

Executive Summary*

Southeast Asia has been one of the fastest growing regions in the world for the last several decades. Since 1980, the 10 member countries of the Association of Southeast Asian Nations (ASEAN) have experienced growth at an average rate of 5.4%, well above the global average of 3.4%. Although the 1997 Asian Economic Crisis dealt a severe blow to ASEAN economies, they emerged even stronger, with gross domestic product (GDP) growing at an average rate of 5.1% during 2000–2004, and 4.9% during 2005–2009 (Lee, 2015). ASEAN countries also rebounded from the global economic crisis of 2008, with the region's GDP growing by 4.7% between 2008 and 2010. With economic recovery underway across the region, the ASEAN+6 countries (including Australia, China, India, Japan, the Republic of Korea [henceforth Korea], and New Zealand) saw average annual growth of 6% from 2011 to 2015, and maintained this growth momentum until the outbreak of the coronavirus disease (COVID-19) in early 2020 (Vu, 2020). In addition to the flow of capital, labour migration has emerged as a significant driver of economic growth and development in both origin and destination countries within the ASEAN region.[†]

According to the most recent figures from the United Nations Department of Economic and Social Affairs (UN DESA, 2016), some 20.2 million ASEAN nationals live outside their country of birth for work or as accompanying spouses.[‡] According to the International Labour Organisation (ILO, 2020j; also see United Nations [UN], 2020a) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) (2017), the total population of international migrants in ASEAN is 9.9 million, of whom nearly 6.9 million people have moved between countries within the region.

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[†] Some of the information for this note on migration, migrant workers, and Sustainable Development Goals (SDGs) comes from the publications of (i) the International Labour Organization (ILO) Southeast Office in Bangkok, (ii) International Organization for Migration (www.iom.org), (iii) UN DESA (2016) on SDGs, and (iv) the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP) (2020c): Asia and the Pacific SDG Progress Report 2020.

[‡] In the ILO Article 11(1) of the Convention, the term 'migrant for employment' means a person who migrates from one country to another with a view to being employed otherwise than on his or her own account. <https://www.ilo.org/public/english/standards/relm/ilc/ilc87/r3-1b2.htm>

Figure 1: Association of Southeast Asian Nations Map



Source: Devonshire-Ellis, C. 2012. 'Why ASEAN Matters for Your China Business', *China Briefing*. 22 May. <https://www.china-briefing.com/news/why-asean-matters-for-your-china-business/> (accessed 1 September 2020)

The ILO June 2020 report asserts that the actual number is probably significantly higher, as undocumented, irregular, or short-term migration is rampant in the region. In addition to agriculture, construction, and manufacturing, migrant workers in the ASEAN region are employed in a variety of service sectors, such as tourism, retail, and hospitality, which also employ a large number of seasonal workers.⁵

Since the beginning of 2020, the COVID-19 pandemic has significantly threatened people's lives and the region's economic outlook. The International Monetary Fund (IMF) acknowledged this in their October 2020 report, projecting that growth in the ASEAN+5 region (including Indonesia, Malaysia, the Philippines, Thailand, and Viet Nam) would shrink to -3.4% in 2020 – a drastic decline from the 2019 growth rate of 4.7% – because of the impact of the COVID-19 crisis. However, in 2021, growth in the region is projected to reach as high as 6.1% as economies rebound.

The present health and economic crisis has given rise to significant public policy issues in

⁵ The ILO Migration for Employment Convention (Revised), 1949 (No. 97) defines a 'migrant worker' as a person who migrates from one country to another with a view to being employed otherwise than on his or her own account. The scope of this convention excludes frontier workers, the short-term entry of members of the liberal professions and artists, and seafarers. Additionally, the ILO Migrant Workers (Supplementary Provisions) Convention, 1975 (No. 143) follows this definition but excludes two additional categories including (i) persons coming specifically for training or education, and (ii) persons admitted temporarily to a country at the request of their employer to undertake specific duties or assignments for a limited and defined period of time, and who are required to leave that country upon the completion of their duties or assignments.

Southeast Asia. Importantly, the economic downturn and severe social disruption caused by the pandemic are expected to impair the region's progress towards meeting the 17 Sustainable Development Goals (SDGs), which encompass a very wide range of development sectors including reducing poverty, improving health and education indicators, facilitating women's empowerment, and tackling climate change. In this regard, the experiences gained in managing COVID-19 offer some insights for ASEAN Member States (AMS), such as enforcement of individual quarantine, early border controls, and extending access to public health facilities. The lessons learned should motivate governments to discuss challenges and policies related to macroeconomics, regional labour migration, strengthening social welfare systems, and reforms, which are critically necessary for the region's recovery and cross-border cooperation.

The impact on livelihoods is expected to be particularly severe. Although exact data for the pandemic's impact on employment are not yet available, this is projected to be substantial, especially for regional labour migrants and informal employment, which comprises over 75% of all jobs in Southeast Asia (ILO News and Letzing, 2020).

Civil society groups, academics, policy makers, and media in the region have rightly underlined the plight of migrant workers as being disproportionately at risk from the negative consequences of the pandemic. Even before the current crisis, many migrant workers were periodically subject to uncertain work and poor work conditions, inadequate and crowded living conditions, lockdowns and harsh containment measures, limited access to health care and basic services, and exploitative labour systems.

ASEAN governments must form a collective policy response to the COVID-19 crisis that is rapid and effective in reducing income insecurity and increasing people's capacity to manage and overcome ongoing economic shocks. As a first step, a collective declaration adopted in April 2020 at the Special ASEAN Summit on Coronavirus Disease 2019 reaffirmed the regional grouping's determination and commitment 'to act jointly and decisively to control the spread of the disease while mitigating its adverse impact on our people's livelihood, our societies and economies' (ASEAN, 2020k).

The purpose of this report is to analyse how the social and economic crisis precipitated by the COVID-19 pandemic will impact the very large number of cross-border migrant workers in the region. The report conducts this analysis by measuring the progress of the SDGs as well as the longer-term prospects of the Regional Cooperation and ASEAN Economic Community (AEC).

Methodology

The study was undertaken as the COVID-19 pandemic was still unfolding in the region and the situation of migrant workers was in flux. Therefore, estimates of the impact of the crisis on migrant workers are based on published reports, media articles, blogs, and interviews with key informants. A thorough review of the available literature and discussions for the report was conducted in May–August 2020. The review included various media and online reports published by different development organisations and civil society groups. Legal, institutional, technical, social, and other aspects of the impact of the COVID-19 crisis on migrant workers as well as lessons learned have been synthesised. These were confirmed through online interviews with key stakeholders in Cambodia, Myanmar, the Philippines, and Viet Nam. The interviews provided anecdotal evidence, validated initial findings, and confirmed conclusions and recommendations. The report presents, summarises, and interprets the evidence that has emerged so far based on contextual factors that have shaped the current situation in the region.

Some specific research questions examined in the report include the following:

- (i) What are the social and financial impacts of COVID-19 on migrant labour within the ASEAN region?
- (ii) How will the COVID-19 pandemic impact the achievement of SDGs in the ASEAN region?
- (iii) How has migrant labour coped with the disaster in the immediate term? Was there a delivery mechanism for providing migrant labourers with a social safety net?
- (iv) What measures have been taken at the regional level to address the problems of migrant labour?

Some assumptions made in the report include the following:

- (i) The COVID-19 pandemic will last until mid-2021, after which economic recovery can begin.
- (ii) The pandemic's economic impact, while severe, is likely reversible.
- (iii) Regional and international treaties will continue to be respected.
- (iv) Despite challenges, regional cooperation at the ASEAN level will remain strong.
- (v) Social and political conflict within and between AMS will be minimal.

Rationale for Choosing to Focus on the Sustainable Development Goals

The 2030 Development Agenda for Sustainable Development adopted on 25 September 2015 by 193 member countries of the UN General Assembly comprises 17 goals and 169 targets encompassing a wide range of development themes. It marks a milestone by mainstreaming migration, migrant workers, and the issues of inequality and decent work as integral components of development policy; and includes a number of targets recognising the economic value of migrants, such as SDGs 4, 5, 8, 10, 16, and 17 (Foresti and Hagen-Zanker, 2018). Target 10.7 in particular calls for the facilitation of 'safe, regular and responsible migration' and the implementation of 'well-managed migration policies'. While the SDGs are all relevant in a cross-cutting way to the situation of migrant workers

(International Organization for Migration [IOM], 2018), this report focuses on SDGs 1, 2, 3, 4, 5, 8, and 10, in which areas the impact of COVID-19 on regional migrant workers is more direct and immediate. It is also currently relatively easier to gather information to advocate policymaking and regional cooperation in these areas. The longer-term impact of the remaining SDGs will need to be studied separately in the future.

Limitations

This review has two principal limitations. First, there is a paucity of primary data on the impact of COVID-19 on different aspects of migrant workers' lives, including food security, loss of household income, the education of children, and health indicators. Second, as the pandemic is still unfolding, there is a widespread lack of clarity about the long-term impact of COVID-19 on ASEAN economies and policies, particularly with respect to country social protection and welfare systems and the type of regulatory reforms needed to address some of the issues confronted by intraregional migrant workers. The conclusions and recommendations of this report are therefore likely tentative and subject to further study.

Structure of the Report

This report is divided into four chapters. Chapter 1 explains the background and context for this study. Chapter 2 provides an overview of impact of the COVID-19 pandemic on the lives of migrant workers, as well as different aspects of labour migration. Chapter 3 presents a step-by-step analysis of how the current crisis will impact different SDGs relevant to migrants, and provides an analytical basis for determining the welfare requirements of migrant workers with a special emphasis on providing them with decent work (SDG 8). Chapter 4 summarises key recommendations made by civil society groups and academics, notes further areas for research, and lists areas for further ASEAN engagement in ensuring the rights of cross-country migrant workers and enhancing regional cooperation amongst the AMS, all of which will help to progress SDG targets in the future.