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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

Attracting skills and talent to the EU

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1. INTRODUCTION

Legal migration benefits migrants as well as countries of origin and destination. It gives those who want to migrate an opportunity to improve their circumstances and helps address labour market needs of host countries. It can be in itself an investment in the economy and the society as a whole, supporting the EU's green and digital transition, while contributing to making European societies more cohesive and resilient. The EU's common migration policy needs to reflect the integration of the EU economy and the interdependence of Member States' labour markets. It should help Member States use their membership of the EU as an asset in attracting talent and different types of skills that can contribute to the dynamism of EU economies.

Migration and mobility are and will continue to be inherent features of humanity, globally and in the EU. On 1 January 2021, 23.7 million nationals from non-EU countries were residing in the EU, representing 5.3% of the total population¹. Irregular migration to the EU remains limited despite receiving widespread media coverage. Annually, approximately 2.25 to 3 million nationals from non-EU countries come to the EU using legal channels, in contrast to 125,000 to 200,000 irregular arrivals².

Legal migration is an essential part of the comprehensive approach to migration set out in the **New Pact on Migration and Asylum**³, which also ensures more coherence between the internal and external dimensions of migration policies. To foster a more effective framework for legal pathways to the EU, this Communication sets out the three pillars of an ambitious and sustainable EU legal migration policy. These pillars present (1) legislative, (2) operational and (3) future-oriented policy measures, which will help address some of the most important challenges that the EU is facing in attracting skills and talent, in the short and long-term. This Communication will also address the immediate need to integrate in the EU labour market the working age people arriving in the EU as a result of the Russian war of aggression against Ukraine, over 2,5 million adults⁴ by April 2022.

¹ Eurostat <u>Migration and migrant population statistics</u>.

² Eurostat statistics on first residence permits (<u>migr_resfirst</u>) and Frontex.

³ COM(2020) 609 final.

⁴ UNHCR, see <u>https://data2.unhcr.org/en/situations/ukraine</u>.

The political and economic case for labour migration

Migrants already play a crucial role in Europe's economy and society. In the last decade, migrant workers⁵ filled a significant part of new jobs in the EU, helping to **address labour market needs.** Admission of migrants is part of a wider policy mix to address both the existence and the root causes of labour and skill shortages⁶. The COVID-19 pandemic showed that as many as 13% of workers performing essential functions – from doctors to nurses and drivers – are migrants⁷.

In parallel, the **Russian war of aggression against Ukraine has triggered the largest displacement in Europe since the Second World War**, with women and children making up the vast majority of arrivals. Following the activation of the Temporary Protection Directive⁸, the EU will continue to welcome people that are fleeing the war in Ukraine and support their labour market integration as a priority. Their arrival to the EU does not preclude the need to lay the foundations of a sustainable and common approach to labour migration to address EU skills' needs in the long term.

Following set-backs caused by Covid-19, the European labour market is overall returning to pre-pandemic levels⁹: the EU labour market continues its recovery and requires new workers, in particular in sectors with structural shortages, such as in the tourism, hospitality, IT, health and logistics sectors. However, labour shortages in certain sectors are larger than prior to COVID-19¹⁰ with a sharp increase of unfilled job vacancies even though employment has yet to fully recover.

Aware of future needs, legal migration also has to accompany the **EU's transition towards a green and digital economy**, which requires specific skills and a restructuring of our economies and labour markets. To support the twin transitions, the EU's labour migration should be forward-looking. Sectors such as construction, energy, manufacturing and transport

⁵ On 1 January 2021, the third-country nationals residing in EU-27 Member States represented 5.3% of total population. However, according to Eurostat, in 2020 (using the LFS data and ISCO-08 classification), they accounted for 8.7% of cleaners and helpers, 7.2% of food preparation assistants, 6.9% of agricultural, forestry and fishery labourers, 6.1% of building workers and 6.0% of labourers in mining, construction, manufacturing and transport.

⁶ Possible other interventions on the part of employers and/or policymakers would include increasing wages, improving working conditions, labour market activation of the current residents of native and foreign background, in particular women, investing in or reforming education and training facilities, changing production processes or increasing imports. See for instance *Labour shortages and migration policy*, IOM 2012.

⁷ <u>https://ec.europa.eu/jrc/en/news/crucial-contribution-migrant-workers-europes-coronavirus-response.</u>

⁸ Council Implementing Decision (EU) 2022/382 establishing the existence of a mass influx of displaced persons from Ukraine.

⁹ <u>https://www.pesnetwork.eu/2022/04/04/european-labour-market-barometer-17/</u>

¹⁰ International Monetary Fund, *Labor market tightness in advanced economies*, March 2022.

are likely to be impacted by the transition to a climate-neutral economy, requiring additional labour and new skills¹¹.

Labour migration not only has economic benefits, it also **improves overall migration management as it helps strengthen our cooperation with countries of origin and transit,** including with the aim to reduce irregular migration. It is one of the key instruments in the EU's toolbox set out in the New Pact on Migration and Asylum to build, aligned with the Sustainable Development Agenda, balanced and mutually beneficial partnerships with non-EU countries on migration.

There is therefore a strong political and economic case for establishing more effective legal routes for migrants to enter Europe. This is, however, nuanced by the acknowledgement of the diverging situations and policies of the EU's Member States. Legal migration is a **shared competence between the European Union and its Member States**. Only Member States have the competence to decide on the number of nationals from non-EU countries coming to their territory in order to seek work.

In this setting, **realistic, pragmatic and gradual progress** is required. Legislation makes it possible to set common rules. Operational initiatives, coordinated with Member States, the European Parliament and non-EU countries, enable us to take concrete and pragmatic measures. New policy initiatives open up possibilities for future measures. Brought together, they form the backbone of a common European approach to legal migration in line with European values and able to confront common challenges.

Demographic context and key challenges

At the same time, the EU has an ageing and shrinking working population. By 2070, the size of the working-age population will decline from about 65% in 2019 to between 56% and 54% of the total EU population in the EU 27^{12} .

These trends increase the pressure on labour markets, undermining competitiveness and economic growth. The share of the working-age population is declining while the share of older people is increasing. This is particularly visible in some Member States¹³. Some regions in the EU are more affected by a shrinking working-age population than others, with rural areas affected most. A shrinking working-age population puts more pressure on our pension and social protection systems, putting in question their long-term sustainability.

¹¹ Eurofound, Tackling labour shortages in EU Member States, July 2021, <u>https://www.eurofound.europa.eu/publications/report/2021/tackling-labour-shortages-in-eu-member-</u> states.

¹² 'Population on 1st January by age, sex and type of projection (proj_19np)' (<u>Statistics | Eurostat</u> (<u>europa.eu</u>)).

¹³ Eurostat, <u>Population structure and ageing</u>; European Commission, *Atlas of Demography, Impact of migration on working-age population*, <u>https://migration-demography-tools.jrc.ec.europa.eu/atlas-demography/stories/AoD/2/migration/S4</u>.

In addition, the EU needs to address occupational shortages in specific sectors¹⁴ and regions, covering all skill levels: EU employers are facing shortages in as many as 28 professions employing 14% of the EU workforce in 2020. These professions include plumbers and pipe fitters, nursing professionals, system analysts, welders and flame cutters, heavy-truck and lorry drivers, civil engineers and software developers¹⁵. Labour shortages are also evident at regional level owing to, for example, differences in development levels between regions, the presence of urban areas within regions or divergent regional labour market and living conditions¹⁶.

The EU strives to increase the labour market participation of women, older persons, people with disabilities, persons with a migration background and other under-represented groups. It also aims at improving people's skills throughout their working lives, as set out in the European Skills Agenda¹⁷. However, in order to **address these growing labour market needs, linked to demographic trends and shortages, mobilising the domestic workforce alone or facilitating intra-EU mobility are not sufficient**. Intra-EU mobility's potential to mitigate labour shortages is increasingly limited, including because it presumes that talent and skills gained in one place are lost in another¹⁸, and must be considered in light of the fact that labour shortages are reported across almost all Member States. The COVID-19 pandemic is further reinforcing the demand for several specific shortage occupations, with the biggest impact being on the demand for healthcare skills. For instance, in 2020, Belgium, Germany, Denmark, Estonia, Finland, France, Hungary, Ireland, the Netherlands, Romania and Sweden, all reported shortages in health and associated professionals¹⁹. EU mobile workers represent less than a third of foreign born personal care workers in the EU, with two-thirds coming from outside of the EU.

Both the European Skills Agenda and the New Pact on Migration and Asylum therefore recognise the need for a more strategic approach to legal migration, oriented towards better

¹⁴ The EURO-27 quarterly job vacancy rate has reached 2.4% in 2021 Q3, at its highest since 2019 Q2 (before COVID). It at 2.6% the quarter of 2021. was in fourth https://ec.europa.eu/eurostat/documents/2995521/14358242/3-17032022-BP-EN.pdf/3e6f6746-aa8db25c-7696-3912bf7ebd2c?t=1647445976514.

¹⁵ Those were the most often reported shortage occupations in 2021 in the EU. See European Labour Authority, *Analysis of shortage and surplus occupations*; 2021 https://www.ela.europa.eu/en/news/analysis-shortage-and-surplus-occupations-2021.

¹⁶ Ageing and depopulation patterns across eu territories are extensively covered in Aurambout, J.P., Batista E Silva, F., Bosco, C., Conte, A., Ghio, D., Kalantaryan, S., Kompil, M., Perpiña Castillo, C., Proietti, P., Scipioni, M., Sulis, P. and Tintori, G., The Demographic Landscape of EU Territories, Goujon, A., Jacobs, C., Natale, F. and Lavalle, C. editor(s), EUR 30498 EN, Publications Office of the European Union, Luxembourg, 2021, ISBN 978-92-76-27239-7 (online),978-92-76-27238-0 (print), doi:10.2760/658945 (online),10.2760/49621 (print), JRC123046.

¹⁷ COM (2020) 274 final.

¹⁸ The Commission is currently working on an initiative to mitigate the challenges associated with brain drain and population decline within the EU and identify potential solutions to reverse the economic and social decline of affected regions. The public consultations were launched in March 2022.

¹⁹ Eurofound (2021), *Tackling labour shortages in EU Member States*.

attracting and keeping talent to foster growth and innovation potential and channelling legal migration towards regions and occupations experiencing skills shortages.

To remain globally competitive, **the EU needs to become more attractive for talent from around the world**. Currently, highly-qualified nationals from non-EU countries are more likely to choose North America or Oceania than the EU²⁰. A first important step to improve the EU's attractiveness was the recent revision of the **EU Blue Card Directive**²¹, which will allow highly qualified migrants to benefit from improved rights, and in particular the right to move and work in other EU countries, as well as quicker and streamlined procedures. All these aspects of attractiveness should also be strengthened for other categories of migrants, together with measures to fight labour exploitation²² and discrimination²³. **Matching labour demand and supply** is also a challenge in an international context characterised by increasing competition for skills and talent. Two current obstacles are the long and complicated immigration procedures and varying requirements across Member States, and the difficulty of connecting talents from non-EU countries with potential employers in the Member States.

As set out in the Communication "Welcoming those fleeing war in Ukraine: readying Europe to meet the needs"²⁴, Member States will need to take measures to **integrate the beneficiaries of temporary protection into the labour market**. The Commission will support the mapping of their skills and qualifications to facilitate their matching with EU employers.²⁵

Towards a sustainable EU policy on legal migration, built on three pillars

In the last two decades, **the EU has developed a legal framework** largely harmonising Member States' conditions of entry and residence for certain categories of nationals from non-EU countries. This includes entry and residence for labour purposes, such as highly qualified

According to the Database on Immigrants in Organisation for Economic Co-operation and Development (OECD) Countries, only one in four highly-educated migrants residing in the OECD in 2015-16 had chosen an EU destination, while almost two out of three had chosen to settle in North America or Oceania.

²¹ Directive (EU) 2021/1883 of the European Parliament and of the Council of 20 October 2021 on the conditions of entry and residence of third-country nationals for the purpose of highly qualified employment, and repealing Council Directive 2009/50/EC.

²² With regard to the fight against labour exploitation of irregular migrants, in September 2021 the Commission adopted a Communication (COM(2021) 592 final) on the Employers Sanctions Directive 2009/52/EC, identifying a number of necessary actions to strengthen the implementation and effectiveness of the Directive.

A toolkit on the use of EU funds for the integration of people with a migrant background for the 2021-27 programming period has been prepared. Also of relevance is the EU Anti-racism Action Plan 2020-2025: <u>https://ec.europa.eu/info/policies/justice-and-fundamental-rights/combatting-</u> <u>discrimination/racism-and-xenophobia/eu-anti-racism-action-plan-2020-2025_en</u>

²⁴ COM(2022) 131 final.

²⁵ See section 3.2. Developing an EU Talent Pool to better match EU employers with the talents they need.

workers (i.e. "blue card" holders)²⁶, seasonal workers²⁷, and intra-corporate transferees²⁸. The EU legal framework also regulates: i) the admission conditions and rights of students and researchers of non-EU countries²⁹, ii) the right to family reunification³⁰, and iii) the conditions and procedures for nationals of non-EU countries to obtain a permanent residence right (i.e. 'long-term residence')³¹. EU legislation also lays down a single procedure – and a single permit combining the authorisation to work and reside – for workers from non-EU countries admitted under Member States' national schemes³².

Currently, EU law does not cover other categories of labour migrants, nor the self-employed. Some of them are covered under national rules. In March 2019, the European Commission completed an overall evaluation of this legal framework (i.e. the fitness check on legal migration³³). This evaluation led to mixed conclusions and underlined that more could be done to increase the impact of the EU legal migration framework on the EU's demographic, economic and migration challenges. The fitness check concluded that there are a number of inherent shortcomings in the EU legal migration system, such as fragmentation, limited coverage of EU rules, inconsistency between various directives, complexity of procedures and incorrect implementation.

The EU has also developed **labour mobility schemes with non-EU countries**. Pilot projects on legal migration³⁴ have shown that by providing targeted support, the EU can help Member States implement schemes that meet the needs of employers, while reinforcing the human capital development in partner countries. The EU has also opened Erasmus+ learner and staff

²⁶ Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment, OJ L 155, 18.6.2009, p. 17–29.

²⁷ Directive 2014/36/EU of the European Parliament and of the Council of 26 February 2014 on the conditions of entry and stay of third-country nationals for the purpose of employment as seasonal workers, OJ L 94, 28.3.2014, p. 375–390.

²⁸ Directive 2014/66/EU of the European Parliament and of the Council of 15 May 2014 on the conditions of entry and residence of third-country nationals in the framework of an intra-corporate transfer, OJ L 157, 27.5.2014, p. 1–22.

²⁹ Directive (EU) 2016/801 of the European Parliament and of the Council of 11 May 2016 on the conditions of entry and residence of third-country nationals for the purposes of research, studies, training, voluntary service, pupil exchange schemes or educational projects and au pairing, OJ L 132, 21.5.2016, p. 21–57.

³⁰ Council Directive 2003/86/EC of 22 September 2003 on the right to family reunification, OJ L 251, 3.10.2003, p. 12–18.

³¹ Council Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents, OJ L 16, 23.1.2004, p. 44–53.

³² Directive 2011/98/EU of the European Parliament and of the Council of 13 December 2011 on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of rights for third-country workers legally residing in a Member State, OJ L 343, 23.12.2011, p. 1–9.

³³ https://ec.europa.eu/home-affairs/policies/migration-and-asylum/legal-migration-and-integration/legalmigration-fitness-check_en

³⁴ Eight Member States have been or are currently involved in six such projects with Egypt, Moldova, Morocco, Nigeria Senegal and Tunisia. Key themes include circular mobility for ICT experts, opportunities for entrepreneurs, students and traineeships.

mobility in vocational education and training to non-EU countries. However, there remains room for increasing the scope and ambition of the current schemes.

To find responses that are adapted to the multiple needs and to address legal and operational shortcomings, **the Commission held a wide consultation**. It consulted the general public in open consultations³⁵, the Member States, the European Parliament, the European social partners³⁶ and civil society³⁷. In 2021, the European Parliament adopted two Resolutions on legal migration³⁸, calling on the Commission to improve and develop the EU legal and policy framework. On the basis of Article 225 of the Treaty on the Functioning of the European Union, the European Parliament asked the Commission to present a set of proposals to facilitate and promote entry into and mobility within the EU for legally migrating nationals of non-EU countries, with the objective of reducing bureaucracy, strengthening harmonisation, promoting fundamental rights and equal treatment, and preventing labour exploitation.

While favouring simplification and a streamlining of procedures, Member States generally prefer to focus on operational aspects and not to undertake new legislative work on legal migration at EU level.

In order to improve the EU's management of legal migration while addressing the calls of the European Parliament and the Member States in a balanced and pragmatic way, this Communication sets out **three key pillars of a sustainable EU policy on legal migration:**

• a legislative pillar, recasting the Long-Term Residents Directive³⁹ and the Single Permit Directive⁴⁰, to simplify the procedures for the admission of workers of various skill levels to the EU, and the mobility within the EU of workers from non-EU countries that are already in the EU, and improving their rights and their protection from labour exploitation;

³⁵ European Commission, Directorate-General for Migration and Home Affairs, *Analysis of the responses to the public consultation on the future of legal migration – Synthesis report*, Publications Office, 2021, <u>https://data.europa.eu/doi/10.2837/92995</u>

³⁶ Meetings organised during the drafting of the impact assessments on the two Directives and meeting of 17 March 2022, see Impact Assessments of the Long-Term Residence Directive and the Single Permit Directive, SWD(2022)651 and SWD(2022)656.

³⁷ *Ibid*.

³⁸ European Parliament resolution of 20 May 2021 on new avenues for legal labour migration (2020/2010(INI)); European Parliament resolution of 25 November 2021 with recommendations to the Commission on legal migration policy and law (2020/2255(INL)).

³⁹ Council Directive 2003/109/EC of 25 November 2003 concerning the status of third-country nationals who are long-term residents; OJ L 16, 23.1.2004, p. 44.

⁴⁰ Directive 2011/98/EU of the European Parliament and of the Council of 13 December 2011 on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of rights for third-country workers legally residing in a Member State, OJ L 343, 23.12.2011, p. 1–9.

- an **operational pillar**, addressing the challenge of international matching by setting out concrete steps to develop **Talent Partnerships** with key partner countries and the key features of an **EU Talent Pool**⁴¹; and
- a forward-looking pillar, based on three specific priorities for action that should further guide the EU's policy on legal migration: care, youth and innovation.

2. LEGISLATIVE PILLAR: SIMPLIFYING MIGRATION PROCEDURES AND IMPROVING MIGRANT WORKERS' RIGHTS

The Long-Term Residents Directive and the Single Permit Directive set the framework in terms of procedures and rights for a large part of the third-country workers legally residing in the EU. However, both pieces of legislation have not fully achieved the objectives for which they were first adopted, in 2003 and 2011 respectively. The Long-Term Residents Directive is under-used by the Member States, and does not provide for an effective right to mobility within the EU. The Single Permit Directive has not fully achieved its objective of simplifying admission procedures for all workers from non-EU countries.

For these reasons, the Commission is proposing an **overall recast of the two Directives**⁴². The main objectives are to reduce costs and the administrative burden for employers, prevent labour exploitation and support the further integration and mobility within the EU of nationals of non-EU countries that are already residing and working in the EU.

The Commission will also continue to monitor the implementation of the most recent sectorial Directives. In 2023, it will report on the implementation of the **Seasonal Workers Directive** and the **Intra-corporate Transferees Directive**. With regard to the Seasonal Workers Directive, following up on the above-mentioned European Parliament resolutions, the Commission will assess whether the current rules provide seasonal workers enough protection against labour exploitation. It will also consider the need for future legislative amendments.

2.1. Streamlining the single permit procedure

The **Single Permit Directive** simplifies the procedure for nationals of non-EU countries wishing to migrate to the EU legally for work purposes. It puts in place a single application procedure for a combined work and residence permit (a single permit). It also ensures **equal**

 ⁴¹ Building on the 2019 OECD study Building an EU Talent Pool, A new approach for migration management for Europe <u>https://www.oecd.org/publications/building-an-eu-talent-pool-6ea982a0-en.htm</u>, and the 2022 OECD Feasibility Study on the Development of an EU Talent Pool.
⁴² COM(2022)650 and COM(2022)655

⁴² COM(2022)650 and COM(2022)655.

treatment between workers from non-EU countries and nationals of the Member State of residence, by providing a common set of rights for workers from non-EU countries⁴³.

The proposed recast of the Directive will **streamline the application procedure and make it more effective**. It will enable applicants to apply for permits from both non-EU countries and Member States. Currently, the overall duration of application procedures⁴⁴ deters employers from international recruitment. Reducing this duration is expected to help increase the EU's attractiveness and address EU labour shortages. The proposal also includes new requirements to **strengthen the safeguards and equal treatment** of nationals of non-EU countries as compared to EU citizens and improve their protection from labour exploitation. In particular, under the proposed new rules, the single permit will not be linked to one employer alone. This means that within the period of validity of the permit, workers will have the right to change employer while continuing to reside legally in the Member State. This will facilitate labour matching and reduce vulnerability to labour exploitation. Furthermore, the proposal includes new obligations for Member States to provide for inspections, monitoring mechanisms and sanctions against employers infringing national provisions adopted pursuant to the Directive.

2.2. Improving the EU long-term resident status

The recast of the Long-Term Residents Directive aims to create a more effective, coherent and fair system to acquire EU long-term resident status. This system should be a key tool to promote the integration of nationals of non-EU countries who settled legally and on a long-term basis in the EU.

The proposal aims at **making it easier to acquire EU long-term resident status**, by allowing third-country nationals to cumulate residence periods in different Member States in order to fulfil the requirement concerning the duration of residence; and by clarifying that all periods of legal residence should be fully counted, including residence periods as students, beneficiaries of temporary protection, or residence periods initially based on temporary grounds.

The proposal also aims to strengthen **the rights of long-term residents and their family members.** This includes the **right to move and work in other Member States**, which the European Parliament⁴⁵ and some stakeholders⁴⁶ called for and which should be as similar as possible to the right that EU citizens enjoy (within the applicable EU legal framework).

⁴³ In areas such as working conditions, education and training, access to goods and services, and social security.

⁴⁴ The practical-application study of the fitness check shows that the time required to apply for a visa sometimes extends the overall procedure considerably, in some cases by as much as 3 months.

⁴⁵ European Parliament, Committee on Civil Liberties, Justice and Home Affairs, *New avenues for legal labour migration* (2020/2010((INI)) (rapporteur: Sylvie Guillaume).

⁴⁶ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12594-Public-consultation-onlegal-migration/public-consultation_en

Allowing nationals of non-EU countries who are already EU long-term residents in one Member State to change jobs and move to another Member State for work can help improve labour market effectiveness across the EU, addressing skills shortages and offsetting regional imbalances. It can also improve the EU's overall attractiveness to foreign talent.

The proposal additionally puts in place a mechanism to ensure a **level playing field** between the EU long-term residence permit and national permanent residence permits in terms of procedures, equal treatment rights, and access to information, so that nationals from non-EU countries have a real choice between the two permits. It also facilitates **circular migration** by making it easier for long-term residents to return to their country of origin without losing their rights, benefiting both the countries of origin and the countries of residence.

3. OPERATIONAL PILLAR: SUPPORTING BETTER MATCHING OF SKILLS AND NEEDS FOR THE EU AND PARTNER COUNTRIES

Together with the legislative pillar, the Commission proposes to significantly step-up operational cooperation at Union level between Member States as well as with partner countries. Work is already advanced with setting up Talent Partnerships and the EU Talent Pool, both key initiatives announced under the New Pact on Migration and Asylum.

Together with reinforced political commitment on the side of the Member States, the Commission is now proposing a clear roadmap for giving life to these two important initiatives at the latest by the end of 2022.

3.1. Improving our cooperation with partner countries through Talent Partnerships

Talent Partnerships are **one of the key aspects of the external dimension of the New Pact on Migration and Asylum.** They aim to strengthen cooperation between the EU, Member States and partner countries and to boost international labour mobility and development of talent in a mutually beneficial and circular way. They will underpin a comprehensive policy framework and financial support to engage key partner countries strategically in all areas of migration management, including effective return and readmission, as well as the prevention of irregular departures. As outlined in the New Pact, developing legal pathways should also contribute to the reduction of irregular migration.

The Commission is steering the development of Talent Partnerships to ensure they are prepared in a **tailor-made and flexible way** and address the labour market and skills needs of Member States and partner countries.

Talent Partnerships should combine **direct support for mobility schemes**⁴⁷ **for work or training with capacity building and investment in human capital**, including skills development, vocational education and training and operationalisation of work-based exchange schemes⁴⁸. In doing so, they aim to ensure an equal win for partner countries, Member States, business communities on both sides and individuals benefitting from the partnerships. In line with the EU bilateral cooperation with partner countries, they should benefit the economic development of communities of origin, advance key partner countries' broader development goals and strengthen opportunities for their citizens. At the same time, they should help address shortages in certain sectors of Member States' labour markets and help the business community on both sides to build the skills in demand. They should transform the risk of brain drain from partner countries into **brain gain** for all partners, benefiting those involved as they access renewed training opportunities, professional experiences and additional study or vocational education and training developed either in the EU or in their countries of origin.

Talent Partnerships will be open to **all skill levels** and could concern **various economic sectors** such as ICT, science, engineering, health⁴⁹ and long-term care, agriculture, transport, horticulture, food processing and tourism, construction and harbour work, transport and logistics, **depending on the interests of both sides** that are shaping the Talent Partnerships whilst remaining **mindful of the risks of brain drain**. They will provide for **various types of mobility**: temporary, long-term or circular in nature, as agreed by both sides. They should in particular take into account the green and digital transition and support labour markets with the aim to drive EU growth potential, fostering future-looking technologies and solutions.

The Commission will support the **participation of multiple Member States** in a single Talent Partnership per partner country. This will enable a broadened range of activities, various types of mobility for various skills and economic sectors, a stronger impact on both Member States and partner countries, and an added value for the individuals' career path.

The Member States and partner countries' co-ownership of a Talent Partnership is key to ensure scalability and to bring about a mutually beneficial and sustainable cooperation. Talent Partnerships will need to match real labour market needs and skills on both sides. The partnerships should benefit public and private stakeholders such as employers, training institutions and diaspora organisations. In the spirit of the Team Europe Initiatives

⁴⁷ These schemes will need to take account of international obligations stemming from EU trade agreements.

⁴⁸ There could be cases of Talent Partnerships without a mobility component, or conversely with only a mobility component, if this is agreed by both the EU and partner country.

⁴⁹ In full compliance with article 5.1 of the WHO code of conduct for international recruitment of health personnel, https://cdn.who.int/media/docs/default-source/health-workforce/migration-code/code_en.pdf?sfvrsn=367f7d35_5&download=true

approach⁵⁰, Talent Partnerships should mobilise both EU and Member States' funding instruments and private sector⁵¹ as well as partner countries' funds as appropriate. Together with strong multi-stakeholder involvement in the design and implementation of the Talent Partnerships.

Operationalisation of the Talent Partnerships

The Talent Partnerships initiative was launched at a high-level event in June 2021⁵². Since then, the Commission has engaged in exchanging views with Member States on the conceptualisation and operationalisation of the partnerships, held high-level dialogues with partner countries and integrated Talent Partnerships in the planning of the 2021-2027 Multiannual Financial Framework.

Talent Partnerships will build on the experience of existing pilot projects. At the same time, they will provide for a new, more strategic and scaled-up cooperation with partner countries on legal migration. Talent Partnerships' structured framework, together with robust coordination mechanisms, will ensure that the political objectives of the EU, Member States and partner countries are taken into account and translated into tangible action in the form of concrete programmes.

Together with the relevant partners of the Talent Partnership, the Commission will ensure that an appropriate coordination mechanism is set up at technical level - both to coordinate activities of the Member States and stakeholders from the EU side, as well as with partner countries altogether. This mechanism will monitor the implementation of the partnership and its activities and ensure complementarity with all other relevant initiatives in the area of migration and labour market developments.

⁵⁰ Legal migration is a component of the Team Europe Initiatives for central Mediterranean and western Mediterranean/Atlantic routes.

⁵¹ Depending on the activities of each Talent Partnership, public sector investments could be supplemented by private sector funds, in particular from those companies that will benefit from skilled workers and will ensure the longer-term sustainability of such activities.

⁵² <u>Talent Partnerships (europa.eu)</u>.

Four steps for the operationalisation of a tailor-made **Talent Partnership**

The **Commission consults Member States and partner countries,** in cooperation with relevant EU Delegations, on launching a specific Talent Partnership taking into account the overall state of relations and the migration management needs, as well as the Member States' and partner countries' labour market needs and interests in overall cooperation on labour mobility and talent development.

The Commission thereafter organises meetings with interested Member States to share knowledge about their **labour market needs** and the ongoing and envisaged initiatives with the specific partner country. In parallel, the Commission carries out an analysis of available data on the partner countries' labour markets, interests and potential and where relevant engage in discussions with private sector representatives.

Commission services, the European External Action Service and EU Delegations will cooperate and steer discussions with the relevant partner countries with the aim to jointly develop a specific Talent Partnership. The Commission, in cooperation with Member States and the concerned partner country, organise thereafter a **technical roundtable** of all relevant stakeholders of the EU and the partner country. This roundtable will discuss and agree on the design of the specific partnership.

Once there is an overall agreement on the content, design and implementation of a Talent Partnership with a specific partner country, a combination of various financial instruments will mobilise funding. In particular, these instruments will be the Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI-Global Europe) and the Asylum, Migration and Integration Fund (AMIF), Member States' own funds and private sector funds, or even partner countries funds, depending on possibilities and priorities. The formulation of tangible action under NDICI-Global Europe is an ongoing process, based on the adopted programming documents covering the 2021-2027 period. It will be essential to leverage private sector funds, in particular from those companies which will benefit from workers as part of the Talent Partnership activities and ensure the longer-term impact and sustain-ability of such schemes.

TAILOR-MADE TALENT PARTNERSHIP

As a first step, following high-level discussions, the Commission has the intention, based on strong and continuous cooperation on all aspects of migration management under the comprehensive approach of the New Pact on Migration and Asylum, including on irregular migration, to launch the first Talent Partnerships with **North African partners, in particular Egypt, Morocco and Tunisia for their implementation to start by end of 2022**. The work on the Talent Partnerships will build upon successful pilot projects developed with these partners, expanding their scope and level of ambition⁵³, whilst accompanying them with a broader framework for cooperation, to be defined with Member States and the respective partner countries, and mobilising all relevant stakeholders in the process.

As part of a gradual approach, the launch of Talent Partnerships with **other partner countries in Africa and Asia** will be a natural next step in the process of strengthened cooperation on migration management. In particular, as from autumn 2022, in parallel to the implementation of the Talent Partnerships that will be launched with Egypt, Morocco and Tunisia, it is envisaged to start assessing the feasibility of launching Talent Partnerships with Pakistan, Bangladesh, Senegal and Nigeria, as one of the key components of a reinforced migration management cooperation with these countries.

3.2. Developing an EU Talent Pool to better match EU employers with the talents they need

The Commission is proposing to establish the **first EU-wide platform and matching tool**, the **EU Talent Pool**⁵⁴ to help make the EU more attractive for nationals from non-EU countries and to address the challenge of matching EU employers with the talent they are unable to find in the EU's labour market. The EU Talent Pool will be an EU-wide pool of candidates from non-EU countries, which will be selected on the basis of specific skills levels, criteria and migration requirements, following a screening of candidates' credentials⁵⁵.

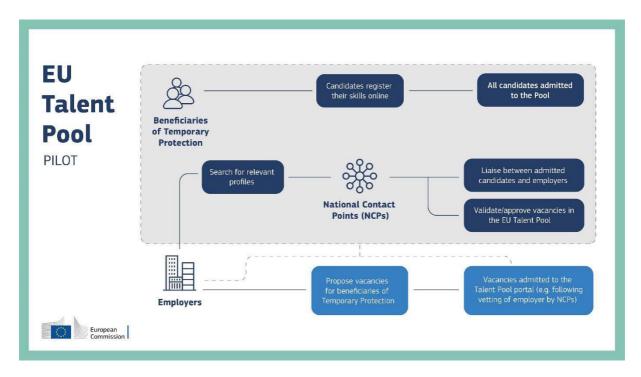
During the preparation of this work, a new and urgent need emerged as a result of the Russian war of aggression against Ukraine, namely, the need to facilitate beneficiaries of temporary protection's access to the EU labour market. To respond to this challenge and make the best

⁵³ Such as the pilot projects THAMM between Germany, Belgium and France with Morocco, Tunisia, Egypt); PALIM between Belgium and Morocco; HOMERe between France, Morocco, Egypt and Tunisia;; YGCA between Spain and Morocco; MENTOR 2 between Italy, Morocco and Tunisia; MOVE_GREEN between Spain and Morocco and WAFIRA between Spain and Morocco.

 $^{^{54}}$ OECD 2022 Feasibility Study on the development of an EU Talent Pool.

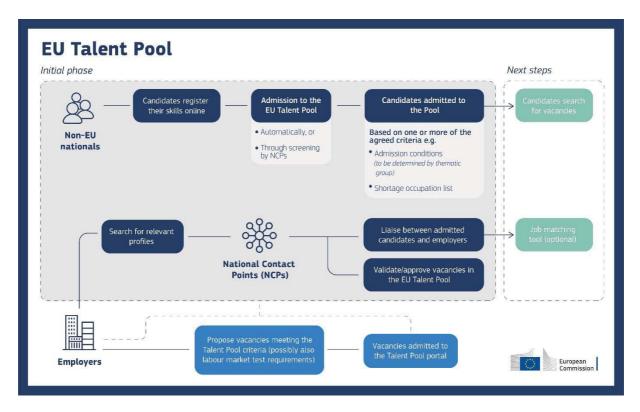
the EU Talent Pool and its pilot initiative will be implemented in full compliance with Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (OJ L 119, 4.5.2016, p. 1) and Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

use of the displaced persons' skills, the Commission has announced that it will launch a **Pilot EU Talent Pool for people fleeing the Russian war of aggression against Ukraine** by summer 2022. This web-based pilot initiative will make it possible to identify and map the skills of people that have fled Ukraine and who are present in the Member States, to facilitate their matching with EU employers. The pilot will take into account ongoing successful initiatives in Member States (e.g. in Portugal and Romania). It will be developed in cooperation with Member States, as well as in consultation with employers, social partners and all other relevant stakeholders. The pilot can facilitate intra-EU matching and give the authorities an overview of the wide range of skills that can be mobilised in their countries. It could facilitate matching in priority sectors in relation to the large number of refugees arriving from Ukraine such as education for arriving children (facilitated by organising community services) or access to basic services and healthcare (provided by health professionals or interpreters).



The Commission has already set-up a dedicated **thematic group** of contact points from Member States interested in participating in the pilot initiative within the framework of the European Migration Network. By the summer, the thematic group will develop and implement the pilot initiative. A **web portal** will be made available, enabling beneficiaries of temporary protection to register their interest in finding employment in the Member States and present their skills and professional experience. This portal's design will incorporate aspects of the **EU Skills Profile Tool for Third Country Nationals**, the EU's dedicated tool to map and document skills of nationals of non-EU countries. In the implementation of the initiative, cooperation with the Ukrainian authorities, including on facilitating recognition of qualifications in line with Commission Recommendation on the recognition of qualifications for people fleeing the Russian war of aggression against Ukraine⁵⁶, will be sought.

A permanent and general **EU Talent Pool** for all nationals of non-EU countries who are interested in migrating to live and work in the EU, will be **developed in parallel to this pilot initiative**, in close consultation with the participating Member States and other relevant stakeholders, such as employers' organisations, social partners and vocational education and training centres. **By mid-2023, the Commission aims to formally launch the EU Talent Pool and its web portal** – and will propose a recommendation setting up the EU Talent Pool, including a charter and a detailed roadmap for its gradual development phases⁵⁷. The thematic group working on the pilot will also steer the design of the EU Talent Pool's organisational setup, governance structure and functioning, based on the lessons learned from the functioning of the pilot initiative. This will include, among others, determining what skills are needed in the EU labour market, agreeing on the relevant admission criteria, organising the admission process and coordinating potential employers' access to the EU Talent Pool. Therefore, full commitment and active involvement of the participating Member States will be key for the EU's Talent Pool development and operation.



⁵⁶ Commission Recommendation (EU) 2022/554 of 5 April 2022 on the recognition of qualifications for people fleeing Russia's invasion of Ukraine, C/2022/2319.

⁵⁷ More information on the possible setup of the EU Talent Pool is presented in the Annex.

3.3. Improving the governance of labour migration at EU level

Progress in the area of labour migration and the success of the above mentioned new initiatives will depend on closer cooperation and a better understanding between the **migration and the employment sectors**. With this package, **the Commission is launching a new platform** that will enable **operational discussions on practical issues of labour migration**, in particular on the external dimension of migration policy, labour shortages and issues linked to the labour market processes. The operationalisation of Talent Partnerships and the EU Talent Pool would be supported by the work of the platform. Discussions could **feed into more political exchanges** in appropriate fora, for example at the level of the Council and the European Parliament. Representatives of social partners, EU Agencies, the Public Employment Services, experts, international organisations, migrant-led organisations and other key actors would be involved in the discussions when relevant.

4. FORWARD-LOOKING PILLAR: KEY PRIORITY AREAS OF ACTION

Beyond the immediate legislative and operational measures outlined above, work must continue to explore further potential avenues for legal migration to the EU in the **medium to longer term**. The Commission sees the potential for focusing forward-looking policies around three areas of action: **care**, **youth** and **innovation**.

These three areas correspond to **three important political priorities**, also underlined by the European Parliament in its recent legislative own-initiative report⁵⁸: attracting low and medium skilled workers from non-EU countries, in sectors where there are significant labour shortages and needs, e.g. long-term care; creating more opportunities for young people from inside and outside the EU; and promoting innovation and entrepreneurship in the EU and investing in EU tech sovereignty.

4.1. Attracting long-term care workers from non-EU countries

The revised EU Blue Card Directive modernised the rules to attract highly skilled workers from non-EU countries. Following this, the Commission will look at how to better attract low and medium skilled workers needed in the EU labour market. The Talent Partnerships will target workers with all skills levels, including low and medium. The proposed EU Talent Pool will also make it possible to attract workers with a broad set of skills, at least in the longer term. The fitness check showed that there is a need for medium- and low-skilled workers in the EU⁵⁹, but that occupations and needs vary significantly across Member States. This is a

⁵⁸ 2020/2255(INL).

⁵⁹ There is a general labour market tightness for these skills levels, see also International Monetary Fund, *Labor Market Tightness in Advanced Economies*, March 2022. See also the most often reported

large and very diverse category of workers, ranging from farm workers and heavy-truck and lorry drivers to IT-operations technicians. This category covers various levels of skills, sectors, and political and legal frameworks across the Member States.

Therefore, the Commission favours a step-by-step approach. It proposes to focus first on a sector where there is a clear benefit to acting at EU level: long-term care.

The design and maturity of long-term care systems vary a lot across the EU, but all countries face **common challenges**: the need to provide accessible, affordable and high quality care against the background of a growing demand for health and social care and staff shortages in an ageing population. Migrant workers, and particularly women, form a significant part of the long-term care workforce⁶⁰. During the COVID-19 crisis, long-term care emerged as an essential service provided by key workers. However, limited investment in the sector, difficult working conditions and resulting staff shortages added to the significant challenges in ensuring continuity of care services and appropriate response to the pandemic⁶¹.

Member States struggle to attract and retain care workers. In the long-term care sector, **up to 7 million job openings for health associate professionals and personal care workers**⁶² are **expected to emerge by 2030**⁶³, and will be only partly covered by the EU labour market.

Legal pathways for long-term care workers are regulated at national level, with a patchwork of various rules and conditions⁶⁴. There is a need to assess whether and to what extent the EU

shortage occupations in 2021 in the EU: European Labour Authority, *Analysis of shortage and surplus occupations*; 2021 <u>https://www.ela.europa.eu/en/news/analysis-shortage-and-surplus-occupations-2021</u>.

⁶⁰ 4,5% of workers are from outside the EU: Eurofound 2020, Long-term care workforce: employment and working conditions, <u>https://www.eurofound.europa.eu/publications/customised-report/2020/long-term-care-workforce-employment-and-working-conditions:</u> Immigrant Key Workers: Their Contribution to Europe's COVID-19 Response JRC 2020: <u>https://ec.europa.eu/jrc/en/news/crucial-contribution-migrant-workers-europes-coronavirus-response</u>: migrants represented 10.3% of personal care workers. For an indepth study of immigrant workers in the health care sector, please see Grubanov-Boskovic, S., Ghio, D., Goujon, A., Kalantaryan, S., Belmonte, M., Scipioni, M., Conte, A., Gómez-González, E., Gomez Gutierrez, E., Tolan, S., Martinez Plumed, F., Pesole, A., Fernandez Macias, E. and Hernandez-Orallo, J., Healthcare and long-term care workforce: demographic challenges and potential contribution of migration and digital technology, EUR 30593 EN, Publications Office of the European Union, Luxembourg, 2021, ISBN 978-92-76-30233-9 (online), 978-92-76-30232-2 (print), doi:10.2760/33427 (online),10.2760/234530 (print), JRC121698.

⁶¹ Eurofound 2020, *Long-term care workforce: employment and working conditions*.

⁶² The use of informal care varies from around 30% to around 85% across Member States. Formal longterm care is typically provided by a qualified workforce and may be delivered in different settings (residential care, formal home care or semi-residential care). Formal long-term care workers include social care workers (such as personal care workers or counsellors) and healthcare workers (such as geriatric nurses or other nurses) as well as specific groups such as live-in carers (workers living in the household of the care recipient and providing care support). The large majority of formal long-term care workers are personal carers, and the bulk of the workforce is employed in residential care. Most longterm care workers have a medium level of educational attainment. See 2021 European Commission Long-Term Care Report: Trends, challenges and opportunities in an ageing society.

⁶³ 2021 European Commission Long-Term Care Report: Trends, challenges and opportunities in an ageing society.

level could help improve the admission to the EU of this category of essential workers. Such an improvement would benefit both the Member States and the countries of origin, while ensuring ethical recruitment and high standards.

Talent Partnerships could support this objective, by promoting the training of long-term care workers, combined with a broader cooperation with partner countries, among others in developing ways in which foreign professionals and diaspora can contribute to create opportunities in the country of origin⁶⁵. This would help mitigate the risk of brain drain in the care sectors of countries of origin.

Increasing the provision of early childhood education and care through the planned revision of the Barcelona targets would make more long-term care workers available for the labour market. Also, as part of the envisaged 2022 European care strategy, and in line with the action plan of the European Pillar of Social Rights⁶⁶ and the Green Paper on Ageing⁶⁷, the Commission will launch a mapping of the admission conditions and rights of long-term care workers from non-EU countries in the Member States and the needs in this regard, with a view to exploring the added value and feasibility of developing a legal EU-level admission scheme to attract such workers⁶⁸.

This analysis will look carefully at the social and economic impacts that such EU-level schemes would have, in particular on the working conditions, including salaries, of long-term care workers in the EU. It will also take into account the impact on countries of origin and examine possible arrangements enabling win-win agreements. Training programmes that also aim to increase the number of available staff in those non-EU countries could be developed. The analysis will also cover **ethical standards of recruitment** as promoted by the World Health Organization⁶⁹.

4.2. Promoting youth mobility

Youth mobility schemes are designed to give young people a chance to live, work and acquire experience in another country, while fostering cultural exchanges and strengthening ties between countries. The youth mobility schemes that exist around the world usually target

⁶⁴ JRC, Healthcare and long-term care workforce: demographic challenges and potential contribution of migration and digital technology.

⁶⁵ Any follow-up programme will need to take account of international obligations stemming from EU trade agreements.

⁶⁶ https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/

https://op.europa.eu/webpub/empl/european-pillar-of-social-rights/en/

⁶⁷ <u>https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12722-Demographic-change-in-Europe-green-paper-on-ageing_en_https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12722-Demographic-change-in-Europe-green-paper-on-ageing_en_</u>

⁶⁸ With the exception of highly skilled workers already covered by the EU Blue Card.

⁶⁹ 2010 WHO Global Code of Practice on the International Recruitment of Health Personnel. <u>Microsoft</u> <u>Word - WHO global code of practice EN.doc</u>

young third-country nationals (e.g. between 18 and 30 years old), with a certain level of education. They come to a country to travel, work and live for a limited and non-renewable period of time, if they have sufficient funds, health or travel insurance and no dependants. A job offer is not required to apply for these youth mobility schemes.

An **EU Youth Mobility Scheme** could make the EU as a whole a more attractive destination⁷⁰. It would do so by granting skilled young people from non-EU countries the possibility to come to the EU to reside, travel and work for a limited period of time (not renewable). Conditions (age, education level and sufficient funds) would be similar to those applying under national schemes. Such schemes could regulate, at EU level, admission conditions and procedures, as well as the rights of young nationals of non-EU countries participating in the scheme. To better attract skilled young people and achieve an economy of scale, it could also be explored with Member States if there is a possibility to grant such young people mobility rights within the EU⁷¹.

It is important to open up possibilities to travel and work to gain new experiences and develop skills abroad. This not only applies to young nationals of non-EU countries, but also to young EU citizens. Therefore, a European Youth Mobility Scheme would need to be complemented by **reciprocal agreements or arrangements with non-EU countries regarding** admission conditions and rights, while leaving the possibility for Member States to set quotas for admitted young people coming to the EU.

The Commission will explore the feasibility of developing a European Youth Mobility Scheme, testing various options in particular for agreements with non-EU countries enabling reciprocity⁷². This process will be launched in the third quarter of 2022, at the European Migration Forum, gathering migration and also inviting youth stakeholders, thereby contributing to the broad objectives of the European Year of Youth 2022.

4.3. Facilitating the admission of start-up founders at EU level

Recent years have seen an increase in **national admission schemes for 'innovative** entrepreneurs' and start-up founders, both in the EU and globally⁷³.

These schemes consist of incentives such as special visas or residence permits for innovative entrepreneurs from abroad. Common to all schemes is that they target a specific type of

⁷⁰ *OECD, Recruiting Immigrant Workers – Europe 2016.*

⁷¹ Without having to apply for a visa for each country in which they wish to work.

⁷² Any follow-up programme will need to take account of international obligations stemming from EU trade agreements.

⁷³ The impact assessment underpinning the revision of the Blue Card Directive included a mapping of schemes targeting start-up founders and entrepreneurs (<u>https://ec.europa.eu/home-affairs/what-is-new/work-in-progress/initiatives/avzbt_intro_en</u>). A study conducted by the EMN updated this mapping at the end of 2019 (<u>https://emnbelgium.be/sites/default/files/publications/Migratory%20Pathways%20for%20Start-Ups%20and%20Innovative%20Entrepreneurs%20in%20the%20European%20Union.pdf</u>).

business, i.e. those that are innovative, scalable and / or have added value national economy or the business $environment^{74}$.

Start-ups and entrepreneurship in general support the EU's economic development and innovation. They are also central to the **EU's twin transitions to a sustainable and digital economy**. In this context, the Action Plan on Integration and Inclusion highlighted the significant contribution of migrant entrepreneurs to economic growth and job creation and their role in supporting the post COVID-19 recovery.

EU measures could further facilitate the access of innovative entrepreneurs and start-up founders to the whole EU single market by supporting their admission and the creation of their business. Such measures would help attract the best talent and thus promote innovation and entrepreneurship in the EU. This would be in line with the **Innovation Agenda for Europe** and the EU's general support to business creation. This general support includes setting up a business-friendly environment, promoting entrepreneurship, improving access to new markets and internationalisation, facilitating access to finance, and supporting competitiveness and innovation of small to medium-sized enterprises⁷⁵. The Commission is also working to support entrepreneurs amongst displaced people from Ukraine, looking in particular at measures to help them to start their own business in the EU.

Building on recent initiatives ('Scale-up Europe' under the French Council Presidency⁷⁶), there is an opportunity to relaunch the discussions⁷⁷ with all relevant institutions and stakeholders to assess the scope for further specific EU-level action on the admission of foreign innovative entrepreneurs. EU support could take the form of support to national schemes, including by facilitating information exchanges. The relevance of a new EU visa for innovative entrepreneurs will also be explored, taking inspiration from national schemes, in particular on criteria to select the most promising and innovative entrepreneurs. These options will be discussed in close cooperation with the Member States and stakeholders' initiatives, including within the European Innovation Council forum and the **European Start-up Nations Alliance**. This Alliance is an 'implementation vehicle' of the EU Start-up Nations Standard, a policy initiative of Commission's 2020 SME Strategy⁷⁸, which aims to mobilise

⁷⁴ 11 Member States require the submission of a business plan. Other admission conditions include a minimum level of capital, participation in a sponsorship or support scheme, proof of sufficient resources, insurance, a certain level of qualification and / or language skills.

⁷⁵ See for example the <u>Single Market Programme</u>, the <u>SME strategy</u> and support to innovation under <u>Horizon Europe</u>, the <u>Enterprise Europe Network</u>, <u>Erasmus for Young Entrepreneurs</u>, the <u>EU cluster</u> <u>policy</u>, <u>European Digital Innovation Hubs</u>, <u>Startup Europe</u>, <u>European Startup Nations Alliance</u>, etc.

⁷⁶ Declaration of Intent - Making Europe the Land of Tech Talent (08/02/22), (<u>https://presidence-francaise.consilium.europa.eu/en/news/press-release-scale-up-europe-spurs-collective-action-to-accelerate-european-tech/.</u>

⁷⁷ See already Council Conclusions 9510/16.

⁷⁸ <u>https://digital-strategy.ec.europa.eu/en/news/sme-strategy-launched-european-commission.</u>

Member States to share and adopt best practices that provide a growth friendly environment to high tech SMEs, including best practices in attracting and retaining of talent in the EU.

5. CONCLUSION

This Communication sets out a pragmatic and gradual approach towards an ambitious and sustainable EU legal migration policy, attracting the skills and talent to address labour shortages and reply to the demographic change in Europe. The measures will support the EU's economic COVID-19 recovery, as well as the digital and green transition and create safe channels to Europe, while reducing irregular migration.

To attract the skills and talent that we need, the EU has to build a more attractive and efficient system. This requires a revised legislative framework, enhanced cooperation with partner countries, an improved governance of labour migration involving all key stakeholders, as well as, looking forward, new areas of action.

The Commission will fully play its part in building and implementing this new approach and calls for a strong engagement and commitment from all: the European Parliament, the Council and the Member States, the economic and social actors, other stakeholders involved and relevant partner countries.

To that end, the Commission will organise a high-level conference in the third quarter of 2022. This conference will launch the new EU platform on labour migration and further pave the way towards a sustainable EU legal migration policy.

ANNEX

Practical arrangements for an EU Talent Pool

The Annex below presents an outline of the possible modalities of an EU Talent Pool. It builds on the analysis and the recommendations of the OECD feasibility study, as well as exploratory discussions with relevant Commission services.

The EU Talent Pool could be based on a **web portal** enabling candidates from non-EU countries to express their interest in working in the EU. Candidates will need to create an online profile and present necessary documents confirming the level of their skills, education and professional experience⁷⁹. It remains to be decided whether applicants will be required to upload proof of their qualification when creating their profile. Alternatively, it may be possible to create a profile with no underlying documents attached, at least in the first stages. In this alternative option, users could still potentially link to profiles in third-party databases with more detailed information or choose to upload supporting documents for the matching and selection process. The possibility of developing links with the Europass platform are also being explored.

Candidates' profiles could be subject to an **initial screening based on clear admission criteria agreed by national authorities** participating in the EU Talent Pool. These criteria, to be defined with the participating Member States, may be based on a specific level of education, language knowledge, professional skills or experience. In order to address the specific needs of the EU labour market, they could also be linked to the identified demands and shortages on national or regional labour markets or in particular shortage sectors. This initial screening will require a close coordination between participating national authorities, as facilitated by the European Commission. It remains to be decided whether the screening would be automated, and anyone who satisfies the selection criteria based on their profile would enter the EU Talent Pool without further assessment, or if it should be based on an individual screening of underlying documents by the national contact points. The first option risks populating the pool with empty, fake profiles. The alternative option, on the other hand, poses a risk of discouraging potential candidates from registering and providing extensive personal information without a guarantee of results, especially in the first development phases.

The EU Talent Pool could also incorporate current and planned self-testing platforms at EU level for attesting skills and knowledge (language, computer literacy, other soft skills, etc.).

⁷⁹ IT development and procurement strategy choices will be subject to pre-approval by the European Commission Information Technology and Cybersecurity Board.

The candidates who meet a certain eligibility threshold will be admitted to the EU Talent Pool. From that moment on, **their profiles would be available for consultation by the competent authorities and potential employers**. The recruitment process will take place outside of the EU Talent Pool. Once they are offered a job in one of the Member States, candidates would be able to apply for a residence permit based on the relevant EU or national migration schemes. Admission to the EU Talent Pool would not constitute a new legal migration pathway and would not grant a right to enter the EU. The candidates admitted to the pool would still need to obtain a residence permit to be able to work in a Member State based on a job offer. However, the EU Talent Pool will be designed as a tool to assist Member States and employers in meeting the demands of the Member States' labour markets that cannot be met by the domestic workforce. Member States will be able to participate in this tool according to their needs.

The EU Talent Pool will rely on **national contact points** in each participating Member State. These could be representatives of immigration authorities, a public body appointed by the participating Member States, ideally from e.g. public employment services, investment agencies, talent attraction bodies (including, as appropriate, vocational training centres both in Member States and partner countries), labour offices etc. This could allow for building synergies and fostering coordination between job matching and immigration procedures. The national contact points would be able to consult the registered skillsets and connect admitted people with interested employers, in the Member State concerned or with matching vacancies. At the same time, an anonymised overview of the number of profiles corresponding to a given skillset may be made publicly available to enable searches by potential employers. These employers would then be able to reach out to the corresponding people through the relevant national contact point.

As the EU Talent Pool develops, a number of **additional components or functionalities** may be gradually added. These may include a talent attraction portal providing targeted information and guidance for applicants, a database of relevant eligible vacancies, or a jobsearch or job-matching component. A job-matching system would connect candidates' profiles with the most suitable job offers, based on information provided on both sides. Contact between potential migrants and employers would be made through the EU Talent Pool, while recruitment would occur outside of the EU Talent Pool.

The Commission is also exploring the scope for developing **synergies** with other tools that are currently available, such as the new Europass platform which supports people in managing their careers in a fast-changing labour market, the EU Skills Profile Tool for Third Country Nationals, or the ERA Talent Platform building on the EURAXESS network, established in 43 countries and 8 international hubs offering services to researchers worldwide. Synergies may also be developed with instruments providing intelligence on skills, such as the Skills-OVATE tool of the European Centre for the Development of Vocational Training.

This tool provides up-to-date information on the skills most demanded by employers and the trends of skills demand.

Building on the experience gained from the EU Talent Pool pilot initiative for people fleeing the Russian war of aggression against Ukraine, the EU Talent Pool could also continue to be open to **people in need of protection** that have the credentials or skills to register. The tool primarily aims to attract talent from non-EU countries, but it could be extended to help refugees already residing in the EU to integrate into the EU labour market. Optionally, the criteria for admission to the EU Talent Pool for people already present in the EU could also be further expanded to make it possible to identify skills of various levels already available in the EU. Given the flexible nature of the tool and its organisational structure, such adjustments could be made quite flexibly as needed, also on a temporary basis. It could also be envisaged to actively promote the EU Talent Pool among refugee communities, also in non-EU countries. This would make the EU Talent Pool a useful tool to underpin work-related complementary pathways in the Member States⁸⁰.

⁸⁰ Commission Recommendation (EU) 2020/1364 of 23 September 2020 on legal pathways to protection in the EU calls on the Member States to promote such pathways to provide more places of legal admission and leverage the skills and qualifications of the world's huge refugee population.