exchange Visitor Program (EVP), the H-2B visa, and Schedule A Employment-based green cards— and how this could be done in practice. This analysis is intended to guide USAID, State, DHS, and DOL in implementing a Global Skill Partnership to the benefit of all partners.

#### The Exchange Visitor Program (EVP)

Under the *Mutual Educational and Cultural Exchange Act* of 1961 (also known as the Fulbright-Hays Act), the State Department runs a number of educational and cultural exchange programs. In addition to government-sponsored programs, the State Department also designates exchange sponsors to facilitate exchange programs. A sponsor must meet certain eligibility criteria to earn State Department designation, but can then run an Exchange Visitor Program (EVP), including the screening and acceptance of applicants and to sponsor them on a J-1 visa. <sup>74</sup> Through BridgeUSA, the State Department's Bureau of Educational and Cultural Affairs (ECA) designates sponsors in a variety of subcategories.

The State Department could implement a Global Skill Partnership under the EVP in two ways. Firstly, the government could directly run the Global Skill Partnership itself, sponsoring migrants and partnering with outside partners who will train and employ them. Secondly, the State Department could offer designated sponsor status to organizations which run exchange programs; partner with US employers; and partner with or operate training programs for both 'home' and 'away' track participants in countries of origin. Designated sponsors under this category should be able to run programs that are flexible to the needs of migrants, employers, and governments.

<sup>72</sup> White House (2021) "Fact Sheet: President Biden Sends Immigration Bill to Congress as Part of His Commitment to Modernize our Immigration System." Statements and Releases, January 20, 2021. https://www.whitehouse.gov/briefing-room/statements-releases/2021/01/20/fact-sheet-president-biden-sends-immigration-bill-to-congress-aspart-of-his-commitment-to-modernize-our-immigration-system/.

<sup>73</sup> Tucker Higgins (2021) "House passes two immigration bills that would establish path to citizenship for millions." CNBC, March 18, 2021. https://www.cnbc.com/2021/03/18/house-passes-dream-and-promise-act-setting-up-path-to-citizenship.html.

 $<sup>74\ \</sup> US\ Department\ of\ State\ (n.d.)\ "Exchange\ Visitor\ Visa."\ https://travel.state.gov/content/travel/en/us-visas/study/exchange.html.$ 

Through the rulemaking process, the ECA can create a new exchange category specifically designed for Global Skill Partnerships or alter one of the existing categories to be more conducive to a Global Skill Partnership. For example, the Biden-Harris administration's new J-1 initiative—launched in January 2022 for early career STEM talent—offers both a model for expanding J-1 pathways within existing categories and demonstrates an interest in doing so. <sup>75</sup> A Global Skill Partnership modeled on the new STEM initiative could match exchange sponsors with interested US host organizations as well as foreign partners, including training organizations.

#### **Advantages**

Firstly, the J-1 visa is an uncapped visa category, meaning there is not a binding constraint on the program's size. Further, The lack of a cap precludes the possibility of visas being taken away from other migrants to give to Global Skill Partnership participants. Secondly, the EVP is housed within the State Department, which is better positioned to work with international partners and recognize the mutual benefits of cultural exchange. Thirdly, the executive branch is given wide discretion in how to run and implement the EVP. There is little statutory restriction on the type of exchange programs allowed, the maximum visa duration, or other details.

#### Disadvantages and limitations

Firstly, the EVP program is designed to be temporary. As with many of the other visas outlined below, J visas are nonimmigrant, or temporary, visas. They do not offer dual intent and require recipients to return home for at least two years after the expiration of their visa. This means that 'away' track migrants may not have a permanent path to US residence. However, even that limitation is not absolute since the requirement to return home can be waived under various circumstances. In the context of a Global Skill Partnership, a path to permanent status could exist under the J-visa if:

- 1. The Global Skill Partnership exchange category offers extensions to J visa holders with approved or pending immigrant visa petitions; and / or
- 2. Partner countries sign 'No Objection' statements to afford participants' waivers from the two-year home country requirement. Partner countries may be interested in this because of the training afforded to 'home' track trainees, but it may not be the norm. It also may not be mitigatable if 'away' track trainees are involved in the training of participants after their time in the US.

Secondly, the EVP is not designed as a work program but is designed for cultural exchange. While the primary purpose of an exchange category cannot be work, this does not mean that work cannot be an

<sup>75</sup> Jeremy Neufeld (2022) "Unpacking the Biden Administration's Latest Actions to Attract STEM Talent to the US." Washington DC: Institute for Progress. https://progress.institute/unpacking-the-biden-administrations-latest-actions-to-attract-stem-talent-to-the-us/.

<sup>76</sup> Cornell Law School (1961) "immigrant." https://www.law.cornell.edu/definitions/uscode. php?width=8408height=8008iframe=true8def\_id=8-USC-1241937756-12016800368term\_occur=828term\_src=.

important part of the exchange experience. For instance, the intern, trainee, and au pair categories offer cultural exchange in the context of employment. This may not involve major changes from a 'pure' Global Skill Partnership model, but may require some differences to conform with immigration laws. This could be accomplished by requiring some training or cultural exchange component take place in the US for 'away' track migrants. Further, designated sponsors could require 'away' track migrants who have already completed their US stay to be involved in the training of 'home' track trainees. Any GSP set up under the EVP should work with the ECA to ensure the requirements of a valid EVP are satisfied.

#### The H-2B visa

The H-2B visa allows employers to hire foreign nationals to fill temporary non-agricultural jobs. Employers must prove there are not enough US workers willing to do the job, and that employing foreign nationals won't impact the wages and working conditions of similarly employed US workers. A job can be called 'temporary' if it is a one-time occurrence or a seasonal need. Most of these roles are in sectors such as meat and poultry processing; construction; and food and accommodation, though the visa is not limited to those sectors. H-2B holders gain a one-year visa which can be renewed up to a maximum of three years. The cap imposed on the H-2B program varies every year; in FY 2022 it was 66,000 people, with 33,000 in each half of the year.<sup>78</sup>

#### **Advantages**

Firstly, it is already a relevant visa for the tourism and hospitality occupation. Employers within these industries are able to recruit workers under the H-2B visa program, targeting temporary, seasonal employment. In FY2021, the top ten occupations certified for H-2B employment included amusement and recreation attendants; waiters and waitresses; cooks and restaurant workers; and maids and housekeepers.<sup>79</sup>

Secondly, the US also already has a relationship with agencies and employers within the Northern Triangle region to cooperate on H-2B visa processing. As described above, DHS has already ring fenced 6,500 H-2B visas for nationals from the Northern Triangle in FY2022. The US could therefore

<sup>77</sup> As it happens, these three programs explicitly were accused of being "inconsistent with legislative intent" and insufficiently distinct from work programs by the US Government Accountability Office (GAO) in 1990. Nevertheless, each of these programs still exists today, over 30 years later (although it must be noted that at least one of them—the au pair program—has been given subsequent congressional assent). See US Government Accountability Office (GAO) (1990) Inappropriate Uses of Educational and Cultural Exchange Visas. United States General Accounting Office Report to Congressional Committees. Washington DC: GAO. https://www.gao.gov/assets/nsiad-90-61.pdf.

<sup>78</sup> US Citizenship and Immigration Services (CIS) (2022) "Cap Count for H-2B Nonimmigrants." https://www.uscis.gov/working-in-the-united-states/temporary-workers/h-2b-non-agricultural-workers/cap-count-for-h-2b-nonimmigrants.

<sup>79</sup> US Department of Labor (DOL) (2021) "Office of Foreign Labor Certification." https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/H-2B\_Selected\_Statistics\_FY2021.pdf.

invest in building skills within tourism and hospitality, through new or existing training centers, an investment which would likely make graduates even more desirable hires for US employers.

Thirdly, the temporary nature of the work performed under this visa would allow 'away' track migrants to contribute to employers within the US when there is demand, while also supporting the industries of their countries of origin upon return.

#### Disadvantages and limitations

Firstly, many of the 'mid'-skill professions in demand throughout the US are not seasonal or temporary roles. If employers within, say, health care or IT wanted workers for longer than a year, their roles would be ineligible for the H-2B visa.

Secondly, the strict cap on the H-2B visa program will make it difficult to guarantee workers access under this program. For example, in the summer of 2021, employers requested 136,555 people, more than four times the cap of 33,000. That being said, the administration has discretion to set this cap, and could increase it to accommodate the implementation of a Global Skill Partnership.

#### Schedule A Employment-based green cards

Employment-based green cards allow those within Schedule A professions to proceed through an expedited green card process, as sponsored by their employers. Unlike other employment-based green card processes, however, Schedule A employers do not have to submit approved permanent labor certifications (known as PERMs) to determine that there are not enough US workers in the sector. This is because Schedule A operates as a shortage occupation list of sorts, albeit one that has not been updated in almost thirty years. Nurses, physical therapists, and (less relevantly) "immigrants of exceptional ability in the science or arts" are all eligible under Schedule A. It is likely that EB-3 Schedule A visas (skilled workers, professionals, or other workers) would be the primary "away" mechanism under a Global Skill Partnership and, to a lesser extent, EB-2 (a member of a profession holding an advanced degree, or a person with exceptional ability). 82

#### **Advantages**

Firstly, Schedule A green cards were explicitly established to bolster the US labor market where the DOL has determined it is most needed. Professional nurses have been an established Schedule A occupation for many years. They are therefore a useful, yet under-used, tool to meet the needs

<sup>80</sup> Lindsay Milliken (2020) "A Brief History of Schedule A: The United States' Forgotten Shortage Occupation List." The University of Chicago Law Review Online. https://lawreviewblog.uchicago.edu/2020/09/22/milliken-schedule-a/.

<sup>81</sup> US Citizenship and Immigration Services (USCIS) (2022) "Chapter 7 – Schedule A Designation Petitions." https://www.uscis.gov/policy-manual/volume-6-part-e-chapter-7.

<sup>82</sup> For more information, see US Citizenship and Immigration Services (USCIS) (n.d.) "Permanent Workers." https://www.uscis.gov/working-in-the-united-states/permanent-workers.

of different labor markets. Introducing a Global Skill Partnership may draw more attention to the Schedule A list as a tool DOL has to address labor market shortages

Secondly, a green card grants residency to the migrant, allowing for a long-term investment in the US, a benefit not shared by the other visas detailed here.

#### Disadvantages and limitations

Firstly, Schedule A green cards are subject to worldwide numerical caps, as are all employment-based green cards. <sup>83</sup> Thus, employers looking to hire someone on a Schedule A green card through a Global Skill Partnership would have to contend with the regular cap as any other Schedule A applicant would. <sup>84</sup> While applicants from El Salvador, Guatemala, and Honduras remain far under their numerical per-country limit and would not be subject to a long backlog, the worldwide cap means that a visa going to a GSP participant must come from another immigrant in a zero-sum transfer.

Secondly, while such green cards (particularly under EB-3) are most relevant to the health care profession, there are a few limitations to using Schedule A for a nursing Global Skill Partnership. Current applicants must submit a statement from the Commission on Graduates of Foreign Nursing Schools (CGFNS) which verifies that they have a valid, unrestricted license in the state where they plan to work; will be working in a state that verifies that foreign licenses are authentic; have passed the National Council Licensure Examination (NCLEX-RN); and have graduated from certain English-language nursing programs. As detailed in a 2013 Migration Policy Institute (MPI) report, many nurses in El Salvador, Guatemala, and Honduras would not be able to meet this criteria as they do not have the level of education required. This remains true today; only four people from El Salvador, Guatemala, and Honduras passed the NCLEX-RN exam in 2019 and 2020.

However, the Biden-Harris administration recently announced a joint initiative with the Pan American Health Organization (PAHO) to train over 500,000 healthcare workers in the region. <sup>87</sup> If only a small portion of the funding went toward certifying graduates with Schedule A requirements, those

<sup>83</sup> Muzaffar Chishti and Stephen Yale-Loehr (2016) *The Immigration Act of 1990: Unfinished Business a Quarter-Century Later.* Washington DC: Migration Policy Institute (MPI). https://www.migrationpolicy.org/research/immigration-act-1990-still-unfinished-business-quarter-century-later.

<sup>84</sup> That being said, the Green Card Bill, which has just been passed by the House, would phase out these per country caps. See Andrew Kreighbaum and Ellen M. Gilmer (2022) "Per-Country Green Card Limits End in Bill Moving Through House." Bloomberg Law, April 7, 2022. https://news.bloomberglaw.com/daily-labor-report/per-country-green-card-limits-end-in-bill-moving-through-house.

<sup>85</sup> Allison Squires and Hiram Beltrán-Sánchez (2013) Strengthening Health Systems in North and Central America: What Role for Migration? Washington DC: Migration Policy Institute (MPI). https://www.migrationpolicy.org/research/strengthening-health-systems-north-and-central-america-what-role-migration.

<sup>86</sup> NCSBN (2022) "Nurse Licensure and NCLEX Exam Statistics." https://www.ncsbn.org/1236.htm.

<sup>87</sup> PAHO (2022) "500,000 health workers to receive training under new joint initiative from PAHO and the United States." https://www.paho.org/en/news/8-6-2022-500000-health-workers-receive-training-under-new-joint-initiative-paho-and-united.

participating in the training would not only be eligible to participate in the Global Skill Partnership, but also be regarded at a higher standard in their home labor markets with these credentials.

Third, home health aides are not included within the shortage occupation list.<sup>88</sup> This is despite the fact that more applicants would qualify for this position rather than a RN, and, as described above, this is the largest occupation category in need of labor for the next 10 years.<sup>89</sup> If such a profession was included within Schedule A, it would make a good choice for a Global Skill Partnership.

#### Other considerations

Outside of finding an appropriate visa through which to channel the Global Skill Partnership, there are a number of other practical considerations involved in implementing the model. This final section explores three: (1) protecting employees; (2) securing sustainable financing; and (3) involving relevant stakeholders.

#### **Protecting employees**

All Global Skill Partnerships initiatives should include robust protections for migrant workers that protect against wage discrimination and abuse, ensure safe working conditions, afford workers the ability to change employers, and establish meaningful opportunities for employees to make claims and complaints against potentially offending employers without the risk of losing their employment status.

# Securing sustainable financing

To date, all pilots of the Global Skill Partnership model are being funded through overseas development assistance (ODA) and multilateral organizations. OECD Development Assistance Committee (DAC) guidance in this space is forthcoming, though previous statements seem to indicate that ODA can be spent on facilitating legal labor migration, as long as this ODA is spent in the country of origin (in this case, El Salvador, Guatemala, or Honduras). Certainly, experience to date seems to suggest that there is rarely sufficient trust in these types of migration partnerships for the private sector, the country of origin, or migrants themselves to substantially cover the cost of implementation, at least in the pilot stage. As a result, USAID will need to provide 'seed funding' to cover the costs of the initial pilot, likely to come from ODA. They will also need co-financing, likely from the private sector, to cover the costs of training under the 'away' track. <sup>90</sup> Operating such a cost-

<sup>88</sup> Claire Kumar, Helen Dempster, Megan O'Donnell, and Cassandra Zimmer (2022) Migration and the Future of Care. London: Overseas Development Institute (ODI). https://odi.org/en/publications/migration-and-the-future-of-care-supporting-older-people-and-care-workers/.

<sup>89</sup> Michael Clemens, Reva Resstack, and Cassandra Zimmer (2020) Harnessing Northern Triangle Migration for Mutual Benefit. Washington DC: Center for Global Development (CGD). https://www.cgdev.org/publication/harnessing-northern-triangle-migration-mutual-benefit.

<sup>90</sup> For more, please see Helen Dempster, Ismael Galvez Iniesta, Reva Resstack, and Cassandra Zimmer (2022) Financing Legal Labor Migration Pathways: From Pilot to Scale. Center for Global Development (CGD) Policy Paper 261. Washington DC: CGD. https://www.cgdev.org/publication/financing-legal-labor-migration-pathways-pilot-scale.

sharing structure will enable the pilot to scale and sustainably cover its costs, while protecting it from future political backlash.

#### Involving relevant stakeholders

No office of DHS, USAID, State, or DOL has the explicit mandate to lead the expansion of access to any US visa in any country. An office of USAID or the State Department could be created to facilitate trade in services (similar to that in place within Germany, Australia, and New Zealand). This office could be supported by other actors such as Cierto and IOM. In the absence of such an office, all departments will need to come together in a regular working group arrangement to implement new pathways. They will also need to make sure to crowd in other relevant stakeholders, including employers, trade unions, diaspora groups, and migrant rights associations. If relevant stakeholders are excluded, especially in the pilot phase, there is a risk that the program is mis-aligned to the needs of those on the ground and that is receives backlash as it attempts to scale. 91

#### Permanent reform

Of course, implementing such immigration reform outside of Congress does lead to a lack of stability and security; there is no guarantee that a future political regime would not dismantle the Global Skill Partnership. But working within the confines of existing visas does make it easier to pursue immediate implementation and could lead to increased interest and support within Congress in the long-term if a use-case was proven in the short-term. <sup>92</sup> Given the large potential benefits that establishing a Global Skill Partnership would have on the US, the Northern Triangle, and the migrants and trainees themselves, such an approach is worth exploring.

Yet such efforts are merely stop-gaps. In the long-term, stakeholders will need to consider broader and more long-lasting immigration reform that facilitated the movement of (particularly) 'mid'-skill workers from Central America. One way to do this would be to re-negotiate the Central America Free Trade Agreement (CAFTA) to include some form of visa that certain workers were eligible for (as its predecessor, the North American Free Trade Agreement (NAFTA), did). Exploring these longer-term options will require the US recognizing the overwhelming need for 'mid'-skill workers, particularly within health care, IT, and tourism and hospitality, and the role that migrants could play in meeting these skill shortages.

<sup>91</sup> For more information on the risks and assumptions inherent within the Global Skill Partnership model, please see Samik Adhikari, Michael Clemens, Helen Dempster, and Nkechi Linda Ekeator (2021) Expanding Legal Migration Pathways from Nigeria to Europe: From Brain Drain to Brain Gain. Washington DC: Center for Global Development (CGD) and World Bank. https://www.cgdev.org/publication/expanding-legal-migration-pathways-nigeria-europe-brain-drain-brain-gain.

<sup>92</sup> As described above, this is how the au pair program within the EVP visa was established. Originally it was set up through executive action, though was later both explicitly approved and modified by Congress.

# **Conclusion**

This paper has attempted to outline how the Biden-Harris administration can use the Global Skill Partnership model to meet several goals: (1) stimulate economic development within the Northern Triangle; (2) expand legal pathways from the Northern Triangle to the US; and (3) meet staff shortages experienced by US employers within 'mid'-skill industries such as health care, IT, and tourism and hospitality.

Given the current political difficulties with passing any immigration reform through Congress, this paper has instead attempted to explore how implementing such a model could be done within existing visa programs. In summation, it appears that a Global Skill Partnership within the health care sector could be achieved through the EVP, Schedule A Employment-based green cards visa, and potentially also through H-2B.93 A Global Skill Partnership within the tourism and hospitality sector could, again, be achieved within the confines of the current H-2B visa, as well as the EVP. Finally, a Global Skill Partnership to facilitate the movement of IT workers could be achieved under the EVP.

<sup>93</sup> US Citizenship and Immigration Services (USCIS) (2021) "Chapter 7—Schedule a Designation Petitions." https://www.uscis.gov/policy-manual/volume-6-part-e-chapter-7.