

MIGRATION PATHWAYS

Malaysia-Bangladesh G2G program

Overview

Through a government-to-government Memorandum of Understanding (MOU), Malaysia and Bangladesh coordinated a foreign worker program that facilitated the legal migration of Bangladeshi workers to Malaysia to work in the palm-oil sector. Recruitment eventually exceeded demand, leading Malaysia to ban recruitment of Bangladeshi workers in 2018.

Why was it started?

Malaysia banned worker recruitment from Bangladesh in 2008 as a result of rampant exploitative practices. In 2012, Malaysia and Bangladesh signed an MOU that allowed the governments to mediate the process and resume foreign worker migration.

How does it work?

The pilot program began in early 2013 with a plan to include 30,000 workers. The Bangladesh Bureau of Manpower, Employment, and Training (BMET) facilitated a nationwide registration process for interested male workers. More than 1.4 million applicants registered. A lottery was used to select 36,000. Selection was proportional to the number of workers in the union in which workers were registered.

By the time the program began, demand for labor in Malaysia had fallen. The program was therefore modified to admit workers in three phases. In the first phase, workers were to receive two-year contracts with the possibility of extension, pre-departure training, paid flights, and accommodation provided by employers.



Country of Destination
MALAYSIA

Country of Origin
BANGLADESH

Skill
PALM-OIL PROCESSING 

Skill Level
LOW

Timeline
NOVEMBER 2012–JUNE 2015

Beneficiaries
7,617

Countries all around the world utilize migration pathways to train and bring over workers with needed skills. The CGD Migration Pathways database documents these pathways to promote innovation in this space. To explore the database, visit GSP.cgdev.org.

What impact has it had?

A World Bank evaluation showed that the program enhanced the welfare of the migrants and their families. Program participants tripled their income, per capita consumption increased by 22 percent, and poverty rates plummeted. Workers who were selected invested in learning the Malay language and skills training. Household entrepreneurial activity declined as a result of the migrants' absence.

The program became unpopular in 2014–15, when fewer than 10,000 workers were able to obtain training and a work visa. The scheme required private sector participation in the intermediation process, but the governments had not successfully engaged with the private sector to ensure that everyone selected for the program would receive job placement.

In 2015, a G2G-Plus program was introduced in which the private sector handled recruitment (just 10 recruitment firms in Bangladesh did all the recruitment in Malaysia) and the government provided regulatory oversight. Recruitment skyrocketed, with more than 300,000 Bangladeshis going to Malaysia to work. Criticism once again arose, because of the high costs and lack of transparency of the process. As a result, in September 2018, Malaysia banned the recruitment of Bangladeshi workers.

Further readings

Open Working Group on Labour Migration, and Recruitment. 2017. *Government-to-government recruitment benefits, and drawbacks*. Migrant Forum in Asia. <http://apmigration.ilo.org/resources/government-to-government-recruitment-benefits-drawbacks>

Shrestha, M. 2019. *Impact evaluation of the G2G migration program*. World Bank, Washington, DC. <https://pubdocs.worldbank.org/en/966591574377914275/SPJCC19-JLM-D8S3-BLA-Group-Ex-Mahesh-Shrestha.pdf>

Shrestha, M., A.M. Mobarak, and I.A. Sharif. 2019. *Migration and remittances: The impacts of government intermediated international migration programs*. World Bank, Washington, DC. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/993971564038966977/migration-and-remittances-the-impacts-of-a-government-intermediated-international-migration-program>

———. 2020. “Returns to low-skilled international migration: Evidence from the Bangladesh-Malaysia migration lottery program.” Policy Research Working Paper 9165, World Bank, Washington, DC. <http://hdl.handle.net/10986/33408>



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