



Re-thinking Approaches to Labour Migration

Potentials and Gaps in Four EU Member States' Migration Infrastructures

Policy Brief



ABOUT

This policy brief is part of a series of publications mapping legal pathways for labour migration and mobility to EU countries commissioned by ICMPD's Migration Partnership Facility (MPF) in the context of their efforts supporting the enabling environment for labour migration to the EU.

It summarises existing legal labour migration pathways and their use in Estonia, the Netherlands, Poland and Portugal. It provides suggestions for adaptations in order to better serve the needs of the respective labour market and to explore potentials for migration and mobility pilots in the context of the EU Talent Partnership Framework.

Detailed country case studies for each country have been drafted and are available, along with short digests of each individual country context.

All publications can be downloaded at www.migrationpartnershipfacility.eu.

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ECDPM is a leading independent think tank that wants to make policies in Europe and Africa work for inclusive and sustainable development. ECDPM's work focuses on EU foreign policy and European and African policies related to conflict, migration, governance, food security, regional integration, business, finance and trade.

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The Migration Partnership Facility (MPF) is an EU-funded initiative supporting the external dimension of EU migration policy. The MPF aims to strengthen dialogue and cooperation on migration and mobility between Member States and priority partner countries outside the EU. The project is implemented by the International Centre for Migration Policy Development (ICMPD).

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INTRODUCTION

Europe's working-age population is declining. Employers in EU member states face large and persistent skill and labour shortages in a range of high- and mid-skill professions and in diverse sectors ranging from construction over care to information technology. Against a background of growing economic needs, the recruitment of foreign workers to the EU has increased in importance as one of the strategies to fill labour market shortages. At the same time, migration remains a sensitive political topic and levels of socio-political acceptance for an increase in labour immigration varies across member states.

The EU has developed the framework for Talent Partnerships (TPs) to respond to these dynamics. TPs are presented as a policy tool that can help member states to benefit from international mobility and to better match labour market needs with foreign skills. How to utilise and advance the TPs within the context of national migration systems is however not always obvious. It requires not only legal migration systems that can provide for efficient and effective access to legal migration routes but also a link between labour market assessments and the identification of current and future migration needs as well as information on skill profiles of partner countries.

Box 1: The EU Talent Partnership Framework

The Talent Partnership framework is a legal migration instrument first introduced in the Commission's New Pact on Migration and Asylum in 2020. Talent Partnerships are intended to match the skills of workers in partner countries with labour needs in EU member states, and will provide a policy and funding framework to facilitate greater mobility for workers from non-EU countries to study, work or train in EU countries. The Talent Partnerships build on past EU pilot projects on legal labour migration under the Mobility Partnership Facility and the THAMM programme. The Talent Partnerships place more of an emphasis on mutually beneficial mobility schemes, prioritising the development impact and skills dimension for partner countries. The European Commission currently prioritises seven partner countries for the Talent Partnership Framework: Bangladesh, Egypt, Morocco, Nigeria and Senegal, Tunisia and Pakistan.

MPF and ECDPM have been mapping labour market needs and analysed national migration systems of four EU member states (Estonia, the Netherlands, Poland and Portugal) with the aim to investigate how prepared the respective infrastructures are to respond to growing needs for workers. We were interested in understanding how existing modalities and labour migration pathways could be utilised pragmatically in the context of establishing Talent Partnerships as well as where gaps and possibilities for adaptations lie. This policy brief highlights our key findings of the case studies along the following questions:

- For which sectors will labour migration likely play a role in the future to address labour market shortages?

- What shape and form do the different migration systems and existing pathways take and how successful have they been in filling labour market needs?
- Where are gaps and what are possible steps for adapting labour migration systems?

THE ROLE OF LABOUR MIGRATION IN FILLING CURRENT AND FUTURE LABOUR MARKET NEEDS

Like most EU member states, **all four countries have structural labour market shortages at different skill levels for which increased opportunities for labour immigration will have to be considered** at least as a partial solution in the coming decades. Portugal has a growing immigrant population and it will need an increasing number of labour immigrants to respond to labour shortages caused by an ageing population. This is also true for the Netherlands, where the percentage of employers reporting difficulties in filling jobs through tapping local and EU labour markets is on the rise. In Poland, migrant labour plays a vital role in the economy, and migrants will continue to be important for both low- and high skilled professions. In Estonia, many of the sectors for which shortages are anticipated in the future are also those which currently employ migrant workers.

However, the specific shortage sectors and the degree of urgency differ. **The construction, (health) care, agriculture and ICT sectors are key sectors for current and future labour immigration in almost all of the cases.** Growth is expected mostly in sectors more in need of mid- to higher-skilled people rather than in sectors characterised by lower skills. This does however not mean that there is no need for lower-skilled migrants in these sectors as well.

Portugal is a case in point. In Portugal, key sectors heavily relying on labour migrants are the agricultural sector, the construction sector as well as the restaurant and hotel business sector. While the share of migrant workers in the industry sector is lower, Portugal's recent demographic challenges have extended the need for higher-skilled labour migrants to work in the industry and IT sectors as well. The majority of new job openings until 2030 will require a highly qualified workforce. Job openings associated with low-skilled labour demand is however also twice as high as the EU average. It is to be expected that labour immigration will continue to mainly address lower qualification job openings, as Portuguese citizens are less willing to work in those jobs in these sectors.

In the **Netherlands**, shortages are greatest among highly skilled professions: engineers, technicians and ICT specialists. However, there are also specific shortages of workers educated at the senior secondary level, such as professionals in sectors such as healthcare, education and construction. Healthcare and welfare professions have had a long history of facing bottlenecks, especially in the high-skill segment (e.g. doctors) but also for carers and nurses with high- to mid-level education. Other key sectors relevant for labour immigration are ICT professions, construction, agricultural/horticulture sector as well as technical installation.

In **Estonia**, migrants work in both low-skilled sectors, such as in construction, but also in high-skilled sectors, such as ICT. In Estonia, future labour shortages in sectors which employ migrant labour are anticipated in the timber industry (qualified workers); for trained young graduates in the manu-

facturing of electronic products; in the construction sector across a wide range of occupations; in agriculture; in ICT and in services and trade. Job openings will likely especially occur in high-skilled sectors, whereas employment growth is expected to shrink in low-skilled sectors.

In **Poland**, migrant labour currently plays a vital role particularly in low-skilled occupations such as agriculture, manufacturing and services, but also increasingly in IT. Labour shortages exist in construction; manufacturing; the medical and care industry; transport shipping and logistics; agriculture and the food industry; educational occupations; and other categories, including motor vehicle mechanics. Employment growth is expected in high-skilled professions while employment will shrink in sectors considered to be low-skilled. Sectors anticipated to experience employment decline that currently employ migrants are agriculture, construction and manufacturing. IT services is one migrant-employing sector which is predicted to show employment growth according to EU's Cedefop.

The level of **societal acceptance for and the national and regional political debates around immigration of workers strongly influence possibilities to adapt and improve systems in order to provide better opportunities for migrants to fill labour shortages**. National debates around migration in the four countries differ with implications for how strong their interest is in exploring the EU Talent Partnerships as a tool.

The Dutch government's aim is to get a better grip on labour migration to the **Netherlands**. It is currently investigating the effects of migration on Dutch society and is exploring options to better manage legal pathways. Yet, to date, while employers have raised questions about the restrictiveness of the Dutch migration system, labour migration from third countries has not strongly featured in the discussion on improving the Dutch labour market and on meeting future shortages. Rather it is seen as one of the last options next to other measures. The political debate in the Netherlands around immigration remains sensitive. Next to the needs of the private sector and the economy, issues such as the capacity of the society to host labour migrants (in terms of housing, services, etc.) as well as fair treatment of migrant workers, play a role.¹ This approach is important for establishing a political and societal climate that is accepting of labour migration at different skill levels. Attitudes towards migrants in Estonia differ according to the skill level of workers. There is little sign of intentions to recruit low-skilled workers. High-skilled workers in the ICT sector on the other hand are sought after. In **Poland**, attitudes differ according to where migrants are coming from: migrants from Eastern European countries, particularly Ukraine are generally accepted, while there is stronger hostility towards non-European migrants. In contrast, **Portuguese** society is, compared to other European countries, much less critical towards immigration. The current government ascribes it an important role for the economic future of the country and has taken active steps to modernise its migration system. It has shown openness to also utilise the Talent Partnership tool although has greater interest in exploring pilot countries that share culture and language.

In sum, while the economic need for workers at various skill levels will become more pronounced in a number of sectors, societal attitudes act as facilitator or constraint for government actions on labour migration and thus form the backdrop for successful EU Talent Partnerships. The Covid-19 pandemic has shown that discussions around the need for migrant workers in essential jobs led

¹ The Dutch Advisory Council on Migration has framed the debate in terms of a welfare approach to labour migration considering all these aspects.

to more positive public opinion towards migrant workers. Growing sectoral needs may thus influence public opinion as can effective and successful migration and mobility partnerships with third countries. For the latter, well-functioning, flexible and transparent and legal migration systems and pathways form the basis. This will be explored in the following.

COMMONALITIES AND DIFFERENCES IN THE COUNTRIES' LEGAL LABOUR MIGRATION PATHWAYS AND MIGRATION INFRASTRUCTURE

What Shape do Existing Labour Migration Pathways Take Within the Legal Migration System?

The shape and form of legal labour migration pathways determine the possibilities for employers to hire workers and for labour migrants to access the labour markets. These systems form the basis for possible EU Talent partnerships with partner countries. **The immigration systems of the four countries differ quite significantly in the type of labour migration pathways that exist, the yearly number of migrant workers admitted and the procedures and criteria for receiving work permits** or accessing alternative ways allowing migrants to access the labour market. Most of the systems have over time introduced various exceptions to the general rules in order to allow for more flexibility in responding to economic needs.

Generally all four countries require labour migrants to have a **combined permit for residence and work or a valid work permit** in order to access the labour market. Where they differ is how these permits can be obtained. For certain groups, Portugal and Estonia do not require a permit to be issued before entering the country.

In **Poland**, third country nationals may take up employment either by applying for a work (and related residence) permit or by acquiring the right to free access to the labour market through acquiring a relevant residence status. Interest in obtaining a work permit in Poland has constantly been growing, especially since 2014. The number of work permits issued has increased more than 10 times between 2011 and 2021. Foreign nationals interested to work in the **Netherlands** need access to the Dutch labour market either through a combined permit for residence and work or through a valid work permit for the foreign employee obtained by the employer. The most relevant scheme for foreign workers from outside the EU is the 'knowledge workers' scheme as almost two thirds of all non-EU labour migrants come through this scheme. **Estonia** offers possibilities for short-term employment on the basis of registration in Estonia after having entered the country on a valid visa. For longer work engagements, a temporary residence permit needs to be obtained that allows the migrant to work. **Portugal** allows foreigners to enter the country as tourists with a tourist visa and then obtain a work/residence permit when already in the country and having found a job next to the classical routes of obtaining residence permits for work through applying beforehand at Embassies in the country of origin and being sponsored by companies.

The countries have introduced **various criteria and requirements that foreign workers need to meet to qualify for work permits**. These differ for different types of workers and pathways but often involve a labour market test.

In **Poland**, the procedure for obtaining a Work Permit usually includes a labour market test (conducted by poviats labour offices). The employer has to prove that for at least 30 days they have not been able to find an employee for a given position (a citizen of Poland or another EU member state). The procedure is often further prolonged because of the need to separately legalise the stay of a foreign national: an application for a national visa (type 06) authorising to work has to be submitted to a relevant consulate. Also in the **Netherlands** a strict labour market test is applied as a general rule if employers want to employ someone from outside the EU or Switzerland. This test assesses whether there are sufficient workers within the Netherlands or the EU to fill the position. Moreover, the Netherlands applies minimum income requirements for the applications for residence permits and combined work permits and differentiates for different sectoral professions, such as arts and culture, knowledge migrant, Blue Card, Startup, students and trainees. The updated list of monthly salaries that need to be met for specific groups are updated twice per year. A number of exemptions exist to the general rule of the labour market test. Dutch immigration policy is more open to knowledge workers who can contribute to the Dutch knowledge economy. For this group, a number of special schemes exist that facilitate simpler and faster access, these include the highly-skilled migrant scheme (kennismigrant), the European Blue Card scheme, which exists in parallel, a specific visa for start-up workers and for the ICT sector. In addition, high-skilled migrants need to meet specific qualification requirements. Another pre-condition is that the employers have to be recognised as sponsors for foreign workers or meet certain conditions. Similarly, in **Estonia**, the employer needs to receive permission by the Estonian Unemployment Insurance Fund to hire a third country national which is based on a number of conditions, such as impossibility to fill the position with an Estonian or EU citizen or a foreigner already in the country with a valid residence permit, justification taking into account labour market needs based on data of the Estonian Unemployment Insurance fund. The employer must also pay a salary above the annual average wage in Estonia, although this does not apply to all professions. Only if passed a temporary residence permit (granted for a maximum period of five years, after which it can be renewed for a ten-year period) can be issued. There are exceptions for this when it concerns experts, top specialists, family migration and short-term employment. **Portugal** has a fairly unbureaucratic system for issuing work permits if a job has been secured after entering Portugal with a tourist visa, which is especially valid for lower-skill work. Other work permits and visas require the support of well-established companies during the visa application process and are feasible for high-skilled migrants only.

All countries have developed schemes to introduce **exemptions to the general rules for short-term employment, for certain skill-level sectors or for certain nationalities**. This shows that **legal migration systems often adapt to specific needs and that there is flexibility to do so given sufficient political sponsorship**. Especially for temporary or short-time workers, with the exception of the Netherlands, the countries introduced a number of exemptions to access the labour market without the need to apply for work permits or be subjected to labour market tests. The Netherlands has introduced exemptions based on skill and salary level.

In **Poland**, the most commonly used pathway for labour migration is by an employer declaring their intention to entrust work to a foreigner, often referred to as an 'employers' declaration'. It is open only to people from six Eastern European countries, who enter Poland predominantly to carry out low-skilled

work for up to two years.² Obtaining an employers' declaration does not require a labour market test or an application for a work permit. Seasonal work permits are another, lesser used temporary employment pathway. Seasonal permits have exemptions for citizens of Eastern European countries, with the majority being provided to Ukrainians to work in the agricultural sector. The Card of the Pole provides a pathway for Polish expatriates to return to Poland. Further exemptions from the labour market test requirement exist for sectors that have labour shortages and for citizens of certain countries. Citizens of Armenia, Belarus, Georgia, Moldova, Russia and Ukraine performing nursing and care work or working as domestic help for natural persons in a household are not subject to labour market tests. Neither are doctors and dentists undergoing training or completing a specialisation programme, pursuant to the provisions on specialisation of doctors and dentists; and foreign nationals who will perform work in a profession specified in the list published by the minister responsible for labour market issues.³ Also in **Estonia**, foreign workers can enter Estonia with a long-stay visa and be registered for short-term work with the Police and Border Guard without the need to apply for a residence permit or be subjected to a labour market test. They can stay in Estonia for a maximum of 365 days within 455 consecutive days. Other exemptions are introduced also for specific types of workers (such as IT specialists, researchers and engineers) that do not count towards Estonia's quota (see Box 1). The **Netherlands** did not introduce exemptions for temporary or short-time work. While it has introduced a scheme that makes it possible to apply for a residence permit for seasonal work (in line with the EU Seasonal Workers Directive), this pathway is rarely used in practice as a strict labour market test by the Employee Insurance Agency (UWV) so far has prevented workers from entering through that route. The Dutch 'knowledge worker' scheme does not require a priority labour market test for employees of a recognised sponsor who earn over a certain salary threshold irrespective of their nationality. **Portugal** has introduced simplifications and new visa forms for citizens from the Community of Portuguese Language countries. While it has a temporary stay and short-term visa for seasonal workers, in practice this pathway is not utilised strongly given the possibility of entering as a tourist and obtaining a permit after finding a job.

Box 2: How many labour migrants are admitted?

In **Estonia**, one of the key features of the legal labour migration system is the national quota system, which is set at 0.1% of the population for the issuing of temporary residence permits. While the quota system does have some exemptions for certain sectors, employers have criticised it for blocking them from meeting their labour needs. As a result, the majority of migrant workers enter Estonia not via temporary residence permits but through temporary or seasonal work schemes. In **Portugal**, a quota system (based on labour needs per sector of activity) existed in the law between 2001 and 2007. In 2007 the quotas per sector were replaced by an 'overall' quota. In practice, however, neither the definition of the quotas per economic sector, nor that of the overall quota has had any practical consequences. The entry of immigrants who enter the labour market takes place today largely in an uncontrolled way with little predetermination in terms of the amount of foreign nationals admitted. **The Netherlands** and **Poland** currently also do not have any overall quota system in place in the context of their labour migration policies but regulate the number of entries through the conditions they apply.

² The Employers' Declaration used to provide access to the labour market for 6 months but has recently been revised.

³ The full information on exceptions can be found on Voivodeship' websites; information for Mazovia can be available [here](#). On 1 May 2022, the ministerial list of professions exempted from the labour market test counted 288 professions.

All countries have also more recently introduced **specialised schemes for specific sectors**, mainly with a focus on highly-skilled labour facilitating their entries in various ways. This shows that for specific sought after groups it is possible to lower barriers to entry and create pathways.

To target workers in high-skilled sectors, **Poland** has introduced a 'Poland Business Harbour' scheme to attract workers from select countries to work in Poland's growing ICT sector. **Estonia** has three innovative pilot schemes for high-skilled workers: a Digital Nomad visas; a start-up visa; and an e-residency service. **Portugal** aims to attract high-skilled workers with its Tech Visa, a Start-up visa as well as most recently with a digital-nomad visa and residence permit. The **Netherlands** put in place a start-up scheme for innovative entrepreneurs in 2015, a pilot residence scheme for key essential personnel of start-ups as well as a scheme for self-employed people, who must prove that they serve the needs of the Dutch economy.

Box 3: Successful labour migration pathways filling labour shortages in the case study countries

The **Dutch** 'knowledge migrant scheme', which applies a minimum salary criterion, is viewed as efficient and effective in filling skill needs in the highly skilled and higher paid professions such as IT sectors and thus in serving some sectors of the Dutch knowledge economy. Almost two thirds of all labour migrants from outside the EU come through this scheme. However, a number of sectors with shortages are excluded from this scheme due to salary or skills requirements. **Portugal** has reduced bureaucratic procedures and has developed a comparatively efficient and flexible system for employers to hire needed skills in the fluctuating agricultural and tourism sectors. The downside is however the heightened risk for migrants to be prone to smuggling networks and exploitation. Similarly in **Poland**, the Employer's Declaration and in **Estonia**, the registration for short-term work have been important ways to recruit migrant workers for physical work in sectors considered low-skilled, such as industrial, construction, agriculture and household employment.

Where Are Key Gaps in the Migration System When Aiming to Fill Labour Market Needs?

Each country we looked at faces specific challenges concerning future recruitment of workers and ensuring that legal migration pathways exist to support filling labour market shortages. As the global competition for talent will become more acute, European member states will increasingly have to ensure their attractiveness for workers at various skill levels. Yet, key gaps also need to be filled in mid-level and lower-skilled positions and migration systems are not prepared in all cases.

The **Dutch** system is highly selective. While offering opportunities for highly-skilled migrants who earn a minimum monthly market salary and meet qualification requirements, the Netherlands does

not extend such opportunities for lower-skilled and lower-paid migrants from outside the EU. This is a key gap as especially in some of the labour shortage sectors, such as healthcare, construction or agriculture. In the future there could be more opportunities for labour migration pathways for middle skilled migrants covering for instance specific technical professions, such as the health sector. Politically, it will however likely be difficult for the government to liberalise migration policies for lower skilled migrants and pressures on social systems and housing will have to be taken into account.

For **Portugal** attracting talent will become increasingly important. The current system flexibly serves the needs of agriculture, tourism, construction and hotel and restaurant sectors. However, there is, and increasingly will be, some degree of workforce shortage in the IT, programming, and tech-sectors. Compared to the low-skilled sectors, Portugal will face more difficulties to attract labour immigrants for these tech-sectors. While legal pathways exist, the language barrier and uncompetitive salaries play a hindering role here. The average income in the IT sector is only slightly over the Portuguese minimum wage. Against this backdrop, high-skilled, well-educated individuals will, in an increasingly global job market, likely rather be hired by North American, Australian or Northern European companies, who often have English as their working language and are capable of paying many times what the wage Portuguese companies can pay.

Poland will need migrant workers in the future to maintain economic growth. The countries from which foreign workers can come to Poland with the widely used Employer's declaration are: Armenia, Belarus, Georgia, Moldova, Russia and Ukraine. The recent amendments which came into force in January 2022 did not expand this list of countries eligible for employers' declarations. Many interviewees saw this as a wasted opportunity to address the gaps in the Polish labour market. Other research has also stressed the need to expand the list of countries from which foreign workers can come to Poland through employers' declarations, arguing that Poland's current and projected labour needs cannot be fulfilled without employing labour from beyond these countries. Given that employers' declarations are the most commonly used means of obtaining work by foreign workers, expanding the list of countries would have a large impact on the labour supply. In the future attracting labour migrants in IT services sectors may also become more prevalent.

Estonia's policy approach to labour migration has been to focus almost exclusively on facilitating entry for foreigners to work in high-skilled sectors. While high-skilled sectors will continue to experience employment growth into the future, low-skilled sectors in Estonia are also facing labour shortages. **Estonia** has introduced a number of amendments to the Alien's Act in 2022 in order to provide for more flexibility and increase Estonia's attractiveness as a destination for labour migrants. In order to also include high-skilled migrants in sectors that on average earn less than those in the ICT sector, the minimum salary requirement has been lowered to 1.5 the national average salary instead of the previous requirement of double the average national salary. However, interviewees noted that there is a need for a review of Estonia's current migration system to make it less complicated, clearer and more transparent. By integrating further flexibilities for labour migration policies for work in low-skilled sectors (e.g. as concerns the short-term work pathway), the demands of employers in these sectors could be better met. However, the current political discussions are strongly geared towards protecting the local labour market.

HOW WELL PREPARED IS THE LEGAL INFRASTRUCTURE FOR IMPLEMENTING TALENT AND SKILLS PARTNERSHIPS: POSSIBLE ADAPTATIONS

Politically, not all countries may prioritise the establishment of talent partnerships or other mobility schemes with third countries in order to fill labour market needs. If larger scale Talent Partnerships were to be considered, the cases we looked at would be more likely to choose partner countries based on cultural, diplomatic and economic ties. For example, Poland may choose to partner with Egypt and Senegal, with which it has existing economic ties, and Portugal could build on its established mobility ties with Morocco and its history of employing Moroccan workers. Yet, if there was an ambition to create Talent Partnerships, would legal migration systems be ready and do pathways to enter the countries exist? Where would adaptations be necessary? The answers vary per country yet all could introduce adaptations to the existing system in order to support the environment for making most of the Talent Partnerships as a tool.

Adaptations to Legal Migration Pathways

Poland has already created legal labour pathways for migration from several Eastern European countries, and so setting up Talent Partnerships with pre-existing migration partner countries would be relatively straightforward. Poland could include other countries with whom Talent Partnerships would be feasible in existing eligibility lists for Employers' Declarations or for high-skilled migrants the Business Harbour Scheme. For mobility schemes with countries not eligible, the speeding up of the procedure for issuing work permits is essential (see also next section).

Currently, the **Estonian** Government has not been engaged in mobility partnerships with third countries and it seems that political discussions are also not going in that direction. Given the shortages in specific key sectors, such as ICT, Talent Partnerships could play a role here. For these skill-segments the existing labour mobility pathways could be used. Estonia's migration system provides opportunities for high-skilled top specialists as well as IT specialists and digital nomads to enter the labour market. Providing specific support to access these pathways combined with additional marketing could be integrated in partnerships with third countries.

The **Netherlands** currently does not have a specific and official skills and migration partnership with a partner country. There are current deliberations to explore possibilities to introduce targeted and limited temporary legal migration opportunities with partner countries that would then cooperate more strongly on return and readmission questions. The Dutch migration system is non-discriminatory regarding nationalities - specific schemes with partner countries would mean supporting accessing existing pathways. Depending on the skill and salary level as well as sector, however, adaptations of existing immigration pathways would support the setting up of such schemes. Adaptations could take the form of lowering the assessment threshold for the priority labour market tests thereby introducing more flexibility to hire foreign workers, lowering the threshold for the salary requirement of the knowledge migrant scheme (though this may politically be unpopular). Another way is to introduce exemptions is for employers in specific sectors to establish sectoral agreements (so-called covenants), that would open exemptions for the labour market test or work permit for specific sectors.

Adaptations to Systemic Aspects in Support of Labour Migration Pathways

Our analysis also found that improvements to systemic aspects of labour migration systems in the four countries are important beyond looking at available pathways. The following systemic elements are prerequisites for successful implementation of migration and mobility partnerships with third countries.

Involvement of Multiple Stakeholders

All countries have experience - to varying degrees - in **balancing interests and perspectives of public actors** (and here several ministries and agencies which can diverge in their approach), **private sector stakeholders as well as NGOs**. Setting up Talent Partnerships requires taking into account economic and education/skills development perspectives, labour market needs, employers' concerns, international cooperation and development aspects as well as socio-political deliberations. Bringing these divergent perspectives together in a politically sensitive climate can be challenging. Yet, examples exist from the case studies where positive outcomes were the result of good cooperation between several actors. In **Estonia** private sector actors have, for instance, been instrumental in initiating the start-up visa scheme. The start-up sector initiated the idea in response to a clear shortcoming of the visa regulations at the time, and it was subsequently implemented by the government in cooperation with the private sector. In the **Netherlands**, there are regular exchanges between the Government and social and economic partners. Social partners are extensively consulted, for instance, in the context of the first annual report on labour migration. The Social and Economic Council (SER) is an important body with a tripartite composition (entrepreneur members, employee members and independent experts) and provides important advice on Dutch migration policies. Employers' federations have suggested a long-term strategic labour migration policy based on analysis and forecasts of shortages in sectors rather than the current process of lengthy procedures for individual vacancies. This would however require better systems and exchanges of information between private sector and government linking skills needs, shortage sectors and labour migration policies while balancing wider socio-economic considerations. In **Poland** an improvement of the dialogue between policymakers and social partners (such as trade unions and NGOs) could help to better serve migrant workers' interests and to further increase Poland's attractiveness to migrant workers.

Data, Labour Market Analysis and Forecasts

Lack of easily accessible data, analysis and statistics on shortage sectors, forecasted labour market needs as well as information from third countries on how their labour supply could possibly match existing national demands impede further advancements on organising cooperation with third countries in the case studies. Such data and knowledge is important for choosing possible partners in order to organise effective labour mobility and talent partnership schemes. In the **Netherlands**, while the Dutch public employment service provides periodic forecasts on shortages in economic sectors, such forecasts and analysis are currently not linked to migration policies. This is similar in other countries, though **Poland** exempts certain shortage sectors from the need of performing a

labour market test when hiring foreign nationals. In **Portugal**, before 2007, there was a link between yearly published “workforce need reports” of the labour market and quotas per sector. These reports were considered a failure because the labour market needs turned out to be too dynamic to be studied only once per year and to be put in quotas. Indeed, to ensure a stronger link between labour market assessments and labour migration pathways, a system that is able to quickly (e.g. on a quarterly basis) re-evaluate quotas, job descriptions and help to adjust migration policy would need to be established. In terms of data, better comparable and up to date statistics and data on labour migration and the contribution of migrants to the economy of EU member states could be useful.

Some EU member states have started to study the potential of partner countries with the idea to gather information that can support labour market and skills matching. These studies are scattered and provide information on partners’ labour market characteristics and skills needs. Yet, these approaches are not coordinated at the European level leading to several studies and possible duplication of data. Also partner countries’ authorities are faced with several enquiries to share information. A more harmonised European approach in collecting data and sharing information could be useful to work more efficiently in the context of the Talent Partnership Initiative.

Streamlining Procedures of Issuing Permits

The lengthy time it takes to process residence and work permits has in some of the countries been noted by employers as a barrier to flexibly hiring workers from third countries. Streamlining procedures and accelerating visa issuance for priority sectors is important for establishing effective Talent partnerships with a functioning mobility component. Other administrative barriers include the collection and effective review of required documents such as diplomas, birth certificates and certificates of good conduct. These aspects can be addressed through partnerships and capacity building activities with public employment agencies in partner countries and they also fit into European policies of supporting a digital transformation agenda.

Recognition of Foreign Qualifications

Recognizing skills and qualifications is an important element of labour migration or mobility partnerships. The recognition of validation systems for skills and knowledge awarded outside the EU (including also skills obtained in informal learning settings) are however not in all the case countries working optimally. In **Poland** for instance skill recognition has become one of the main barriers in getting the new arrivals from Ukraine into work. Another implication of the absence of efficient skill recognition systems is that it is common for migrants in Poland to work in jobs lower than their qualification. In the **Netherlands** strict quality standards and hurdles in the skills recognition process exist particularly for health workers (next to the wage criterion). It is a factor for the difficulty in recruiting foreign nationals in this sector. **Estonia** has a complicated recognition system, which in practice can mean that access to the Estonian labour market for specific professions is restricted. Portugal does not yet have fast-track recognition of academic qualifications of many of its main labour immigration origin countries and professional non-academic skills are all assessed on a case-by-case basis, which slows procedures.

Moreover, the recognition of qualifications in the IT sector is difficult due to differences in procedures and coding which could be bridged by short introductory courses to get used to the Portuguese IT sector. The idea of Talent Partnerships is of course to also improve, next to the skills aspect, the recognition of qualifications and skills. Our case studies show that systems for recognising foreign qualifications can still be streamlined, better digitised and made more flexible to account for a variety of skills.

WAY FORWARD FOR THE IMPLEMENTATION OF TALENT PARTNERSHIPS IN EU MEMBER STATES

The findings of our mappings of four EU member states show that there are growing needs for skills, knowledge and workers at various skill levels. With demographic changes and changing economies these may become more profound in the coming decades. Socio-political acceptance of an increase in labour migration however differs and will play an important role in shaping future approaches to labour migration. Legal migration systems offer a variety of options for labour migrants from third countries to enter the EU member states. And for a number of sectors these work well. Yet, labour migration systems do not always optimally respond to changing economic needs and even if formal migration pathways exist, flanking measures and bureaucratic hurdles can impede their effectiveness. Moreover, data on possible matching countries that would be relevant to choose possible partner countries for Talent Partnerships is missing in a systematic way at the European and EU member states level. Yet, these approaches are not coordinated at the European level leading to several studies and possible duplication of data. Also partner countries' authorities are faced with several enquiries to share information.

There is a large potential for harmonising and better coordinating across EU member states on labour mobility and migration systems. Especially in the area of collecting and sharing data and information for labour market matching, but also in the area of skills recognition for various sectors. A more harmonised European approach in collecting data and sharing information could be useful to work more efficiently in the context of the Talent Partnership initiative. The recognition of qualifications can be streamlined and simplified at EU-level while paying attention to keeping adequate levels of skills sought.

So far EU member states have not fully embraced experimenting with pilot talent or mobility schemes and only few countries have started to test such schemes in practice. A recommendation for the EU Commission is to open up the framework for EU member states to be 'freer' in choosing relevant partner countries for Talent Partnerships according to their national preferences. This would be in line with our findings in the case studies, where language and cultural aspects shape the potential to cooperate to a great degree. A more flexible TP framework could allow a more tailor made cooperation.

The economic need for attracting skills, talent and workers is likely to become more pressing in the future. While Talent Partnerships alone will not be sufficient to respond to these dynamics, piloting with them can however shed light on what further adaptations or possible changes are needed in the migration infrastructure to make systems fit for the future and ready to attract skills and talent. In this context, more EU member states could usefully experiment and share experiences at the European level.



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