

DIGITALES ARCHIV

ZBW – Leibniz-Informationszentrum Wirtschaft
ZBW – Leibniz Information Centre for Economics

Guloba, Madina M.; Aliro, Elizabeth Birabwa; Kasirye, Ibrahim et al.

Book

Labour externalisation in Uganda : implications for the Agro-Industrialisation Agenda

Provided in Cooperation with:

Economic Policy Research Centre (EPRC), Kampala

Reference: Guloba, Madina M./Aliro, Elizabeth Birabwa et. al. (2022). Labour externalisation in Uganda : implications for the Agro-Industrialisation Agenda. Kampala, Uganda : Economic Policy Research Centre.

[https://eprcug.org/publication/labour-externalisation-in-uganda-implications-for-the-agro-industrialisation-agenda/?wpdmdl=15205&refresh=636cd31d3440d1668076317&ind=1666676588377&filename=Labour](https://eprcug.org/publication/labour-externalisation-in-uganda-implications-for-the-agro-industrialisation-agenda/?wpdmdl=15205&refresh=636cd31d3440d1668076317&ind=1666676588377&filename=Labour%20Externalisation%20in%20Uganda.%20Implications%20for%20the%20Agro-Industrialisation%20Agenda.pdf)

[%20Externalisation%20in%20Uganda.%20Implications%20for%20the%20Agro-Industrialisation%20Agenda.pdf](https://eprcug.org/publication/labour-externalisation-in-uganda-implications-for-the-agro-industrialisation-agenda/?wpdmdl=15205&refresh=636cd31d3440d1668076317&ind=1666676588377&filename=Labour%20Externalisation%20in%20Uganda.%20Implications%20for%20the%20Agro-Industrialisation%20Agenda.pdf)
This version is available at:

<http://hdl.handle.net/11159/12633>

Kontakt/Contact

ZBW – Leibniz-Informationszentrum Wirtschaft/Leibniz Information Centre for Economics
Düsternbrooker Weg 120
24105 Kiel (Germany)
E-Mail: [rights\[at\]zbw.eu](mailto:rights[at]zbw.eu)
<https://www.zbw.eu/>

Standard-Nutzungsbedingungen:

Dieses Dokument darf zu eigenen wissenschaftlichen Zwecken und zum Privatgebrauch gespeichert und kopiert werden. Sie dürfen dieses Dokument nicht für öffentliche oder kommerzielle Zwecke vervielfältigen, öffentlich ausstellen, aufführen, vertreiben oder anderweitig nutzen. Sofern für das Dokument eine Open-Content-Lizenz verwendet wurde, so gelten abweichend von diesen Nutzungsbedingungen die in der Lizenz gewährten Nutzungsrechte.

<https://savearchive.zbw.eu/terms-of-use>

Terms of use:

This document may be saved and copied for your personal and scholarly purposes. You are not to copy it for public or commercial purposes, to exhibit the document in public, to perform, distribute or otherwise use the document in public. If the document is made available under a Creative Commons Licence you may exercise further usage rights as specified in the licence.

RESEARCH
SERIES
NO. 160

August 2022

LABOUR EXTERNALISATION IN UGANDA: IMPLICATIONS FOR THE AGRO- INDUSTRIALISATION AGENDA

Madina M. Guloba, Elizabeth Birabwa Aliro, Ibrahim Kasiye and Aida K. Nattabi





The authors acknowledge the financial support from the African Policy Dialogues (APDs)'s INCLUDE Platform initiated by the Dutch Ministry of Foreign Affairs. We thank all participants in youth dialogues, key informant interviews held with Ministries, Departments and Agencies, Civil Society Organisations, externalisation agencies and dissemination meetings for their valuable input.

Copyright © Economic Policy Research Centre (EPRC)

The Economic Policy Research Centre (EPRC) is an autonomous not-for-profit organization established in 1993 with a mission to foster sustainable growth and development in Uganda through advancement of research –based knowledge and policy analysis. Since its inception, the EPRC has made significant contributions to national and regional policy formulation and implementation in the Republic of Uganda and throughout East Africa. The Centre has also contributed to national and international development processes through intellectual policy discourse and capacity strengthening for policy analysis, design and management. The EPRC envisions itself as a Centre of excellence that is capable of maintaining a competitive edge in providing national leadership in intellectual economic policy discourse, through timely research-based contribution to policy processes.

Disclaimer: The views expressed in this publication are those of the authors and do not necessarily represent the views of the Economic Policy Research Centre (EPRC) or its management.

Any enquiries can be addressed in writing to the Executive Director on the following address:

Economic Policy Research Centre
Plot 51, Pool Road, Makerere University Campus
P.O. Box 7841, Kampala, Uganda
Tel: +256-414-541023/4
Fax: +256-414-541022
Email: eprc@eprcug.org
Web: www.eprcug.org

TABLE OF CONTENTS

1	INTRODUCTION	3
2	METHODS AND DATA SOURCES	4
3	CONCEPTUALISATION OF EXTERNALISATION	5
4	OVERVIEW OF LABOUR EXTERNALISATION IN UGANDA	6
4.1	Process of labour externalisation	6
4.1.1	Negotiation of labour export agreements with destination countries	6
4.1.2	The process of licensing recruitment firms	7
4.1.3	The process of exporting labour outward	8
4.2	Depth of labour externalisation	9
4.2.1	Status and trends in labour externalisation	9
4.2.2	Gendered and lifecycle participation in labour externalisation	10
4.2.3	Individual migrant workers	11
4.2.4	Which types of jobs do migrants perform? Which skills are required?	12
4.2.5	Migrant's remuneration by job type and destination	14
4.2.6	How is COVID-19 affecting labour migration activities?	15
4.3	Policy, regulatory and institutional structures for labour externalisation?	16
4.3.1	National Efforts	16
4.3.2	Regional and International efforts	16
4.3.3	Institutional and stakeholder interests	16
4.3.4	Emerging issues	19
5	CONSEQUENCES OF EXTERNALISATION: AN EMPLOYEE PERSPECTIVE	19
6	How can Uganda leverage externalisation to foster agro-industrialisation?	20
6.1	What is the evidence regarding the linkages between external migration and agriculture?	21
6.2	Where do externalised labourers/immigrants invest?	22
6.3	Best practices of labour externalisation programmes	24
6.4	What lessons can Uganda pick from evidence elsewhere?	24
7	CONCLUSION AND LESSONS LEARNT	27
	Recommendations	27
	Recommendations for integrating externalisation into agro-industrial value chains	28
	Cross-cutting	28
	REFERENCES	29
	ANNEX	32

LIST OF TABLES

Table 1	Trends in numbers of migrant workers by the destination country, 2010-2019	10
Table 2	Trends in number of individual migrant workers by country of destination	11
Table 3	Common external jobs offered by country of destination	12
Table 4	Monthly remuneration for migrant workers by job type and country of destination (USD), 2019	14
Table 5	Ugandan migrant workers, December 2020-April 2021	15
Table A 1:	List of stakeholders and their roles in labour externalisation in Uganda	32

LIST OF FIGURES

Figure 1	Influence on the development of employment systems	5
Figure 2	Trends in share of externalised migrant workers by sex, 2016-2019	10
Figure 3	Average age (years) of an externalised migrant worker by sex, 2016-2018	11
Figure 4	Trends in individual migrant workers deployed by sex	12
Figure 5	Mapping of stakeholders by the level of power and interest	18
Figure 6	Link between labour externalisation and agro-industrialisation	21

LIST OF BOXES

Box 1:	Requirements for an Agency that is licensed	7
Box 2:	Steps followed in labour externalisation	8
Box 3:	Skills acquired at training centres	13
Box 4:	Ratified international agreements governing migration issues in Uganda	17
Box 5:	A migrant worker's journey to agri-business	20
Box 6:	The Management of the labour export process in the Philippines	25

1 INTRODUCTION

This paper examines the potential labour externalisation could present in sustainably driving Uganda's agro-industrialisation (AGI) agenda. This paper examines externalisation from the standpoint of seeking employment either formally or informally outside Uganda's borders. For the agricultural sector, labour externalisation arises from seasonal or structural underemployment. The externalisation concept sometimes implies labour deployed outside the primary economic niche, for example, agriculture (Erdkamp 1999), or employment within a country through shift working or outside the country.

Globalisation has led to a rise in the use of external workers. Tompa *et al.* (2007) note that the forces of globalisation, trade competition, and rapid technological innovation have led to adaptive changes in the labour-market landscape in which many employers are adopting "flexible staffing" practices (Davis-Blake and Uzzi, 1993; Applebaum 1987). In this regard, Bergstrom (2001) and Pfeffer and Baron (1988) distinguish between three types of externalisation: externalisation by reducing the duration of employment (temporary workers), externalisation of administrative control (independent contractors/outsourcing) and externalisation of place (for example, telecommuting/distance work). As a result, during the 1990s, there was a gradual movement away from full-time and on-going employment arrangements toward increased use of workers on part-time, 'contingent' or 'temporary' employment arrangements (Bergstrom 2001) with fewer job security benefits (Mangum *et al.*, 1985; Applebaum 1987). Where externalisation occurs because of high unemployment rates in an economy, the skill set of workers has no net effect on occupations as they are desperate to undertake any job, a common feature among temporary workers (Davis-Blake and Uzzi 1993).

Globally, the number of economic migrants has increased due to a need to seek better livelihoods and address the persistently high unemployment and underemployment

challenges back home. Most Asian countries like India, China and the Philippines have adopted labour export to exploit the opportunities presented by globalisation. In Africa alone, one in every four migrations is labour related. About 150.3 million workers worldwide are migrants concentrated in Northern America and Northern, Southern and Western Europe (83.7 million are men, and 66.6 million are women) [International Labour Organisation (ILO) 2015]. Likewise, the 2018 ILO reports that between 2013 and 2017, the demand for migrant workers in the Middle East region increased by 5.2 percent annually, attributed to the need for a workforce in the construction and services sector.

As a result, economic migration has increased global remittances from USD573 billion in 2016 to USD613 billion in 2017 and postulated to grow to USD642 in 2018 (World Bank 2018). The biggest recipients of remittances in 2018 were India - USD78.6 billion, China - USD67.4 billion, Mexico- USD 35.7 billion, the Philippines – USD 33.8 billion and Egypt-USD 28.9 billion. These nations have experienced significant Gross Domestic Product (GDP) growth due to having a considerable portion of their labour force working abroad and repatriating their incomes back to their countries. In Uganda, personal transfers/remittances increased US\$1,165.4 million in 2017 to US\$1,337.8 million in 2018 (BoU, 2018), contributing 4 percent of GDP. With the growth in remittances, the contribution of externalised labour to development cannot be understated.

Although Uganda's labour force is expanding annually, available jobs have remained static, rendering many youth and women either unemployed or underemployed. As a result, labour externalisation has become a feasible alternative; while sometimes not considered the best option, it is a much sought-after alternative to deal with extended unemployment durations. In Uganda, youth and females in paid employment were 51.9 percent and 43.6 percent respectively while men were 60.5 percent (UBOS, 2021). Furthermore, most of this working labour force is vulnerable (52 percent), with females accounting for a larger share-62 percent. It is worth noting that youth unemployment is almost three-

fold that of the adult population (31–64 years of age). In 2016/17, the national unemployment rate was at 9.7 percent, and was notably higher among the youths at 11.0 percent (UBOS, 2021). The unemployment rate has remained essentially unchanged in 2019/20. Income poverty increased from 19.7 percent in 2014 to 21.4 percent in 2017 to 20.3 percent in 2020 (*ibid*).

On the other hand, the COVID-19 pandemic has altered the employment challenges faced by Ugandans. The 2021 study by EPRC estimated that vulnerable firms laid off 2.9 million workers temporarily or permanently in response to COVID-19. In addition, the pandemic affected labour productivity with an overall reduction in the duration of work per worker by 3 hours (EPRC, 2021). Such economic uncertainty has increased the desperation amongst the most vulnerable and prone populations (youth and women) to search for opportunities elsewhere. Prior to the pandemic, according to Uganda Association for Externalisation Regulatory Authority (UAERA) (2019), over 140,000 Ugandans were working in the Middle East in “flexible jobs,” for example, in Iraq, Afghanistan, and Somalia, among others. Of these, 50,000 Ugandan workers sought jobs on their own (UPFYA, *undated*). Understanding this category of persons is pertinent in ensuring that the women and youth desirous of participating in labour migration are protected throughout the process while establishing attractive alternatives for investment after externalisation.

Through Statutory Instrument 2005 No 62, the Government of Uganda (GoU) issued the Employment (Recruitment of Ugandan Migrant Workers Abroad) Regulations. The regulations govern the recruitment and employment of Ugandan migrant workers abroad. These regulations were the first attempt by the GoU to offer an alternative to trafficking of Ugandans who choose to seek a livelihood through employment abroad. They regularised seeking external employment through recruitment agencies. The regulations align with the Ugandan constitution—specifically Article 29 (2), which stipulates that “**every Ugandan shall have the right to enter, leave and return to Uganda**”. The 2005 regulations were revised and updated through

the 2015 *Guidelines on recruitment and placement of Ugandan migrant workers abroad*. The revised guidelines mandated the training of would-be migrants before placement.

Thus, a thorough understanding of the dimensions of work-related externalisation is required to enable policymakers to develop appropriate policies to address vulnerabilities and opportunities arising from labour’s externalisation. Specifically, the paper sought to answer the following questions:

- i) What is the depth of labour externalisation in Uganda? Besides, what has been the effect of COVID-19 on this activity?
- ii) What are the consequences of externalisation from the perspective of migrant workers? and
- iii) How can Uganda leverage its citizens’ participation in labour externalisation as an opportunity to foster the AGI programme as articulated in the National Development Plan III (NDP3)?

The paper provides evidence to inform the envisaged review of the 2015 guidelines on the recruitment and placement of Ugandan migrant workers abroad. The major sources of data used include secondary data sources to profile the demographic characteristics of external workers, their kinds of jobs, and the industries and regions in which they are employed. In addition, primary data through key informant interviews (KIIs) sought to generate potential avenues through which migrant workers can drive Uganda’s AGI agenda upon completion of their contractual period.

2 METHODS AND DATA SOURCES

The paper uses mixed methods to answer the questions posed. Specifically:

- i) *What is the depth of labour externalisation in Uganda? In addition, what has been the effect of COVID-19 on externalisation?*

We address this research question through documents and literature reviews on labour externalisation. The documents reviewed include but were not limited to the Externalisation guidelines of 2015 and National Employment Policy 2011. Administrative data that capture labour employment statistics are used to provide critical insights into externalisation. In addition, we conducted KIs with selected stakeholders engaged in labour externalisation, such as the Ministry of Gender Labour and Social Development (MoGLSD), UAERA and a sample of licenced firms/individuals. Furthermore, through media clips and KIs, we analyse the effect of COVID-19 on labour externalisation in Uganda.

ii) *What are the consequences of externalisation from the perspective of migrant workers?*

We answer this question through KIs' responses and through exchanges captured during the December 2020 dialogue by EPRC on "*The role of labour externalisation in fostering AGI value chains*". The dialogue enabled documentation of feedback from returning migrant workers especially regarding insights/experiences and aspirations of would be migrant labourers.

iii) *Is participation in labour externalisation an opportunity for fostering AGI value chains?*

Beyond the youth dialogue, quantitative analysis and literature reviews, we adopt a case study approach to analyse successful labour externalisation endeavours.

Countries like the Philippines with a successful labour externalisation policy were identified and reviewed to answer this question.

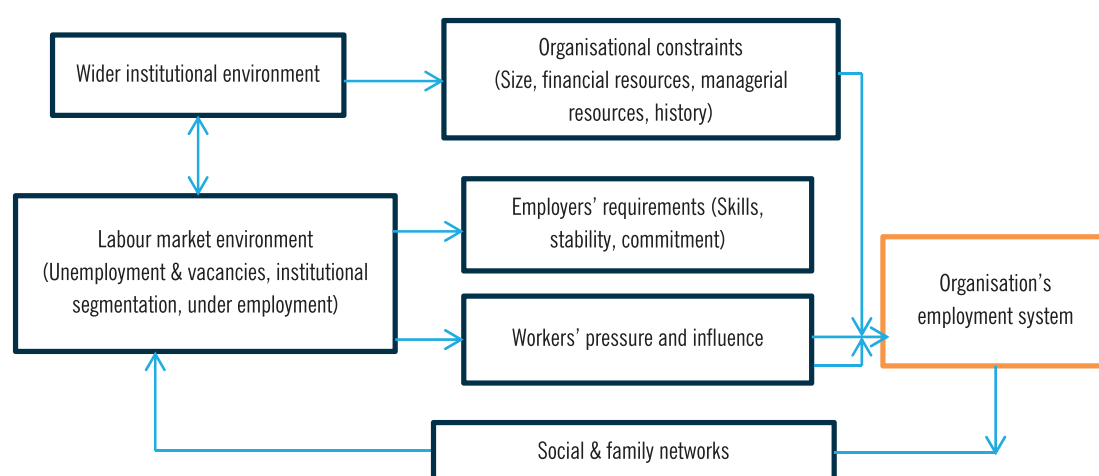
3 CONCEPTUALISATION OF EXTERNALISATION

This paper's framework is based on the understanding that externalisation of labour is labour exported outside Uganda and not internal labour migration due to seasonal or structural underemployment within Uganda. Externalised labour is usually by firms with a project-based organisational structure—mainly temporary jobs, general skills requirements, and employees have limited and optional relationships with the company (Tomba *et al.* 2007). Figure 1 conceptualises labour externalisation in this context.

The above relations put together the supply and push factors that drive externalisation. That is:

- Wider institutional environment:* financial deregulation, internal mobility of capital, globalisation, growing dominations of Multi-National Corporations (MNCs) in world markets, increased emphasis on 'shareholder value', globalisation.
- Labour market environment:* unemployment,

Figure 1 Influence on the development of employment systems



Source: Authors' own construct adopted from the Human Resource Management, 4th Edition, 2004.

- workforce reductions, precarious employment, informal employment, child labour, slavery and bonded labour, government policies to promote labour flexibility and limit trade union power.
- c. *Organisational constraints*: smaller, flatter, fewer internal promotion chances, increased short-term financial pressures.
 - d. *Employment labour requirements*: transferable skills, flexibility.
 - e. *Workers' pressure and influence*: the decline in union membership, recognition and influence; pressure on workers to comply with management demands to protect jobs.
 - f. *Organisation's employment system*: (a) to (e) lead to (f) in which labour becomes externalised. This leads to a need for smaller workforces, weaker commitment to long-term employment security, increased use of nonstandard workers, devolution of responsibility, requiring task flexibility and more broadly defined job roles, individualised pay systems, and weakened internal labour market structures.

4 OVERVIEW OF LABOUR EXTERNALISATION IN UGANDA

4.1 Process of labour externalisation

In Uganda, the externalisation of labour is not solely facilitated by the government but by the private sector as well. Therefore, examining the process of labour externalisation has to be explored on three fronts. First, we look at the frameworks and procedures of how labour recruitment companies are licensed. Second, we examine the guidelines on how the actual migrant workers are exported. Finally, we examine the government's frameworks and processes used to negotiate labour export agreements with some destination countries.

4.1.1 Negotiation of labour export agreements with destination countries

Through the MoGLSD, the Government is mandated to promote decent employment opportunities and labour productivity. To manage the unemployment pressure and maximize the gains of labour migration, the Government initiated the Externalisation of Labour Programme in 2005, as earlier mentioned. In this regard, the MoGLSD is responsible for signing bilateral agreements on behalf of Uganda with countries interested in importing labour from Uganda. For example, MoGLSD has signed bilateral agreements (BLAs) with the Kingdom of Saudi Arabia, the United Arab Emirates (UAE), and Jordan's Government. This helps to ensure the safety and easy monitoring of Ugandans who work or will work in those countries, especially the domestic workers. For example, the BLA with Saudi Arabia has legally allowed both professionals and unskilled manual labourers to seek employment in the Kingdom. The new bilateral agreement addressed the threats to trafficking and violations of workers' rights inherent in the previous 2015 agreement. Besides the above countries with signed bilateral agreements, labour is exported to Iraq, the UAE, Sudan, Chinese Taipei, and Syria.

Some BLAs targeted highly skilled migrant workers. For example, the BLA between Uganda and South Sudan was for placing public servants in the latter country, through which 60 public servants were to be deployed. No information about implementing this agreement has to date been obtained. Similarly, Trinidad and Tobago have approached Uganda requesting medical personnel. Many Ugandans work abroad, particularly in Middle Eastern countries, and are often recruited by licensed recruitment agencies (IOM and MoGLSD 2014).

Nonetheless, it is the Government of Uganda's responsibility to identify opportunities in higher skills-set that align with the country's development agenda to effectively negotiate with destination countries such opportunities for its citizens. These help ensure relevant knowledge transfer and structural aid transformation of the domestic economy if strategically positioned (Cotula and Toulmin 2004; Thomas-Hope 1999).

However, a key informant from the ministry noted that Uganda had not done well regarding the government-to-government placements. Consequently, workers under the highlighted professions (highly skilled) typically travel out of the country on their own to look for jobs, with few going through registered companies.

BLAs address the skill gaps in the local destination labour markets. As IOM and MoGLSD (2014) note in their report, the primary aim of BLAs is to close the skills gap, either in seasonal work or low-skilled labour or higher-skilled work in sectors such as health and information technology. For sending countries, BLAs can be *“a means to increase their workers’ access to international labour markets and promote the development of their human capital through the acquisition of occupational skills.”* Agreements can also ensure that workers who have gained new skills return to their country of origin, avoiding “brain drain.” Sending countries can use BLAs to secure the rights and welfare of their workers abroad (Martin, 2011). These agreements promote an orderly migration process, curbing reliance on irregular migration. However, it is not yet clear how Uganda is applying the BLA advantages for its citizens to ensure occupational skills for domestic investments in the future.

4.1.2 The process of licensing recruitment firms

The externalisation of the labour programme is implemented under the MoGLSD, which is responsible for licensing and regulating private recruitment companies/ agencies interested in the externalisation exercise. The MoGLSD is also mandated to revoke private recruitment agencies’ licences if found non-compliant. To date- there is an External Recruitment Agencies Monitoring Fund aimed at supporting externalised workers abroad. Box 1 gives insights into this fund.

According to Hon. Mwine Mpaka (MP Youth, Western Region), he has not heard of any Ugandan who has benefited from the Fund due to mismanagement. Yet, some Ugandans have had to ask for financial support to, among other things, return home, while some of them died after they failed to get medical treatment. In November 2019, Mpaka asked Parliament to establish a select committee to probe the mismanagement of the Fund. He noted that the Fund at the time had a total of UGX 600 million in its coffers. Besides agencies’ mandatory registration and contribution to MoGLSD, private recruitment agencies must also be registered under their umbrella body - UAERA. According to the UAERA representative, this ensures that companies are accountable to the people they take and eliminates cases of human trafficking.

Box 1: Requirements for an Agency that is licensed

Currently, labour export firms licenced are required to remit USD70 per Ugandan who gets a job abroad. Set up in 2018, as a condition to lift the ban on externalisation of domestic workers by the Ministry of Gender Labour and Social Development, the External Recruitment Agencies Monitoring Fund was meant to facilitate the operations of a transit centre at Entebbe International Airport and in destination countries to support emergency medical, psychosocial and legal services and the repatriation of migrant workers.

The external recruitment companies on behalf of domestic workers remit the USD70 per Ugandan to the Uganda Association of External Recruitment Agencies under the account of Mr. Yassin Abdulaziz Musoke, a Labour Liaison/ Consular Assistant at the Embassy of the Republic of Uganda to Saudi Arabia since 1st May 2018. Parliament of Uganda in a motion moved by Hon. Mwine Mpaka, indicated that the fund was operating/existing under no legal framework with expenditures unaccounted for. In addition, the clear oversight role of MoGLSD to supervise was not clear and yet the fund has been operational for some time.

Source: Parliament of Uganda (2019) “Motion for a resolution of Parliament to institute an inquiry into the status of the Uganda Association of External Recruitment Agencies Monitoring Fund”: (moved under rules 55 & 56 of the rules of procedure of parliament) and ARISE MAGAZINE 2021

4.1.3 The process of exporting labour outward.

In Uganda, labour externalisation takes mainly three channels. These are:

- a) Licensed recruitment companies: By 2020, Uganda had about 187 companies that are formally licensed to export labour.
- b) Individuals sourcing jobs: Many Ugandans go abroad independently, through friends or connections, searching for employment. The actual statistics are hard to establish, as travel reasons are often vague and not aligned to job searching.
- c) Unlicensed companies/individuals: As in (b), the numbers are unknown as they are informal.

Box 2 summarises the process through which labour externalisation operates under licensed recruitment companies. The discussions with MoGLSD officials confirm the processes below.

There are several loopholes in the current regulatory framework for labour externalisation. Key informants noted that some loopholes in the externalisation process include the lack of adequate monitoring, especially on the operations of the recruitment firms. For instance, the jobs sourced by the recruitment agencies must be approved by MoGLSD to verify whether they truly exist.

Despite all the restrictions and laws in place, migrant workers move out of Uganda illegally. For instance, under the current restrictions, no domestic worker is legally allowed to go to Oman; however, this category of persons ends up in the same country and cases of human trafficking continue.

Most of the trafficking is through non-licensed labour recruitment agencies and/or individuals is to the Middle East (TIP 2019). According to the 2018 Trafficking Trends Annual Report, most of the registered transnational victims of human trafficking used unsafe labour migration procedures. The failure in the legal process and high costs associated with applications eventually led to migrants using unlicensed firms/individuals or trying on their own. A key informant stresses that:

“The bureaucracy in government processes registering these firms and deploying the workers in the various destination countries forces migrants and firms to operate illegally.” **Key informant, March 2020**

There have been reforms to the management of the externalisation agencies. To curb illicit migration, the MGLSD has implemented several control measures.

Box 2: Steps followed in labour externalisation

Migrants who are formally externalised followed the steps below:

1. Placement of job advertisements in newspapers or online by a company in the host country where labour is needed.
2. In this case, local recruitment companies/individuals, especially registered ones, approach the MoGLSD responsible office for approval. Upon approval, the job is then advertised in local media avenues for interested candidates to apply.
3. Candidates who are shortlisted are those that have met the job requirements and attachments, such as having recommendation letters from the Local Council, District Internal Security Organisation (DISO) and Residence District Commissioners (RDCs). Interpol also vets these for further clearance.
4. All clearances and applications are then forwarded to MoGLSD for approval by the local recruiting company.
5. The shortlisted and approved applicants are then interviewed, and successful candidates are selected. The chosen group undergoes training, signs employment contracts, undergoes medical tests and obtains travel documents to prepare for departure.

Note: The migrant workers incur several costs (approximately US\$800 to US\$2000) in the process of application, but this depends on the type of work one is applying for, the country's salary and the required amount of agent fees which usually account for 50 to 60 percent of the total cost.

Source: UAERA 2019.

These include an online monitoring system used to manage the recruitment process. In addition, awareness is vital as traffickers are now moving to villages, to people who do not even know what is happening, as not everybody watches TV. Unlike the standard employment contract, other parties, including the employer, employee, and source Company, sign the contract. Finally, there are labour dispute and settlement centres in the destination country. According to a key informant in the MoGLSD;

“Usually, the contracts for the externalised labour range between 1-3 years with the most common contractual period being two years-common for maids. The Ministry follows up on the migrants through periodic reports that the recruitment agencies submit. The licensed recruitment firms also have complaints registers which the Ministry also reviews. However, the capacity to do follow-ups on each migrant worker is still minimal. The existing two embassies in the Middle East are not enough to handle the complaints. But complaints are usually followed up.” Commissioner, Employment Services, MoGLSD March- 2020.

4.2 Depth of labour externalisation

No reliable national statistics on emigration are available. UNDESA (2020) estimates a migrant stock of approximately 781,440 Ugandans of which 408,705 females and 372,735 males, most of whom were living in East African Countries especially Kenya, Rwanda, and South Sudan. Other estimates suggest a figure of around 527,000 Ugandans in the diaspora (MoFA 2014). However, those migrating to other countries beyond the Middle East for employment cannot be verified without reliable data sources. Even so, it has been estimated that the exportable labour pool¹ is more than twice the current stock of Ugandan emigrants (Bakunda 2009). This section draws on existing data from MoGLSD to contextualise the depth of labour externalisation in Uganda while highlighting how COVID-19 has challenged this narrative.

4.2.1 Status and trends in labour externalisation

This subsection provides insights into the nature of labour externalisation over time. Table 1 shows the total number of migrants. Most of Uganda’s externalised labour is destined for the Middle East. Iraq first had the highest number of migrant workers- mainly recruited as security guards at UN army bases- since 2010. However, the numbers have declined over time due to decreased demand and the withdrawal of US forces from Iraq.

Nonetheless, a surge was noted in 2018, where labour migrants peaked at 21,629 from 5,117 in 2017. The surge in migrant numbers after 2017 is explained by the January 2018 signing of a new General Labour Recruitment Bilateral Agreement between Saudi Arabia and Uganda. Saudi Arabia now accounts for the most significant number of migrant workers—of the 17,680 workers recruited to the Middle East in 2019, at least 78 percent were destined for Saudi Arabia (Table 1). Many Ugandans currently working in other countries, such as South Sudan, Canada, the USA, and the UK, are not captured by the external deployment database due to how they become externalised (individual initiative). This makes it challenging to track them despite the remittances received from these destination countries.

¹ A labour pool is a source of trained and skilled workers that can be utilized at a central point for assignment.

Table 1 Trends in numbers of migrant workers by the destination country, 2010-2019

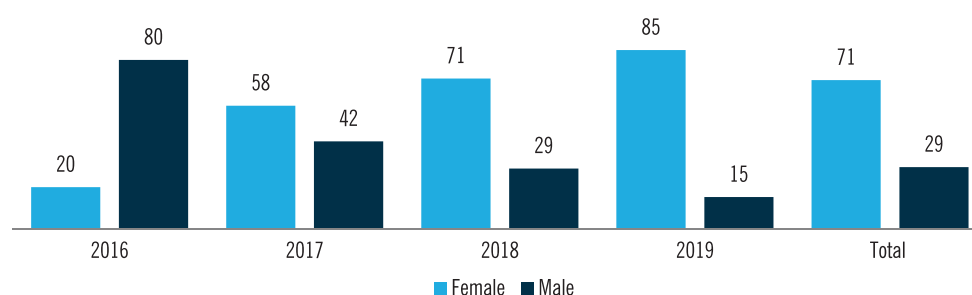
Country	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Total
Afghanistan	198	188	260	124	142	298	342	416	228	642	2,838
Bahrain	2	2	2	5	87	97	410	451	23	60	1,139
Iraq	9,120	2,516	2,033	935	907	951	646	217	2,206	535	20,066
Jordan								1,427	2,582	306	4,315
Kuwait			32	278	223	209				88	830
Qatar	20	20	20	299	627	1,026	487	520	923	456	4,398
Saudi Arabia	65	65	66	18	18	479	175	1,621	12,366	13,825	28,698
Somalia		2	99	550	532	687	96	162	745	139	3,012
South Sudan	43	45	45								133
Syria	2	2	2								6
Taiwan	2	2	2							0	6
UAE	515	2,001	3,202	3,954	6,369	9,732	383	303	2,556	1,629	30,644
Total	9,967	4,843	5,763	6,163	8,905	13,479	2,539	5,117	21,629	17,680	96,085

Source: Compiled from EEU Deployment Report Database, 2020.

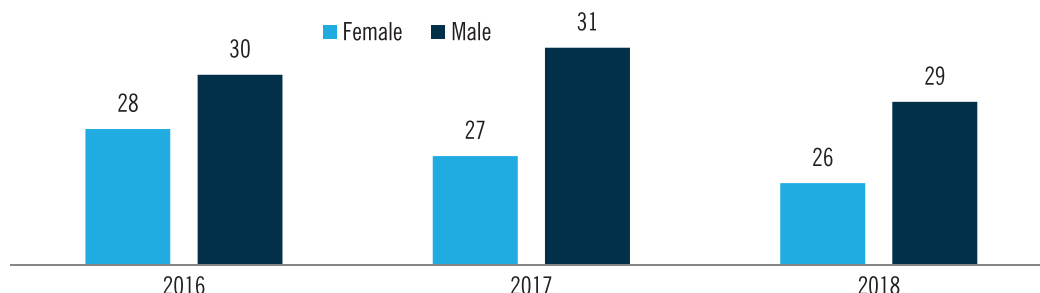
4.2.2 Gendered and lifecycle participation in labour externalisation

Since 2017, they have recruited more females than males for posting to the Middle East (Figure 2). The share of male externalised workers declined from 80 percent in 2016 to 15 percent in 2019. This was partly because Iraq was the leading destination at the onset of the externalisation initiative, and the predominant jobs of security guards were male-oriented. Overall, the ratio of females to males is 71:29, implying that females comprise the highest number of deployed migrant workers, a statistic driven by Saudi Arabia and Jordan BLAs signed with Uganda.

Externalised workers, on average, are mainly youth (Figure 3). Female migrants are more youthful than their male counterparts (20-year-olds against 30-year-olds, respectively). Nonetheless, according to MoGLSD (2020), the age category of all deployed migrants ranges from 16 to 55 years. Out of 12,312 migrant workers externalised in 2019, the majority (5,191-females and 793- males) were aged between 26 years and 35 years, while the least number (27) females and (93) males were aged between 46 and 55 years. These findings resonate with an earlier study by the Uganda Parliamentary Forum on Youth Affairs (UPFYA) which found out that about 70,000 Ugandans, of whom more than 64 percent are youth, had been recruited as workers in some countries in the Middle East.

Figure 2 Trends in share of externalised migrant workers by sex, 2016-2019


Source: EEU Deployment Report Database 2020.

Figure 3 Average age (years) of an externalised migrant worker by sex, 2016-2018


Source: EEU Deployment Report Database, 2020

In contrast, 50,000 Ugandan workers sought jobs on their own. This finding reveals that youth, especially females, are vulnerable to externalisation challenges and confirms Uganda's high underemployment and unemployment challenges. These demographics also conform to global trends, which show that the youth (15 – 24 years) comprised 8.3 percent of migrant workers, and nearly 87 percent of migrant workers were of prime working age, between 25 and 64 years (ILO 2017).

In conclusion, while the number of females migrating in search of employment is growing, the discrimination they often face because of their gender and nationality reduces their employment opportunities in destination countries compared to their male peers. Many females are employed in low-skilled and low-wage sectors (partly because their education levels are also very low), such as agriculture, domestic work, construction, and manufacturing, and experience the most significant decent work deficits in terms of abusive and fraudulent recruitment practices, violations of their rights at work, wage penalties and lack of social protection (ILO 2017). In Uganda, most reported cases of abuse and violence, including sexual violence of migrant workers in the Middle East countries, are women. Some have died under mysterious circumstances, and only for their bodies to be returned by the authorities (ARISE Magazine 2020).

4.2.3 Individual migrant workers

Not all migrant workers use recruitment agencies. Many Ugandans have been going out on their own in search of employment opportunities (to the Americas and Europe) or fallen victims of exploitation by individuals/

unlicensed companies both in Uganda and abroad. If not officially done, these can easily fall under illegal or trafficked persons. As earlier noted, a substantial number of externalised labourers did not go through firms but sought opportunities solely across borders. Evidence puts this to a third of the total externalised persons. Table 2 shows the number of workers who travelled individually for connected jobs through friends or normal job applications. Qatar and UAE receive the highest number of individual migrant workers.

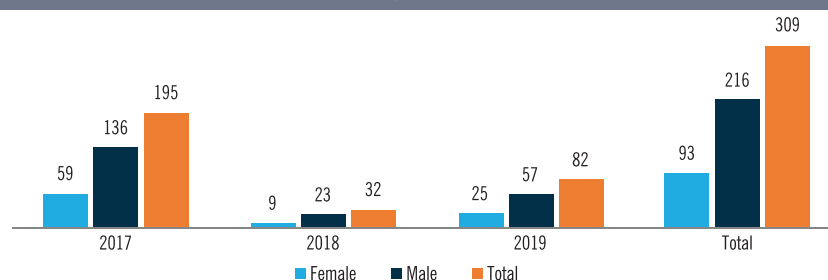
Unlike migration using recruitment agencies, more males than females seek employment opportunities

Table 2 Trends in number of individual migrant workers by country of destination

Country	2017	2018	2019	Total
Afghanistan	13	1	2	16
Bahrain	11	1	-	12
Central African Republic	3	-	-	3
China	-	-	1	1
Egypt	2	-	-	2
Iraq	13	1	1	15
Kenya	1	-	-	1
Kuwait	10	2	1	13
Poland	-	-	13	13
Qatar	31	9	39	70
Saudi Arabia	2	3	4	9
Senegal	1	-	-	1
Somalia	9	1	-	10
Switzerland	1	-	-	1
UAE	98	14	21	133
Total	195	32	82	309

Note: Not all countries are represented here. However, the numbers represent those whose data is available.

Source: EEU Deployment Report Database, 2020

Figure 4 Trends in individual migrant workers deployed by sex

Note: Not all countries are represented here. However, the numbers represent those whose data is available.
Source: EEU Deployment Report Database, 2020

across the Ugandan borders individually (Figure 4). The same chart shows it is important also to note that the number of persons seeking employment per year varies due to the limited capacity to record all persons going out on an employment basis. Some individuals seek employment opportunities under false documents such as visitors' visas and never return; hence, cannot be traced easily.

4.2.4 Which types of jobs do migrants perform? Which skills are required?

There is a gender dimension to the jobs performed by migrant workers. More men take up what is considered physical jobs – hard-labour jobs like security jobs or working in factories – while women take on less labour-intensive work such as office, secretarial or domestic work (ARISE Magazine 2021). While more men are labour migrants globally, more women are now working in riskier jobs such as domestic work, which is unregulated. Domestic work takes within households and carries the risk of abuse which may be unreported. As girls or young women dominate domestic work, females are at a higher risk of exploitation than men. Men also work in risky areas such as security operations where the risk of getting shot or even death is high, but they work in the open space, say, factories or construction sites, which are public and can be seen. As such, they traffic more women than men for sexual exploitation or slavery.

The recruitment agencies umbrella organisation—UAERA, summarises that there are mainly three jobs that migrant workers from Uganda who are formally licensed perform. These are categorised as:

- War zones jobs are offered, especially in Iraq, Afghanistan, and Somalia. These range from security guards to chefs and technical experts.
- Domestic workers: mainly offered in Saudi Arabia (the only legal, operational bilateral agreement with Uganda), Jordan, and UAE. To date, these comprise over 82 percent of external labour (MoGLSD 2020). The offices of these workers are homes. Some go to Oman and Qatar individually, others are trafficked, and the rest go out illegally.
- Drivers, technical and specialised jobs, security guards and cleaners are not domestic workers.

Table 3 Common external jobs offered by country of destination

s/n	Common Job Category	Destination country
1	Housemaids	Jordan
		Saudi Arabia
2	Drivers	UAE
		Qatar
		Saudi Arabia
3	Security Guards	Iraq
		UAE
		Qatar
		Bahrain
		Somalia
4	Labourers	Afghanistan
		UAE
5	Cleaners	UAE
		Qatar
6	Salespersons	UAE

Note: Not all countries are represented here (USA, Canada, EU, Latin America). However, the numbers represent those whose data is available.
Source: EEU Deployment Report Database, 2020.

Table 3 shows the most common jobs that migrant workers apply for by country of destination.

Although labour importing countries have relatively basic requirements for employees, they offer some on-the-job protection. Anyone with some basic education (to cater to language issues) and medically fit can apply for jobs abroad for all the above job categories. On average, the migrant workers are mainly secondary school dropouts (KII-MILTA 2020). Only about 6 percent of the trainees are graduates and diploma holders. For the graduates, those who have failed to get jobs do opt to seek migrant jobs as a fall-back position (*ibid*). The contracts usually run for two years, but termination is possible upon giving a 3-months' notice. It is also possible to terminate contracts immediately. Still, in such an instance, the migrant worker must pay for the cost of their return journey as well as pay an amount equivalent to three months in lieu of notice. If migrants do not meet minimum conditions for the host country, it can deport them. This is most common among migrants recruited for driving jobs, they deported drivers who fail driving tests. Beyond domestic work and driving-related jobs, some countries such as Jordan offer other jobs, including construction, agriculture, textiles, and those mentioned. Uganda is yet to take advantage of these alternative sector opportunities—through the signed BLAs.

The current regulatory framework makes provisions for pre-departure training for migrant workers. Indeed, the

Government has accredited 17 training centres to carry out pre-departure training with a common syllabus to prepare the candidates (primarily domestic workers)- (MoGLSD, 2021). The Migrant Labour Training Association (MILTA) brings together all migrant labour training agencies/organisations/ institutions in Uganda to respond to training needs. The chairperson of MILTA, in an interview in March 2020, confirmed that at the moment, training is only available for migrant workers destined to work as maids. Specifically, the house maids training takes seven days of residential orientation. The syllabus includes the following topics - mindset orientation (Psycho-social); cultural awareness and change (religion, food, dress, behaviour and language), the employment contract; communication and negotiation skills; housekeeping; personal hygiene; customer care relations; financial literacy; migration procedures and travel plan. When possible, returnees are called upon to assist in the orientation to give the workers first-hand experience before they travel.

Furthermore, critical informants from MILTA stressed that *“the training curriculum that exists is strictly for housemaids only under BLAs between Uganda and Saudi Arabia, since the jobs of housemaids are officially supposed to be performed in Saudi Arabia”*. We corroborated the above information by the discussions at the Youth Dialogue held in December 2020 at the Economic Policy Research Centre; most of the existing training centres train more on how to be a good housemaid in a technologically equipped

Box 3: Skills acquired at training centres

For housemaids, the girls are trained seven days before travelling abroad; however, this period is not enough since they come from different backgrounds and most lack basic skills. For instance, she noted that most have never used home machines like cookers, washing machines, driers etc. Nonetheless, the skills imparted include:

- a) *Goal setting*: This aims to enable them to set goals on how they will do and what they will do when you return.
- b) *Contract awareness*. It aims to ensure that the girls understand the terms of reference for their jobs.
- c) *Telephone and social media use*: They are trained to use social media platforms, such as WhatsApp and Facebook.
- d) *Customer service* entails training them to work with others and shaping their attitude towards work. *“Your attitude, because your attitude, determines your altitude.”*
- e) *Destination culture*. Where you are going, they have their culture, and we have ours; for example, to an Arabian, you can't kneel because you only kneel to God.
- f) *Domestic work and practical activities*. Since most externalised workers are maids, these are trained on how to use/operate VIP toilets, such as cookers, washing machines, juice blenders, etc.

Source: EPRC, 2020 (Youth Dialogue with Ms Shamim Nabbale Nsereko, Director Kauthar Training Centre for migrant workers)

household in the Middle East. Box 3 details the training offered.

The training focus on housemaids destined for Saudi Arabia creates a fundamental gap in acquiring necessary soft and hard skills for different job categories and other potential host countries. Nonetheless, the Chairperson MILTA indicated that the driver's curriculum is being developed.

4.2.5 Migrant's remuneration by job type and destination

There is significant variation in the remunerations received by different categories of migrant workers. Table 4, based on figures from the umbrella migrant association, shows the minimum and maximum salaries for the different jobs and migrant destinations. It is showed that the minimum salary is for housemaids, ranging from USD225 to USD500 (besides the accommodation and meals provided) for domestic workers in Saudi Arabia. Monthly salaries paid range from factory workers, on average, earn USD350-USD700 in Qatar, UAE and Saudi Arabia; and those engaged in catering earn USD350-USD600 in Qatar and UAE. Security guards make between USD300-USD900, and in high-risk states such as Iraq and Afghanistan, USD500-USD1,000. Overall, the above rates indicate

migrant workers earn higher wages than they would have earned in Uganda. Overall, the relatively large salaries have translated into a significant growth of remittances to Uganda from the region.

In comparison, a maid in Uganda is paid an average salary of USD 25 a month (UNHS, 2021); the salary for the same services in Dubai is about USD250, 10 times higher, which makes a lot of sense to travel abroad for work (MoGLSD, 2020). Further, the KII stressed a need for pre-departure training and orientation to prepare the people's mindset that when they go abroad, they go to work and do not enjoy leisure. Specifically, The KII said that:

"You are being paid; they did not bring you to Saudi Arabia to slay on the phone all day; that is why some are denied access to phones, he said. The contracts are usually two years, but people get tired, so one has to be mentally prepared that while they gain something, they will lose something." Commissioner, Employment Services, MoGLSD -March 2020.

Table 4 Monthly remuneration for migrant workers by job type and country of destination (USD), 2019

Country	Job category	Salary range USD		
		Minimum	Maximum	Other Benefits
UAE	Sales Personnel; Security Guard	600	900	
	Driver	800	1,000	
	Factory Worker	350	500	
	Catering, Hospitality	350	600	
Qatar	Security Guard	300	600	
	Factory Worker	350	600	
	Catering	350	600	Meals
	Factory Worker	350	700	Meals
Saudi Arabia	Sales Personnel	350	700	Meals
	Domestic Worker	225	500	Meals & Accommodation
Jordan	Domestic worker	225	300	Meals
Iraq	Security Guard	500	1,000	
Somalia	Security Guard	500	1,000	
Afghanistan	Security Guard	500	1,000	

Source: UAERA 2020.

4.2.6 How is COVID-19 affecting labour migration activities?

The COVID-19 pandemic affected and continues to have major effects on the movements of migrant workers outside Uganda. The Global Humanitarian Response Plan COVID-19 launched by the United Nations shows that the current pandemic is quickly becoming a mobility crisis. For instance, according to 2020 Amnesty International and Migrant Workers Organisation report on the impact of the pandemic in the Gulf countries showed that there was overcrowding in the labour camps as unemployed and unpaid workers remained stranded in Gulf—unable to get home months after the spread of COVID-19 with an elevated risk of the virus.

Second, the travel restrictions, sometimes occasioned by airports' closure, affected the regular flow of migrants for about 2 years. There is an expected increase in demand for migrant workers. With the expected increased demand for labour migration because of COVID-19, the vulnerable prospective migrants will be prone to illegal recruiters and traffickers in their struggle for opportunities. It is therefore vital to address the structural drivers that lead prospective migrants to use illegal recruiters. Among them are the delays in the formal and safe labour migration processes. Cognisant that the pandemic has created anxiety and desperation, prospective migrants are looking for the quickest possible means. A rise in unlicensed firms/individuals is bound to happen. There is a need for an adoptive approach to the current procedures of safe

labour migration, considering the challenges posed by the current crisis while maintaining a decent work agenda for the migrant workers.

The economic impact of the movement restrictions, lockdown, and halting of economic activities has had both immediate and lasting implications for Ugandan families, particularly for the poorest and most vulnerable. According to ILO, the crisis has already transformed into an economic and labour market shock, impacting supply (production of goods and services) and demand (consumption and investment). They recorded much lower remittances due to the COVID-19 pandemic, which resulted in the economic slowdown and mass reverse migration. These transfers from the diaspora have declined since the outbreak of COVID-19.

Immediately after COVID-19 imposed restrictions were lifted in October 2020, labour migration resumed. For example, the number of persons travelling increased instead, according to MoGLSD officials. In five months alone, 25,605 girls had left for various jobs in the Middle East between December 2020 and April 2021, compared to 2,628 men (Table 5). Of the girls who went, 97.9 percent (25,082) were to work as housemaids in Saudi Arabia alone. In other words, COVID-19 caused unnecessary and unwanted delays to the labour externalisation activity with increased restrictions and expenses mainly incurred by the worker, such as undergoing a COVID-19 clearance test.

During the consultations made as part of this study, the founder of Kauthar, a training centre, revealed that before COVID-19, they would train over 900 girls per week; however, they are currently training a third of this number (300). Partly, the destination countries have put in place stringent COVID-19 guidelines that migrant countries must fulfil for labour to start work, which has also slowed down the rate at which migrants can leave the country.

Table 5 Ugandan migrant workers, December 2020–April 2021

Country	Female	Male	Total
Jordan	0	0	0
Afghanistan	0	0	0
Saudi Arabia	25,082	419	25,501
Bahrain	0	17	17
Qatar	168	748	916
Somalia	7	254	261
UAE	348	990	1,338
Total	25,605	2,628	28,233

Source: MoGLSD 2021.

4.3 Policy, regulatory and institutional structures for labour externalisation?

Since 1971, Ugandans have been migrating worldwide to seek employment (Bwowe, 2021). This subsection synthesises the existing evidence on policy regulation and institutional stakeholders in labour migration or the externalisation sector.

4.3.1 National Efforts

The government has a major role in enabling labour externalisation to thrive meaningfully. The MoGLSD is mandated by the Employment (Recruitment of Ugandan Migrant Workers Abroad) Regulations, 2005, to facilitate employment and uphold the dignity and rights of Ugandan migrant workers. The Employment Act No. 6, 2006 also guided the Labour Externalisation program; the Prevention of Trafficking in Person Act, 2009; the Uganda Citizenship and Immigration Control Act; the National Security Act; and the Guidelines on Recruitment and Placement of Uganda Migrant Workers Abroad, 2015.

As part of the 2019 Employment Amendment Bill, the Government will make provisions for labour externalisation by addressing the gaps in the current regulations regarding the protection and welfare of workers outside Uganda. The amendment also proposes to regulate labour export by including the workers' recruitment exercise and protection mechanism. We also expected the bill to domesticate the International Convention on the Protection of All Migrant Workers and Family Members (Bwowe 2021).

In addition, a private members bill, "the Externalisation of Labour Bill," is before Parliament and seeks to strengthen the regulations and processes of labour externalisation, which despite its significant income prospects, still has traits of modern slavery given the untold human suffering (Centre for Policy Analysis 2019). The Bill, in its current form, seeks to: i) regulate the export of labour from Uganda, ii) provide issuance of licensing to recruitment agencies, iii) impose obligations on the recruitment agencies and foreign principles, iv) provide for the repatriation of Ugandan

migrant workers, v) provide for the rights of Ugandan migrant workers, and vi) empower the Minister to enter into bilateral labour agreements with qualifying countries and for related matters. To further protect the migrant workers once they are in the countries of placement, the bill proposes creating labour placement officers in the countries where Uganda's migrant workers are located.

4.3.2 Regional and International efforts

Uganda has participated in the regional integration agenda as a member of the East African Community (EAC). Based on the EAC Treaty, the Common Market Protocol and its accompanying annexes, citizens of EAC Partner States should enjoy the freedom of movement, residence and employment within the community. This much appears from several recent policy documents, including the draft National Diaspora Policy and the draft National Migration Policy, showing a desire to leverage migration for the country's development. The status of these policy documents is not yet clear. Finally, the developing regional agenda calls for a more thorough understanding of regional migration.

Uganda has ascended/ratified/adopted several instruments at the international level. Box 4 summarises these with a major highlight, showing high non-compliance to most of the legal instruments we have ratified.

4.3.3 Institutional and stakeholder interests

Various stakeholders in the labour externalisation space exist beyond the MoGLSD, which acts as the lead agency. Table A.1 in the annex provides a full list of stakeholders in the labour externalisation space. Further still, these are categorised/mapped by the level of power and interest using the matrix in Figure 5. Stakeholders involved in the business undertook this mapping exercise as a means of illustrating who is a decision-maker, beneficiary, advocate, and or adversary.

Box 4: Ratified international agreements governing migration issues in Uganda

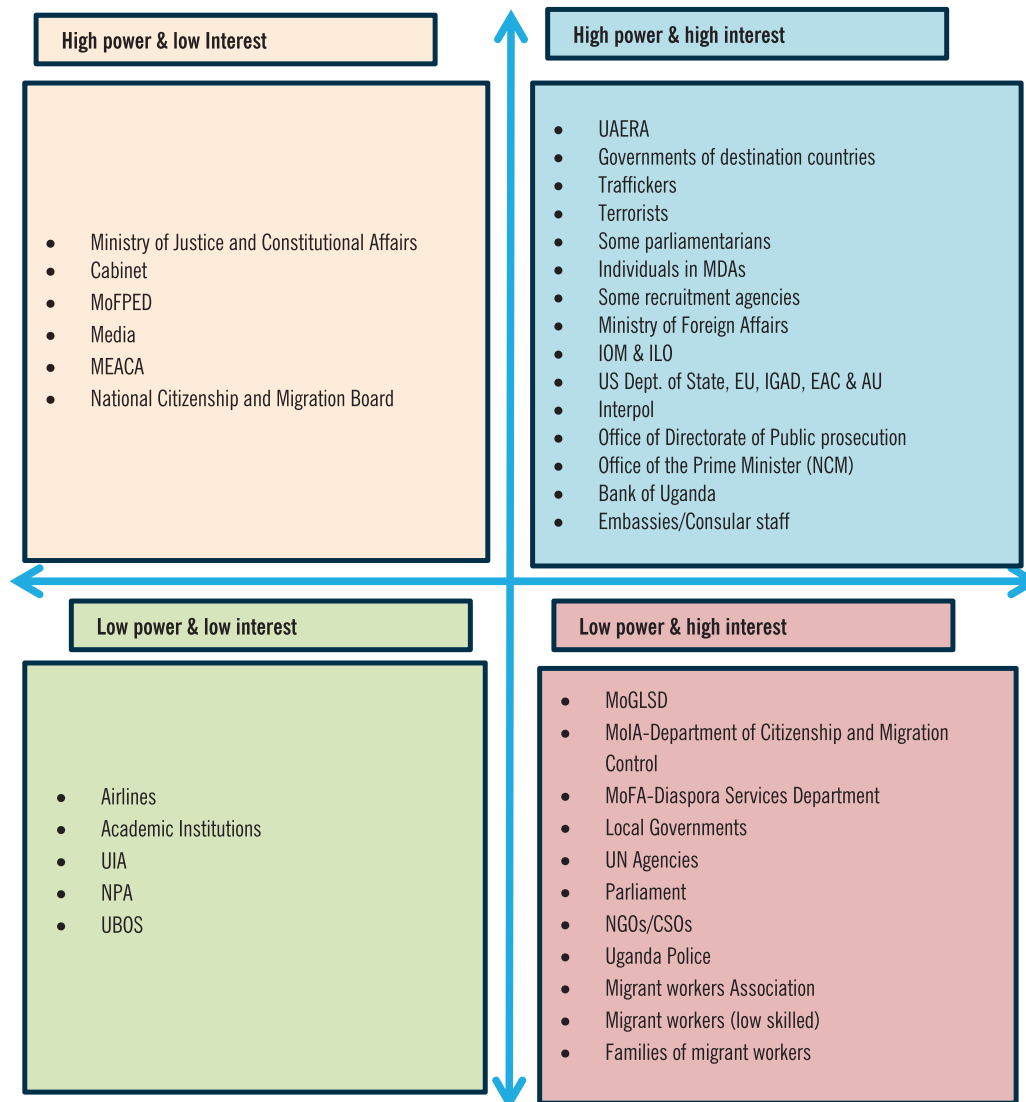
Uganda's adherence to international legal norms and standards is informed not only by its obligations flowing from, among others, ratified international agreements but also by the provisions of the Ugandan Constitution of 1995. In the part of the Constitution which concerns national objectives and directives of state policy, in particular foreign policy objectives, it is stated explicitly that the foreign policy objective of Uganda shall be based on the principles of, among others, respect for international law and treaty obligations (GoU 1995). Uganda has ratified several international instruments relating to migration. Key among these is the UN International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families (1990), also known as the "UN Migrant Workers Convention," and ILO Convention 143 of 1975 (Migrant Workers (Supplementary Provisions) Convention). Uganda has signed but has yet to ratify the UN Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children. While the scope of this document does not warrant a comprehensive analysis of the state of play regarding Uganda's implementation of, in particular, the 1975 ILO and the 1990 UN Conventions, a preliminary investigation reveals several indications of non-compliance. In addition, non-coverage in the legislative realm and policy sphere of a range of issues that the Conventions require should be provided for raises questions regarding the state of compliance.

Generally, a list of the regulations acceded to include:

1. Optional Protocol to the Convention on the Rights of the Child on the Involvement of Children in Armed Conflict (2000)
2. UN Convention on the Rights of the Child, CRC (1989)
3. Convention of Elimination of All Forms of Discrimination Against Women, CEDAW (1979)
4. Convention relating to the Status of Refugees, CRSR (1951)
5. ILO Employment Policy Convention, 1964 (No. 122)
6. The International Convention on the Protection of the Rights of Migrant Workers and Members of their Families ("UN Migrant Workers Convention") (1990)
7. Geneva Convention relative to the Protection of Civilian Persons in Time of War (1949)
8. ILO Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143)
9. International Covenant on Civil and Political Rights, ICCPR
10. International Covenant on Economic, Social and Cultural Rights, ICESCR
11. International Covenant on the Elimination of All Forms of Racial Discrimination (1965)
12. Optional Protocol to the Convention on the Rights of the Child on the Sale of Children, Child Prostitution and Child Pornography, OP- SCCPCP (2001)
13. Protocol Additional to the Geneva Conventions of 12 August 1949, and relating to the Protection of Victims of International Armed Conflicts (Protocol I), 1977 Protocol Additional to the Geneva Conventions of 12 August 1949, and relating to the Protection of Victims of Non-International Armed Conflicts (Protocol II), 1977
14. Convention and Protocol relating to the Status of Refugees ratified in September 1976
15. ILO Discrimination (Employment and Occupation) Convention Recommendation, 1958 (No. 111)
16. ILO Protocol and Convention Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, 2000 (No. 182)
17. United Nations Hyogo Framework for Action (HFA) on Disaster Risk Reduction 2005–2015
18. United Nations Guiding Principles on Internal Displacement and the African Charter ("Banjul Charter") on Human and Peoples' Rights (1991)
19. African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa ("Kampala Convention") (2009)
20. The African Charter on the Rights and Welfare of the Child was ratified in August 1994
21. The Ouagadougou Declaration and Plan of Action on Employment and Poverty Alleviation in Africa (2004)
22. African Union Regional Strategy for Disaster Risk Reduction (2004)
23. African Union Migration Policy Framework for Africa (2006)
24. Pact on Security, Stability and Development in the Great Lakes Region (2006)
25. East African Community Treaty (2000), which provides for an integrated approach to employment strategies (Article 104)
26. East African Common Market Protocol and the Free Movement of Persons Regulations

Source: c.f. IOM and MoGLSD (2014).

Figure 5 Mapping of stakeholders by the level of power and interest



Source: EPRC, 2021-Stakeholder mapping workshop held in April 2021.

Below, we throw light on some of the relations as mapped in Figure 5. For example,

- a) *Governments of destination countries*: These have high power and interest considering that they provide employment opportunities for migrant workers and can halt or continue receiving workers. They also influence recruitment agencies and sometimes don't live up to their promises, for instance, ensuring the welfare of the migrant workers.
- b) UAERA has high power and interest in the sector. It organizes and unites all companies licensed under the labour externalisation programme to

operate under one umbrella and speak with one voice for strengthening the sector. According to a key informant from MoGLSD, UAERA's job is to bring together all the licensed recruitment agencies under one umbrella body/forum. The lack of technical capacity in these firms is worth noting, as most of them are owned by returning migrant workers.

- c) *Some parliamentarians have high power and interest* in the labour externalisation sector. They influence their masses by discouraging them from getting involved as migrant workers.
- d) *Some recruitment agencies*: Some recruitment

agencies exploit migrant workers and cannot fulfil what was promised in the contracts. Some companies run persuasive advertisements about the employment opportunities in the destination countries, yet the actual picture in those countries is different.

- e) *Individuals within the ministries:* Some government MDAs use their power and influence to sabotage the sector. They always take advantage and benefit from the existing guidelines.
- f) *Migrant Workers:* They often have low skills and lack high interest and low power to influence decisions. Families of Migrant Workers: They also have high interest but very low power due to resource challenges. They often lack information about labour externalisation. Terrorists: These have money/resources and connections worldwide and are also unknown. Traffickers: These have money/resources; they have connections to the world over and are unknown.
- g) *Media:* The media sometimes becomes skewed in their reporting and deliberations. Sometimes act as detractors.

4.3.4 Emerging issues

Key insights emerge from this subsection.

- a) Uganda has adequate regulations to guide migration; however, because of limited extensive data on the status of national emigration, implementation and enforcement have been piecemeal. In addition, this has affected the degree of negotiating BLAs that are evidence guided.
- b) While Uganda has ratified major regional and international agreements on migration, there has been a high degree of non-compliance.
- c) The Uganda labour externalisation database has mainly been built around the Middle East; this limits understanding of the international laws Uganda has ratified on the local economy.

5 CONSEQUENCES OF EXTERNALISATION: AN EMPLOYEE PERSPECTIVE

Few employees (migrants) are less equipped for reality, especially cultural shocks. While externalised workers indicate that they have learnt a lot, they stressed that the work in the Middle East had taught them patience and perseverance. Discussions with informants stressed specific experiences people learn by being placed in certain areas outside their domain. A story of a migrant worker's change reveals that an individual must set clear goals before working abroad. Box 5 highlights Mr. Muawiya Mukasa story, a former migrant worker and current Director at KHM International.

Another potential migrant worker revealed that the girls going abroad are usually scared because they do not feel confident as well as have enough practical training. They mistreat girls for petty reasons like breaking things or spoiling equipment, which can happen to anyone. There is a need to give girl's ideas that will make them dream of investment when they return.

Relatedly, a male migrant raised questions concerning how government can help migrant workers who go out there and suffer. He wondered if the government ever makes a follow-up on the environment where these young people go (ARISE MAGAINE 2021), brain drain and its associated shortcomings. It goes back to the way they manage it. There is a tendency to look at it from the brain drain perspective, but we should also look it at from the brain gain perspective. In earning money, people gain skills they use back home. If you manage labour migration better, then you reap the benefits. Some countries have done so: their citizens go to work for short periods, return and use the skills gained at home, and do some development work. It is the responsibility of the government to tap into these skills and manage the work flows so that if there are labour gaps, for example, where more health workers leave the country, then such gaps are bridged.

Box 5: A migrant worker's journey to agri-business

I travelled to Dubai in 2010 and worked as a cleaner for one and a half years. I later opened my own company in Dubai. What drove me to do that was the goals I had set for myself, given my background. Mr Mukasa revealed that his mother was a poor woman working in the Nakulabye market, and he had to sacrifice his education for the sake of his siblings. But this motivated him to think of investing the moment he started getting money. He pointed out that he learned that “Money saves you when you save it but grows you when you invest it”. I bought land and planted trees from my savings, bought another plot, and built rentals worth UGX 70 million in Nansana, but the later venture wasn't profitable, so I sold it to real estate buyers.

Having sold my rentals, I ventured into agriculture after attending an agriculture expo organised in UAE. During the expo, I realised that farmers are not organised enough to serve the external market. He also indicated that commercial agriculture requires a lot of money that youth do not have, which pointed to the need to start up farmer SACCOs to address this issue. He indicated that although Uganda Investment Authority (UIA) is currently providing information on the viable areas of investment and the related subsidies offered by the government, the youth are yet to get this important information. In conclusion, he emphasised that government needs to know that returnees are potential investors and hence should be given information on where to invest, why to invest and what subsidies are available.

Mr Mukasa noted that whereas he wanted to supply what the UAE required most fruits- while he was abroad, this agri-business venture needed a lot of capital which he didn't have. He had to look for an investment that would fit his budget. Consequently, he started rearing rabbits after realising that they have the best white meat with ready market both on the local and external markets.

The biggest challenge for externalised workers is the means of sending money home. It's costly, and you have to be creative to save. He further noted that youth are demotivated and think every successful person has connections in the government, which is not the case. He reiterated that although the government hasn't done many things, the youth should look at how they can benefit from those programmes already in place, such as Emyooga and Youth Livelihood Program, among others.

He emphasised that the six principles of being successful in agriculture include 1) you must have passion, 2) you must seek knowledge, 3) commitment 4) supervise the business, 5) assess the market and find out if you can supply it sustainably and 6) think about the numbers.

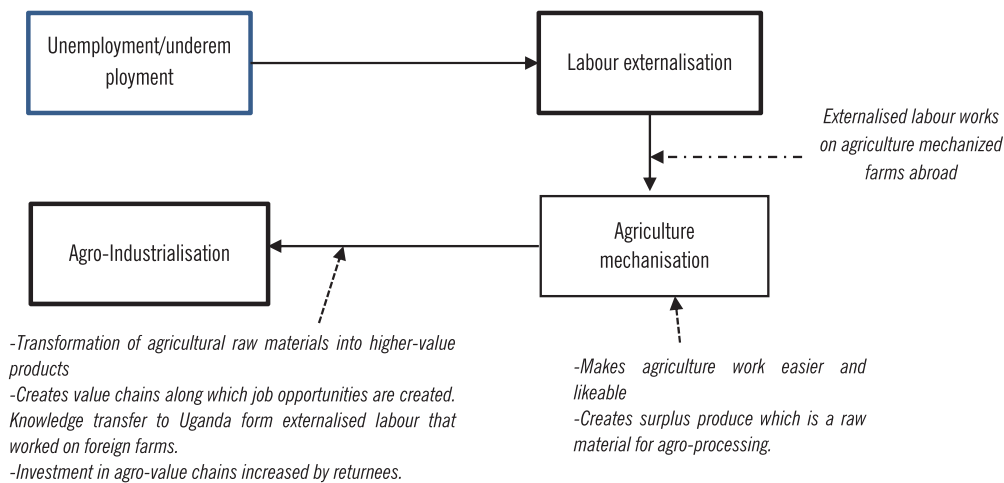
Source: EPRC 2020 (Youth Dialogue-Mr. Muawiya Mukasa, Director KHM international).

6 HOW CAN UGANDA LEVERAGE EXTERNALISATION TO FOSTER AGRO-INDUSTRIALISATION?

Globally, more people than ever are seeking better livelihoods outside their home countries. Uganda is not any different. Like many developing economies, Uganda's economy is based substantially on agriculture, which comprises an essential component of most

people's livelihoods for –jobs, food security, incomes and source of inputs for major industrial value chains. Migration from the sector often goes hand in hand with structural change and the gradual move towards a more industrialised, service-oriented, and capital-intensive economy (Lewis 1954; Harris and Todaro 1970). Given the vital role of the agricultural sector and the adoption of AGI in NDP 3, it is essential to understand its links with labour externalisation and investigate whether and how labour externalisation can be leveraged to create more investment and employment opportunities for agro-industrialisation (Figure 6). In this section, we hope to answer the following questions using evidence elsewhere on: (i) to what extent have remittances from

Figure 6 Link between labour externalisation and agro-industrialisation



Source: Authors own conceptualisation (EPRC) and Aventino Bakunda of MAAIF, 2021

labour export been used in agriculture-industrial sector development, (ii) where do returnees invest their money, and why do they invest in those particular ventures? (iii) what are labour externalisation best practices? and (iv) what lessons can Uganda take from such country experiences?

From Figure 6:

- Unemployment which is caused by a number of factors (faulty education system, rapid population increase and policy failures, among others, partly contributes to labour externalisation.
- When skilled, semi-skilled and unskilled youths fail to get gainful employment locally, they desperately seek alternative employment options outside their mother country. In this case, unemployment becomes a diver to labour externalisation.

6.1 What is the evidence regarding the linkages between external migration and agriculture?

Migrants are a vital source of skills and labour for several economic sectors. Martin (2016), focusing on international migrant workers in the agricultural sectors of high-income countries, highlights that increasingly, workers employed in industrial-countries agriculture are hired as wage workers. Many of these hired farm workers are international migrants from poorer countries. However, despite this insight based

on the current BLAs Uganda has, it seems it is an area the country has not yet fully tapped into this job market for agricultural labourers, which has great potential also to facilitate AGI in Uganda.

Immigration from agriculture often goes hand in hand with structural change and the gradual move towards a more industrialised, service-oriented, and capital-intensive economy (Lewis 1954; Harris and Todaro 1970). These also note that the departure of a member decreases labour availability within the household and potentially in the community from which the person leaves, which may affect how the household manages its agricultural activities. As a result, immigration is often presented as posing a challenge to the agricultural sector's sustainability and rural development in general through its linkages with the rest of the economy.

Households in central Mali consider losing a young man's agricultural contribution more outstanding than the gain from remittances (McDowell and de Haan, 1997). When less productive workers are left behind, the drop in productivity may even lead to labour shortages (Tacoli 2002) and food insecurity in specific communities (Skeldon 2003; Cotula and Toulmin 2004), evidence of which has been documented in Mali (Cissé and Daum 2010) and Zimbabwe (Tsiko 2009).

However, return migration can affect the economic

prospects of the origin countries through at least two main channels. First, emigrants may accumulate savings while overseas, which, given the low wages and capital market distortions prevailing in many LDCs, might not have been possible without migrating. Secondly, overseas work may enable emigrants to acquire new skills and/or enhance human capital accumulation. Both channels can provide crucial inputs to start a business or enhance earnings on return. Thus, special attention should be given to returning migration because it represents an inflow of both financial and human resources.

Insightful overviews of return migration and its development potential have been studied (McCormick and Wahba 2002; Thomas-Hope 1999- for Jamaica; Diatta and Mbow 1999- for Senegal; and Rodriguez and Horton 1995- for the Philippines). All these studies point out that immigrants may accumulate savings while overseas. Given the low wages and capital market distortions prevailing in many LDCs, it might not have been possible without migrating. In addition, overseas work may enable immigrants to acquire new skills and innovations and/or enhance human capital accumulation. Both channels can provide crucial inputs to start a business or enhance earnings return. For example, McCormick and Wahba (2001) show that savings matter more than human capital acquisition for the probability of entrepreneurship of illiterate Egyptian return migrants. However, for the educated returnees, access to credit, overseas savings, and human capital accumulation are significant determinants of entrepreneurship upon return plus the duration spent while externalised.

While little is known about the remitting rate of migrants to rural or urban areas, research suggests that 40 percent of remittances go to rural areas (FAO, 2016). This a rate that is lower than the share of the world living in rural areas (46 percent) and much lower than the rural share of the world living in less-developed countries (52 percent), least-developed countries (69 percent) and low-income countries (70 percent) (United Nations 2014).

Return migration can also potentially affect the agricultural sector in many ways as remittances since migrants may bring back financial savings and their direct labour contribution and experience learned abroad. Remittances and savings from return migrants can be invested in productive agricultural assets. Households might invest in productive assets such as machinery, barns, fencing, feeding mechanisms, irrigation systems and tractors. There are several examples of remittances being invested in agricultural assets. International migration allowed immigrant households to increase agricultural production in Bangladesh (Mendola 2005) and Ghana (Tsegai 2004). Remittances helped counter the loss of labour induced by emigration. Lost labour due to internal migration in China was found to have hurt maize production in the sending household, but remittances partially offset some of this loss (Rozelle *et al.* 1999).

6.2 Where do externalised labourers/immigrants invest?

According to FAO *et al.* (2018) report, contributions of diasporas and returnees to the development of their countries of origin range from remittances, capital investments and assistance to technology and knowledge transfers, increased trade links, philanthropy and social networks. Migrants donate for charitable causes; they invest, both singularly and collectively, into micro, small and medium enterprises (MSMEs) in their countries of origin and destination countries; and build assets and assets and create international trade relationships².

For example, the productive investment of remittances can help households move from labour-intensive to capital-intensive activities. Remittances have enhanced crop productivity and cattle accumulation in Botswana, Malawi, and Mozambique, South Africa (Lucas 1987). Remittances help rural households shift from producing low-yielding crops to commercial crops and animal husbandry, as evidenced in Albania (Carletto

² Migration may trigger bilateral trade between origin and host countries through at least two channels: the preference channel, by demanding domestically produced products; and, the information channel, by reducing trade transaction costs. This is because migrants have knowledge about available products in both origin and host countries, but also about local laws and regulations that govern the markets and the institutions that oversee their functioning.

et al. 2009) and Burkina Faso (Taylor and Wouterse 2008). Evidence for Mexico suggests that remittances are used to invest in agricultural assets, although not for investments in livestock (Böhme 2015). A study in the Philippines found that remittances increase the share of households that produce high-value commercial crops and increase the use of mechanical tools. Still, they decrease the share of households that engage in crop diversification (Gonzalez-Velosa 2011). Remittances also permit agricultural households to resist and insure against hardships. Remittances sent to Botswana, for instance, allowed rural households to overcome the hardships brought on by droughts (Lucas and Stark 1985). Insights here show that shows that households with external migrant workers have invested remittances in agricultural assets. The extent to which this happens in Uganda is unknown, hence the need to collect national data on the role of remittances on agricultural investments in Uganda. Do farming households use remittances to invest in agricultural assets or value chains? Is this the plan of the migrant?

As for remittances, households with return migrants may positively affect the agricultural sector regarding investments. However, this is somewhat limited compared to the effect of remittances. For instance, only in Burkina Faso are migrant households, upon return, more likely to have made agricultural asset expenditures in the past 12 months compared to households without any returned migrants (Taylor and Wouterse 2008). In the other countries, returning migrants, particularly those that return with investment plans, may go to cities or invest in non-agricultural projects. Migration may be part of a strategy to move away from agricultural activities (FAO-IFAD 2008). For instance, this has been the case in Albania, where remittances have been negatively associated with labour and non-labour inputs in agriculture (Carletto *et al.* 2010). Indeed, Carletto *et al.* (2009) also find that emigration from Albania contributed to a downward pressure on agricultural labour per capita.

Evidence from Egypt (McCormick and Wahba 2001) indicates that the average overseas total savings of returnees who invest in the agricultural project are the

lowest among all returnees, while those who invested in non-farm enterprises have, on average spent longer spells overseas of 4.3 years relative to a mean of 2.4 years of the non-investor returnees. In addition, returnees who invested in agricultural projects were males, tended to be on average older than the rest, and a considerable proportion (64 percent) were illiterates. Besides, returnees who invested in non-farm enterprises were more educated than those investing in agriculture, and most agricultural investors (96 percent) lived in rural areas. However, owners of non-farm enterprises tend to be predominantly urban dwellers. Rural returnees tended to invest in agricultural projects, while urban returnees invested in non-farm enterprises.

(FAO *et al.* 2018) also highlight evidence from Bangladesh that households with international migrants are more likely than other households to invest in new farming technologies to improve agricultural productivity. Empirical work from Latin America suggests that migrants and their households tend to invest in agriculture and other private enterprises than other households. Nevertheless, surveys on high-skilled emigrants from Ghana, Micronesia, New Zealand, Papua New Guinea, and Tonga show relatively little involvement in trade and foreign direct investment. In Ghana, for example, in 2009, approximately 19 percent of migrants invested in Ghanaian businesses, with a meaningful investment of USD3,700 per migrant. Only 5 percent of migrants helped a Ghanaian firm make a trade deal or export goods from their home country. Evidence shows that (planned) returnees use savings accumulated abroad to invest in small businesses. Based on surveys conducted in 2006, approximately one-third of returnees to Algeria, Morocco, and Tunisia invested in businesses. A survey of Ghanaian and Ivorian returnees, conducted in 2001, indicated that more than 50 percent of Ghanaians and 23 percent of Ivoirians returned with more than USD5,000 in savings, which they invested in business activities. From the above review, it is vital to understand the determinants of returnees' investments to be strategically supported in their participation in AGI value chains.

6.3 Best practices of labour externalisation programmes

This subsection draws experiences from countries that have successfully gotten returnees to invest in AGI, such as the Dominican Republic, Philippines, Senegal, and Egypt.

Agricultural policies can also affect migration outcomes, for example, policies and programmes: relieve cash constraints, subsidies or free service kind of programmes; In Morocco and the Philippines, the subsidies have seemed to encourage people to stay in the country – perhaps even in a productive manner (OECD 2017). However, they do not seem to provide incentives to remain in the country, as regression analysis shows no link between agricultural subsidies and the sustainability of return migration. There is a need to offer training support or agricultural training programmes and link them to the BLAs signed.

Programmes should offer some risk-reducing or insurance mechanism (cash-for-work, inputs-for-work, crop insurance and contract farming), support farmers' cooperatives or associations. According to OECD (2017), households with immigrants are less likely to run their household activities in agriculture than households without them, possibly because of financial constraints. However, some evidence is that immigrant households contribute to the agricultural economy. For example, they are more likely to sell their produce on the Dominican Republic market and hire external workers for their agricultural activities in Burkina Faso.

The Philippine labour externalisation model

At least 10 million Filipinos live abroad, and more than 1 million Filipinos leave the country each year to work abroad (ILO 2021). Remittances to the Philippines from around the world continue to grow. Countries see the Philippines as a model for regulating migration. In 2005, tripartite experts formulated and adopted the ILO Multilateral Framework on Labour Migration: non-binding principles and guidelines for a rights-based approach to labour migration. The Framework assists ILO partners in managing international and national

labour migration. It addresses major issues faced by policymakers and provides guidelines and principles on labour migration. Box 6 highlights the Philippine's experience in labour export and how the country manages the remittances of the Filipino immigrants to develop the country beyond personal needs.

The Philippine's experiences show a well-managed labour export process with a high level of government involvement to guide, direct and advise migrant workers. If the Philippine process is followed, then the AGI agenda offers an opportunity for Uganda to transform and industrialize its agricultural sector, create jobs and attain long-term economic development (EPRC 2018). This is when Government can encourage the migrants to re-invest in AGI. While externalisation of employment abroad has enabled externalised workers to acquire new skills and training and contributed to the country's foreign exchange earnings, there is a need to widen the scope that directly benefits the externalised workers once they return home permanently. For example, through Government-to-Government placements of the externalised workers, the government can ensure that girls are equipped with specific rare skills in the country where placements are being done with the hands-on skills transfer. For example, the girls can be recommended to work on goat farms in Israel, Jordan, UAE, and others to acquire skills they can come back and implement in the agricultural value chain of livestock. The key issue is, how can the government be strategic in the job opportunities available abroad to ensure a win-win situation between the employees, government aspirations and employers (outside Uganda)?

6.4 What lessons can Uganda pick from evidence elsewhere?

According to MILTA, the linkages externalisation can create for AGI if well-explored lie more in the cotton value chain than fish. Specifically, they said that:

“Girls could be absorbed in the cotton value chain tailoring stage, but the problem is skilling them to be able to do the tailoring. The solution is probably integrating tailoring in the current

Box 6: The Management of the labour export process in the Philippines

Since the 1970s, the government and the private sector have played a role in the Philippines' labour export process. When the overseas program started, the government participated in recruiting and matching workers and employers. Due to the demand for workers and the large numbers involved, the government relinquished the placement of workers to private recruitment agencies in 1976. The government created the Philippine Overseas Employment Administration (POEA) as its lead agency to manage the overseas employment process. After years of pushing the official line that it does not promote overseas employment, the government set a target in 2001 of deploying a million workers overseas every year. The Philippine Overseas Employment Administration (POEA) grew out of the Overseas Employment Development Board and the National Seamen Board in the then Ministry of Labour and Employment. The Overseas Employment Development Board, the National Seamen Board, and the Bureau of Employment Services were consolidated into the Philippine Overseas Employment Administration (POEA) in 1982. POEA became the government agency responsible for processing workers' contracts and pre-deployment checks and licensing, regulating, and monitoring private recruitment agencies. There is a placement branch within the POEA, but it only accounts for a small number of all OFWs placed with foreign employers.

On the private-sector side, more than 1,000 government-licensed recruitment and manning agencies in the Philippines (and an unknown number of unlicensed ones) match workers with foreign employers. In the Philippines, recruitment agencies refer to those that find jobs for aspiring land-based migrant workers; manning agencies refer to those that engage in recruiting and finding jobs for seafarers. Recruitment agencies charge migrant workers "placement fees" for their service. Manning agencies are not supposed to charge placement fees as the principal or employer assumes these fees, but there are cases of known violations.

Regulation of recruitment is also another important feature of managing the labour export process in the Philippines. Within the Department of Labour and Employment (DOLE), the Philippine Overseas Employment Administration (POEA) is responsible for licensing private Recruitment Agencies. In addition, the POEA publishes an updated list of overseas job openings, recruitment agencies' contact information, and the number of vacancies available through its website. The POEA also provides a quality control service by rating the status of the private recruitment agencies; in doing so, it's charged with alerting potential overseas workers of agencies that have issued false contracts or have not complied with rules during the deployment process. The POEA works closely with Philippine Overseas Labour Offices and dedicated labour attache's at Filipina embassies and consulates worldwide to; monitor the treatment of OFWs, verify labour documents, and assist OFWs in employment and labour-related disputes at their various stations abroad. The POEA also processes overseas contracts and provides every OFW with a government-issued identification card. Overseas Workers Welfare Administration (OWWA), another government agency, supports and assists migrants and their families. Until the point of departure, all processes and requirements are handled by the POEA, while the OWWA assumes responsibility for the workers' welfare while employed abroad. The POEA and OWWA are under the Department of Labour and Employment. The Commission on Filipinos Overseas (CFO) is a separate agency that provides programs and services to permanent emigrants. CFO was transferred from the Department of Foreign Affairs to the Office of the President in 2004.

Among the countries of origin in Asia, the Philippines offers a relatively comprehensive package of programs and services covering all migration phases, from pre-departure to on-site services to return and reintegration. Although the government could improve its implementation of these programs, the programs demonstrate the government's efforts to balance the marketing of workers with protection. Some of these initiatives, such as the pre-departure orientation seminars for departing workers and the deployment of labour attache's and welfare officers to countries with large OFW populations, are good practices that other countries of origin have also implemented.

A well-managed deployment process also characterises labour export in the Philippines. In addition, for the families of migrant workers, remittances are generally spent on fulfilling the family's basic needs, better housing, educational opportunities for children, and starting or investing in small businesses. According to a 2005 World Bank report, the Philippines is the fifth-largest recipient of remittance flows after India, China, Mexico, and France. While the Philippines cannot stop people from leaving, the country explores how migration can be an instrument for development.

Source: An extract from Bakunda, and Mpang (2011).

skilling programme by the Government and offering a start-up base after the skilling. She added that only people who have grown up seeing or knowing the value of fish for the fish value chain might appreciate investing their money in fish processing. However, most of the girls she has trained hardly know about fish. She further suggested that the AGI could be implemented in a clustered manner. Other youths in different regions/areas are influenced to invest in those economic activities carried out in their areas. “

However, she noted that these girls are tough to influence, as each of them comes for the training with their minds already tuned in a particular direction. Most of them usually come with a vague idea of where to invest their money. Their previous jobs usually influenced most of their decisions, for example, mobile money, supermarkets, etc. For instance, if someone is the sole caretaker of her children, her aim will be working to secure the future of her kids by, say, educating them or building rentals for them and not anything related to re-investing in agriculture.

Another KI suggested that

“Regarding linking AGI to labour externalisation, there is a need for sensitisation about the opportunities in the agricultural sector, specifically along the value chains of different commodities. They could include the sensitisation in the training curriculum, especially before the workers travel to work abroad. About skills acquired by returnees, these depend on the job done. For example, if one goes to work as a plumber, they will be better plumbers when they return home. However, since most migrant workers are housemaids, the best they get is exposure to new machines, etc.”
UAERA, March 2020

Overall, the Government has not yet endeavoured to link externalised workers who have returned to more productive sectors. They could achieve this through government-to-government placements, which are very limited here. Yet this is where the government needs to help companies ensure they look for high-end

contractual arrangements. Some argued, “*who said Uganda can only export maids and guards to United Arab Emirates (UAE)?*” There are other countries and other professionals that can be exported with much better benefits.

While they informed prospective workers about contracted obligations, poor savings culture and backgrounds are challenges limiting externalised labour’s performance abroad. Worse, most externalised workers have not worked before, making it difficult to advise them to re-invest/invest their savings upon return to the country (EPRC 2020-Youth Dialogue). The challenge of limited land ownership among women compared to men has limited them from investing their savings in agriculture. Relatedly, the youth in Uganda do not own land and only obtain it through inheritance. Their mindset towards agriculture is negative, as they deem the sector for the poor and undesirable in the modern era. Some youth/ women first sell off the land upon inheritance to go out of the country to work as a maid, shopkeepers, and supermarket salespeople.

Everyone needs to identify their niche rather than be forced to look at agriculture as the only alternative. Even those who may be interested may be interested in different segments of the sector since it has many aspects.

As a way forward, there is a need for labour companies to partner with the private sector to identify investible areas in AGI such that during training, migrants can get exposed to the benefits of various value chain investments. For instance, a partnership with Kati Fish Farms Uganda Limited with a fish processing plant would let the trainees know which investment opportunities are available for returnees in the fish industry and the requirements in terms of capital and equipment.

7 CONCLUSION AND LESSONS LEARNT

The paper examines the extent of labour externalisation in Uganda. In addition, the paper leverages the NDP III's Agro-Industrialisation programme to ensure that, as an economy, there is smart labour externalisation to ensure that migrants can re-invest in AGI value chains.

Various players noted that unemployment and underemployment were the common push factors for labour externalisation in Uganda. However, some migrant workers also travel to fulfil a dream of flying on a plane and visiting a foreign country—the pull factors mainly comprised better working conditions abroad and peer pressure from the returnees, among others. Also, some migrant workers still travel illegally (for instance, about 40,000 maids in Dubai). Others travel on visit visas but later change their minds upon reaching their destinations and searching for jobs. Furthermore, many migrant workers are from the Eastern region (Busoga), an area with high poverty rates. The minority comes from the North due to several reasons, including the inability to afford the placement fees, and most of them do not want the job of domestic workers given their characteristics.

Migrants, especially those going to the Middle East, lack confidence, are inexperienced and are not exposed. Accordingly, there is a need for a thorough internship for these girls before they go overseas to work. This can be done by implementing apprenticeship programmes to train the youth nationwide. This would equip them with practical skills and exposure to modern chores and households, such as washing and drying machines and picking telephone calls. It would save them from embarrassment in the Middle East and prepare them for jobs abroad.

Recommendations

- a) Strengthen the urgent need for effective monitoring systems. The externalisation of labour strategy to reduce unemployment has been criticised for its lack of comprehensive monitoring systems for the Ugandan migrant workers in the destination countries. COVID-19 has strengthened this voice and made a case for the urgent need to develop and put in place strong migrant workers' monitoring systems. For instance, during this period of COVID-19, we are yet to receive status reports of Ugandan migrant workers abroad in terms of their health status regarding the health crisis, employment status and conditions of work, including whether some of them were laid off, not paid their wages etc.
- b) There is a need for effective labour migration governance which responds to the changing needs of businesses and workers to balance labour market efficiency and equity concerns by facilitating labour migration governance: informed policy debate; strengthening of institutional mechanisms; promotion of policy coherence; and active social dialogue that brings together governments, workers, and employers' organisations.
- c) There is a need to speed up completing the draft National Migration Policy for policy coherence. The draft has remained pending for over three years now, and now more than ever before; we need this key policy document to guide Uganda's migration patterns.
- d) Increase budget allocation to the labour externalisation unit to facilitate their mandate, including promoting decent work for all migrant workers as articulated under SDG goal 8. Specifically, target 8.5 urges states to achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 8.8 states to protect labour rights and promote safe and secure working environments for all workers, including migrant workers, particularly women migrants and those in precarious employment. Target 8.7 take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour,

including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

Recommendations for integrating externalisation into agro-industrial value chains

- e) Rather than on fish and cotton value chains across the country, geographical zoning would be a better idea, where the youth can be supported or influenced to invest in cotton and fish only in those areas where cotton growing and processing and fishing and fish processing are the main economic activities respectively, for example, the Lake Albert area.
- f) Practically, visiting a particular geographical zone and finding out the extent of the youth and women unemployment in that zone and the main economic activity in that zone and support them through skilling, access to finance, etc.
- g) Sustainability and transparency are essential in encouraging returnees to invest in agro-value chains. A bottom-up approach is needed. Let the women and youth choose what works for them. She expressed the need to do a need-based kind of intervention.

Cross-cutting

- h) **Collect better data and assess programs that admit migrants to fill farm jobs.** Data collection and assessment could begin with the procedures used by governments to determine whether migrants are needed, such as labour market tests to determine whether local workers are available, recruitment and training procedures for both local and migrant workers, wage systems and their interactions with tax and social welfare systems, and opportunities to create job ladders that allow local and migrant workers to acquire and be rewarded for additional skills. If migrants simply enter and exit each season and labour costs do not rise, there is little incentive to improve productivity and wages.
- i) **Compare the benefits and costs of BLAs versus unilateral programs to admit migrant farmworkers.** Most BLAs are unilateral in that

destination countries prepare and send the agreements to labour-origin countries that sign them with few or no changes. If migrant-sending governments sign BLAs and take part in annual consultations on the operation of guest worker programs, do worker protections improve? Do sending-government representatives in destination countries (for which migrants often pay) *“take the employer’s side”* to preserve job opportunities for sending-country migrants or respond to worker complaints and increase protections for migrant workers on site?

- j) Most farm employers guarantee work for the period of migrant contracts, as with Spanish contracts that guarantee 18 days of work a month or the US requirement that farmers guarantee to work for at least three-fourths of the employer-specified period of work. Migrants who are abroad seasonally often want to work more hours. Many migrant worker programs have multiple goals, including filling vacant jobs and promoting economic development in migrant-sending areas. These development goals may justify subsidies from foreign aid budgets to recruit migrants and acquire skills abroad before returning, but they have not been evaluated rigorously.

- k) **Policymakers should not be merely reactive.** In the case of international migration, it is fundamental to design policies that maximise benefits and minimise the risks associated with them. Policies promoting rural development must incorporate migration measures to ensure all safe, orderly, and regular movements. Policies must consider how rural development affects migration decisions. Migration has to be a choice and should not be the only option to cope with poverty, food insecurity and climate-related risks.

REFERENCES

- ACFODE (2019). ARISE MAGAZINE A womens Development Magazine, Issue 67, November 2019
- Applebaum (1987) Appelbaum, E. (1987). Restructuring Work: Temporary, Part-Time and At Home Employment. Pp. 268–310 in Computer Chips and Paper Clips: Technology and Women's Employment edited by H. Hartmann, R. E. Kraut, and L. A. Tilley. Washington, DC: National Academy Press.)
- Bakunda, G. (2009). Estimating Uganda's Exportable Labour Using a New Pro-poor Index of Unemployment. Eastern Africa Social Science Research review. DOI: 10.1353/eas.0.0019 Vol. 26 No. 2 (2010)
- Bakunda, G. and G. F. W. Mpang (2011). Labour Export as Government Policy: An Assessment of Uganda's Potential for Export of Labour in the Framework of Regional and Multilateral Agreements a Private Sector Foundation Uganda (PSFU) Kampala, Uganda ICBE-RF Research Report No. 12/11 Investment Climate and Business Environment Research Fund (ICBE-RF).
- Bank of Uganda (BoU), (2018). Inward Personal Transfers 2018. Bank of Uganda
- Bergstrom, O. (2001). Externalisation of employees: Thinking about going somewhere else. *The International Journal of Human Resource Management* Vol. 12:3 373–388
- Böhme, M. H. (2015), "Does migration raise agricultural investment? An empirical analysis for rural Mexico," *Agricultural Economics*, International Association of Agricultural Economists, Vol. 46(2), pp. 211–225, 03.
- Bwowe, I. (2021). Human trafficking in labour externalisation from Uganda to the Middle East. *Gender and Development: Tools and Strategies*. DOI:10.13140/RG.2.2.11159.29602
- Carletto, C., B.Davis, N.McCarthy and T.Kilic (2009) "Assessing the Impact of Massive Out-Migration on Albanian Agriculture," *The European Journal of Development Research*, Palgrave Macmillan; European Association of Development Research and Training Institutes (EADI), Vol. 21(3), pp.448–470.
- Carletto, G., B. Davis, J. Miluka and Z. Zezza (2010), "The Vanishing Farms: The impact of international migration on Albanian family farming", *Journal of Development Studies*, Vol. 46(1), pp. 140–161, <http://www.tandfonline.com/doi/abs/10.1080/00220380903197978>.
- Castelhano, M., Lawell, C.-Y., Sumner, D. A. and J. E.Taylor (2016). The Effects of Migration and Remittances on Productive Investment in Rural Mexico
- Centre for policy Analysis (CEPA) blog (2019) The-externalization-of-labour-bill-why-uganda-needs-to-embrace-but-regulate-the-labour-export-industry. <https://cepa.or.ug/>
- Cissé, P. and C. Daum (2010), "Migrations internationales maliennes, recomposition des territoires migratoires et impacts sur les sociétés d'origine", in *Dynamique migratoire, migration de retour et impacts sur les sociétés d'origine au Maghreb et en Afrique de l'Ouest*, Université Mohammed V-Agdal, Rabat, Morocco, 22–23 November.
- Cotula, L. and C. Toulmin (2004), *Migrations internationales et droits fonciers locaux en Afrique de l'Ouest*, Dossier 132, International Institute for Environment and Development (IIED), London; Food and Agriculture Organization (FAO), Rome; Swedish International Development Cooperation, Stockholm.
- Davis-Blake, A. D. and B. Uzzi (1993). Determinants of Employment Externalisation: A Study of Temporary Workers and Independent Contractors. *Science Quarterly*, 38(2): 195–223.
- EPRC (2018). Fostering a Sustainable Agro-Industrialisation Agenda in Uganda, Kampala, Uganda.
- EPRC (2020). Youth Dialogue under the Theme: "Role of labour externalisation in fostering sustainable Agro-Industrial value chains in Uganda". Proceedings, held at the Economic Policy Research Centre (EPRC) on December 08, 2020.
- EPRC, (2021). Rapid Assessment of the Impact of COVID-19 on Labour, Employment and Productivity. EPRC Report for Ministry of Gender Labour and Social Development.
- Erdkamp, P. (1999). Agriculture, underemployment, and the cost of rural labour in the roman world. 49: 556–572.
- FAO (2016), "Migration, Agriculture and Rural Development: Addressing the root causes of migration and harnessing its potential for development," Food and Agriculture Organization of the United Nations, Rome, <http://www.fao.org/3/a-i6064e.pdf>.
- FAO, IFAD, IOM and WFP (2018). The Linkages between Migration, Agriculture, Food Security and Rural Development. Rome. 80pp. (<http://www.fao.org/3/CA0922EN/CA0922EN.pdf>). Licence: CC BY-NC-SA 3.0 IGO.
- FAO, IFAD, IOM and WFP. (2018). The Linkages between

- Migration, Agriculture, Food Security and Rural Development. Rome. 80pp. <http://www.fao.org/3/CA0922EN/CA0922EN.pdf>. Licence: CC BY-NC-SA 3.0 IGO
- Gonzalez-Velosa, G. (2011), "The Effects of Emigration and Remittances on Agriculture: Evidence from the Philippines", University of Maryland, Mimeo.
- Harris, J. R. and M. P. <https://core.ac.uk/download/pdf/30508.pdf>
- International Labour Organisation. (2018). ILO Global Estimates on International Migration Workers- Results and Methodology. 2nd edition.
- Lewis, W. A. (1954), "Economic Development with Unlimited Supplies of Labour", The Manchester School of Economic and Social Studies, Vol.22, pp. 139–191.
- Lucas, R.E.B. (1987), "Emigration to South Africa's mines", American Economic Review 77, no. 3.
- Lucas, R.E.B. and O. Stark (1985), "Motivations to remit: Evidence from Botswana", Journal of Political Economy 93, no. 5.
- Mangum, G., Mayall, D. and Nelson, K. (1985), The temporary help industry: a response to the dual internal labor market", Industrial Labour Relations Review, Vol. 38 No. 4, pp. 599–611.
- Martin, P., L. (2016). Migrant workers in commercial agriculture. International Labour Office, Sectoral Policies Department, Conditions of Work and Equality Department. – Geneva: ILO, 2016. ISBN 978-92-2-128885-5 (print) ISBN 978-92-2-128886-2 (web pdf)
- McCormick, B., and J. Wahba (2002). Return International Migration and Geographical Inequality: The Case of Egypt. University of Southampton, UK August 2002. <https://core.ac.uk/download/pdf/30508.pdf>.
- McDowell, C. and A. de Haan (1997), Migration and sustainable livelihoods: A critical review of the literature, IDS Working Paper 65, Institute of Development Studies, University of Sussex, Brighton.
- Mendola, M. (2005), Migration and technological change in rural households: Complements or substitutes? Working paper, Dipartimento di Scienze Economiche, Aziendali e Statistiche, Università degli Studi di Milano, Milan.
- Mukundane, R. (2021). Labour Externalisation a Lifeline for Youth Affected by COVID-19. <https://www.ceo.co.ug/labour-externalisation-a-lifeline-for-youth-affected-by-covid-19/>
- OECD (2017). "Leveraging migration for development in the agricultural sector", in Interrelations between Public Policies, Migration and Development, OECD Publishing, Paris. DOI: <https://doi.org/10.1787/9789264265615-6-en>.
- Parliament of the Republic of Uganda. (2019). Preliminary report of the committee on gender, labour and social development on the externalisation of labour phenomenon, Office of the Clerk to Parliament.
- Pfeffer, J. and Baron, J.N. (1988), Taking the workers back out: recent trends in the structuring of employment, in Staw, B.M. and Cummings, L.L. (Eds), Research in Organizational Behaviour, JAI Press, Greenwich, CT, pp. 257–303.
- Rozelle, S., J. E. Taylor and A. de Brauw (1999), "Migration, Remittances, and Agricultural Productivity in China," The American Economic Review, Vol.89, No. 2, pp. 287–292.
- Skeldon, R. (2003), "Migration and migration policy in Asia: A synthesis of selected cases", Department for International Development (DFID), London.
- Stark, O. (1991), "The Migration of Labor," Blackwell Publishing, Oxford.
- Taylor, J.E. and F. Wouterse (2008), "Migration and Income Diversification: Evidence from Burkina Faso," World Development, Vol. 36(4), pp. 625–640.
- The Republic of Uganda (2017). Value for Money Audit on the Regulation of Labour Externalisation by Ministry of Gender, Labour, and Social Development. A Report by the Auditor General, Office of the Auditor General (OAG).
- Thomas-Hope, E. (1999), Return Migration to Jamaica and its Development Potential. International Migration, Volume 37, Issue 1 p. 183–207
- Todaro (1970), "Migration, Unemployment and Development: A Two-Sector Analysis," American Economic Review 60 (1), pp. 126–142.
- Tomba, E., Scott-Marshall, H., Dolinschia, R., Trevithick, S. and S. Bhattacharyya (2007) Precarious employment experiences and their health consequences: Towards a theoretical framework. 28: 209–224.
- Tsegai, D. (2004), Effects of migration on the source communities in the Volta Basin of Ghana: Potential links of migration, remittances, farm and non-farm self-employment activities, Working paper, Economics and Technological Change, University of Bonn, Bonn.
- Tsiko (2009), "Impact of Migration on Food Security in Chiredzi, Zimbabwe", Volens Africa, www.volensafrika.org/Impact-of-Migration-on-Food.html?lang=en
- Uganda Bureau of Statistics (UBOS), (2021). Uganda

- National Household Survey 2019/2020. Kampala, Uganda; UBOS
- UN (2014), World Urbanization Prospects: The 2014 Revision, United Nations Department of Economic and Social Affairs, New York
- UN (2015), Addis Ababa Action Agenda of the Third International Conference on Financing for Development, United Nations, New York, https://sustainabledevelopment.un.org/content/documents/2051AAAA_Outcome.pdf.
- United Nations Department of Economic and Social Affairs (UNDESA), Population Division (2020). International Migrant Stock 2020. Copyright © 2020 by United Nations, made available under a Creative Commons license CC BY 3.0 IGO <http://creativecommons.org/licenses/by/3.0/igo/>
- World Bank Group, (2018). Record high remittances to low- and middle-income countries in 2017. Migration and Development Brief.
- World Bank Group, (2019). “Migration and Remittances – Recent Developments and Outlook” Migration and Development Brief 31, April 2019.

ANNEX

Table A 1: List of stakeholders and their roles in labour externalisation in Uganda

Stakeholder Name	Mandate, Roles and Functions	Type of stakeholder
Ministry of Gender, Labour and Social Development	The Ministry is responsible for the protection and promotion of the rights of the vulnerable population, addresses gender inequalities, labour and employment as well as community mobilisation and empowerment.	State MDA
Ministry of Internal Affairs	It is responsible for the facilitation of legal and orderly movement of persons to and from Uganda, regulate the residence of immigrants in the country, verify and process Uganda citizenship and enforce national and regional immigration laws for the development and security of Uganda.	State MDA
Ministry of Foreign Affairs	Ministry of Foreign Affairs is responsible for the state's diplomacy, bilateral, and multilateral relations affairs as well as for providing support for a country's citizens who are abroad.	State MDA
Judiciary/ Ministry of Justice	It is charged with giving Justice to the people, interpretation and application of laws, role in law-making, equity legislation, protection of rights, guardian of the constitution, power to get its decisions and judgements enforced	State MDA
Uganda Association of External Recruitment Agencies (UAERA)	UAERA organizes and unites all companies licensed under the labour externalisation programme to operate under one umbrella and speak with one voice for strengthening the sector. It also ensures protection of migrant workers, and observation of their human rights and welfare in accordance with the international labour standards.	Non-State Stakeholder
Foreign Recruitment Agencies	These recruit workers.	Non-State Stakeholder
United Nations Agencies i.e. IOM & ILO	International organisations provide guidance, funding for the sector and in some instances foster higher level negotiations and emergency evacuations of stranded workers.	Non-State, Development Partner
Platform for Labour Action (PLA)	Platform for Labour Action (PLA) is a non-governmental organisation that advocates for vulnerable workers. It is accredited by the Uganda Law Council to give legal aid to aggrieved workers. PLA is also focused on promoting and protecting the rights of vulnerable and marginalised workers through the empowerment of communities and individuals in Uganda. PLA has also embarked on the training of local council (LC) leaders who are key in the labour externalisation industry	Non-State Stakeholder
Parliamentarians/ Legislators	Charged with policy making and legislation for the labour externalisation sector	State MDA
Cabinet	Determine policy and exercising relevant statutory powers and functions within the domain of his or her portfolio	State MDA
Bank of Uganda	Charged with monitoring finances, particularly remittances.	State MDA
Ministry of East African Community Affairs	Steers Uganda's regional integration agenda in accordance with objectives for the establishment of the East African Community	State MDA
Uganda Police	Charged with keeping law and order	State MDA
Governments of destination countries	They create and provide the employment opportunities for migrant workers.	Foreign States
Ministry of Security i.e. ISO and Interpol	Charged with Security	State MDA
Airlines	Transportation of the workers	Non-State Stakeholder

Stakeholder Name	Mandate, Roles and Functions	Type of stakeholder
Banks	They ease transactions of money transfer between the destination countries and Uganda	Non-State Stakeholder
Migrant Workers	Primary labour externalisation beneficiaries	Workers
Private recruitment agencies	They recruit and source for the employment opportunities in the destination countries. Do brokering in the labour externalisation sector and often train and do on boarding of the workers as a way of preparation. They also work on paper work and necessary travel documents for the workers plus negotiation of contracts on behalf of the workers.	Non-State Stakeholder
Families of migrant workers	Families were workers come from. They do supply the sector with workers.	Families of workers
National Youth Council	The National Youth Council is a statutory body established by an act of Parliament as an umbrella organisation of all Youth in Uganda between the ages of 18-30 years and is mandated to organise, mobilise and engage Youth in development activities as well as protect them from any kind of manipulation	State Statutory body
Cultural and Religious leaders	Cultural and religious leaders do advocacy in the labour externalisation sector.	Non-State Stakeholder
Media	The media creates awareness about the sector, employment opportunities available and often publicize workers' grievances. The media is used by private companies to advertise the employment opportunities.	Non-State Stakeholder
Embassies/Consular staff	Provide consular services to migrant workers	State MDA



Economic Policy Research Centre
Plot 51, Pool Road, Makerere University Campus
P.O. Box 7841, Kampala, Uganda
Tel: +256-414-541023/4, Fax: +256-414-541022
Email: eprc@eprcug.org, Web: www.eprcug.org