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IMPACT ASSESSMENT REPORT

Accompanying the document

Proposal for a Regulation of the European Parliament and the Council

establishing an EU Talent Pool

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Glossary

Term or acronym	*Meaning or definition*
Cedefop	European Centre for the Development of Vocational Training
EDC	European Digital Credentials for learning
EMN	European Migration Network
EQF	European Qualifications Framework
ESCO	European Classification of Skills Competences, Qualifications and Occupations
ESDE	Employment and Social Developments
EU	European Union
FRA	Fundamental Rights Agency
GDP	Gross Domestic Product
ICT	Information and communication technologies
IT	Information Technology
ILO	International Labour Organisation
MS	Member State
NCP	National Contact Points
NQF	National Qualification Framework
OECD	Organisation for Economic Co-operation and Development
PO	Policy Option
SMEs	Small and Medium Enterprises
Study	Study in support of the impact assessment on the development of an EU Talent Pool
TCN	Third-country national: a third-country national is any person who is not a citizen of the Union within the meaning of Article 20(1) of the TFEU
TFEU	Treaty on the Functionning of the European Union
the Charter	Charter of Fundamental Rights of the European Union

1. BACKGROUND AND POLICY CONTEXT

1.1. Policy and legal contexts

Legal migration is an essential part of the comprehensive approach to migration set out in the **New Pact on Migration and Asylum**[1]. Effective legal pathways can contribute to the decrease of irregular migration and benefit our labour market. While Member States retain the right to determine volumes of admission for people coming from third countries to work, the EU common migration policy needs to reflect the integration of the EU economy and the interdependence of Member States' labour markets. This is why, as the New Pact underlines, EU policies need to foster a level playing field between national labour markets as migration destinations. They should also help Member States using their EU membership as an asset in attracting talent.

EU employers are facing **structural labour and skills shortages in many professions**[2]. The **EU transition towards a green and digital economy** creates high demand for specific skills in certain sectors and calls for restructuring our economies and labour markets[3]. In the context of **the COVID-19 pandemic**, it has also become clear that labour and skills shortages in the health sector need to be addressed[4]. All these demands for skills are further exacerbated by the prospect of an **ageing population and a shrinking working-age population**, , posing significant challenges for the EU and its Member States' prosperity and competitiveness.

The EU is addressing the labour and skills shortages through a comprehensive approach which includes the **activation of the inactive EU population, reskilling and upskilling** of the existing workforce[5], and facilitation of intra-EU mobility. However, in view of the scale of the skills challenges , this approach is not sufficient. Labour migration is part of the solution to skills shortages and some Member States are developing talent attraction policies to this effect[6]. However, they are unable to achieve economies of scale when developing their policies and activities independently.

At the EU level, both **the European Skills Agenda** and **the New Pact on Migration and Asylum** recognise the need for **a more strategic approach to legal migration**, oriented towards better attracting and retaining talent to foster growth and innovation potential and channelling legal migration towards regions and occupations facing skills shortages.

The need to attract the necessary skills to the EU was also mentioned by President von der Leyen in her **2022 State of the Union address**[7] where she also announced the **European Year of Skills**[8], as well as an initiative on the recognition of qualifications of third country nationals as part of efforts to make Europe more attractive for skilled workers.

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1 COM(2020) 609 final.

2 As substantiated by the lists of widespread and acute shortage occupations contained in Eures 2022 report on shortages and surplus occupations, see below, for more details: EURES-Labour Shortages report (europa.eu).

3 The Green Deal Industrial Plan of 2023 acknowledges that the green transition will amplify demands for new skills at all levels. The Commission will consider how to combine a 'Skills-first' approach, recognising actual skills, with existing approaches based on qualifications, and how to facilitate access of third country nationals to EU labour markets in priority sectors.

4 The COVID-19 pandemic accentuated long-standing shortages in sectors such as healthcare and ICT. Eurofound, Tackling labour shortage in EU Member States, 2021, p. 6.

5 The European Skills Agenda launched in 2020 presented the EU objectives for upskilling and reskilling in the next five years. The Skills Agenda also foresees the activation of the inactive EU pupolation by promoting their integration into the labour market.

6 See: Mapping of the existing intiatives in Annex 8.

7 State of the Union 2022, available at https://state-of-the-union.ec.europa.eu/state-union-2022_en.

8 Decision (EU) 2023/936 of the European Parliament and of the Council of 10 May 2023 on a European Year of Skills.

To ensure that the EU becomes more attractive and to improve the overall migration management, the Commission adopted in April 2022 the **Skills and Talent Package**[9] which puts forward a set of initiatives to reach these goals. In particular, the Package announced the intention to establish an **EU Talent Pool**: the first EU-wide platform aimed at facilitating international recruitment and providing job opportunities for third country nationals workers[10] at all skills levels[11].

The idea of establishing an EU Talent Pool was strongly supported by **the European Parliament** in its two resolutions on the legal migration policy of 2021[12] as well as by the European Economic and Social Committee and the European Committee of the Regions in their opinions on the Skills and Talent Package[13]. The importance of improving migrants' access to the EU labour market via matching tools was also mentioned during the **Conference on the Future of Europe**.[14] In October 2022, the Commission launched the **EU Talent Pool Pilot** to facilitate the integration of people fleeing Ukraine into the EU labour market[15]. In parallel, the European Commission is launching **Talent Partnerships** with specific partner countries to boost international mobility and the development of talent in a mutually beneficial way, as part of a comprehensive approach to migration management. The EU Talent Pool may play a role in their implementation.

By making the EU more attractive for talent from abroad and filling in labour and skills shortages, the EU Talent Pool will directly contribute to **the European Year of Skills** and will be a key component of the **Commission's Package on talent mobility**.[16]

1.2. Current challenges

1.2.1 Skills and labour shortages in key sectors of the EU economy

EU employers, in particular SMEs, are facing **acute and structural labour and skills shortages in many professions**. The **unmet demand for labour**, as approximated by the job vacancy rate[17], has more than doubled in less than a decade[18]. As Eurofound reports, in the last quarter of 2022, recruitment challenges experienced by EU employers have reached a record

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9 European Commission, Communication, Attracting Skills and Talent to the EU, COM/2022/657 final.

10 The EU Talent Pool was announced as as "the first EU-wide platform and matching tool to help make the EU more attractive for third country nationals and addressing the challenge of matching EU employers with the talent they are unable to find in the EU's labour market".

11 Please note that the term 'talent' from abroad used throughout this text refers to the entire range of skills that might be needed by EU employers.

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

13 Opinion of European Economic and Social Committee on the 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 of 28 February 2023, EESC 2022/02745. Opinion of the European Committee of the Regions on legal migration: Attracting skills and talent to the EU, COR 2022/03942.

14 Conference on the Future of Europe, Report on the final outcome, 2022, p. 85.

15 Additional information on the EU Talent Pool Pilot is available at https://eures.ec.europa.eu/eu-talent-pool-pilot_en.

16 This Package will include a Communication on skills and talent mobility, a Commission recommendation on the recognition of qualifications of third country nationals, a proposal for a Regulation establishing an EU Talent Pool, and a proposal for a Council recommendation 'Europe on the Move' – learning mobility opportunities for everyone.

17 There is no agreed methodology to identify labour shortages in the EU, and different sources have strengths and weaknesses in order to identify shortages. Please, refer to Annex 7 for more details and for a comprehensive approach how to identify critical occupational shortages, in line with the recommendations of the 2023 EU semester and the emphasis on the twin transition.

18 Eurostat (jvs_q_nace2). Additionally, according to Eurofound the most significant shortages are in Czechia, followed by Belgium, the Netherlands and Austria. Eurofound (2023), Measures to tackle labour shortages: Lessons for future policy.

high[19]. In the EU Business and consumer surveys, 26% of company managers responsible for recruitment in industry reported that labour shortages were a factor limiting production, while the corresponding number was 30% in services and 31% in construction[20]. At the same time, 85% of EU firms find that the lack of available staff with the right set of skills is a factor hampering their investments[21].

Across the EU, the labour and skills shortages **concern all skill levels** and are largely concentrated in the **healthcare and long-term care**[22], **hospitality**, **construction**, **manufacturing and services**, **transportation**, **information and communication technology** (ICT) sectors[23](a more granular analysis on specific shortage occupations, with more detailed information, is developed in Annex 7).

Member States are reporting sectoral differences as highlighted by the Eurofound study in 2021, which indicated that in the recovery from the pandemic, the emphasis on digital and climate-neutral transitions will give rise to new shortages, as well as exacerbating existing ones.[24].

Table 1 : Distribution of sectorial shortages across Member States

Shortage Sectors	**Countries identifying the shortage sectors**
Manufacturing	Bulgaria, Finaland, Poland, Sweden
Construction	Cyprus, Ireland, Poland, Portugal
Energy	Croatia, Hungary, Ireland, Malta, Portugal, Romania
Transport	Poland, Portugal
Professional, scientific and technical activities	Cyprus, Denmark, Latvia, Lithuania
Tourism	Bulgaria
Agriculture	Latvia
Education	Spain

Reference: Eurofound Study (2021) Tackling Labour Shortages

The Commission's 2023 Employment and Social Developments in Europe report[25] shows that causes of labour shortages are varied, including low labour market participation of certain population groups, poor working conditions in occupations, skill mismatches and the implications of some tax and benefit systems.

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19 Eurofound (2023), Measures to tackle labour shortages: Lessons for future policy.

20 ECFIN Business and Consumer Surveys (BCS).

21 European Investment Bank, 2022/2023 Report, EIB investment report 2022/2023 - Publications Office of the EU (europa.eu).

22 In healthcare and long-term care, Europe is lacking around 2 million workers, with up to 1 million new job openings for health associate professionals and long-term carers expected up to 2030. European Commission, Long-Term Care Report: Trends, challenges and opportunities in an ageing society, 2021.

23 ECFIN Business and Consumer Surveys (BCS); Measures to tackle labour shortages: Lessons for future policy | (europa.eu).

24 Eurofound (2021) Tackling labour shortages in EU Member States, p. 29, Confront with Table 5, sectors experiencing large vacancy rates across Member States, p. 22.

25 2023 Employment and Social Developments in Europe report, available at: https://ec.europa.eu/social/BlobServlet?docId=26989&langId=en.

In addition, the prospect of an **ageing population**[26] **and a shrinking working-age population**[27] pose further significant pressure for the EU and its Member States ability to effectively address such shortages.

The share of **working-age population is declining** while the share of older population is increasing, resulting in a large number of people leaving the labour market to retire[28] and increasing the demand for long-term care[29]. Thus, **EU labour markets become increasingly tight**, with insufficient active workforce to satisfy employers' needs[30]. (a more detailed assessment of the demographic trends, including the differences in this regard among Member States, can be found in Annex 6).

The **transition towards a climate-neutral European economy** under the Green Deal leads to additional demand for labour force and new 'green skills' within certain sectors (in particular the construction, energy, manufacturing and transport)[31]. Between 2015 and 2021, labour shortages in key sectors for the green transition doubled and up to 1 million additional jobs are expected to exist by 2030.[32] **New skills** will be also required for the **digital transition** of the European economy, which is already hampered by bottlenecks in this area[33].

Therefore, notwithstanding efforts to upskill and re-skill the EU domestic workforce, to activate the inactive and/or vulnerable EU citizens or to promote intra-EU mobility, **labour shortages are expected to increase** in the EU, in view of the projected demographic trends and other structural drivers of the EU workforce transformation[34]. These shortages have the potential to limit EU growth, productivity, innovation, competitiveness and the EU's ability to deliver on its climate and digital ambitions.

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26 The share of population aged 65 and over is projected to grow to 32.5% by 2100 (the corresponding value in 2022 was 21.2% and 17.8% in 2011), according to Population projections in the EU - Statistics Explained (europa.eu).

27 The working age population, aged 15-64 is projected to fall from its 63.9% share in 2022 to only 54.4% by 2100 (Eurostat PROJ_23NP Statistics | Eurostat (europa.eu)).

28 According to Eurostat projections, the old-age dependency ratio which is the proportion between the population 65 and over years-old and working age population – already at a very high 33.0 ration in 2022 – is projected to grow very quickly to above 50 in the coming decades and to reach 59.7 ratio by 2100. Eurostat_PROJ_23NP ; Eurostat, Demography 2023.

29 Employment in the health and social sector has been growing rapidly in recent years in the EU27, from an overall number of workers of 17.4 million in 2008 to 21.7 million in 2022, representing a 24,8% increase in sectoral employment against the 3,8% total employment growth over the same period.

30 Already in 2022, the employment rate of the EU 20-64-year-olds peaked at 75%, the highest share recorded since 2009, corresponding to 193.5 million of employed people, bringing the EU economy as a whole closer to full employment with unemployment rates at historic lows and recruitment process becoming more difficult. Eurostat, lfsi_emp_a and lfsa_ergan

31 Eurofound, Measures to tackle labour shortages: Lessons for Future Policy, 2023. According to the narrow definition of green jobs provided by Eurostat, sectors linked to the green transition include manufacturing, construction, transportation and electricity, steam, gas and air conditioning. In the 2010-2020 period, employment in these sectors grew at a faster rate than the EU overall rate of employment, confirming the structural nature of the transformation of the EU economy beyond cyclical developments, particularly in waste management, renewables and energy efficiency. Eurostat, 2023, 'Environmental economy — statistics on employment and growth'.

32 European Commission, A Green Deal industrial Plan for the Net-Zero Age COM(2023) 62 final.

33 The 2030 Digital Compass points to the need to have at least 20 million employed ICT specialists in the EU by 2030 and the Digital Economy and Society Index shows that the EU is falling short of achieving this target (9 million employed in 2021).
The 2023 European Semester exercise shows that most EU Member States already suffer from significant and growing skills shortages, while low training provision could create bottleneck in strategic occupations related to the net zero economy in key sectors. See 2023 European Semester: Spring package (europa.eu).

34 Employers' difficulties in finding people with the right skills are also linked to their inability to attract and retain workers (e.g., due to poor working conditions or human resource management practices). However, a limited supply of skilled workers poses challenges for persistent labour shortages in fields such as STEM or healthcare. In other occupations, especially those characterised by more manual skills and lower literacy challenges in attracting and retaining workers play a more significant role. For more details and recent analysis on labour shortages at the EU and national levels: Labour Market Wage Development, 2022 Chapter 3 and 2023 ESDE, Chapter 2 https://ec.europa.eu/social/BlobServlet?docId=26989&langId=en

Labour and skills shortages are a common European challenge. When comparing the average EU job vacancy rate at the end of 2022 with the same period in 2012 (in the last quarter of the year), it is apparent that difficulties to fill vacant positions have gradually worsened in all Member States over a decade. However, some differences among Member States can be identified[35].

Three groups of Member States can be identified. First, there is a group most severely affected. These countries have witnessed a steep increase in their job vacancy rate over the past decade. At end of 2022, the unmet demand for labour was most pronounced in Austria, with a vacancy rate of 4.6% compared to merely 1.5% in 2012. In both Belgium and the Netherlands, the rate was 4.5% in 2022 – up from 2% and 1.2% respectively. Similarly high numbers were recorded in Germany (4.4% in 2022 versus 2% in 2012) and the Czech Republic (4.2% in 2022 versus 1% in 2012).

A second group (Cyprus, Estonia, Finland, Hungary, Italy, Latvia, Luxembourg, Malta, Slovenia and Sweden) is experiencing a vacancy rate similar to the EU average of 2.8%. Although none of these countries has a rate more than 1% below the EU average in 2022, they are all confronted with greater difficulties in filling vacant positions when compared to 2012.

The third group consists of Member States whose job vacancy rate remains below the EU average, hence not exceeding 1.8% (Bulgaria, Croatia, Greece, Ireland, Poland, Portugal, Slovakia, Spain). Nevertheless, the job vacancy rate has increased considerably in some of these countries. For example, it has more than doubled in Poland (from 0.3% to 0.9%) and Lithuania (from 0.7% to 1.7%). It even increased fivefold in Portugal, from 0.3% in 2012 to 1.5% in 2022.

In addition, the 2022 EURES report[36] has shown that there are differences among Member States in terms of shortage occupations. Member States submitting the highest number of shortage occupations were Italy (205), the Netherlands (166), Belgium (164), Slovenia (107), Denmark (106), Estonia (97), France (77) and Finland (60). The situation varies according to the countries and regions, where certain occupations are affected more than others and could constitute a bottleneck on growth, depending on the economic specialisation of the region (for instance, specialisation of territorial economic districts in specific technologies such as mechatronics) or the sectoral composition of the national business economy (for instance, small and medium-size countries have a less complex business economy than larger ones).

1.2.2 Global supply and demand of skilled third-country nationals' workers

There is an **upward trend in global mobility**[37]. In 2020, 3.6% of the total world population (an estimated 281 million people) were living permanently outside their country of birth[38], in comparison to 2.8% in 1990. In 2021, 16% of adults worldwide, corresponding approximately to 900 million people had aspirations to migrate permanently[39]. Future trends of international labour migration are difficult to predict[40]. However, the global **labour market is likely to**

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35 Eurostat (job vacancy rate), https://ec.europa.eu/eurostat/databrowser//product/view/JVS_A_RATE_R2.

36 EURES, 2022 labour shortage and surplus report, EURES-Labour Shortages report (europa.eu).

37 The estimated global stock of migrants people is steadily increasing, according to the criteria established by the UNDESA: International Migrant Stock | Population Division (un.org). The annual flows contributing to this stock are oscillatin, due to their volatile nature, relative to the underlying mixed aspirations and motivations of people on the move at global level.

38 JRC, Migration Megatrends, Increasing significance of migration | Knowledge for policy (europa.eu).
JRC produces research datasets or indicators about global mobility (based on air traffic data or Mobile Network Operators derived indicators) without distinction of motivation or reasons for such mobility.

39 Gallup, Nearly 900 Million Worldwide Wanted to Migrate in 2021 (gallup.com).

40 European Commission, Strategic Foresight Report, 2023, pp. 9-10 2023 Strategic Foresight Report (europa.eu).

continue to absorbe the increasing workforce supply for various reasons, including the global demand generated by the shift to a "knowledge economy" and "net-zero economy"[41] and ageing population of the developed countries.

According to the OECD, the EU as a whole rates high on underlying factors of attractiveness to skilled third-country nationals (TCNs)[42]. However, it appears less **effective compared to other OECD countries** in converting this attractiveness into actual numbers of TCNs coming to work into the EU[43]. This might also be explained by the differences in perceived attractiveness of specific Member States[44]. Even though several smaller EU Member States are rated high in objective analyses of attractiveness, third-country jobseekers rarely refer to these Member States as preferred destinations for migration[45]. The overall fragmentation and complexity of the EU migration framework also decreases its attractiveness in the eyes of the third-country jobseekers[46].

Also, in contrast to other developed economies such as Canada, New Zealand and Australia, the EU has proven unable to attract migrants at all levels of the skills it needs[47].

The EU's difficulty in attracting jobseekers from third countries is also linked to the fact that the EU is competing with other advanced economies in attracting the skills and talent that they need in view of the increasing labour shortages at all skills levels[48]. Canada and Australia are consistently more attractive, than the EU according to OECD indicators[49]. What OECD analysis shows is that while job-search visas and labour migration policies are important components to attract migration for employment purposes, additional attractiveness factors include the overall environment, such as the openness of respective societies toward migrants. In this respect, Australia, Canada and New Zealand have built a significant reputation as countries that are open to economic migration. The high attractivness of these three countries for labour migration purposes is also apparent considering that they established "expression of interest" (EOI) systems to better manage migration flows. These systems allow migrants willing to obtain a work permit to be registered in the respective national platform if they meet certain criteria (e.g. education, age and and work experience). Registered candidates are ranked

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41 To support the engagements subscribed under the 2015 Paris Treaty Agreement, the global green economy is expected to create up to 2030 18 million additional jobs worldwide, mainly as a result of the joint efforts in fighting climate change. ILO, Greening with jobs, World Employment and Social Outlook 2018; IOM, Migration in the 2030 Agenda, 2017.

42 e.g. welfare and health care system, level of wages and job opportunities.

43 OECD, Index of Attractiveness, 2023 Talent Attractiveness 2023 – OECD.

44 Some large and well-known Member States such as Germany, Spain, France and Italy are seen as relatively attractive However, despite the single EU Member State efforts to attract and retain Third Country Nationals for work-related purposes, they are relatively disadvantaged.

45 Gallup, World Poll Nearly 900 Million Worldwide Wanted to Migrate in 2021 (gallup.com). The OECD Indicators of Talent Attractiveness 2023 scoreboard, reports a handful of smaller Member States in the top spots with regard to their attractiveness for highly educated workers including Sweden, Luxembourg, the Netherlands, Denmark and Ireland.

46 The 2019 Legal Migration Fitness Check highlighted a number of reasons contributing to the decrease in EU attractiveness and linked to the overall fragmentation and complexity of the migration framework (e.g. in particular, perceived higher costs, lack of transparent information on admission procedures and recognition of skills and qualifications).

47 Of all non-EU migrants coming to OECD countries, 48 % of low-educated migrants choose an EU destination and 68 % of the high-educated ones a non-European OECD destination. See: Senne, J.-N. and David, A., *General Context and Contribution of Labour Migration in Europe*, OECD 2016. According to the OECD study, the EU is underachieving in the global competition for talent. Such a long-term trend assessment has been recently confirmed in relation to on-line search for jobs and vacancies (according to click data from Indeed Platform,Indeed Platform, Europe is struggling to establish itself as a top destination of jobseekers looking at opportunities away from their country of birth). https://www.hiringlab.org/uk/blog/2023/08/22/foreign-workers-eu-shortage/

48 Canada and Australia, recently, broadened the notion of talent that they want to attract and retain, in view of this exarcebated competition.

49 OECD, Indicators of Talent Attractiveness, Talent Attractiveness 2023 - OECD.

using a point-based system and, on the basis of this ranking, they are selected and invited to apply for a permanent residence permit. However, EOI systems are not necessarily compatible with the EU and its Member States legal constraints and current regulations as these systems are used to select migrants as a migration management tool[50].

1.2.3. Challenges related to migration management

A **well-managed and sustainable migration framework** in the EU can only be achieved with a **comprehensive approach**, bringing together policy efforts in different areas of migration, as outlined in the New Pact on Migration and Asylum[51].

Irregular migration, approximated by irregular entries in the EU, constitutes only a small part of the overall migration towards the EU[52]. Still, in 2022, around 330 000 illegal border crossings were detected at the EU's external border. This is the highest number since 2016 and an increase of 64% from the previous year[53]. As stated by Frontex, faced with stringent requirements for legal migration to Europe, migrants are often left with the only choice to come to the EU irregularly[54]. In the medium term,demographic factors are likely to determine an increase of migratory pressure from Africa. However, what is not known, at this stage, is if this migratory pressure will develop mainly on the African continent or whether it will interest Europe due to geographical proximity and existing economic and migration ties[55].

There is some agreement among policy makers both at global[56] and EU level[57] that there is a link between **enhancing legal pathways and reducing irregular migration**, although influenced also by other factors[58]. Research conducted by the United Nations demonstrates that in the absence of appropriate avenues for safe and regular migration pathways, irregular migration will increase, and the smuggling of migrants will continue to provide the most viable means to arrive to their intended countries of destination[59]. Conversely, providing migrants with safe and secure access to entry and/or residence through regulated channels reduces their need to move in unsafe and irregular circumstances, involving engagement with smuggling

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50 OECD, Building an EU Talent Pool, 2019,pp. 94-100 Additionally, the stricter the criteria the more limited the pool under consideration, as exemplified by Canada, Australia and New Zealand.

51 COM(2020)609.

52 The ratio between the irregular arrivals to the EU to the legal ones was approximately 1: 10 in 2022. According to Frontex, there were approximately 330 000 detected illegal border crossings in 2022. During the same period there were 3.7 million first legal permits issue (data on first residence permits published by Eurostat on 4 August 2023, see: Database - Migration and asylum - Eurostat (europa.eu).

53 After the pandemic-induced low in 2020, this was the second year in a row with a steep increase in the number of detected irregular entries. EU's external borders in 2022: Number of irregular border crossings highest since 2016 (europa.eu).

54 The Annual Risk Analysis 2022/23 of Frontex. Risk Analysis for 2022/2023 (europa.eu)

55 JRC Report, Many more to come. Migration from and within Africa, 2018.

56 Analysis of the impact that the availability of regular channels of migration has on reducing demand for the smuggling of migrants', Working Group on the Smuggling of Migrants, Conference of the Parties to the United Nations Convention against Transnational Organized Crime.

57 The European Parliament in its resolution adopted in May 2021 found that "Enhancing proper legal migration channels would help to reduce irregular migration, undermine the business model of criminal smugglers, reduce trafficking in human beings and labour exploitation, enhance equal opportunities for all workers and offer a legal path for those considering migrating to the Union". See also the New Pact on Migration and Asylum.

58 According to the Joint Research Centre, these factors include the broader political, socio-economic and demographic trends in countries of origin and destination, as well as migration policies and broader state policies such labour market regulations. See: Joint Research Centre, What relationship is there between irregular and irregular migration?, 2019.

59 Analysis of the impact that the availability of regular channels of migration has on reducing demand for the smuggling of migrants', Working Group on the Smuggling of Migrants, Conference of the Parties to the United Nations Convention against Transnational Organized Crime.

networks and risks of human trafficking and labour exploitation[60]. Additionally, the Joint Research Centre also points out[61] to this **indirect relationship between legal and irregular migration:** fostering legal migration channels may have a **signalling effect for migrants** who could be considering undertaking irregular migration journeys[62]. Providing legal channels for migration could also **facilitate cooperation with third countries** in curbing irregular migration and stepping up border management[63]. Opening legal channels can also **contribute to developing human capital in countries of origin** and provide some relief in sectoral niches of the destination countries' economies.

Consequently, it is key to create safe and effective pathways to reduce the incentives for irregular migration and to engage with third countries strategically on migration management, notably by establishing comprehensive, balanced and tailor-made partnerships[64]. At the same time, in order to reduce irregular migration, studies suggest[65] that a series of additional accompanying measures should be considered, for instance tackling opportunities for employment in the informal economy, border enforcement measures, and resettlement opportunities for those in need of international protection.

2. PROBLEM DEFINITION

2.1 What is the problem?

Problem: Insufficient recruitment of third-country nationals through legal migration pathways to address EU labour and skills shortages

The EU Talent Pool initiative aims to tackle **insufficient recruitment of third-country nationals (TCNs) through legal migration pathways to address labour and skills shortages in the European Union.**

As explained in Section 1.2.1, the overarching challenge in the EU is the **increasing shortage of workforce and skills**. Some differences exist in the Member States in terms of scale of the problem and sectors facing the most persistent shortages. However, overall all Member States experience labour and skills shortages at all skills levels and, therefore, labour and skills shortages represent a common challenge requiring a European response.

The EU's approach to addressing these shortages relies **firstly on activating resident inactive populations as well as**, **re-skilling and up-skilling the existing workforce**, improving working conditions, addressing gender segregation, and fostering labour market transitions across sectors and occupations (see Section 4.3 for more details). However, it takes time for such measures to have an actual effect on the labour market and on productivity. In addition, these initiatives may not be sufficient alone to fully address existing and future labour shortages. At national level, Member States are also implementing initiatives to this purpose. However, as acknowledged in the Decision of the European Parliament and of the Council on a

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60 Policy Brief "Mapping the Landscape of the Smuggling of Migrants" by the UN Network on Migration. Exploring the Links Between Enhancing Regular Pathways and Discouraging Irregular Migration, IOM, p.6.

61 Joint Research Centre, What relationship is there between irregular and irregular migration?, 2019, on the basis of JRC Publications Repository - Datasets on Irregular Migration and Irregular Migrants in the EU (europa.eu).

62 If the probability of legal migration becomes more realistic, migrants may decide to invest in increasing their chances to migrate through legal migration channels e.g. by acquiring new skills and learning new languages.

63 A good example of this phenomenon could be also the German Western Balkans Regulation, which aimed to increase legal pathways during the so-called 2015 migration crisis. Under this new Regulation, more than 117,000 work contracts were submitted and approved, and 44,093 applicants received work visas between 2015 and 2017.

64 Joint Research Centre, What relationship is there between irregular and irregular migration?, 2019.

65 Joint Research Centre, What relationship is there between irregular and irregular migration?, 2019.

European Year of Skills, Member States' public and private investments in reskilling and upskilling are still insufficient.[66]
In addition, current **intra-EU mobility**[67] is stable and EU mobile workers across Europe are concentrated in a few occupations requiring low and medium skills, such as logistics and low-skilled jobs[68]. Thus, its potential to fully address structural labour shortages is limited, especially considering that shortages are reported across all Member States, in a diverse range of sectors and at all skills levels.

Therefore, **attracting talent from outside of the EU** is key to **address existing and future skills shortages** which might not be sufficiently addressed by other initiatives, while **reducing irregular migration pressure**. Certain Member States already recognise the importance of labour migration as part of the policy solution and are developing talent attraction policies to this purpose. For instance, Germany has recently reformed its legislation and policies to attract workers from third countries[69]. These initiatives include the implementation of specific migration schemes and fast-track immigration procedures to make the obtention of a work permit easier and faster[70]. In addition, certain Member States introduce exclusions from the labour market test for occupations suffering the most persistent shortages[71]. However, these facilitated migration schemes mainly focus on highly-skilled workers[72] while labour shortages are faced at all skills levels. In addition, only few Member States put in place dedicated job matching platforms to facilitate international recruitment of TCNs residing abroad[73] (for a more detailed explanation of existing initiatives in the Member States see also sub-driver 1.1). Notwithstanding, these initiatives are aimed at making labour migration more effective,in 2022, 1.6 million of TCNs received first residence permits linked to employment[74]. While this constitutes a significant number, it only represents 42% of the first overall residence permits[75] (which suggests that the potential for labour migration to the EU is underutilised). In addition, this is **still insufficient to meet the gaps of labour shortages** in the EU considering that, for instance, companies reported in the first quarter of 2023 around 3.7 million job vacancies (excluding data from Denmark, France, and Italy) of which 2.8% remained unfilled[76]. Extrapolating to the full EU27, the number of reported vacancies may be around 6.3 million with corresponding 175.000 unfilled positions.

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66 Proposal for a Decision of the European Parliament and of the Council on a European Year of Skills 2023, COM/2022/526 final.

67 Indicating labour mobility of the EU citizens and other legal residents across Member States.

68 According to 2022 annual report on intra-EU labour mobility, in 2020, irrespective of the COVID pandemic, the number of EU mobile workers remained stable at 10.2 million which corresponds to 3.3 % of the overall EU working population . In 2021, there are just over 1.7 million cross-border workers. Annual report on intra-EU labour mobility 2022 published - Employment, Social Affairs & Inclusion - European Commission (europa.eu).

69 In order to address labour shortages in Germany, the Skilled Immigration Act is in the process of being reformed. The new legislation will gradually come into force by June 2024 and aims to facilitate the entry and residence of qualified skilled workers from third countries.

70 For instance, Denmark, Finland, France, Germany, Malta, Ireland.

71 For instance, Ireland, Croatia, Slovakia.

72 Austria, Belgium, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, and Greece.

73 For example, the BfA job portal (Germany).

74 Preliminary data on first residence permits published by Eurostat: Nearly 3.7 million first residence permits issued in 2022 - Products Eurostat News - Eurostat (europa.eu). This does not cover persons fleeing Ukraine due to Russia's invasion (out of approximately 4 million who received temporary protection status, more than 1.5 million entered the labour market either as employed or as jobseekers in February 2023).

75 Nearly 3.7 million first residence permits issued in 2022: Products Eurostat News - Eurostat (europa.eu)

76 Eurostat (jvs_q_nace2).

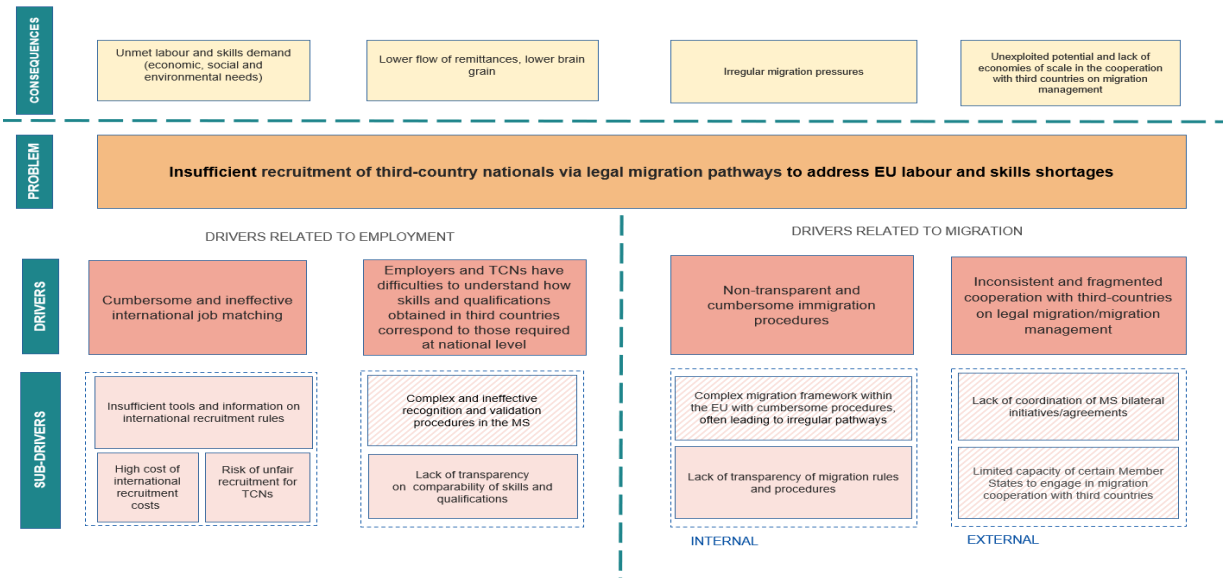
2.2. What are the problem drivers

2.2.1 Drivers outside of the scope of the EU Talent Pool initiative

Several different drivers underly the identified problem. One of them lies **outside of the scope of migration policy** and could not be addressed by the EU Talent Pool initiative: the **overall EU attractiveness**, which is influenced by factors outside the migration and recruitment framework[77]. This driver will not be analysed in this Report.

Some other drivers/sub-drivers fall within the migration and employment policies, but are **addressed in full or in part by certain inter-related ongoing or envisaged EU initiatives**[78]. The analysis of drivers/sub-drivers in sections below covers all their aspects but **focuses on those that are addressed by the EU Talent Pool**. The drivers and sub-drivers that the EU Talent Pool seeks to address could be divided into two groups: 1) drivers related to the employment aspects and 2) drivers related to the migration aspects.[79]

Figure 2: Main problem and underlying drivers



** Sub-drivers that will be only partially addressed by the EU Talent Pool are coloured with a diagonal stripes pattern.*

2.2.2 Drivers related to the employment aspects

In order to apply for a visa or work permit to come to the EU to work, a TCN first needs to receive a job offer from an interested EU employer. However, there are several barriers in international job matching and understanding skills and qualifications of TCNs that make hiring from abroad more challenging compared to recruitment within the EU.

Problem driver 1: Cumbersome and ineffective international job matching

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77 E.g. the living standards, the welfare and tax systems, the language spoken, the wage level, etc.

78 Sub-driver 2.1: Complex and ineffective recognition and validation procedures in the Member States, sub- driver 3.1.Complex migration framework within the EU with cumbersome procedures often leading to irregular pathways; Driver 4: Inconsistent and fragmented cooperation with third countries on legal migration/migration management

79 This duality results from the fact that, in general, the process leading to a TCN from outside the EU to undertake a job in a Member State consists of two stages: i) An employer and an TCN find each other and a TCN needs to receive a job offer (recruitment procedure); ii) once the TCN has been recruited, he/she applies for an employment-related residence permit (immigration procedure).

Sub-driver 1.1.: Insufficient channels for and information on international recruitment

As confirmed by the desk research[80], as well as by the survey of TCNs carried out in the context of a study supporting this Report ('the Study')[81] and the feedback gathered within the Expert Group on the Views of Migrants[82], TCNs encounter **difficulties in accessing and understanding information** relevant for international recruitment. This includes information about job opportunities[83], minimum wages[84] as well as information on administrative procedures and living and working conditions in the Member States. Potential migrants need to **navigate through fragmented information on different hiring** processes, labour laws and profession-specific requirements in different Member States. This may prevent TCNs from looking for a job in the EU. Based on the survey of employers, one of the key barriers for international recruitment is understanding the complex rules and procedures for recruiting workers from outside the EU. This impacts SMEs more severely than bigger companies[85]. As confirmed by the survey in the context of the Study, **EU employers face challenges** as the existing channels are not effective to attract a suitable pool of TCNs and do not facilitate their successful recruitment, and lack the necessary information and support tools geared towards employers' needs[86].

There is **no single European job platform** with vacancies and information specifically directed at TCNs living outside the EU that aggregates opportunities from across the EU. There are nevertheless several targeted external channels or platforms that TCNs may use[87]. However, all **have different shortcomings** in terms of the job opportunities and requirements presented, and the support they provide:

- ***National job boards*:** Mainly in the local language and tailored to domestic job seekers, they do not provide explicit information on requirements relevant to international applicants (such as language proficiency or administrative procedures for TCNs).
- ***International job search portals*:** While aggregating job postings from Europe, they may lack sufficient listings from smaller Member States. Moreover, they often lack country-specific information and support tools on requirements and regulations.
- ***Social media and online job matching services***: Platforms like LinkedIn, Upwork, and Freelancer are popular among highly skilled professionals, but they are not widespread among low to medium skilled workers. They neither offer specific information or assistance tailored to TCNs.
- ***Recruitment agencies:*** While they are often used by skilled workers, their services may be too costly for those with lower earning potential. In addition, availability of private recruitment agencies' services for medium and low skills recruitment is rarer. Also,

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80 Building the EU Talent Pool. A new approach to migration management for Europe, OECD, 2019.

81 The Study reported that finding suitable job opportunities was a barrier for 43% of respondents, while 44% struggle to understand how to align with job requirements.

82 The experts in this Group highlighted that TCNs often face a lack of support when seeking employment in the EU, in particular due to the absence of information on visa procedures, job opportunities, and even qualification recognition.

83 In the survey carried out in the context of the Study, finding suitable job opportunities was a barrier for 43% of respondents, while 44% struggle to understand how to align with job requirements.

84 Building the EU Talent Pool. A new approach to migration management for Europe, OECD, 2019.

85 Large companies often have an in-house department responsible for international recruitment (in-house expertise) or resources to request private recruitment agencies support.

86 According to the majority of employers participating in the survey in the context of the Study (61%), applications received via existing recruitment channels are often unsuitable for the job requirements and 39% of them have difficulties in finding enough candidates from abroad.

87 For further information on these channels and their specific limitations, see Annex 8.

employers for whom international recruitment is a novelty or one-off experience (which may be a case for many SMEs) may struggle to access such channels.

- ***Job fairs:*** International job fairs allowing employers and job-seekers to meet in person are costly and may be administratively burdensome when they involve authorization for foreign workers to travel to the event venue. As consequence, they are rare, and involve a limited number of participants.

As mentioned above, some Member States are developing talent attraction policies to facilitate the recruitment of TCNs from abroad with a view to address labour and skills shortages. However, Member States' approaches vary significantly and information on existing migration schemes is not always easily accessible and understandable for TCNs residing abroad. Several Member States do not have in place official portals or web pages specifically designed to support TCNs in the recruitment process.[88] For instance, the official websites in Croatia and Slovakia provide basic information on available work permits while no specific information is available on employment rules or recognition of qualifications and skills. However, no additional relevant information for the purposes of international recruitment is provided. In absence of an official source of information, TCNs may rely on websites operated by commercial entities or non-governmental organisations offering guidance for free. However, the accuracy of the information may not be guaranteed nor regular updates on existing rules and procedure are ensured.

Only some Member States have dedicated information portals in place providing comprehensive guidance specifically targeting TCNs looking for job opportunities in the Member State.[89] These portals offer information in the national languages and in English[90]. In some cases, translations in additional languages are provided[91]. A limited number of Member States have developed dedicated job matching portals to facilitate international recruitment[92]. These portals provide additional functionalities to the simple information provision, including the possibility for jobseekers to create a profile and search for job vacancies. For instance, the German platform 'Make it in Germany'[93] provides extensive information on the labour market situation and professions in demand, immigration procedures and living and working conditions in the Member States. In addition, it offers to employers the possibility to upload job vacancies.[94]

Where job portals dedicated to TCNs already exist in the Member States, the available functionalities vary significantly and certain components aimed at facilitating the recruitment such as an automated matching tool are not always available[95]. In addition, in some Member

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88 Bulgaria, Croatia, Hungary, Ireland, Italy, Latvia, Ltihuania, Portugal, Romania, Slovakia.

89 Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Netherlands, Poland, Slovenia, Sweden.

90 The majority of the websites provide information both in the national language and in English while onlyDenmark and Finland provide information only in English.

91 For example, Germany (Make it in Germany job portal) provides information in German, English, Spanish and French.

92 Austria, Belgium (Flanders), Czechia, Denmark, Estonia, Finland, Germany, the Netherlands, Spain (under development).

93 The platform 'Make it in Germany' is dedicated to the recruitment of skilled workers who live abroad. Germany has established a second platform to facilitate the recruitment of international workers, the BfA job portal, which targets workers and skilled workers who live abroad.

94 However, jobseekers profiles are not available on the platform. Interested jobseekers can directly send their application to the employers on the basis of the published job vacancies.

95 Germany is the only Member State with a job portal dedicated to third-country nationals, the BfA job portal, with an automated matching tool. In terms of search functionalities, the job portals implemented by Austria, Denmark, Estonia, Finland and the Netherlands only have a minimal number of such filters, usually the location and job category. While jobseekers can create their profile on the job portals created by Czechia and Germany (BfA job

States these platforms are specifically targeting only highly-skilled workers. In addition, the majority of these platforms have a limited uptake in terms of job vacancies posted or the job vacancies available are not exclusively for TCNs[96]. Overall, the lack of a harmonised approach in terms of services available to international recruitment together with the reduced visibility of existing national platforms at global level reduce the Member States ability to achieve economies of scale when developing talent attraction policies individually.

The majority of the Member States consulted in the context of this initiative confirmed that difficulties in accessing information and identifying relevant channels for recruitment constitute a barrier to international recruitment. The majority of the Member States also confirmed the absence of dedicated job matching platforms for international recruitment at national level and acknowledged the potential added value of the EU Talent Pool which would ensure clearer provision of information on recruitment rules and migration schemes.[97] Member States already having in place similar tools also recognised the potential positive impact of this initiative in complementing existing national systems.

Sub-driver 1.2: High costs of the international recruitment

As reported by the OECD[98] and associations representing employers participating in the survey carried out in the context of the Study[99], employing **TCNs involves significantly higher costs compared to domestic recruitment**.

For employers, these costs include: gathering additional information involved in international job-matching through intermediaries, filing relevant applications, administrative expenses such as translating their job postings to different languages, advertising international vacancies, verifying the authenticity of TCNs official documents[100], and travel or accommodation expenses for interviewing in other countries. These costs can be substantial[101], especially for hiring the highly-skilled workers[102] and may act as a deterrent for employers.

For TCNs, the main cost factors in the job search phase are linked to translations of necessary documents, administrative fees (e.g. for apostilles)[103], and fees to receive support from an employment agency or accessing a job search platform[104]. Upon being selected, further administrative fees (related to visa and work permit procedures) will arise, which can be

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portal), the creation of jobseeker profiles is impossible on the ones established by Austria, Denmark, Estonia, Finland and the Netherlands.

96 Austria (1,800), Belgium (70), Czechia (200,000 but not exclusively for TCNs), Denmark (3,200), Finland (400), etc.

97 Consultations conducted in the context of the EMN Talent Pool Working Group and the European Labour Migration Platform. See Annex 2 for more details.

98 Building the EU Talent Pool. A new approach to migration management for Europe, OECD, 2019.

99 See Annex 2 on Synopsis report.

100 Costs related to recognition of qualifications and immigration procedures described in further sections of this Report.

101 The average cost to employers of recruiting a TCNs can be between EUR 1 500 and EUR 2 500 per candidate (including immigration procedures, but excluding relocation costs). This cost can rise to EUR 8 500-10 000 when adding services of international recruitment agencies. See: Chapter 6 of the 'Study'.

102 Estonia for instance, has set the level of grant funding it provides to companies to recruit one top specialist in the field of science and engineering at 3,000 EUR. See EMN, Ad hoc query 2020.2, Talent Attraction and International Recruitment of Third-Country Nationals.

103 Certified translations may cost up to EUR 20 per page. Apostilles may be free of charge or cost very little in some places, but the fees can reach €30 or more per document in others.

104 Applications fees vary substantially among Member States: in some Member States the application fees represent between 25-50% of the monthly earnings, while in others it represents between 10-24%. The average cost for submitting an application is around EUR 700, and the cost to obtain recognition of qualifications is on average EUR 350. Additional costs for TCNs come from translating diplomas, medical certificates and travel to the diplomatic missions to submit the application.

substantial[105]. Such different costs can easily add up to considerable amounts, thus preventing TCNs from considering international recruitment.[106]

As the OECD points out[107], even when labour shortages or skills needs are significant, such financial burden may lead firms to drop plans of international recruitment, especially SMEs that may lack sufficient resources to engage in such process. Furthermore, TCNs who cannot afford such costs may resort to alternative routes, including irregular migration.

Sub-driver 1.3: Risk of unfair recruitment

Propensity of TCNs to move abroad for work can be impacted by the risk of unfair recruitment practices (personal biases). A main factor behind TCNs' perception of the risk, and behind actual cases of exploitation is their limited knowledge of the rules and what exactly to expect from and during the procedures of recruitment, of the red flags to look for.[108]

During stakeholder consultations, International Labour Organisation (ILO) and the Fundamental Rights Agency (FRA) highlighted compelling evidence that the recruitment of third-country workers in the EU often involves abusive practices[109]. The ILO has also emphasised that, in some cases, job postings lack clear minimum specifications for working conditions and employment terms. Workers applying for these positions lack transparent descriptions of the vacancies, both in terms of working standards and wages. This creates substantial risks in terms of fair recruitment. While the situation may not be better in other countries around the world, such practices still cause reputational damage to the EU, and may impact the plans of many qualified TCNs to pursue job opportunities in the EU.

Problem driver 2: Employers and TCNs have difficulties to understand how skills and qualifications obtained in third countries correspond to those required at national level

The need to undergo **recognition procedures** and the **uncertainty about the accuracy, quality and comparability of foreign qualifications** constitutes one of the main disincentives for EU employers and TCNs to rely on international recruitment. As part of the **Commission's package on talent mobility**, a Commission recommendation aimed at facilitating recognition of qualifications obtained in third countries is planned. It will directly address the issue of complexity and length of the recognition procedures (sub-driver 2.1). The Communication on skills and talent mobility will also announce operational measures to build trust in qualifications and skills gained in third countries, and improve information provision on recognition/validation procedures and decisions. The EU Talent Pool would complement the above mentioned recommendation and measures by improving information provision and support in understanding foreign qualifications and access to the procedures (sub-driver 2.2).

Sub-driver 2.1: Complex and ineffective recognition/validation procedures in the Member States

Recognition procedures allow TCNs holding foreign qualifications to access certain jobs (recognition of professional qualifications)[110]. Formal recognition of foreign professional

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105 See section on Sub-driver 3.1.

106 A 2023 survey conducted by the German Federal Ministry of Labour and Social Affairs identified that the third (out of ten) most significant barrier to TCNs potentially interested in working in Germany was insufficient financial means to cover all costs. See: OECD (2023) Migration Data Brief No 9, July 2023.

107 Building the EU Talent Pool. A new approach to migration management for Europe, OECD, 2019.

108 https://www.migrationpolicy.org/sites/default/files/publications/LaborMigration-Recruitment_0.pdf

109 These practices include the imposition of recruitment fees on workers (rather than employers), absence of contracts or contract substitution, and other related issues.

110 Recognition procedure also allow access to further learning (academic recognition) in the Member States.

qualifications is a pre-requisite to perform a job in regulated professions.[111] In non-regulated professions, formal recognition of foreign professional qualifications is not mandatory, but often used to increase employers' trust in TCNs qualifications and prevent mismatches. However, as demonstrated in the 2019 Legal Migration Fitness check[112], the process to obtain such recognition is often **unpredictable, costly, burdensome and lengthy**[113]**.** This complexity is exacerbated by the fact that this subject is fully regulated by national rules, that can differ from one Member State to another (there is no EU legislation)[114]. Therefore, recognition of qualifications can be an important barrier to international recruitment for both employers and TCNs, especially when it is a pre-condition to access the labour market. This was also confirmed by the Member States' representatives consulted in the context of the EMN Talent Pool Working Group which recognised the importance of clearer and more understandable provision of information and tailored support on recognition of qualifications procedures.

When formal recognition of foreign qualifications is not required, employers and TCNs may opt for **validation procedures** to obtain a non-binding statement of equivalence or comparability of the skills and qualifications.[115] Validation of skills and qualifications plays an important role in building employers' trust in TCN candidates' profiles and avoiding mismatches.[116] However, similarly to recognition procedures, validation processes can differ from one Member State to another both in terms of rules and competent actors. Validation procedures also imply additional costs and time for employers, especially SMEs, and TCNs[117].

While both recognition and validation procedures are important for guaranteeing the genuineness and quality of a qualification, lengthy, opaque or burdensome procedures can act as a disincentive to both employers and TCNs.

Sub-driver 2.2: Lack of transparency on comparability of skills and qualifications

According to Expert Group on the Views of Migrants and the Expert Group on economic migration and social and economic partners, **information and guidance** supporting TCNs and employers to navigate this complex framework is **often missing and difficult to access**. In addition, employers and TCNs might opt to compare foreign skills and qualifications by

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111 Some professions are regulated at EU level by Directive 2005/36/EC (e.g. doctors, nurses, architects, midwives). However, Member State may add more professions to the list foreseen by the Directive.

112 Legal Migration Fitness check, SWD(2019) 1056 final: feedback to the call for evidence, consultations with the European Training Foundation, SkillLab, EMN Talent Pool Working Group.

113 The average fee of recognition procedures is of around EUR 150 per application and the duration of the procedure is of approximately 50 days. However, employers can incur in additional costs related to the translation or legalisation of documents. Source: Consultation activities with the national representatives of the NARICs Network, complemented by desk research.

114 7 Member States have ratified the UNESCO Global Convention on the Recognition of Qualifications concerning Higher Education.

115 Validation is a broad concept that involves processes for assessing and confirming the skills, competencies or knowledge acquired through non-formal or informal learning, work experience, or training. The purpose of validation is to recognise and give value to the skills and competencies that individuals have gained (also outside formal education settings). Employers may conduct validation procedures internally (especially when it comes to multinationals) or request specific certificates or assessment of comparability via national stakeholders (e.g. universities, relevant ministries). Contrary to validation, recognition refers to the process of formally acknowledging the validity and equivalence of educational degrees, diplomas, certificates, or qualifications obtained in one country by a competent authority in another country.

116 While both recognition and validation procedures are important for guaranteeing the genuineness and quality of a qualification, lengthy, opaque or burdensome procedures can actas a disincentive to both employers and TCNs.

117 The costs associated with those validation procedures amount to an average of EUR 140 per application and an average time of around 70 days. There are however a number of countries that conduct validation procedures free of charge (such as the Netherlands and Slovenia). The costs associated with validation procedures were estimated based on inputs provided by national representatives of the National Academic Recognition Information Centres (NARIC) network and their websites.

themselves instead of undergoing the cumbersome recognition and validation process. However, this exercise is quite complex as employers face difficulties in understanding whether candidates from third countries have the right skills and qualifications to successfully perform a certain job. In addition, the lack of clarity on skills levels and qualifications required in the job vacancies constitutes a major risk of mismatches often leading to over qualification and, therefore, discouraging TCN from applying for a job in the EU[118].

Therefore, **transparency and comparability of skills** and qualifications obtained in third countries play an **important role in the context** of international job matching. At EU level, a number of initiatives have been developed to ensure more transparency and better comparability of skills and qualifications:

- **Europass** and the **EU Skills Profile Tool for third-country nationals** offer support to TCNs when creating a profile. This support also benefits employers since it make the candidate profile clearer and more understandable.
- The **European Qualifications Framework** (EQF) and National Qualification Framework (NQF), as well as the multilingual European Classification of Skills Competences, Qualifications and Occupations (**ESCO**) offer better understanding of skills and qualifications.
- The **ENIC-NARIC network** of national academic recognition centres provide information, advice and recognition decisions.
- The **European Digital Credentials for learning** (EDC) allows for the building, issuing in a digital format, storing, sharing and verification of qualifications and other credentials awarded by educational and training organisations to be understood and verified in all Member States.

However, some of these transparency and comparability tools are not specifically conceived to support employers and TCNs during the recruitment phase but rather to orient national authorities during the recognition procedures. In addition, some of them are not easily accessible and understandable for interested individuals.

2.2.3 Drivers related to the migration aspects

Problem driver 3: Non-transparent and cumbersome immigration procedures

The limited use of labour migration pathways to address the EU labour and skills shortages lies in the **overall fragmentation of the migration framework** which results in **complex** and cumbersome **procedures** difficult to understand and navigate for both employers and TCNs. The **lack of transparency** on applicable rules exacerbates this complexity. Sub-driver 3.1 will not be tackled by the initiative, as the ongoing revision of the Single Permit Directive will address challenges related to the complexity of the migration framework by making procedures easier and faster. By contrast, the EU Talent Pool initiative will directly address the sub-driver 3.2 by improving transparency of migration rules and procedures.

Sub- driver 3.1: Complex migration framework within the EU with cumbersome procedures

The framework regulating legal pathways for work in the EU is **complex and fragmented**, consisting of several sectorial EU Directives[119], which coexist with various national rules and

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118 Consultations with the European Training Foundation.

119 The Single Permit Directive lays down a single and simplified application procedure combining the authorisation to work and reside for workers from non-EU countries admitted under Member States' national schemes. The EU Blue Card Directive covers highly qualified workers. The Intra-Corporate Transferees Directive sets the conditions to

procedures. In this sense, **admission criteria, procedures and documents** to submit in order to obtain a visa or permit may vary across Member States[120]. In fact, 61% of employers and 52% of TCNs consider difficulties to understand employment and migration procedures as a very important barrier to international recruitment[121]. Additionally, heavily bureaucratic procedures in some Member States have a **disproportionate impact on SMEs**[122]. Also, as the OECD points out, the fragmented migration system has limited the potential for employers to draw on the wider EU Internal Market as a key factor of attractiveness for TCNs[123].

Migration procedures are also often **lengthy and cumbersome**. The average length of international recruitment process is 4-6 months, and approximately half of this time is dedicated to immigration procedures[124]. Most Member States apply labour market tests[125], which creates an additional step in the recruitment of TCNs and further increases the length of the procedures. 72% of employers and 51% of TCNs believe the entire recruitment and immigration process to be excessively time-consuming[126]. Lastly, as mentioned above (sub-driver 1.2) international recruitment implies **significantly higher costs** for TCNs and employers in comparison with domestic recruitment also due to administrative fees required to obtain a visa and work permit.[127]

These findings were widely supported by various stakeholders consulted[128].

Sub-driver 3.2: Lack of transparency of migration rules and procedures

The EU legal migration Directives require Member States to provide public information on conditions for admission and residence, and to grant TCNs and future employers - upon request - access to adequate information on the documents required for making a complete application[129]. However, as concluded in the 2019 Legal Migration Fitness check, TCNs face difficulties in **accessing clear information and guidance on migration procedures and personalised support**. Rules on adequate access to information differ per Member State and

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enter and in the EU for an intra-corporate transfer (i.e., a posting from a company operating in a non-EU country in a branch in the EU). The Seasonal Workers Directive covers third-country nationals holding and authorisations for the purpose of seasonal work.

120 All EU Directives are consistent in requiring the TCNs to submit proof of sufficient resources, sickness insurance in respect of all risks normally covered for nationals in the Member State concerned, adequate accommodation, and a valid travel document. Additionally, each Directive may require other mandatory documents. The three main Directives covering specific categories of TCNs who wish to migrate for the purpose of work require as an admission condition the presentation of a valid work contract (Blue Card Directive, Seasonal Workers Directive, Intra-corporate Transferees Directive), a binding job offer (Blue Card Directive, Seasonal Workers Directive) or a training agreement (intra-corporate trainees and trainees under the Student&Research Directive).

121 See the Study, figure 32, p. 81. Also the 2019 Legal Migration Fitness check demonstrated that the EU legal migration acquis presents a number substantial differences in Member States' practices, making difficult for employers and TCNs to correctly understand the applicable legal framework in the different Member States.

122 Legal Migration Fitness Check, Public and stakeholder consultations, EU Synthesis Report, Annex 3Ai, p. 44.

123 OECD, Building the EU Talent Pool. A new approach to migration management for Europe, 2019.

124 See: Chapter 6 of the Study, p. 222 [to check the final version]

125 The labour market test (LMT) is a mechanism used several Member States to ensure that TCNs are only admitted to apply for a given position when this position cannot be filled by a domestic or EU/EEA citizen worker (or legally residing TCNs enjoying freedom of movement). LMT vary significantly across Member States in terms of complexity, duration and cost.

126 Surveys carried out in the context of the Study.

127 The administrative fee for the application for a short-stay visa in Germany is EUR 80; while the fee for a standard residence permit is EUR 135, and a long-term residence permit for highly skilled workers is EUR 250.

128 Economic and social partners, EMN Talent Pool working Group, Public Employment Services, Expert Group on Economic Migration, Focus group European Training Foundation, Cedefop, European Labour Authority

129 Three Directives (Long Term Residence Directive, Family Reunification Directive and Blue Card Directive) lack an explicit obligation on Member States to provide information, while this is a specific requirement in the four more recent ones (Single Permit Directive, Seasonal Workers Directive, Intra-corporate transferee directive and Students and researchers directive).

per migration scheme. **Websites of some Member States**[130] providing such information are **difficult to navigate** and require a certain level of computer knowledge, and the vast amount of information provided by authorities online is often too technical, incomplete, outdated or misleading[131]. Member States consulted in the context of this initiative identified the difficulties in understanding migration procedures, as a relevant barrier to international recruitment and recognised the need for additional support in that regard.

The **EU Immigration Portal** helps interested parties by offering information on all aspects related to migration to the European Union[132]. However, jobseekers and employers may not be aware of this information, nor is the Portal fully customised to individual situations, or offer guidance to navigate successfully through the recruitment process.

The lack of transparency and of clear and consistent information at EU level about migration procedures can **function as a deterrent factor to potential migrants** who consider moving to the EU for work purposes. This represents an obstacle not only for TCNs but also for employers and in, particular SMEs, that lack sufficient means to rely on specialised agencies to provide assistance during the relevant procedures.

Problem driver 4: Inconsistent and fragmented cooperation with third countries on legal migration/migration management

There is a significant fragmentation of Member States' cooperation with third countries on labour migration. As a result, the EU as a whole is neither fully using its potential to attract the skills needed to address its labour shortages[133], nor fully exploiting cooperation on labour migration as a way to engage with key partner countries strategically on migration management, notably by avoiding as much as possible the risk of brain drain. The EU Talent Pool will **address this driver only indirectly and partially** (see below sub-driver 4.1). The direct policy response to this driver is the development of Talent Partnerships at EU level[134](as well as using the full potential of the EU Delegations and existing migration dialogues). The EU Talent Pool will **support the implementation of the Talent Partnerships**.

Sub-driver 4.1: Lack of coordination of Member States' initiatives and agreements

Due to the increased need for foreign labour force, **Member States are multiplying their negotiations of bilateral agreements** and programmes with third countries. 17 Member States reported having more than 120 bilateral agreements, programmes and projects concerning labour migration with third countries[135]. The scope of these agreements varies[136].

This **fragmentation prevents Member States from benefitting from economies of scale** as regards, for instance, training, skills validation and coordination in the countries of origin, which are costly and time-consuming initiatives[137]. The lack of coordination among Member

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130 Specific complications have been identified with finding information in Member States like BG, CY, LU, MT, PT, commission staff working document, Legal Migration Fitness check, SWD(2019) 1056 final, p. 313.

131 Idem, p. 315.

132 EU Immigration Portal (europa.eu).

133 Lucas Rasche "The EU's race for talent: Common challenge, no shared response." Jéacques Delors Policy Brief, 2023

134 In line with the Skills and Talent Package, the Commission has been so far developing Talent Partnerships with Tunisia, Morocco, Egypt, Bangladesh and Pakistan as part of the overall migration management cooperation.

135 AT, BE, BG, DE, EE, ES, FI, FR, IE, IT, LT, LU, NL, PT, PL, SI, SK. Data coming from responses from 20 Member States to a specific EMN Ad-Hoc Query (2023) on existing bilateral agreements and programmes on legal migration between Member States and third countries.

136 They cover e.g. general cooperation on legal migration, employment and access to job markets, management of migratory flows, sectoral and seasonal limited labour migration, working holidays, etc.

137 The importance of time and flexibility to build trust between the different stakeholders involved in the design and implementation of a mobility scheme is a main point from the lessons learnt from the implementation of the first phase of pilot projects funded by the EU under the Mobility Partnership Facility ('MPF'). ICMPD - MPF,

States' initiatives can lead to the proliferation of different recruitment activities[138] and duplication of contacts with third countries' relevant stakeholders. Such fragmentation[139] also prevents the EU from using the full extent of its negotiating potential vis-à-vis third countries in order to reach more favourable agreements as regards labour migration and other aspects of migration management[140].

Talent Partnerships, that the EU is currently developing, **offer a framework for enhanced coordination** in this field. They combine mobility schemes with investments in skills development in partner countries as a way to help attract talent to the EU and foster deeper and mutually beneficial cooperation on migration management with key third countries[141]. Investment in education and training help developping the pool of workers with relevant skills to the benefit of both destination countries and countries of origin[142].

Experience with past and ongoing pilot projects on legal migration have demonstrated the challenges in engaging employers in such schemes[143]. Matching TCNs taking part to Talent Partnerships with relevant EU employers is expected to remain one of the most significant challenges under the Talent Partnerships. The EU Talent Pool will help overcoming this challenge, therefore indirectly and partially addressing this driver of the problem. For further information on the interplay between the EU Talent Pool and Talent Partnerships, see Annex 9.

Sub-driver 4.2: Limited capacity of certain Member States to engage in migration cooperation with third countries

Despite the labour shortages across all EU Member States, several Member States do not engage in activities on labour migration with third countries. Certain Member States **lack the administrative and resource capacity** to launch dialogues with third countries on comprehensive migration partnerships on legal migration[144]. The experience with pilot projects has also shown that engaging EU employers in structured cooperation with third countries, as

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"Partnerships for mobility at the crossroads - Lessons Learnt From 18 Months of Implementation of EU Pilot Projects on Legal Migration", D. Stefanescu, Policy Brief, 2020.

138 e.g. different matching platforms being developed to ensure the recruitment in the context of cooperation with a specific third country, or different events/job fares being organised.

139 For instance, there are examples where several Member States engage on the same or similar issues with third countries without coordination, thus not using economy of scale (e.g. Greece signed a Memorandum of Understanding on migration and mobility with Bangladesh in 2022 and Italy is also currently negotiating an MoU with Bangladesh; France, Spain, Belgium and Portugal signed agreements on labour migration with Morocco; France, Germany and Austria signed a comprehensive Migration and Mobility Partnership Agreement with India in 2018, 2022 and 2023 respectively, whereas Finland is considering some formal engagements with India on labour migration).

140 Many third countries are ready to improve their cooperation on readmission and the prevention of irregular migration against the prospect of more and better legal pathways to the EU. However, the lack of coordination in this regard prevents the EU to exploit the full potential of this dynamic. See European Court of Auditors, "Special Report EU readmission cooperation with third countries: relevant actions yielded limited results", 2021, paras. 63 ss.

141 The EU is working now towards establishing the Taletnt Partnerships with: Morocco, Tunisia, Egypt, Bangladesh, Pakistan, Nigeria, Senegal. A list of additional countries for the launch of Talent Partnership negotiations is currently under consideration.

142 Kate Hooper, "How Can Europe deliver on potential of Talent Partnerships?", Migration Policy Institute Europe, December 2021, p.11.

143 ICMPD - MPF, "Partnerships for mobility at the crossroads - Lessons Learnt From 18 Months of Implementation of EU Pilot Projects on Legal Migration", D. Stefanescu, Policy Brief, 2020.

144 e.g. Certain Member States do not have a diplomatic mission in each third country. For example, Lithuania does not have such a mission in Nigeria, although Lithuanian enterprises are involved in projects on labour mobility. Moreover, the Commission has funded two technical support projects to support Belgium and Denmark capacity in attracting and retaining skilled workers ("Talent Hub: Supporting Copenhagen Capacity to strengthen retention and EU-Mobility of skilled migrants through collaborative multi-country coordination on talent retention and circulation in the EU", "Improving the economic migration framework to attract and retain qualified talent in Flanders and Wallonia").

well as developing efficient recruitment mechanisms, requires time and efforts[145]. This results in unstable and inconsistent cooperation based on sporadic contacts and not producing long-term results. This lack of capacity puts **smaller Member States at a natural disadvantage in attracting foreign workers** compared to larger labour markets, which not only offer more employment opportunities but also give migrants the chance to better match their qualifications with vacancies, thereby avoid working in less attractive and underqualified professions[146]. Moreover, even Member States with sufficient capacity would be able to engage with more relevant partner countries if they could rely on the EU capacity to establish such cooperation.

2.2.4 Who is affected by the identified problems and in what ways

EU employers and business are negatively affected as they face limitations and excessive (administrative) burdens in their possibilities to hire TCNs and address EU skills shortages. **SMEs** are particularly affected, as they often have lower attraction potential or insufficient capacity to engage in international recruitment.

Indirectly, **EU citizens** are also negatively affected as international recruitment insufficiently contributes to tackling skills shortages, demographic ageing and the increasing old-age dependency ratio. This leads to a loss in public revenues and affects financial viability of the EU's welfare systems (e.g. pension systems), and hinders the EU green and digital transition, which has a direct impact on the EU citizens. They are also adversely affected if goods and services are not available due to the unmet EU labour shortages.

National, regional and local authorities of Member States are negatively affected as they have to apply complex existing rules and do not benefit from the economies of scale and join solutions. Additionally, since the potential of legal migration is not fully used in relations with third-countries within the context of the overall migration management, they may face higher migratory pressures.

TCNs are negatively affected by the obstacles to job-matching, international recruitment, complexity of immigration procedures and administrative burden. These obstacles may effectively discourage TCNs from applying for work in the EU. TCNs also risk being overqualified in view of mismatches and lack of understanding of their skills and qualifications.

Third countries are negatively affected, as they are losing out the perspective of higher remittances and the potential for their citizens to be upskilled in the EU, with possibility to also contribute to labour markets of countries of origin (brain gain), for example with regard to circular migration[147].

2.3 How will the problem evolve?

How would the problem evolve, all things being equal?

As highlighted in Section 1.2.1. above, the EU will face increasing labour and skills shortages linked to the structural drivers of the transformation of the EU labour market further exacerbated by demographic challenges. The working-age population (20-64) is projected to shrink progressively, in the absence of off-setting trends. Without positive net migration from

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145 ICMPD - MPF, "Partnerships for mobility at the crossroads - Lessons Learnt From 18 Months of Implementation of EU Pilot Projects on Legal Migration", D. Stefanescu, Policy Brief, 2020.

146 Rasche "The EU's race for talent: Common challenge, no shared response." Jéacques Delors Policy Brief, 2023.

147 Circular migration can be defined as a form of migration that is managed in a way allowing some degree of legal mobility back and forth between two countries. See Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on circular migration and mobility partnerships between the European Union and third countries, COM/2007/0248 final.

outside the EU, this decline would be even stronger and the increase in the old-age dependency ratio would also be more severe (see Annex 6). Moreover, an important number of regions (82 accounting for approximately 30% of the European resident population) are already experiencing or are facing the risk of falling into a talent development trap[148]. In addition, 69% of EU municipalities declare that the lack of green skills in their administration is a factor slowing down their climate-related investments[149].

While there is no reliable overview of how labour migration flows will evolve at the global level in the future, it is possible to model the evolution of the labour demand and supply at the EU aggregated level (on the basis of, respectively, Cedefop and Eurostat projections made in 2023)[150]. Eurostat projections (EUROPOP2023 published in March 2023 by Eurostat) are, to this day, the latest Eurostat population projection, including several net-migration scenarios; they represent the official EU hypothesis on how the population size and structure of European countries (EU27 + 3 EFTA countries) would change, on the basis of a set of assumptions for future levels of fertility, mortality and migration. These projections foresee that as of 2035, the aggregated EU population will start to decline in a significant way, especially in current EU Member States in the East, also depending on the development of the conflict in Ukraine and the geopolitical situation[151].

On the side of labour demand, Cedefop's 2023 Skills forecast projects that the **need for workers in** the EU27 in cumulative terms - both new EU27 labour market entrants and TCNs – will result in approximately **68 million vacancies by 2030**[152]. This concerns **all skill levels** and covers both replacement of workers leaving the labour market due to retirement and additional jobs needed for the economy, including for the green and digital transition[153]. The breakdown of job openings and the relative level of skills projected by CEDEFOP is available in Annex 7.

On the side of the **future labour supply**, young EU workers would not even be able to replace the retiring workers, **leaving a cumulative gap of 5.6-8.8 million vacancies by 2030**[154]. According to the 2023 Employment and Social Developments (ESDE) report[155], the maximum

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148 According to the Communication Harnessing Talent, 46 regions are already in a Talent Development Trap, defined as decline of their working-age population coupled to a stagnant number of people with tertiary education. Additionally, 36 regions are at risk of falling into it. European Commission, Harnessing Talent in Europe's regions, 2023, p. 4.

149 European Commission, Strategic Foresight Report, 2023, p. 10.

150 In cumulative terms, the demand for highly educated workers - both new EU27 labour market entrants and TCNs – is projected to reach 38.9 million by 2030; while that of workers with medium levels of education 28.1 million, and 1.1 million for workers with low educational attainment.

151 Eurostat: Population projections - Population and demography - Eurostat (europa.eu).

152 An essential aspect of the EUROPOP2023 methodology was that it had to address the likely bias to possible historic trend analysis techniques, caused by the very high influx of refugees from Ukraine under temporary protection in 2022. The Eurostat projections published in March 2023 are highly impacted by the exceptional year of 2022 with high share of temporarily displaced children. For this reason, it was assumed that by 2027, Member State migration patterns will gradually return to their 2013-2021 average (with smaller modification factors considered). From that point onward, the migration patterns of Member States will converge towards each other, with the share of immigrants received being fully proportionate to the population share of any given Member State.

153 See section 1.2.1.

154 According to Eurostat projections EUROPOP2023, the size of the young age cohort set to enter the workforce (e.g. 25-year-olds) in the EU (so either within their own countries or as EU mobile workers) will remain below 5 million in their baseline projection for the foreseeable future each year. This amounts to 40 million cumulatively by 2030. The amount of 65-year-olds, who could proxy the number of persons leaving the labour force permanently, due to retirement, is projected to be 5.7-6.1 million each year, up to 2030, thus between 45.6- 48.8 million by 2030 cumulatively. Accordingly, the EU young age cohort, cannot guarantee replacement of the EU old age cohort, leaving a gap of 5.6-8.8 million vacancies by 2030.

155 The 2023 edition of the review "Employment and Social Developments in Europe" (ESDE) is dedicated to addressing labour shortages and skills gaps in the EU, linked to the EU Year of Skills.

number of the inactive EU population that could be activated and join the EU labour market by 2030 is around 50 million, in the best-case scenario.

Therefore, **attracting talent from outside the EU will be necessary** to fill at least partially this gap and address the growing need for workers, in parallel to the initiatives aiming to tap the unused potential of the EU workforce. The **estimated gross inflows of TCNs**[156] coming for employment purposes, based on current projections and net migration scenarios provided by Eurostat, is expected to be about **400,000 per year**, adding up to a **cumulated 3.8 million by 2030**[157]. This number, however, is **still insufficient** to fill the projected gap between labour demand and supply at the EU level.

The EU is less effective than non-EU OECD countries in increasing the actual number of TCNs migrating for work[158]. Thus, it has been so far less able to tap the potential of increased global mobility as labour migration is expected to increase together with mobility resulting from the climate change. Therefore, without addressing the insufficient recruitment of TCNs, the EU as a whole will have additional difficulties in attracting workers of all skill levels.

Without EU action the problems and drivers identified above will persist, notably cumbersome and ineffective job-matching, difficulties to recognise qualifications and skills obtained in third countries, as well as non-transparent and costly immigration procedures. They will continue to be factors deterring employers from filling the shortages through international recruitment of TCNs and preventing the talents the EU needs from applying for a job in the EU. Moreover, high administrative costs and other barriers related to recruitment will continue to affect employers. As a result, there will be a high risk of competition between Member States in attracting workers, resulting in a lack of competitiveness of the EU as a whole. An inconsistent and fragmented cooperation with third countries will prevent Member States from fully exploiting the role of labour mobility in the overall migration management, and benefiting from economies of scale in skills development and validation, as well as in recruitment.

3. WHY SHOULD THE EU ACT?

3.1 Legal basis

The legal basis for Union action is Article 79(2) (a) TFUE. This provision gives the power to the European Parliament and the Council, acting in accordance with the ordinary legislative procedure to adopt measures in the area of the conditions of entry and residence of third country nationals.

The EU Talent Pool aims at facilitating international recruitment of TCNs residing abroad and wishing to work in the EU. As finding a job and obtaining a job offer is a pre-condition for TCNs to acquire a right of entry and residence in a Member State, the action of the Union legislator which makes it easier for a TCN to receive a job offer from an employer in a Member State, as is the case of the EU Talent Pool, allows the TCNs to fulfil this condition. The envisaged action of the Union legislator therefore falls within the area of the conditions of entry and residence of TCNs.

3.2. Subsidiarity: Necessity of EU action

The principle of subsidiarity applies since this is an area of **shared competence**.

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156 On the basis of the EUROPOP2023 projected net migration and on the share of first residence permits given for employment purposes in the period 2017-2021.

157 Talent partnerships (europa.eu).

158 See section 1.2.

As demonstrated in this Report, all Member States face skills and labour shortages that are expected to worsen in view of the demographic challenges and requirements of the twin transition (green and digital). While Member States are already addressing these shortages by re-activating the domestic workforce and improving intra-EU mobility, these efforts might be insufficient to fully address existing and future shortages (See also Sections 2.1 and 5.1). For this reason, some Member States already recognised the key role of legal migration and developed talent attraction policies which include specific schemes to streamline migration processes, the exclusion from the labour market test for certain shortage occupations and, in few instances, international job matching platforms. However, as explained in Section 2.3, the expected number of TCNs arriving to the EU for labour migration purposes is expected to be insufficient in comparison with the expected labour demand.

National initiatives and policies to improve international recruitment of TCNs are widely fragmented and vary across Member States with regard to their scale of intervention. Although some **digital platforms and talent attraction tools have been set up at national level**, they exist in only a few Member States and are limited in scope (e.g. focusing mainly on highly-skilled workers), while the EU shortages concern all skill levels, thus not addressing the EU dimension of the issue (See sub-driver 1.1 and Annex 8).

Overall, the lack of a harmonised approach together with the potentially limited visibility of existing national platforms at the global level reduce the Member States' ability to achieve economies of scale when developing talent attraction policies individually. Therefore, the **insufficient recruitment of TCNs** through existing labour migration channels to address **EU labour and skills shortages** cannot be addressed sufficiently by individual Member States: Member States acting alone, especially smaller Member States with less visibility worldwide, may not be able to compete for TCNs workers. This aspect was also widely confirmed by the Member States in the context of the targeted consultations conducted during which the importance of addressing the problem at EU level was acknowledged[159].

A unified EU platform could help connect and bridge the gap between TCN labour supply and EU demand, thus attracting the foreign talent to a greater extent to what Member States acting alone would achieve.

3.3. Subsidiarity: Added value of EU action

The EU as a whole is more attractive for TCNs interested in migration than the sum of its Member States individually. The EU Talent Pool, as one EU-wide job matching platform offering also transparent information on immigration and recruitment processes as well as support services would **improve the overall efficiency of labour migration management** at EU level and **promote the EU as a destination for foreign workers**. Thanks to the **economies of scale**, the EU would be better equipped to compete on the global stage in attracting foreign talent. This will ensure that **a greater number of potential candidates with the right skills** are encompassed, and the labour needs of employers in each Member State are better addressed. It would send a clear message to TCNs workers that the EU welcomes them in it labour market, while providing protection against unfair recruitment. All this will help **addressing labour and skills shortages across all the EU**.

This initiative would not replace national initiatives and platforms in the context of international recruitment nor define Member States' talent attraction policies. In addition, as the EU Talent Pool does not constitute a new legal migration pathway, it would not affect the right of Member States to determine volumes of admission of third country nationals to their

[159] Member States input provided during the meetings of the EMN Talent Pool Group and the European Labour Migration Platform.

territory nor their discretion in introducing labour market tests at national level. As a voluntary tool to facilitate international recruitment, the EU Talent Pool would offer **additional support at EU level**. Hence, Member States would be able to maintain their tools in place and complement them with the new platform.

Hence, this initiative would have the **added value of supporting Member States that are already developing talent attraction policies**. Member States that do not have a similar tool in place would be able to use the EU Talent Pool instead of setting up their own. Overall, the EU Talent Pool would allow to attract third country nationals' workers from abroad where labour and skills shortages in the Member States cannot be sufficiently filled otherwise. In addition, by providing an EU-wide platform with a wider range of tools and services to facilitate international recruitment, the EU Talent Pool would ensure more visibility of EU employers' job vacancies at global level as well as a making a wider pool of potential candidates available to EU businesses.

In particular, Member States having in place **national initiatives or specific migration schemes** aimed at attracting third country nationals for labour purposes, would benefit from the EU Talent Pool as the provision of online information and the support of the National Contact Point would make these initiatives more visible at global level and improve the understanding by third country nationals of relevant rules, hence facilitating their access to the procedures and making them more attractive.

Member States applying the **labour market test**, would remain free to continue applying it and the principle of preference for Union citizens would be fully respected. Member States having in place **national recruitment platforms or other online tools** specifically targeted to international recruitment would be able to complement them with the EU Talent Pool as technical interoperability with the national systems would be ensured. Interoperability with the nationals systems would avoid duplications and proliferation of tools.

The potential added value of the EU Talent Pool in supporting Member States to address labour and skills shortages was widely acknowledged by the Member States during the targeted consultations. In particular, Member States having similar platforms already in place such as Germany and Spain, welcomed the initiative as a way to complement their current efforts on international recruitment. In that regard, the importance of ensuring interoperability with the national systems was widely stressed. Overall, Member States considered that the provision of information on existing rules and procedures at EU level via the EU Talent Pool would be particularly beneficial to address barriers to international recruitment, including with regard to procedures for the recognition of qualifications. In addition, smaller Member States stressed the importance of developing an EU-wide platform enhanching their visibility at global level. Overall, the possibility for employers to access a wider pool of candidates from third countries was considered to provide relevant added value which could not be achieved by the Member States acting individually.

3.4. Proportionality

The Talent Pool would **not constitute a new legal migration pathway**. It would not affect the right of Member States to determine volumes of admission of TCNs coming from third countries to their territory in order to seek work. If the objective of the initiative was to create an EU platform for the selection and matching of candidates with the EU employers' vacancies, which includes also processing of personal data, it would have to be set out in a Regulation. On the contrary, the initiative is limited to those aspects that Member States cannot achieve satisfactorily on their own, and where the Union is in a better position to act in view of achieving economies of scale. The EU Talent Pool leaves the scope for national job matching platform and tools, as it ensures that they are interoperable with it, so that they collectively act towards increasing international recruitment.

4. OBJECTIVES: WHAT IS TO BE ACHIEVED?

4.1 General objective (GO)

Based on the problem analysis and the EU's existing legal framework in the field of legal migration, the general policy objective of the EU Talent Pool initiative is:

Supporting international recruitment of third-country nationals via legal pathways to address EU labour and skills shortages

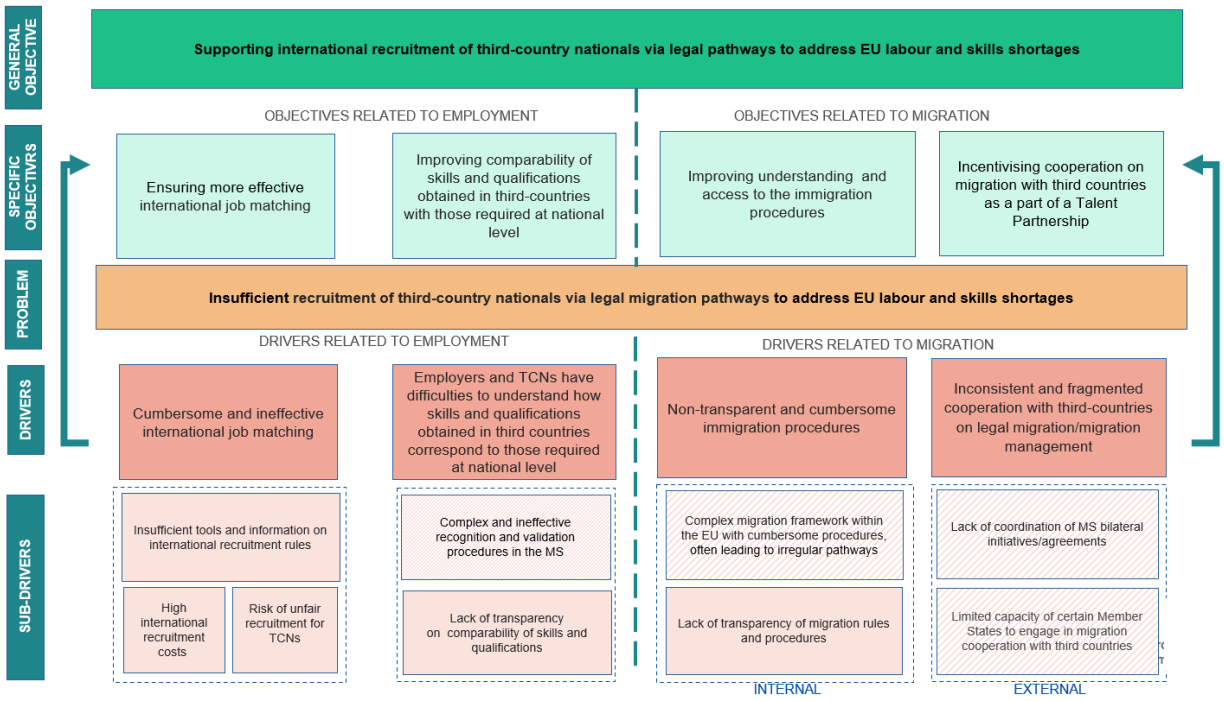
4.2 Specific objectives (SOs)

The specific policy objectives are:

1) Ensuring more effective international job matching. This specific objective aims at making the TCNs seeking job opportunities in the EU and relevant job vacancies of EU employers easily identifiable and accessible. It also aims at making recruitment rules more transparent and at facilitating the matching process between TCNs and employers. All of this would contribute to the general objective as barriers to international recruitment would be reduced;
2) Improving comparability of skills and qualifications obtained in third countries with those required at national level. This specific objective aims at enhancing employers' understanding of TCNs' skills and qualifications to better assess their ability to perform the job identified in the relevant job vacancies. Similarly, TCNs would be able to better compare their skills and qualifications with the national ones. A better understanding and improved comparability of skills and qualifications would be achieved by ensuring clearer information on recognition and validation procedures in the Member States. This would facilitate access to the relevant procedures, support international recruitment of TCNs and mitigate the risk of mismatches;
3) Improving understanding and access to the migration procedures. This specific objective aims at making information on migration procedures in the Member States clearer and easier to access to TCNs and employers interested in international recruitment. Making the legal migration framework more understandable would facilitate access to the procedures and, therefore, support international recruitment of TCNs via legal pathways;
4) Incentivising cooperation on migration with third countries, including in the context of a Talent Partnership. This specific objective aims at making cooperation on migration management with third countries more effective by providing a tool to implement mobility and skills development schemes in mutually beneficial way.

These specific objectives are targeted to what is realistically achievable in the context of this initiative. While all these specific objectives are measurable over time, the development and operationalisation of the initiative would require some time and, therefore, it would not be possible to immediately measure to what extent the EU Talent Pool achieved these objectives. In addition, given the voluntary nature of the EU Talent Pool, Member States would be able to decide whether they are interested in participating. This initiative would be designed to attract the highest number of Member States and it was widely welcomed by the Member States consulted. Therefore, a high uptake is expected. However, a gradual progress is expected as only certain Member States might join the initiative at an early stage with other expected to join in the longer run once the EU Talent Pool is fully operational (for a detailed explanation of these assumptions see Section 6). Therefore, the achievement of the specific objectives would also be dependent on the higher or lower uptake of the initiative by the Member States.

Figure 3: Links between the problems and their drivers with the objectives



** Sub-drivers that will be only partially addressed by the EU Talent Pool as it complements other initiatives are coloured with a diagonal stripes pattern.*

4.3. Consistency with other EU policies and with the European Charter of Fundamental Rights

The EU Talent Pool initiative would make existing rules more understandable and easy to access by facilitating access to information on the existing legal migration framework. Therefore, this initiative would **improve the use of the EU legal migration Directives**[160].

Equally, it would **help implementing Talent Partnerships** by providing a tool for effective job placements of TCNs participating in these partnerships, thus increasing effectiveness of the EU cooperation with third countries on legal migration and, as a consequence, of the overall migration management (a detailed description of the possible links between the two initiatives is provided in Section 5). While the EU Talent Pool would offer a tool to support job placements in this context, it would not constitute the only way to implement those partnerships. While synergies would be built between the two initiatives, they remain separate and Member States participating in a Talent Partnership would not be required to participate in the EU Talent Pool or vice versa. The EU Talent Pool would be a voluntary tool aimed at supporting Member States' international recruitment without replacing existing national tools or talent attraction policies just as participation in the Talent Partnerships is also voluntary. This also applies to Member States participating in a Talent Partnership that will remain free to decide whether they want to participate in the EU Talent Pool.

160 By providing a job-matching platform it would allow TCNs to find a job offer in the EU- which is a requirement to be able to use the pathways provided by the EU legal migration directives to come to work in the EU.

Being open also to TCNs in need of international protection, the EU Talent Pool would be in line with the Commission Recommendation on promoting complementary pathwayas for refugee to work in the EU[161].

Labour and skills shortages have diverse root causes requiring a wider range of different solutions to sufficiently address them. Thus, the EU Talent Pool is part of a wider policy mix and it will **complement EU policy initiatives which strive to address labour and skills shortages in the EU** (notably the European Skills Agenda), contributing to the achievement of the green and digital transition in the EU, like the **Net Zero Industry Act** and the **Green Deal Industrial Plan**. As part of a comprenshive policy solution this initiative would contribute to fill the remaining skills gaps that might not be sufficiently achieved by activating, upskilling and reskilling the domestic workforce and improving intra-EU mobility.

As an initiative under the **European Year of Skills**, the EU Talent Pool is one of the key components of the Commission's Package on talent mobility which presents a set of mutually reinforcing actions to make the EU more attractive to talent and to promote mobility inside the EU. In particular, it would contribute to the effectiveness of the Commission Reccomendation on the recognition of qualifications of third country nationals which is adopted as part of this package. By providing clearer information on recognition of qualifications procedures in the Member States, the EU Talent Pool would contribute to making the access to these procedures easier and faster.

It is also in line with the **EU policies aimed at deepening and upgrading the Single Market**: as stressed in the Commission Communication "Upgrading the Single Market: more opportunities for people and business", Europe would benefit from attracting more innovators from the rest of the world.

This initiative is consistent with the **Charter of Fundamental Rights** and enhances the right to engage in work and choose an occupation (Article 15), fair and just working conditions (Article 31), the right to good administration (Article 41)[162] and non-discrimination (Article 21). As the EU Talent Pool requires processing of personal data, it would need to take into consideration the requirements under Articles 7 and 8 of the Charter (as interpreted in the case-law of the Court of Justice) and the EU data protection legislation, namelythe General Data Protection Regulation Regulation and the Data Protection Regulation for Union institutions, bodies, offices and agencies[163].

The proposed policy action is both coherent and compatible with international law, in particular the **UN Global Compact**[164]. It also contributes to achieving some of the sustainable development goals (SDGs) of the **2030 Agenda for Sustainable Development** (for a more detail description, see Section 6 and Annex 3).[165]

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161 Commission Recommendation (EU) 2020/1364 of 23 September 2020 on legal pathways to protection in the EU: promoting resettlement, humanitarian admission and other complementary pathways.

162 It would facilitate access to employment in the EU and limit administrative burden of multiple national procedures.

163 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 (General Data Protection Regulation), *OJ L 119, 4.5.2016, p. 1–88 ;* 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, *OJ L 295, 21.11.2018, p. 39–98.*

164 Objective 5: Enhance availability and flexibility of pathways for regular migration; Objective 6: Facilitate fair and ethical recruitment and safeguard conditions that ensure decent work; Objective 18: Invest in skills development and facilitate mutual recognition of skills, qualifications and competences.

165 It contributes to achieve decent work and economic growth as well as to reduce inequality (SDGs 8 and 10). The initiative is expected to have a positive impact on EU business and, in particular SMEs (SDG 9) as well as on developing countries (SDG 1).

5. WHAT ARE THE AVAILABLE POLICY OPTIONS?

5.1 What is the baseline from which options are assessed?

Labour and skills shortages have diverse root causes requiring a wide range of different actions to fully address them. Several initiatives are being developed at EU and national level to **reactivate, upskill and reskill domestic workforce and improve intra-EU mobility**.[166] Whilst it is clear that additional efforts need to be done through initiatives on activation to get more people into the labour market (22% of the working-age population remains still inactive), it is difficult to precisely predict the results of these initiatives and their evolution over time. In particular, it is complex to quantify to which extent the EU domestic workforce will address labour and skills shortages. As mentioned in section 2.3, young EU workers would not even be able to replace the retiring workers and according to the Employment and Social Developments (ESDE)[167] report the maximum inactive population that could be available in the EU labour market by 2030 is around 50 million, in the best-case scenario. Considering that, according to Cedefop, the expected number of job vacancies in the EU will reach approximately 68 million cumulatively by 2030, the EU domestic workforce alone might not be sufficient to fully address future skills and labour shortages, even taking into account the impact of work automation in sectors affected by labour shortages, such as manufacturing, or the possible uses of Artificial Intelligence to increase productivity and to supplement skills. Although approximate and based on different assumptions and methodologies, the projected vacancies and the potential activation of domestic EU workforce are pointing a substantial gap between supply and demand of labour, in the foreseeable future, amounting to significant labour shortages which cannot be addressed by domestic labour supply only. This was also confirmed in the Decision on the European Year of Skills and in the Skills and Talent Package where the key role of legal migration in contributing to address these shortages and filling the remaining gaps is acknowledged.

Should no EU action be undertaken to solve the identified problem, the baseline scenario is the current *status quo*, which means that there is **no EU-wide matching platform** that facilitates international recruitment of third-country nationals residing abroad.

Approaches and **tools on talent attraction** will continue to vary across Member States depending on their different capacities and mechanisms established at national level. In addition, smaller Member States will continue to face challenges in attracting TCNs to their labour market, with fewer job offers. The EU will therefore not benefit from an economy of scale in attracting talent from abroad to address the current labour shortages and future demand, which cannot be filled either by upskilling and reskilling the domestic workforce or by intra-EU mobility.

At EU level, the **EU legal migration Directives** will continue to provide for harmonised conditions of entry and residence for certain categories of nationals from non-EU countries,

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166 In particular, actions aimed at activating more people in the labour market included the Council Recommendation on Adequate Minimum Income Ensuring Active Inclusion, the Council Recommendation on A Bridge to Job – Reinforcing Youth Guarantuee, the Council Reccommendation on long-term unemployment, the Proposal for a Council Reccommendation on developing social economy framework conditions and the Commission Recommendation on Effective Active Support to Employment. Other initiatives were developed to specifically address skills shortages including various Council Recommendations on vocational education and training, digital skills, individual learning accounts, micro-credentials and the creation of a European Batteries Alliance Academy. Actions to improve labour working standards are also relevant in this context as poor working conditions are one of the causes of labour shortages in several occupations (e.g. the Directive on Minimum Wages).

167 The 2023 edition of the review "Employment and Social Developments in Europe" (ESDE) is dedicated to addressing labour shortages and skills gaps in the EU, linked to the EU Year of Skills.

including for labour purposes.[168] However, without an EU job-matching platform that would underpin them, they would be less used than they could be[169].

The **EU Immigration Portal** will continue providing foreign nationals interested in moving to the EU with both a general overview of immigration policy in the EU and specific practical information about national procedures and migration profiles.

In addition, in October 2022 the **EU Talent Pool Pilot** was launched to support the integration into the labour market of people fleeing the war in Ukraine. Under this Pilot initiative, beneficiaries of temporary protection residing in a Member State are now able to register their CVs on the EURES platform and seek job opportunities in another Member State. While the EU Talent Pool Pilot is specifically conceived to facilitate integration in the labour market of beneficiaries of temporary protection already in the EU, the EU Talent Pool proper would be directed at attracting third-country nationals not already residing in the EU. Therefore, the two initiatives have a different logic and scope of application and the lessons learnt from the Pilot can be used for this initiative only to a limited extent. However, the Pilot experience shows the importance of conducting an extensive awareness campaign in order to reach out to those TCNs potentially interested in using the tool. In addition, the relevant role of the Public Employment Services (PES) was equally confirmed. On the limitations linked to the use of the EURES platform see Section 5.3 on the options discarded at an early stage.

There are also some existing or envisaged policy instruments that would partially mitigate the identified problem, by addressing some of its drivers:

- The recast **Single Permit Directive,** once in place will make the application procedure for the single permit faster and easier, thus addressing partially the issue of fragmented and cumbersome migration procedures;
- **Talent Partnerships** are one of the key aspects of the external dimension of the New Pact on Migration and Asylum. They provide a flexible and strategic framework to strengthen cooperation between the EU, Member States and key partner countries and to boost international labour mobility and development of talent in a mutually beneficial way. By pooling efforts of the EU and its Member States and supporting actions requiring considerable investments (e.g. skills development), they will achieve economies of scale and engage key partner countries strategically in all areas of migration management. The Commission is steering the development of Talent Partnerships with five partner countries (Egypt, Morocco, Tunisia, Bangladesh and Pakistan). France, Germany, Italy, Portugal, Spain and Sweden are participating in at least one Talent Partnership. Following the launching Roundtables, these Talent Partnerships are now moving towards implementation, with concrete programmes and roadmaps being defined.

  Talent Partnerships will continue to grow in number and in scale, fostering cooperation with key partner countries on legal migration. It is estimated that by 2030 the EU will have Talent Partnerships with ten third countries. However, without an implementing tool that supports the matching of EU employers with TCNs participating in Talent Partnerships, realising their full potential will be more difficult. Depending on the will of Member

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168 The Single Permit Directive lays down a single and simplified application procedure combining the authorisation to work and reside for workers from non-EU countries admitted under Member States' national schemes. The EU Blue Card Directive covers highly qualified workers. The Intra-Corporate Transferees Directive sets the conditions to enter and reside in the EU for an intra-corporate transfer (i.e., a posting from a company operating in a non-EU country in a branch in the EU). The Seasonal Workers Directive covers third-country nationals holding and authorisations for the purpose of seasonal work.

169 There would be less job offers that are necessary elements to apply for residence permits under the EU legal migration Directives.

States, EU Delegations in third countries could play a stronger role in coordinating and multiplying EU efforts and initiatives on labour migration.

- Some **existing profile building tools** (e.g. Europass, the EU Skills Profile Tool for third-country nationals) and other tools enhancing transparency and comparability of qualifications (e.g. the EQF, the European Digital Credentials for Learning, ESCO, ENIC-NARIC Network, etc.) will continue to offer support. However, as mentioned above, some of these transparency and comparability tools are mainly conceived to guide national authorities during the recognition procedures. Thus, they are not easily accessible and understandable for interested individuals;
- The EU Talent Pool would be a key component of the **Commission's package on talent mobility**[170] which is planned as part of the European Year of Skills. While the package will include a Commission Recommendation on the recognition of qualifications of third country nationals and announce operational measures to achieve easier and faster recognition of professional qualifications acquired in third countries. It will not, however, directly address other challenges related to international recruitment. In addition, the Council Recommendation on 'Europe on the Move' – learning mobility opportunities for everyone which is also part of this package will specifically promote mobility of learners as well as learning mobility from abroad.

5.2 Description of the policy options

As announced in the New Pact on Migration and Asylum as well as the Skills and Talent Package, the EU Talent Pool would be the **first EU-wide platform aimed at facilitating international recruitment. This defines the remit of the current policy intervention.** For this reason, all the policy options identified aim at establishing an EU Talent Pool, as the **first EU-wide platform aimed at facilitating international recruitment** and providing opportunities for TCNs to work in areas which are of EU and Member States interest, notably by facilitating the matching between vacancies in the EU and TCNs workers from outside the EU. Successful matches may result in job offers that serve as prerequisites for obtaining residence permits within any labour migration pathway to the EU. The Policy Options (POs) will also analyse how the EU Talent Pool could further simplify the recruitment processes, for example by improving the provision of information and offering specific support services to employers and TCNs.

The Policy Options range from non-legislative (PO1) to legislative actions (PO2 and PO3) either partially based on existing frameworks or envisaging stand-alone legislative solutions. With regard to the **methodology**, the POs are designed to cover the full spectrum of possible EU intervention while ensuring a balance between the need to attract TCNs to address labour shortages and the expected quality of these matches. For this purpose, the rationale underlying the elaboration of the POs is based on two **criteria**:

1) The **scale of the intervention** ranging from a more targeted approach to an open and wider/demand-driven action (see scope of application in the POs description below);
2) The **intensity of the intervention** with regard to functionalities and supporting/accompanying services available to facilitate the recruitment (PO1 with limited functionalities, PO2 with higher functionalities but limited in terms of IT solution, PO3 with the same functionalities as in PO2 and sophisticated IT solution; see, for instance, search and matching tools and personalised support described in the POs below).

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[170] This Package will include a Communication on skills and talent mobility, a proposal for a Commission recommendation on the recognition of qualifications of third country nationals, a legislative proposal for an EU Talent Pool, and a proposal for a Council recommendation 'Europe on the Move' – learning mobility opportunities for everyone.

To ensure clarity, each PO is organised in **building blocks** (e.g. scope of application, governance, IT platform, and user journey) that cover specific policy measures and alternatives. Some of the alternatives were not retained for further assessment, as described in Section 6. The detailed description of the POs and analytical methods used is described in Annexes 4 and 9.

5.3. Options discarded at an early stage

The following PO was not retained for further in-depth assessment:

Developing an EU Talent Pool by fully extending the existing EURES network for international recruitment purposes

The EURES network/platform[171] aims at supporting the recruitment of jobseekers for intra-EU mobility, in particular by matching EU mobile workers[172] interested in working in another Member States with job offers of EU employers. Given the similar objectives of the EU Talent Pool, the possibility to extend **the scope of application of EURES network/platform** to also facilitate the recruitment of TCNs residing abroad was considered. The option was discarded as it was not legally feasible, due to the **non-compatibility of the two legal bases** (Articles 79 and 46 of the Treaty on the Functioning of the European Union (TFEU) which fall under two different Titles of the TFEU[173], and cannot be combined.

Developing an EU Talent Pool open to TCNs already residing in the Member States

An EU Talent Pool open to TCNs already residing in the Member States was discarded as it goes beyond the objective of this initiative (designing an international recruitment tool to improve legal migration by making the EU more attractive for TCNs from abroad). TCNs legally residing in the EU can either rely on domestic labour market activation policies with the support of the Public Employment Services (PES) when looking for a job locally or rely on EURES, in case they can benefit from intra-EU mobility. Giving them in addition access to the EU Talent Pool would entail the risk of discrimination with regard to the EU citizens, who would only have access to the EURES or PES services, as appropriate.

Developing a mandatory EU Talent Pool for all Member States

This option was not retained for further assessment due to political feasibility. The consultations with relevant stakeholders clearly showed the **very low political acceptance** of this alternative as it would impose on Member States the use of the EU Talent Pool platform to support international recruitment. **Member States** consulted on the initiative during the Labour Migration Platform were **unanimously and strongly against the development of a mandatory platform**. **Social and economic partners** also pointed out the need to ensure a flexible tool available to support international recruitment. Moreover, in its resolution[174] the **European Parliament** called for establishing an EU Talent Pool, while recommending that "the EU talent pool would serve as an optional tool that Member States could use to meet the demands of and shortages in the Member States' labour markets that cannot be met by the domestic workforce". Against this background, it seems that a proposal **setting out a mandatory EU Talent Pool would not be supported**.

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171 EURES is based on Regulation No. 2016/589, amended by Regulation 2019/1149 setting up the European Labour Authority (ELA), complemented by six Commission implementing Decisions covering governance and matching related aspects.

172 EU citizens or TCNs residing in a Member States and enjoying intra-EU mobility rights.

173 Title IV (Freedom of persons, services and capital) and V (Area of Freedom, Security and Justice).

174 European Parliament resolution of 25 November 2021 with recommendations to the Commission on legal migration policy and law (2020/2255(INL)) Texts adopted - Legal migration policy and law - Thursday, 25 November 2021 (europa.eu).

5.4. Options retained for further in-depth assessment

5.4.1 Non-legislative options

Option 1: Soft measures aiming at improving information provision and facilitating identification and matching (non-legislative option)

This option would involve non-legislative actions aimed at creating a repository of CVs of TCNs that interested employers would be able to consult. It would also provide for further functionalities to improve transparency of immigration procedures. This option partially builds on existing EU tools, and it would be open to all employers and TCNs regardless of their occupations.

Option 1: Soft measures aiming at improving information provision and facilitating identification and matching	
Scope of application	
This PO would be **open to all TCNs residing abroad and to all EU employers** as it would not be targeting specific occupations of EU and national relevance.	
No specific measures incentivising cooperation management with third countries, including in the context of the Talent Partnerships.	
Governance	
National Coordinators designated in the **Member States** would ensure the practical implementation of the online portalin particular to facilitate the contact between employers and registered candidates (e.g. no registration of employers, and personalised support).	
Key policy measures	
1) Improving the EU Immigration Portal	The **EU Immigration Portal would be upgraded and modernised** to provide more accurate, clearer, user-friendly and updated information on immigration and recognition procedures at EU and national level.
2) Organising job-matching events	**Job-matching events would be organised** by the Commission to make the matching between EU employers and TCNs easier and faster.
3) Setting up an online portal with a catalogue of profiles	An online catalogue of profiles would be set up via a Commission Recommendation followed by intensive discussion and cooperation between Member States for the operational development of the online catalogue.[175] The necessary arrangements, provisions on protection of personal data, would need to be provided at national level by interested Member States in compliance with the EU data protection *acquis.* This option would envisage the **development of an online portal** where TCNs residing abroad would be able to **register their profiles**. Candidates' profiles would be subject to **pseudonymisation of personal data**. Their personal data would only

[175] Given the nature of the instrument this Recommendation would have to be limited to defining the main features of the catalogue, the potential division of tasks and responsibilities, the purposes of processing of personal data and the user journey.

	be visible to the **National Coordinators** which would be established in the interested Member States to facilitate the connection between interested employers and candidates.The catalogue of registered profiles would be available to employers established in the EU. A **search function** would enable employers to search for candidates' profiles via filters.

5.4.2 Legislative options

The legislative options would lead to the creation of an **online platform** that would **match** profiles of TCNs interested in migrating to the EU for work, with vacancies that the EU employers cannot fill otherwise. This platform would also provide for additional services to support international recruitment. The EU Talent Pool would be conceived, under both options, as a one-stop shop for TCNs, employers and national administrations. The criteria for selecting the candidates would depend on the target of the EU Talent Pool (either occupation-specific, focused on highly skilled workers or fully demand-driven). The technical IT solutions would also differ.

Option 2: Developing an EU Talent Pool targeted to address labour market needs in key occupations (legislative option)

This legislative option would envisage the adoption of a **new legislative act** (based on Article 79(2)(a) TFEU) regulating the scope of application, access criteria, governance, specific features/components and functioning of the EU Talent Pool.

Option 2: Developing an EU Talent Pool targeted to address labour market needs in key occupations
Scope of application
The EU Talent Pool would be a **voluntary system**. Only interested Member States would participate. As a voluntary tool to facilitate international recruitment, the EU Talent Pool would offer additional support at EU level. Hence, Member States would be able to maintain their tools in place and complement them with the new platform. Similarly, employers and third country nationals residing abroad remain free to decide whether to use this tool for international recruitment (using this tool would not be a pre-requisite to obtain a work permit as the EU Talent Pool does not constitute a new legal pathway). Only employers established in these Member States would be able to register their job vacancies on the portal and search for candidates. Registered TCNs would apply for job vacancies only in the participating Member States.
Two alternatives of the targeted EU Talent Pool would be assessed: 1) Alternative 1: The EU Talent Pool would be **targeted only to certain occupations identified as of EU and national relevance** suffering from unmet structural and labour skills shortages. Therefore, it would **be open to employers and TCNs whose vacancies or profiles**, respectively, **fall within the identified shortage occupations and respective skills needed for those occupations** (which would vary from low, medium and highly skilled). Under this option, shortages occupations at all skills levels would be targeted by the EU Talent Pool. The identification of the targeted occupations would be based of a list of occupations of EU and national relevance prepared by the Commission. In preparing the list labour **Member States needs** at national and regional level will be taken into account. In particular, the National Contact Points will share a list of national shortage occupations with the Commission (including regional considerations where relevant). The shortage occupations which are widespread in the

larger number of Member States will be included in the list consolidated by the Commission. Reports and data available at EU level on labour shortages in the Member States will be taken into account when consolidating the list (e.g. the EURES Report on labour shortages and Eurofound annual report). Once the most relevant shortage occupations in the Member States have been identified, additional **shortages occupations of EU relevance** would be integrated in the consolidated list (for instance, shortage occupations foreseen in the long run and linked to the green and digital transition which are not already identified by the Member States). These shortage occupations of EU strategic relevance would be linked to economic growth, innovation, and sustainability considerations as well as strategic migration management objectives (e.g. the occupations identified in the context of the Talent Partnerships with third countries would be taken into account). The list would be constructed in a **flexible way** to ensure that all Member States needs are adequately covered. Hence, the final consolidated list might cover a wide range of shortage occupations. In addition, the list would be subject to periodic revision to reflect evolving labour market needs. Relevant stakeholders and industry representatives will also be consulted in the preparation of the consolidated list.

2) Alternative 2: the EU Talent Pool would only target **highly skilled jobseekers** within the meaning of the Blue Card Directive and parallel national schemes for the highly skilled.

This PO is conceived as a targeted tool to incentivise cooperation on migration with third countries, notably by addressing labour market needs in key occupations that have been identified in the context of Talent Partnerships. Hence, they follow a similar logic as set out in this PO. In practice, the shortage occupations identified as of relevance in the context of the Talent Partnerships are highly likely to overlap with the shortage occupations identified in the list of shortage occupations relevant for the EU Talent Pool. Therefore, the **EU Talent Pool would offer an effective tool to also support the implementation of Talent Partnerships** since they follow a similar approach.

TCNs who participated in a Talent Partnership would be registered on the platform and channelled to a job placement in the participating Member State. As in the context of a Talent Partnership third country nationals would receive support for skills development and, possibly, skills validation in a framework agreed between participating Member States and partner countries, the skills developed or validated in this framework would be made visible in the EU Talent Pool in the form of an **'EU Talent Partnership Pass'**. Once registered in the EU Talent Pool, the profiles holding this Pass would be **flagged as certified**. For a certain period of time (e.g. 1 year), these profiles would only be accessible to employers established in a Member State participating in a Talent Partnership. If third country nationals holding the Talent Partnership Pass are not recruited in the context of a Talent Partnership after a certain period of time, their profiles would become available to all employers having a job vacancy in the EU Talent Pool. The EU Talent Pool would not constitute the only way to implement those partnerships and Member States participating in a Talent Partnership would not be required to use this tool for job placements as the existing labour pathways will still be available. (For further details see Annex 9).

Governance

This PO would foresee operational synergies with the existing EURES governance model. An **EU Talent Pool Secretariat** responsible for the overall management would be established within the European Commission. An **EU Talent Pool Steering Group** composed of Member States' representatives from the immigration and employment authorities would define operational objectives at higher political level. **EU Talent Pool National Contact Points (NCPs)** designated by each participating Member State would deal with the practical implementation of the EU Talent Pool at national level. A greater involvement of the national

authorities is expected due to the targeted nature of this PO. In particular, NCPs would be required to contribute in the identification of the targeted occupations by providing a list of shortage occupations at national and regional (where applicable) level. National Contact Points would also be responsible for checking whether the job vacancy falls within the list of relevant occupations (specific tools would be envisaged to support in this process: see below under registration). In addition, would provide tailored support to users when online information and standard guidance are not sufficient. (See below for more information on the role of NCPs).

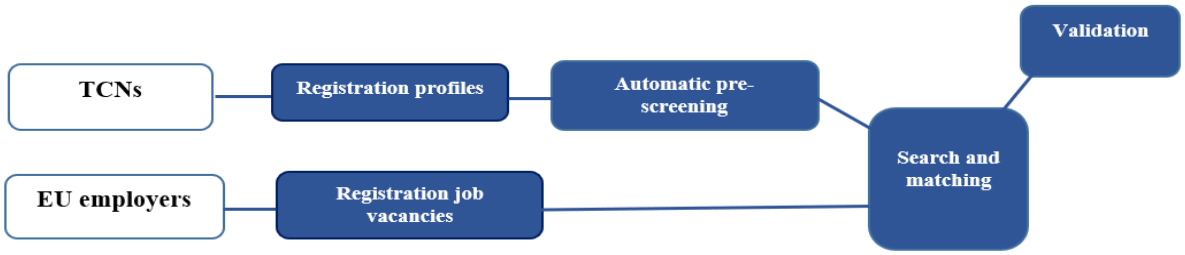
In addition, **Liaison offices** may be established in third countries with which the Commission has launched Talent Partnerships to support the delivery of the 'EU Talent Partnership Pass' and the registration in the EU Talent Pool of TCNs who participated in the Talent Partnership.

IT platform and interoperability

This PO would require the development of an IT platform. The platform would bring together profiles registered by job seekers from outside the Union and job vacancies of employers established in the Member States participating in the EU Talent Pool and falling within the shortage occupations identified in the list of EU and national relevance. The platform would integrate specific features to facilitate the identification and matching as well as the provision of online information and personalised support throughout the recruitment process before starting the immigration procedures. **Certain components of the EURES IT solution** would be re-used such as the automatic matching tool and the interoperability (for a more detailed description of the IT components that would be re-used see Annex 9), while some new elements would need to be developed.

Member States having in place national recruitment platforms or other online tools specifically targeted to international recruitment would be able to complement them with the EU Talent Pool as technical interoperability with the national systems would be ensured via an application programming interface (API). Therefore, the competent authorities in the Member States (such as the Public Employment Services) would be able to accessjob vacancies and jobseekers' profiles registered in the national and EU databases in one go. This would ensure access to a wider pool of profiles while avoiding duplication and proliferation of platforms. The partial re-use of the EURES IT solution under this PO would allow to re-use the already existing interoperability structure and only small adaptations would be required.

User journey



1) Registration	**TCNs** would be able to **directly register** their profiles on the EU Talent Pool (via Europass profile builder[176] and describing their skills using ESCO). **Employers' job vacancies** would be registered by the NCPs of the relevant Member State. The possibility of exporting job vacancies from

[176] Which includes the possibility to upload documents certifying skills and qualifications.

	existing national job portals as well as other IT support tools would be envisaged to support in this process. Only job vacancies falling within the targeted occupations and open for the recruitment of third country nationals following the labour market test would be made available on the EU Talent Pool platform.
2) Pre-screening and checks	As this PO would target certain occupations, an **automated pre-screening of TCNs** would allow to check whether the skills and qualifications declared in the profile correspond to those normally required to work in one of the targeted occupations. An IT automated tool would be developed for this purpose. These checks would **not** entail an assessment of the quality and authenticity of the declared skills and qualifications. In case of the alternative option - focusing on highly skilled workers- pre-screening would be conducted against the corresponding job vacancies targeting the highly-skilled, and therefore only profiles with high level of skills, corresponding to the requirements of the EU Blue Card Directive or national schemes for labour migration of highly-skilled workers, would feature in the system. The additional element of including automated ID security checks on TCN's profiles prior to the admission into the EU Talent Pool would be assessed.
3) Safeguards for fair recruitment	Employers using the EU Talent Pool would be required to comply with the relevant European legislation and national labour standards applying to third-country nationals in order to protect them against unfair recruitment and inadequate working conditions. Employers' access to the platform would be suspended and their job vacancies removed by the EU Talent Pool National Contact Points in case a breach is notified by the relevant national authorities.
4) Search and matching	Once admitted in the EU Talent Pool, employers and TCNs would be able to search for each other **via filters** and a **semi-automatic matching tool** (the already existing EURES tools would be re-used**)**. Employers would be able to contact candidates they are interested in.
5) Validation of candidates' profiles	1) While information and guidance would be provided in the platform on existing validation procedures in the Member States[177], the individual skills would not be validated by the EU Talent Pool platform itself. However, by facilitating third country nationals' access to information on the relevant recognition and validation procedures at national level they would have more clarity on the different requirements, hence making their access to this process easier and faster. In particular, the targeted nature this PO 2 would allow to ensure more specific guidance on

[177] Validation is a broad concept that involves processes for assessing and confirming the skills, competencies or knowledge acquired through non-formal or informal learning, work experience, or training. The purpose of validation is to recognise and give value to the skills and competencies that individuals have gained (also outside formal education settings). Employers may conduct validation procedures internally (especially when it comes to multinationals) or request specific certificates or assessment of comparability via national stakeholders (e.g. universities, relevant ministries). Contrary to validation, recognition refers to the process of formally acknowledging the validity and equivalence of educational degrees, diplomas, certificates, or qualifications obtained in one country by a competent authority in another country.

	validation of skills required in the relevant occupations. 2) The alternative of conducting a mandatory **pre-admission validation of skills and qualifications at EU level** of all registered profiles would also be assessed. *Discarded, see below.*
Additional components	
Online information	**Online information** on recruitment, immigration procedures and existing labour pathways as well as recognition of qualifications and validation of skills obtained in third countries as well as living and working conditions would be available on the platform. This would facilitate the understanding of existing rules in the different Member States and facilitate access to procedures. To avoid excessive burden on the national authorities, standard guidance and FAQs would be developed. The EU Talent Pool platform would also provide links with relevant transparency and comparability tools available at EU level, therefore, improving their visibility.
Personalised support	Upon request from TCNs and employers participating in the EU Talent Pool**,** the NCPs would provide **personalised support and post-selection assistance** in particular with regard to information on family reunification procedures and family members' rights; information available at national level to facilitate third-country nationals' integration in the host Member State such as language courses, vocational training and other integration measures; and where available, the contact details of organisations which offer post-recruitment assistance for third country nationals. In order to ensure that the number of requests for support remain manageable, standard guidance and FAQs would be developed.
Measures facilitating the recruitment process	Member States would additionally have the option of introducing **fast-track immigration and recognition procedures** and/or **exclusion from the labour market test**.

Policy measure discarded at an early stage

The mandatory pre-admission validation of skills and qualifications of all TCNs at EU level by a third-party validator[178] was not retained for further assessment due to political and practical feasibility considerations.

First, validation procedures are currently conducted at national level and widely differ from one Member State to another (see Section 2.2.2). Currently, it **is not practically and politically feasible to harmonise such processes**. In addition, it would require the identification of a responsible actor at EU level to conduct such validation. **Existing EU agencies could not be tasked** with this new responsibility without requiring an extension of their current mandate. Tasking an EU agency with this responsibility or establishing a new

178 This policy measure implies that a profile of a TCN cannot be visible for employers in the EU Talent Pool, until his/her skills and qualifications are validated by an EU validator. While the validation of all candidates' profiles prior the admission would ensure the development of a highly trusted pool of candidates, hence, improving the quality of matches.

entity in charge of validation of skills and qualifications at EU level would require **extensive resources**.

In addition, imposing the validation of all profiles prior the admission into the pool would appear **disproportionate and counterproductive** as it would create bottlenecks, high costs and long waiting times. As validation is not a mandatory requirement to obtain a work permit and it is not considered necessary by all employers, this solution would run against the need of ensuring a flexible tool to make international recruitment easier and faster. Also, only a limited number of candidates who have been successfully validated would be admitted to the platform entailing a smaller pool of candidates, restricting drastically the chance of successful matches.

Option 3: Developing an EU Talent Pool as a fully demand-driven tool (legislative option)

As per PO2, this legislative option would envisage the adoption of a **new legislative act** (based on Article 79(2)(a) TFEU) regulating the scope of application, access criteria, governance, specific features/components and functioning of the EU Talent Pool.

Option 3: Developing an EU Talent Pool as a fully demand-driven tool
Scope of application
The EU Talent Pool would be a **voluntary system**. Only interested Member States would participate. As a voluntary tool to facilitate international recruitment, the EU Talent Pool would offer additional support at EU level. Similarly, employers and third country nationals residing abroad remain free to decide whether to use this tool for international recruitment (using this tool would not be a pre-requisite to obtain a work permit as the EU Talent Pool does not constitue a new legal pathway). Only employers established in these Member States would be able to register their job vacancies on the portal and search for candidates. Registered TCNs would be able to apply for job vacancies only in the participating Member States.
The EU Talent Pool would be **open to all TCNs and employers regardless of their skills, occupations, and available vacancies respectively.**
This PO is conceived as a completely open tool to address labour market needs following a demand-driven approach. It is not built to target specific labour market needs nor strategically support other existing initiatives aimed at improving cooperation with third countries such as Talent Partnerships which also have a targeted approach focusing on certain sectors. For this reason, while TCNs and employers from partner countries and Member States participating in a Talent Partnership would still be allowed to register in the EU Talent Pool, this PO **would not foresee the platform as a tool to specifically implement the Talent Partnership**s. Therefore, additional facilitations would not be included, and the EU Talent Pool would not act as the preferred channel for job placements in this context.
Governance
Whilst not necessarily building on the EURES governance model, PO3 would still require the running of the platform at EU level by the EU Talent Pool Secretariat. The Steering Group composed by Member State representatives from the immigration and employment authorities would define the overall strategic and operational objectives of the tool. As per PO2, National Contact Points (NCPs) would be designated in the Member States. However, while the involvement of the Member State would be lower due to its open and fully demand-driven nature (e.g. no list of shortage occupations at national level), a greater involvement of the National Contact Points would result from the higher number of users potentially requiring their support. This could also result in increased efforts linked to the monitoring activities. Lastly, as no specific link with Talent Partnerships would be required, this PO would not

envisage the establishment of Liaison offices in partner countries.

IT platform and interoperability

As per PO2, this PO would require the development of an IT platform bringing together profiles registered by job seekers from outside the Union and job vacancies of employers established in the Member States.. However, under this PO, a completely **new IT solution** would be developed via a **job-matching system** that is fully based on AI-based algorithms inspired by existing private sector platforms (e.g. including cutting-edge technologies such as advanced language programs, AI-driven algorithms, and an enhanced user experience. A detailed description of these IT solutions, and their functioning is provided in Annex 9). EURES IT components would not be re-used. A completely new IT solution is envisaged due to the wider scope of this PO which would cover all range of possible occupations, and therefore would require cutting-edge technologies allowing to better identify and match job vacancies and profiles (e.g. such as advanced language programs, and AI driven algorithms) (see Annex 9 for a more detailed description of the IT solution). **Interoperability with EURES, national platforms and private platforms (**e.g. LinkedIn) would be foreseen where possible. As under this PO a completely new IT solution would be developed, interoperability with the national platforms would be created from scratch via the development of dedicated application programming interfaces (APIs). As per PO2, interoperability with national systems would allow the competent authorities in the Member States (such as the Public Employment Services) to access job vacancies and jobseekers' profiles registered in the national and EU databases in one go.

User journey

1) Registration	As per PO2, **TCNs would be able to directly register** their profiles on the EU Talent Pool. However, in contrast with PO2, **employers would be allowed to directly register** their vacancies on the platform without any involvement of the national authorities as it would be open to all occupations and, hence all type of job vacancies..
2) Pre-screening and checks	Provided that this PO would be open to all occupations and, therefore, all skills would be potentially relevant, no **pre-screening of TCNs profiles** is envisaged
3) Safeguards for fair recruitment	Under this PO, three alternatives would be assessed: i) no quality assurance checks on employers, ii) employers using the EU Talent Pool would be required to comply with the relevant European legislation and national labour standards to third-country nationals' protection against unfair recruitment and inadequate working conditions (same as PO2); iii) employers profiles undergo automated quality assurance checks online (without human intervention).
4) Search and matching	As under PO2, the **search via filters functionality** and **semi-automatic matching tool** would be available. However, instead of

	re-using the existing EURES components, **new tools** would be developed.
Additional components	
Online information	Same as PO2.
Personalised support	Same as PO2.
Measures facilitating the recruitment process	Member States have an **obligation** to introduce **fast-track immigration and recognition procedures** and/or **exclusion from the labour market test**.

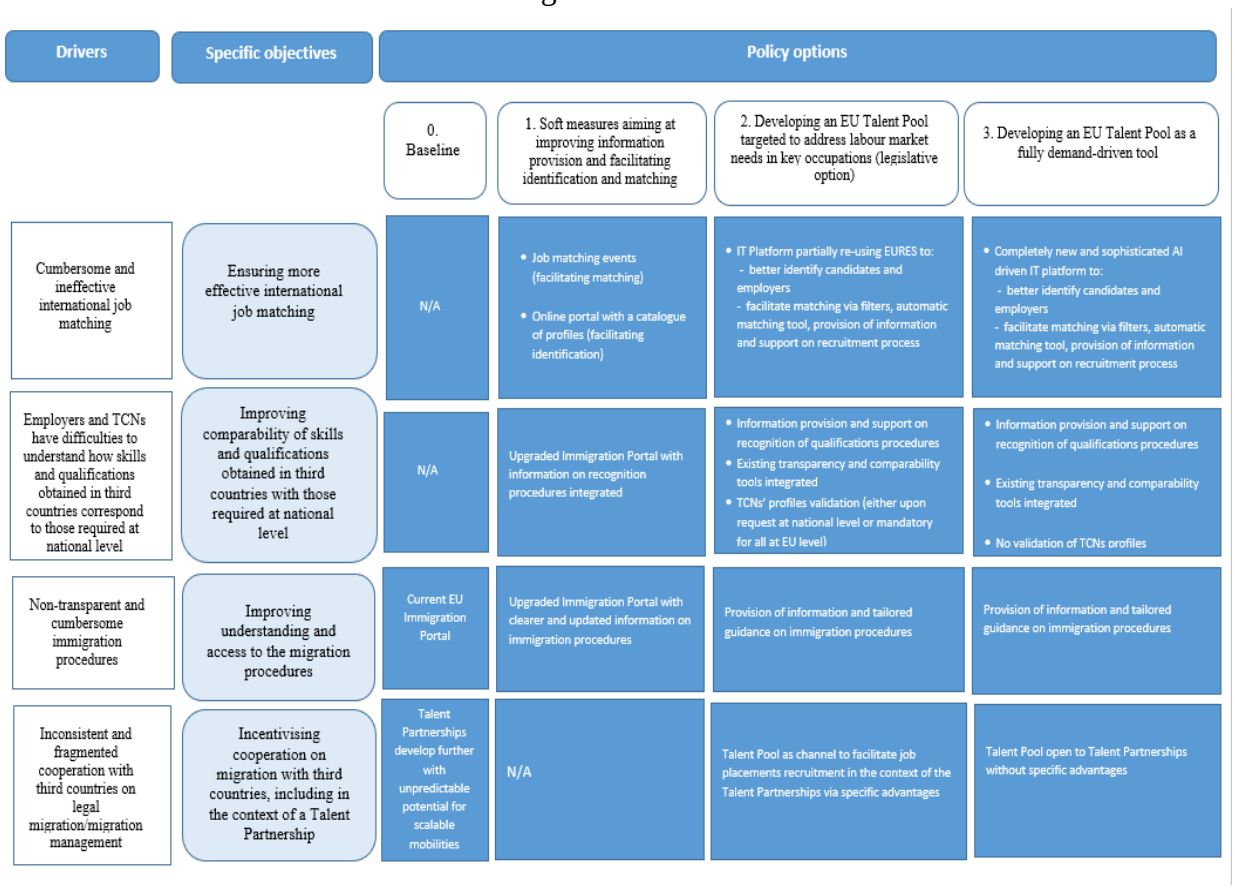
Table below provides an overview of the policy measures under each PO which were retained for further assessment under Section 5.4. Additional information is provided in Annex 9.

Table 2: Detailed overview of the policy measures under each policy option

POs building blocks	PO1	PO2	PO3
Legal instrument	Non-legislative	Regulation	Regulation
Scope of application	Voluntary for MS	Voluntary for MS	Voluntary for MS
	Open to all occupations	1) Targeted to occupations of EU and national relevance 2) Targeted to highly skilled workers [alternative]	Open to all occupations
	Open to Talent Partnerships without additional facilitations	Open to Talent Partnership with additional facilitations	Open to Talent Partnerships without additional facilitations
Governance	National Contact Points	Secretariat within EC; Steering Group; National Contact Points	Similar to PO2 (not necessarily building on EURES and greater involvement of NCPs)
IT platform	New IT solution for catalogue of profiles	EURES IT solutions partially re-used, other IT components newly developped	New job-matching system with AI-based algorithms (inspired by private sector platforms)
Interoperability	No interoperability	Automatically interoperable with EURES and national systems (only small adaptations)	Interoperable with EURES, national systems and private platforms (new)
User-journey			
Registration	Only TCNs (catalogue of profiles)	TCNs direct registration. Employers registered by NCPs.	TCNs and employers' direct registration
Automated pre-screening	N/A	Yes	No
Safeguards for fair recruitment	No	Suspension access of employers and removal of job vacancies if breach with European legislation and national labour standards	1) No checks *[discarded]* 2) Same as PO2 (with direct registration of employers) 3) Direct registration of employers and automated checks *[discarded]*

Search and matching	Employers search via filters (no automatic matching tool)	TCNs and employers search via filters and automatic matching tool (EURES tools re-used).	Same as PO2 but new search and automatic matching tools.
Validation of candidates' profiles	No	1) TCNs' profiles validation at national level upon request *2) Mandatory for all at EU level [discarded]*	No
Additional components			
Online information	Yes (EU Immigration Portal)	Yes	Same as PO2
Personalised support	No	Yes	Yes
Facilitation measures	No	Optional	Mandatory

A detailed description on how each option addresses the specific objectives is provided in the visual below on the overall intervention logic:



6. WHAT ARE THE IMPACTS OF THE POLICY OPTIONS?

This section assesses the impact of the POs described in Section 5 and retained for in depth analysis against a series of assessment criteria covering specifically **effectiveness**, **efficiency** and **coherence**. The selected impacts are assessed qualitatively and, where possible, quantitatively.

A wide range of **impact categories** was then screened in order to identify the key impacts for detailed assessment taking into account the nature of the policy area, the identified problems, the objectives to be achieved, and the views of stakeholders and experts. The impact categories retained are economic impacts, social and fundamental right impacts and enviromental impacts.

For the purpose of assessing the impact, and its intensity, of the POs compared with the status quo (baseline scenario[179]), the following scale is used:

-3	Significant negative impact/cost/loss
-2	Medium negative impact/cost/loss
-1	Small negative impact/cost/loss
0	No impact
+1	Small positive impact/savings/gains
+2	Medium positive impact/savings/gains
+3	Significant positive impact/savings/gains

The assessment of the POs is based on a number of **key assumptions:**

1. All the POs foresee the development of a **voluntary EU Talent Pool** giving Member States the possibility to decide whether they want to participate or not. Certain costs and impacts **vary depending on the number of Member States** participating. In order to provide a clear and realistic assessment, uncertainties linked to the potential uptake of the initiative should be taken into account. To this purpose it was assumed that a **minimum of 11 Member States** and a **maximum of 20 Member States** would **participate** in the EU Talent Pool. A **range of costs and impacts** estimated under each scenario is presented below in the assessment of each policy option. This assumption was based on a number of considerations. Whilst the initiative would be designed to be attractive as many Member States as possible, it is likely that their participation would be a gradual process with only some Member States joining in the first years of operation and a progressive increase expected in the long run. The minimalistic scenario (with 11 Member States participating) was built taking into account that legal migration is an area of shared competence where Member States tend to be cautious to engage in view of political sensitivity of migration overall. Consultations also demonstrated that some Member States interested in the initiative would wait to see the first outcomes of the operation of the EU Talent Pool before deciding to formally join. Therefore, it was assumed that Member States with a stronger interest may join from the outset, while others will follow after 2030. In the long run, a higher uptake of the initiative is foreseen as demonstrated by the fact that the large majority of Member States consulted welcomed the initiative. In addition, it can be reasonably assumed that several Member States will join in view of the pressing needs related to the challenging demographic situation which would require to rely on legal migration to address future skills and labour shortages that cannot be sufficiently addressed by the EU domestic workforce.
2. In order to assess the effectiveness and efficiency of each PO, the **number of potential users** (TCNs and employers) of the platform and **expected successful matches by 2030** was estimated. The number of Member States participating would also imply a different number of expected successful matches. A higher uptake of the initiative by the Member States would result in a higher number of TCNs interested in registering their profiles in the

[179] Rated "0" for the purposes of comparison, though it could have negative impacts, e.g. entailing losses of efficiency.

EU Talent Pool and, hence, in a higher number of successful matches. Therefore, ranges of expected successful matches with 11 and 20 Member States participating are provided below.[180]

Successful matches indicate the number of TCNs selected in the context of the EU Talent Pool and, therefore receiving and accepting a job offer made by an employer for a specific job vacancy[181]. The **success rate of matches** indicates the number of job offers received by TCNs compared to the number of TCNs who registered their profile in the EU Talent Pool[182]. The **job vacancies fulfilment rate** shows the percentage of job vacancies that entered the EU Talent Pool and were subsequently filled via this platform as a result of a successful match.

These estimations show the contribution of this initiative in addressing skills and labour shortages and form the basis to assess the economic impacts and costs of the initiative. Other non-quantifiable factors, such as the quality of the profilesare taken into account in the overall assessment of the POs described below. Thus, the effectiveness of each PO was analysed ensuring a balance between the quantity of matches and their quality. The table below provides an overview of the mentioned estimations and the number of expected successful matches by 2030. As described in the table below, the number of TCNs interested in registering their profiles in the EU Talent Pool is expected to be lower under PO1 considering its reduced attractiveness due to the limited functionalities of the catalogue of TCNs profiles envisaged under this option (e.g. no job vacancies available online). By contrast, under PO2 and PO3, the number of TCNs interested in registering is expected to be higher as a fully-fledged EU platform facilitating the identification and matching is expected to attract more users. However, due to the targeted nature of PO2 focusing only on certain occupations, a lower number of TCNs interested in registering is foreseen under this option in comparison with PO3. With regard to the expected success rate of matches, PO1 ranks lower due to the lack of specific features to facilitate the matching. While under PO2 and PO3 more matches are expected due to their specific components, a higher percentage of success it expected under PO2 as a result of the screening process allowing to limit the pool to only candidates relevant to the targeted occupations, hence ensuring better quality of the profiles.

Table 3: Overview of estimated TCNs registering in the EU Talent Pool and the number of expected successful matches by 2030

POs	**Expected TCNs in interested in registering their profile** *[with 11 or 20 Member States participating]*	**Expected successful matches** *[with 11 or 20 Member States participating]*	**Expected Success rate of matches** (≠ job placement rate)	**Expected job vacancies fulfillment rate**
PO1	3 338 900 – 3 503 400	**16 500 – 17 300**	0,5%	0,05%
PO2	3 729 000 – 3 893 500	**271 000 – 282 500**	7%	15%

180 Under the maximalistic scenario envisaging the participation of 20 Member States, it is expected that the information campaign would result in an higher number of TCNs interested in registering on the EU Talent Pool (5% more than in case of 11 Member States participating). See Annex 4 for a detailed description of this estimation.

181 After receiving a job offer, TCNs have to apply for a work permit in the Member State. Therefore, the estimated number of successful matches is not equivalent to the number of TCNs obtaining a work permit as the subsequent immigration procedure depends on the assessment of the national authorities. However, the discrepancy between the number of successful matches and the number of work permits issued is not expected to be significant.

182 The success rate of matches is not equivalent to the rate of job placement as TCNs would need to obtain a work permit in the Member State to be able to start working in a specific position.

PO3	4 437 000 – 4 601 500	**279 000 – 296 000**	6%	7%

The following **methodology** was used to identify the **number of TCNs potentially interested in registering their profiles:**

1) The current number of **TCNs profiles** available in the **EUROPASS database** was used as a basis to identify the level of interest of jobseekers from third countries that are seeking employment opportunities in the EU[183].

2) As **labour migration is projected to grow by 2030**[184] (and, therefore also the number of potentially interested TCNs), this number was adjusted in line with **the past observed trends in labour migration over the last 7 years**[185].

3) Other factors linked to the **attractiveness of this initiative** and, therefore, increasing the number of TCNs potentially interested were also considered (e.g. results of awareness-raising campaigns specifically promoting the EU Talent Pool). These factors are linked to the specific features and nature of each option. Hence, the final number of TCNs interested in registering in the EU Talent Pool vary depending on the policy option.

The number of expected succesfull matches was also based on a number of assumptions. In particular, a reduction of 1% of TCNs profiles was considered as profiles registered on online platforms are often incomplete, fake or lacking relevant information. An additional reduction of registered profiles was applied to PO2 as a result of the automated pre-screening as certain profiles would be screened out as not relevant for the targeted occupations. On this basis, the number of successful matches was calculated by taking into account the different selection rates under each option.[186]

A **detailed explanation of the assumptions is provided in Annex 4.**

6.1 Policy Option 1 - Soft measures aiming at improving information provision and facilitating identification and matching (non-legislative option)

Assessment Criteria	Rate	**Assessment**
Relevance and effectiveness in achieving the objectives		

183 Almost 1 300 000 CVs of TCNs were registered in EUROPASS in mid-2023. It was considered that investing time and efforts in creating a profile on EUROPASS would indicate genuine interest in pursuing professional opportunities within the EU job market. In addition, it shows a certain level of IT skills which are equivalent to those that would be required to create a profile on the EU Talent Pool platform.

184 Number of TCNs from abroad potentially interested in seeking job opportunities in the EU by 2030 was estimated to be approximately 3 290 000. According to EUROPOP2023 projected net migration and on the share of first residence permits given for employment purposes in the period 2017-2021, the estimated inflows of TCNs coming for employment purposes is expected to be about 400.000 per year, adding up to a cumulated 3.8 million by 2030.

185 This number was extrapolated on the basis of the number of legal permits issued for employment purposes in 2015-2022. The observed increase in labour migration over the last 7 years corresponded to a 2.64 multiplier, applied over the next 7 years, cumulatively, up to 2030.

186 A different selection rate was identified on the basis the expected quality of the profiles which would imply greater chances to satisfy employers' needs (PO1: 0,5%; PO2: 7%; PO3: 6%). These rates were built on the basis of evidence gathered in the context of the study to inform the Impact Assessment conducted by the external contractor. The share of jobseekers finding employment thanks to the involvement of Public Employment Services in their job search averages at around 7% according to inputs from Commission Services. Systematic publicly available data regarding these rates across industries in the European Union are lacking. However, the limited data sources from both Europe and other regions suggest that the share of jobseekers which obtain a job offer following the selection process is to be below 5%.

SO 1 (ensuring more effective international job matching)	+1	**Estimated additional successful matches (on top of baseline): 16 500 – 17 300** (for 11 to 20 Member States participating). The organisation of **job-matching events** and **catalogue of profiles** of TCNs' profiles would facilitate the identification of potential candidates. However, due to the use of a non-legislative instrument such as a Commission Recommendation the catalogue of profiles would have limited functionalities. Therefore, this PO would achieve SO1 only to a limited extent. In addition, in view of a limited number of successful matches, this PO would have only a small positive impact on achieving the SO1.
SO 2 (improving comparability of skills and qualifications obtained in third countries with those required at national level)	+1	Against the baseline, PO1 would provide **online information on recognition and validation procedures in the Member States**, facilitating access to procedures. However, in view of a lack of additional personalised support and skills and profiling and comparability tools, PO1 positive impact on achieving SO2 is s limited.
SO 3 (improving understanding and access of immigration procedures)	+ 2	Compared with the baseline, this PO would better contribute to making information provision on immigration procedures more understandable through the improved **EU Immigration Portal**. However, additional personalised support by National Contact Points would not be available.
SO 4 (incentivising cooperation on migration with third countries as part of a Talent Partnership)	0	This PO has **no impact** on achievement of SO4. While being open to all TCNs notwithstanding their origin country, this PO would not foresee the platform as a tool to specifically implement the Talent Partnerships.
Economic impacts		
Impact on growth and competitiveness [SGD 8]	+1	Compared with the baseline, a **marginal positive economic impact** would stem from the international recruitment of **relatively small** number of TCNs residing abroad to address skills and labour shortages that cannot be filled by domestic workforce. Thus, TCNs workers would only marginally counteract the ageing of the EU population. The expected positive **impact on the GDP is of around EUR 235 – 260 million** (with 11 to 20 Member States participating) and a **minimal impact on public finances** is expected.
Impact on SMEs [SDG 8 and 9**]**	+1	Any specific support to international recruitment would be **particularly beneficial for SMEs**. This PO would **marginally benefit SMEs** by **facilitating the identification** of potential candidates and **partially** supporting their **matching** (e.g. via job-matching events and catalogue of profiles) as well as providing **online information** on immigration and recognition procedures. However, this **PO would only have a limited impact** as **no specific tool** would be included to further facilitate the matching and its quality (e.g. no automatic matching tool, pre-screening), and **no personalised guidance** would be ensured. The limited pool of candidates would also reduce the chances to recruit

		internationally.
Impact on innovation and research	0/+1	The expected, whilst small, increase of TCNs workers would have a positive impact on companies' capacity to conduct research and would **benefit the EU's overall capacity for innovation and research.** However, due to the limited coverage of this PO the **recruitment of TCNs benefitting innovation and research would be marginal.**
Social and fundamental rights impacts		
Impact on EU citizens	+1	Limited increase in the number of TCNs workers is not **expected to entail any costs or disadvantages** for EU citizens vis-à-vis the *status quo*. Similarly, the potential **displacement effect on EU workers** is expected to be **limited**. This PO would have a **positive impact on social cohesion** as it is not expected to increase social tension or a negative perception of migration.
Impact on business and employers	+1	This PO would have a **positive impact on business and employers** as they will have an easier, quicker, and potentially wider, access to labour resources from third countries. This PO would involve processing of personal data. In the absence of Union legislative act, necessary data protection provisions should be adopted at national leveltaking into account the requirements of the EU data protection *acqui*s.
Impact on third country nationals	+1	There would be a **small positive impact for TCNs** because their possibilities to find a job in the EU and being recruited would increase. Overall, this PO would have a **positive impact on social cohesion** as it will contribute to TCNs' labour market participation and create a sense of interdependence with the local population. With regard to the **fundamental rights impacts**, this PO would enact the right to choose an occupation and engage in work [Article 15 of the Charter, and SDG 16]. As per impacts on the **protection of personal** data of jobseekers would be similar to those described above (impacts on employers and businesses). On the other hand, protection against the **risk of unfair recruitment and exploitative working conditions** would not be adequately ensured as no checks on employers would be conducted.
Impact on third countries	+1	This PO would have an impact on third countries as facilitating international recruitment and, therefore, making the EU more attractive, third countries may face the **risk brain drain**. However, the increase of TCNs moving to the EU would be small in comparison, making this impact limited. At the same time, this PO is expected to have a marginal positive impact on remittances.
Environmental impacts		
	0	As this PO would not target specific sectors linked to the green transition and the number of successful matches is expected to be low, this PO would have negligible environmental impact.
Efficiency		

Administrative costs and cost/benefit effectiveness Practical or technical feasibility	+1	**<u>Administrative costs[187]</u>** This PO envisages the improvement of the EU Immigration Portal, the organisation of job-matching events as well as the setting up of an online portal with a catalogue of profiles. There would also be costs related to the governance structure. An overview of the costs estimated under this PO is provided below. Where costs vary depending on the number of Member States participating, a range of costs is provided to cover the two scenarios with 11 or 20 Member States participating, respectively. (A detailed description of the assumptions underlying these calculations is provided in Annex 4 while the explanation of estimation of costs is provided in Annex 10). This PO would entail: **1) One-off costs for the IT development (2026-2027):** Under this PO, costs for IT developments are linked to the improvement of the EU Immigration Portal, the advertising of the job-matching events, and the development of an online portal with a catalogue of profiles. The latter would entail relatively **low costs** in view of a less sophisticated IT solution and the absence of additional IT tools such as the automatic matching function. The development of these IT components would require two years. - Costs for the Commission: EUR 4 069 883 – 4 085 644 (with 11 to 20 Member States participating) - Cost for the Member States: No costs are envisaged for Member States. **2) Recurrent yearly human resources costs (2026-2030[188]):** This PO would entail additional staff at EU level to improve the EU Immigration Portal (coordinating with National Coordinators in the Member States and reviewing information they provided on national procedures). Human resources would also be required to organise the job-matching events and managing the online portal with a catalogue of profiles. National Coordinators would be appointed in the Member States. They would be responsible for providing the relevant information to be uploaded on the EU Immigration Portal as well as facilitating the matching between employers and jobseekers in the context of the online catalogue of profiles. - Costs for the Commission: EUR 707 000 (11 FTEs) - Costs for the Member States National Coordinators (to be covered by AMIF): EUR 1 683 000 – 3 060 000 (11 – 20

[187] With regard to Costs after 2027, they are indicative and do not prejudge the available budget for this initiative under the MFF 2028-2034.

[188] Idem.

		FTEs with 11 to 20 Member States participating). **3) Recurrent yearly costs for other activities and IT maintenance (after 2027)[189]:** - Costs for the Commission: EUR 1 362 000 (for the organisation of the job matching events) and EUR 1 009 633 – 1 017 514 (for IT maintenance with 11 to 20 Member States participating). - Costs for the Member States: No other costs are foreseen for the Member States. **<u>Benefits</u>** • **Direct benefits** This PO would entail **cost savings** which are difficult to quantify in monetary terms as linked to the time saved by employers and TCNs throughout the entire recruitment process due to the easier identification of candidates (via job-matching events and the online catalogue of profiles) and the provision of information on immigration procedures the EU Immigration Portal. However, these costs savings are expected to be **relatively small** due to the limited functionalities foreseen under this PO (e.g. no automatic matching tool, no personalised support by the National Coordinators). No opportunity costs are expected under this PO. • **Indirect benefits** Indirect benefits are also foreseen under this option. These benefits include the increased GDP resulting from a higher number of TCNs working in the EU. This would also result in additional fiscal contributions as well as in increased remittances for third countries. (A detailed explanation of the indirect benefits is provided in Annex 10). Different ranges of indirect benefits are provided below according on whether 11 or 20 Member States participate in the initiative. - Additional GDP: EUR 235 – 260 million - Additional fiscal contributions: EUR 56 – 59 million - Additional remittances to third countries: EUR 44 – 46 million **<u>Practical and technical feasibility</u>** Developing an online catalogue of profiles under this PO via a Commission Reccomandation would require a number of technical, legal and practical efforts for the Commission and the Member States being excessively cumbersome and disproportionate in comparison with the benefits and limited results expected under this PO.

189 Idem.

Coherence with other EU policies
In line with other EU policies, the New Pact on Migration and Asylum and, in particular the Skills and Talent Package. It contributes to the European Year of Skills, and it is a key component of the Package on talent mobility. It is broadly consistent with EU economic and social policies, and it contribute to the Skills Agenda and the Pact for Skills, the Net Zero Industry Act and the Green Deal Industrial Plan.
Overall assessment
The PO will address the general problem only to a very limited extend. It would not inventivise cooperation with third countries (SO4), while the other SOs would only partially be addressed due to the limited coverage of this PO in terms of potential users and the relatively low expected successful matches. The quality of candidates profiles and matches would be limited due to the lack of specific measures (no personalised support or automated matching tool). Economic and social impacts will be small and positive, while the costs are expected to be relatively low.

6.2 Policy Option 2 - Developing an EU Talent Pool targeted to address labour market needs in key occupations (legislative option)

Assessment Criteria	Rate	Assessment
Relevance and effectiveness in achieving the objectives		
SO 1 (ensuring more effective international job matching)	+3	**Estimated additional successful matches (on top of baseline): 271 000 – 282 500** (for 11 to 20 Member States participating) PO2 would **significantly improve the identification of EU employers and TCNs**. The **matching would be facilitated** via the search by filters and an automatic matching tool. **Personalised guidance and support** by NCPs as well as **online information** would constitute additional support. These components would not only facilitate the matches but also ensure a **better quality**. The **screening of candidates' profiles** would further contribute to the quality of matching.The alternative of targeting only **highly skilled workers** would have the advantage of making the screening process more agile as requirements migrants need to meet to qualify as highly skilled are clearly defined either in the EU Blue Card Directive or corresponding national laws. However, this alternative would not allow to effectively address labour shortages which also exists for medium and low skills.
SO 2 (improving comparability of skills and qualifications obtained in third countries with those required at national level)	+2	PO2 would better facilitate access to procedures thanks to **online information on recognition and validation procedures** in the Member States as well as **personalised guidance** by the NCPs. In addition, the **integration of existing skills profiling and comparability tools** (e.g. Europass, ESCO) in the candidates' profiles creation would make **it easier** for employers **to understand** skills and qualifications **and compare** them with those required at national level. Better understanding of skills and qualifications would result in a higher success rate and quality of matches.

SO 3 (improving understanding and access of immigration procedures)	+3	This PO would significantly contribute to facilitating access to immigration procedures through provision of **better online information** and **personalised support** by NCPs allowing TCNs and employers to better identify the procedure applicable to their cases.
SO 4 (incentivising cooperation on migration with third countries as part of a Talent Partnership)	+2	PO2 would **support the implementation of the Talent Partnerships** by providing a tool to facilitate the recruitment of TCNs who participated in activities organised in this context with employers established in the participating Member States. **Liaison Offices** in the partner countries would be established to further **support the registration** of the candidates' profiles. Additional facilitations such as the issuance of a 'Talent Partnership pass' would allow to flag profiles validated in this context, therefore contributing to facilitate matches and ensure better quality. All this will have a medium positive impact on incentivising cooperation with third countries in the context of Talent Partnerships.
Economic impacts		
Impact on growth and competitiveness [SGD 8]	+2	A **medium positive economic impact** would accrue from the international recruitment of **a higher**, whilst small, number of TCNs residing abroad to address skills and labour shortages at all skills levels that cannot be filled by domestic workforce. Thus, TCNs workers would marginally counteracts the ageing of EU population. In addition, this PO would ensure **better quality recruitment** to avoid mismatches and over-qualification (via pre-screening, matching tool and personalised support). This would **further benefit EU productivity and economic gains**. This PO is expected to have a positive impact on the GDP through additional wages (**around EUR 3.8 – 4.2 billion** with 11 to20 Member States participating) and minimal impact on public finances.
Impact on SMEs [SDG 8 and 9]	+2	Specific support to international recruitment would be **particularly beneficial for SMEs** as they are likely to bear a disproportionate burden when hiring TCNs in comparison to large enterprises due to more limited resources. Increased possibilities to recruit TCNs would boost SMEs growth perspectives. This PO would **provide medium positive benefits to SMEs** as it would entail **a wide pool of candidates**, specific tools **facilitating the matching**, **personalised guidance** by the NCPs as well as **online information** provision on recruitment, immigration and recognition procedures. In addition, by providing a focused pool of pre-screened candidates **better quality recruitment** would be ensured (see Annex on SMEs test). At the same time, a subset of SMEs that want to fill in job vacancies in occupations that are not of EU or national relevance would not be able to use the EU Talent Pool.
Impact on innovation and research	+2	This PO would result in a **moderate increase** in the number of skilled TCNs workers thanks to the higher rate of

		successful matches and the focused nature of this PO targeting occupations of EU and national relevance (including those relevant for R&D, especially in relation to the green and digital transition), this PO would have a **medium positive impact** on companies' capacity to conduct R&D**.**
Social and fundamental rights impacts		
Impact on EU citizens	+2	This PO would result in a **moderate increase in the number of TCNs workers**. Therefore, it is not expected to entail particular costs or disadvantages for EU citizens vis-à-vis the *status quo* and the potential **displacement effect on EU workers** is expected to be **limited**. Considering the limited migration increase, this PO would have a **positive impact on social cohesion** as it is not expected to increase social tension or a negative perception of migration. In addition, ensuring **protection against unfair recruitment** is expected to reduce downward pressure on wages resulting from exploitation and social dumping practices. The targeted approach would ensure complementarity of skills (TCNs would be recruited in occupations where domestic workforce is insufficient), that may also result in a **positive impact on wages**.
Impact on business and employers	+2	This PO would have a medium **positive impact on business and employers** as they would have an **easier, quicker, and wider, access to labour resources** from third countries, provided that they seek workers in occupations of the EU and national relevance. In addition, **better quality of matches** would be ensured via specific tools and personalised support. This PO would involve **processing of personal data** of employers as the as those data of employers who are natural persons or data of employers' representatives by interested Member States and the Commission. The proposed measures must therefore be based on Union a legislative act in compliance with the EU data protection *acquis.*
Impact on third country nationals	+2	This PO has a **medium positive impact on TCNs**, as it increases their chances to find a job and offers higher success rate in job matching. The integration of skills profiling and matching tools would avoid mismatches and over-qualification of TCNs. Overall, this PO would have a **positive impact on social cohesion** as it will contribute to TCNs' labour market participation and create a sense of interdependence with the local population. With regard to the **fundamental rights impacts**, this PO would enact the right to choose an occupation and engage in work [Article 15 of the Charter, and SDG 16] as well as the right to fair and just working conditions [Article 31 of the Charter] and non-discrimination (Articles 21 of the Charter)]. This PO would have a great positive impact on **protection of TCNs against discrimination**, **job quality and working conditions standards** [SDG 8 and 10] as it would reduce

		the risk of unfair recruitment through appropriate safeguards. The impacts on **protection of jobseekers' personal data** would be similar to those described above (impact on employers and businesses). The option of conducting also ID security checks during the screening of the candidates' profiles would not appear to be a necessary and proportionate measure considering that security checks are in any event conducted at a later staged during the immigration procedure, hence entailing a duplication of these checks.
Impacts on third countries	+2	In view of facilitating international recruitment to the EU, third countries may face the **risk of brain drain**. However, the increase of TCNs moving to the EU would be moderate in comparison with the baseline, making this impact limited. Due to the specificlink with Talent Partnerships, the risk of brain drain would be mitigated under this PO for matches conducted in this context, as Talent Partnerships are developed in a mutual beneficial way and relevant sectors as selected in common agreement with the partner country. The targeted nature of this PO, focusing only to specific occupations would further limit the risk of brain drain. This PO is expected to have a **positive impact on remittances**.
Environmental impacts		
	+2	This PO would **target sectors and occupations which are linked to the green transition**. Focused advertising among TCNs and concentrating the EU Talent Pool resources on facilitating recruitment of TCNs in those occupations, would result in increased number of "green" occupations being filled by TCNs. Thus, this PO would have a medium positive impact on the EU transition toward a green economy and therefore, a positive environmental impact.
Efficiency		
Administrative costs and cost/benefit effectiveness Practical or technical feasibility	+3	**Administrative costs**[190] This PO envisages development of an IT platform bringing together profiles of jobseekers from third countries and job vacancies of EU employer. The platform would integrate specific features to facilitate the identification and matching as well as the provision of information and support relevant for international recruitment procedures. The development of a new IT platform would generate important costs that would nevertheless be decreased by re-using some of the existing EURES IT components. There would also be costs related to the governance structure. An overview of the costs estimated under this PO is

[190] With regard to the costs after 2027, they are indicative and do not prejudge the available budget for this initiative under the MFF 2028-2034.

		provided below. Where costs vary depending on the number of Member States participating a range of costs is provided to cover the two scenarios with 11 or 20 Member States participating, respectively. (A detailed description of the assumptions underlying these calculations is provided in Annex 4 while the explanation of estimation of costs in Annex 10). This PO would entail: 1) **One-off costs for the IT development (2026-2027)**: Under this PO, IT costs are linked to the development of a new IT platform by partially re-using certain IT components of EURES. The vast majority of the IT costs is envisaged at EU level for the development of the relevant infrastructure which includes, for instance, the core system, the creation of the pre-screening tool, the creation of a database for TCNs profiles as well as relevant adaptations of the EURES components (e.g. automatic matching tool). Some marginal costs for making the national systems interoperable with the EU Talent Pool are also foreseen for the Member States. - Costs for the Commission to develop the EU Talent Pool IT platform: EUR 6 722 056 – 6 804 539 (with 11 to 20 Member States participating) - Funding costs for interoperability of the Member States' national systems with the EU Talent Pool IT Platform: EUR 2 672 400 – 4 175 625 (with 11 to 20 Member States participating) (for the Commission) **2) Recurrent yearly human resources costs[191]**: This PO would entail additional staff at EU level as the EU Talent Pool Secretariat would be established within the Commission. The Secretariat would be in charge of the development and management of the EU Talent Pool IT platform, the coordination with the National Contact Points, the preparation of the communication strategy and trainings as well as the monitoring activities. National Contact Points would be designated in the Member States as from 2026 and would be responsible for the practical implementation of the EU Talent Pool at national level, including with regard to the identification of shortage occupations at national level and the registration of relevant job vacancies in the platform. Moreover, in view of the link with the Talent Partnerships, dedicated Liaison Offices could be established by the Member States in the partner countries to support the registration of third country nationals' profiles as well as the

[191] Idem.

		issuance of the Talent Partnership Pass (after 2027). - Costs for the Commission: EUR 1 903 000 (13 FTEs) (10 FTEs until 2027, 3 FTEs after 2027). - Costs for the Member States: EUR 8 000 000 – 14 600 000 for the National Contact Points (33 – 66 FTEs with 11 to 20 Member States participating) and EUR 1 440 000 for the Liaison Officers (20 FTEs for 10 Talent Partnerships). (to be covered by AMIF) **3) Recurrent yearly costs for other activities and IT maintenance[192]**: - Costs for the Commission: EUR 1 906 255 – 1 947 497 (with 11 to 20 Member States participating) for activities linked to the coordination with the NCPs, the preparation of trainings, communication activities and the provision of online information as well as EUR 3 732 5000 – 3 813 299 (with 11 to 20 Member States participating) for IT maintenance (as from 2028). - Costs for the Member States (as from 2028): EUR 348 075 – 543 867 for IT maintenance at national level (with 11 to 20 Member States participating). **<u>Benefits</u>** • **Direct benefits** This PO would entail **cost savings** for employers and TCNs mainly linked to the time and efforts saved throughout the entire recruitment process (difficult to quantify in monetary terms).[193] The focused nature of this PO (only pre-screening candidates) and the link with Talent Partnerships will further contribute to making easier and faster successful matches. The possibility for Member State to introduce facilitation measures (e.g. fast track procedures, exclusion labour market test) for those recruited via the EU Talent Pool, would make procedure faster. Overall, putting such a tool at employers' disposal would offer them an alternative to costly external support (e.g. via recruitment agencies, social media and private recruitment platform). This would be particularly beneficial for SMEs. In particular, as the new platform would be free of charge, employers would be able to save costs normally linked to the recruitment process as they do not need to pay additional money to publish their vacancies online or request external support of recruitment agencies. This would result in **costs**

192 Idem.

193 The wider and easily accessible pool of candidates and job vacancies would streamline the identification phase. Personalised support and specific tools (e.g. standardised registration format via Europass, automatic matching tools, filters) would make the matching faster by significantly increasing the chances to find suitable candidates and job opportunities. Provision of information in the one-stop-shop would also support in this regard.

		saving for employers amounting to **EUR 150-400 per job vacancy** (**EUR 74 500 000 – 77 700 000** total savings across EU employers considering the total number of excpected successful matches via the EU Talent Pool with 11 to 20 Member States participating). Apart from the non-quantifiable time-saving mentioned above, this PO foresees the possibility for Member States to introduce fast-track immigration and recognition procedures to streamline the recruitment process. On this basis it is possible to quantify additional opportunity costs associated to this PO(additional wages and revenue gain for using the EU Talent Pool): (EUR 11 500 per employer and EUR 3 750 per TCN using the EU Talent Pool.[194] . (A detailed assessment is provided in Annex 10) • **Indirect benefits** Indirect benefits are also foreseen under this option. These benefits include the increased GDP resulting from a higher number of TCNs working in the EU. This would also result in additional fiscal contributions as well as in increased remittances for third countries. (A detailed explanation of the indirect benefits is provided in Annex 10). Different ranges of indirect benefits are provided below according to whether 11 or 20 Member States participate in the initiative. - Additional GDP: EUR 3.855 – 4.255 billion - Additional fiscal contributions: EUR 918 - 957 million - Additional remittances to third countries: EUR 712 - 748 million **<u>Practical and technical feasibility</u>** **No practical or technical difficulty** is to be expected as certain elements of the EURES IT solution would be re-used, therefore, simplifying the development of the IT platform.
Coherence with other EU policies		
In line with other EU policies, the New Pact on Migration and Asylum, and, in particular the Skills and Talent Package. As this PO would become a tool to implement Talent Partnerships it would be particularly beneficial to improving their effectiveness. It contributes to the European Year of Skills, and it is a key component of the Package on talent mobility. It is broadly consistent with EU economic and social policies, and it contributes to the Skills Agenda and the Pact for Skills, the Net Zero Industry Act and the Green Deal Industrial Plan.		
Overall assessment		
Overall, this PO will achieve all the SOs to a great extent, contributing positively to the achievement of the general objective of supporting international recruitment of TCNs to meet the EU skills and labour shortages. The potential users (employers and TCNs) would be		

[194] It was assumed that all Member States might introduce these measures.

relevant for occupations of EU and national relevance where domestic workforce is insufficient. Thus, this PO would focus on the actual labour market needs where workers from outside the EU is required. Concentrating the EU Talent Pool tools and efforts on targeted occupations of the EU and national relevance would increase number of successful job matches, including in the areas key for the digital and green transition. This would have a positive environmental impact, as more "green" occupations are expected to be filled in. Economic and social impacts, including impact on employers and SMEs, are considerd to be medium positive. Efficiency is high, in view of a very good costs/benefits ratio, partially in view of the re-use of certain EURES components. By supporting the implementation of the Talent Partnerships, this PO would incentivise cooperation with third countries on migration management very well and positively impact third countries.

6.3 Policy Option 3 - Developing an EU Talent Pool as a fully demand-driven tool (legislative option)

Assessment Criteria	Rate	**Assessment**
Relevance and effectiveness in achieving the objectives		
SO 1 (ensuring more effective international job matching)	+3	**Estimated additional successful matches (on top of baseline): 279 000 – 296 000** (for 11 to20 Member States participating) PO3 would significantly **improve the identification of EU employers and TCNs** workers by providing a pool of job vacancies and candidates. The **matching would be facilitated** via search filters functions and an automatic matching tool. **Personalised guidance and support** by National Contact Points as well as online information on recruitment rules would constitute additional support in that regard. These components would not only facilitate the matching but also ensure **better quality**. As TCNs would be reassured about the quality of the job in terms of standards on working conditions thanks to quality assurance checks, more TCNs would register in the EU Talent Pool, which would positively impact the number of matches. However, the open nature of this PO and the lack of a **screening of candidates' profiles** would entail lower quality of matches in comparison with PO2.
SO 2 (improving comparability of skills and qualifications obtained in third countries with those required at national level)	+2	Same assessment as per PO2 (see above)
SO 3 (improving understanding and access of immigration procedures)	+3	Same assessment as per PO2 (see above)

SO 4 (incentivising cooperation on migration with third countries as part of a Talent Partnership)	0	This PO has no impact on achievement of SO4. This PO is conceived as completely open tool to address labour market needs following a demand-driven approach. Therefore, it is not built to target specific labour market needs nor strategically support other existing initiatives such as Talent Partneships which also have a targeted approach focusing on certain sectors. While being open to all TCNs notwithstanding their origin country, this PO would not foresee the platform as a tool to specifically implement the Talent Partnerships.
Economic impacts		
Impact on growth and competitiveness [SGD 8]	+2	A **medium positive economic impact** would accrue from the international recruitment of a **higher**, whilst small, number of TCNs residing abroad to address skills and labour shortages at all skills levels that cannot be filled by the domestic workforce. TCNs workers would marginally counteracts the ageing of the EU population. This PO would **partially ensure better quality recruitment** to avoid mismatches and over-qualification (matching tools and personalised support). This would **further benefit EU productivity and economic gains**. However, the open nature of this initiative and the lack of a pre-screening on candidates would entail a **lower impact on the quality of matches**. This PO is expected to have a higher positive impact on GDP through additional wages (**around EUR 3.9 – 4.4 billion** with 11 to 22 Member States participating) and on public finances.
Impact on SMEs [SDG 8 and 9]	+2	Specific support to international recruitment would be **particularly beneficial for SMEs** as they are likely to bear a disproportionate burden when hiring TCNs in comparison to large enterprises due to more limited resources. Increased possibilities to recruit TCNs would boost SMEs growth perspectives. This PO would **largely benefit SMEs** as it would entail a wide pool of **easily accessible** candidates, specific tools **facilitating the matching** (e.g. filters and automatic matching tool), **personalised guidance** by the National Contact Points as well as **online information** provision on recruitment, immigration and recognition procedures. However, the positive impact of the higher number of candidates would be reduced by the lower rate of successful and quality matches in view of the lack of pre-screening. On the other hand, allowing employers to fill job vacancies from all occupations would entail more flexibility and a wider coverage of potential candidates for SMEs.
Impact on innovation and research	+2	Compared with the baseline, the **moderately increased** number of skilled TCNs workers would have a **limited positive impact** on companies' capacity to conduct R&D. The impact on the **EU's overall capacity for innovation and research** would be moderate and largely dependent on the type of companies making use of the tool.
Social and fundamental rights impacts		

Impact on EU citizens	+2	This PO would result in a **moderate increase in the number of TCNs workers**. Therefore, it is not expected to entail particular costs or disadvantages for EU citizens vis-à-vis the status quo and the potential **displacement effect on EU workers** is expected to be **limited**. Considering the limited migration increase, this PO would have a **positive impact on social cohesion** as it is not expected to increase social tension or a negative perception of migration. In addition, ensuring **protection against unfair recruitment** is expected to reduce downward pressure on wages resulting from exploitation and social dumping practices.
Impact on business and employers	+2	This PO would have a **positive impact on business and employers** as facilitated international recruitments will provide them with **easier, quicker, and wider, access to labour resources** from third countries (whilst with a lower success rate compared with PO2). In addition, **better quality of matches** would be ensured via specific tools and personalised support. This PO would involve **processing of personal data** of employers as personal data of employers who are natural persons or those of employers' representatives by interested Member States and the Commission. The proposed measures must therefore be based on a Union legislative act in compliance with the EU data protection *acquis*, including the principles of purpose limitation, data minimisation, storage limitation and data security.
Impact on third country nationals	+2	There would be a **positive impact for TCNs** because their possibilities to find a job in the EU and be recruited would increase. The integration of skills profiling and matching tools as well as quality checks on employers would avoid mismatches and over-qualification of TCNs. Overall, this PO would have a **positive impact on social cohesion** as it will contribute to TCNs' labour market participation and create a sense of interdependence with the local population. With regard to the **fundamental rights impacts**, this PO would enact the right to choose an occupation and engage in work [Article 15 of the Charter, and SDG 16] as well as the right to fair and just working conditions [Article 31 of the Charter] and non-discrimination (Articles 21 of the Charter)]. This PO would have a great positive impact on **protection of TCNs against discrimination**, **job quality and working conditions standards** [SDG 8 and 10] as it would reduce the risk of unfair recruitment **via quality assurances checks on employers**. By contrast, the alternative of not conducting quality assurance checks on employers following their registration, would have a negative impact on TCNs as it would not mitigate the risk of the unfair recruitment. The impacts on the **protection of personal data** are similar to those described above (impact on employers and business)

Impact on third countries	0/+1	This PO would have an impact on third countries as facilitating international recruitment and, therefore, making the EU more attractive, third countries may face the **risk brain drain**. However, the increase of TCNs moving to the EU would be small in comparison with the baseline, making this impact limited. As no special link with Talent Partnerships is envisaged, no specific mitigation to the risk of brain drain is expected with the relevant partner countries. In addition, the open nature of this initiative, potentially attracting TCNs in all occupations, would entail a greater risk of brain drain in third countries. This PO is expected to have a **positive impact on remittances**.
Environmental impacts		
	+1	As this PO would not be targeted to specific sectors linked to the green transition it is not expected to have particularly significant environmental impacts.
Efficiency		
Administrative costs and cost/benefit effectiveness Practical or technical feasibility		**Administrative costs**[195] This PO envisages the development of an IT platform bringing together profiles of jobseekers from third countries and job vacancies of EU employers. The platform would integrate specific features to facilitate the identification and matching as well as the provision of information and support relevant for international recruitment procedures. This PO would involve significant costs in view of the development of a completely new IT platform without re-using EURES IT components. The mandatory introduction of facilitation measures (e.g. fast-track immigration procedures) would also entail higher costs. There wouldalso be costs related to the governance structure. An overview of the costs estimated under this PO is provided below. Where costs vary depending on the number of Member States participating, a range of costs is provided to cover the two scenarios with 11 or 20 Member States participating, respectively. (A detailed description of the assumptions underlying these calculations is provided in Annex 4 while the explanation of estimation of costs in Annex 10). **1) One-off costs for the IT development (2026-2027):** Under this PO, IT costs are linked to the development of a new IT platform without re-using EURES IT components. The new job-matching system would be developed using AI-based algorithms inspired by existing private sector platforms

[195] Costs after 2027 are indicative and do not prejudge the available budget for this initiative under the MFF 2028-2034.

		(e.g. including cutting-edge technologies such as advanced language programs, AI-driven algorithms, and an enhanced user experience). Hence, important costs are envisaged under this PO with regard to the IT development. The vast majority of the IT costs is envisaged at EU level for the development of the relevant infrastructure which includes, for instance, the core system, the creation of the screening and matching tool, and the creation of a database for TCNs profiles. Some marginal costs for making the national systems interoperable with the EU Talent Pool are also foreseen for the Member States. - Costs for the Commission: EUR 10 275 409 – 10 647 243 (with 11 to 20 Member States participating) - Funding for interoperability of the Member States' relevant national systems with the EU Talent Pool IT Platform : EUR 7 748 000 – 12 106 250 (with 11 to 20 Member States participating) (to be covered by AMIF). **2) Recurrent yearly human resources costs[196]**: As per PO2, this PO would entail additional staff at EU level as the EU Talent Pool Secretariat would be established within the Commission. The Secretariat would be in charge of the development and management of the EU Talent Pool IT platform, the coordination with the National Contact Points, the preparation of the communication strategy and trainings as well as the monitoring activities. National Contact Points would be designated in the Member States as from 2026 and would be responsible for the practical implementation of the EU Talent Pool at national level. In particular, a great involvement of the National Contact Points would result from the higher number of users (employers and TCNs) potentially requiring their support. - Costs for the Commission: EUR 1 903 000 (13 FTEs) - Costs for the Member States' National Contact Points (to be covered by AMIF): EUR 17 600 000 – 32 000 000 for the National Contact Points (55 – 100 FTEs with 11 to 20 Member States participating). **3) Recurrent yearly costs for other activities and IT maintenance[197]:** - Costs for the Commission: EUR 4 924 600 – 5 797 000 (with 11 to 20 Member States participating) for activities linked to the coordination with the NCPs, the preparation of trainings, communication activities and the provision

196 Idem.
197 Idem.

		of online information as well as EUR 3 562 401 – 3 748 318 (with 11 to 20 Member States participating) for IT mantainance. - Costs for the Member States: EUR 1 016 925 – 1 588 945 for IT maintenance at national level (with 11 to 20 Member States participating). Additional costs for Member States would result from the implementation of the obligation to set up fast-track immigration and recognition procedures, amounting to: Fast-track immigration procedures[198]: EUR 47 430 000 – 50 320 000 (with 11 to 20 Member States participating) Fast-track recognition procedures: EUR 16 740 000 – 17 760 000 (with 11 to 20 Member States participating). **<u>Benefits</u>** • **Direct benefit**s As per PO2, this PO would entail cost savings for employers and TCNs mainly linked to the time and efforts saved throughout the entire recruitment process (difficult to quantify in monetary terms).[199] The open nature of this PO entails a larger number of registered candidates which would make more complex the identification and matching in comparison with PO2. As per PO2, putting such a tool at the employers' disposal would offer them an alternative to costly external support (e.g. via recruitment agencies, social media and private recruitment platform). This would be particularly beneficial for SMEs. In particular, as the new platform would be free of charge employers would be able to save costs normally linked to the recruitment process as they do not need to pay additional money to publish their vacancies online or request external support of recruitment agencies. This would result in costs saving for employers amounting to EUR 150-400 per job vacancy (EUR 76 725 000 – 81 400 000 total savings across EU employers with 11 – 20 Member States participating) Apart from non-quantifiable time savings mentioned above, this PO foresees the obligation for Member States to

198 Estimations of fast-track procedures were based on the current practices in Member States that implement them. A detailed explanation on how thses costs where estimated is provided in Annex 10.

199 A single, wider and easily accessible pool of candidates and job vacancies would streamline the identification phase. Personalised support and specific tools (e.g. standardised registration format via Europass, automatic matching tools, filters) would make the matching faster by significantly increasing the chances to find suitable candidates and job opportunities. Provision of information in one-stop-shop would also support in this regard.

		introduce fast-track immigration and recognition procedures to streamline the recruitment process. On this basis opportunity costs associated to this PO were quantified (additional wages and revenue gain for using the EU Talent Pool): EUR 11 500 per employer and EUR 3 750 per TCN using the EU Talent Pool.[200] (A detailed assessment is provided in Annex 10). • **Indirect benefits** Indirect benefits are also foreseen under this option. These benefits include the increased GDP resulting from a higher number of TCNs working in the EU. This would also result in additional fiscal contributions as well as in increased remittances for third countries. (A detailed explanation of the indirect benefits is provided in Annex 10). Different ranges of indirect benefits are provided below according to whether 11 or 20 Member States participate in the initiative. Additional GDP: EUR 3.968 – 4.458 billion Additional fiscal contributions: EUR 945 million – 1 billion Additional remittances to third countries: EUR 739 - 784 million **<u>Practical and technical feasibility</u>** With regard to the practical or technical feasibility, the alternative envisaging automated quality assurance checks on employers via new IT solutions would entail a high degree of complexity going beyond what is considered proportional. As employers should be screened against national legislation standards, this solution would require the development of several different screening formats considering that each Member State has different rules on standard working conditions which also vary depending on the specific occupations.
Coherence with other EU policies		
In line with other EU policies, the New Pact on Migration and Asylum and the Skills and Talent Package. It contributes to the European Year of Skills and it is a key component of the Package on talent mobility. It is broadly consistent with EU economic and social policies, and it contributes to the Skills Agenda and the Pact for Skills, the Net Zero Industry Act and the Green Deal Industrial Plan.		
Overall assessment		

[200] Considering that 279 000 – 296 000 successful matches are expected under this PO, the maximum total gain in wages would reach around EUR 1 074 886 000 – 1 140 380 000 for TCNs and EUR 3 224 658 000 – 3 421 143 000 revenue gain for employers.

Overall, this PO will achieve the general objective to an important extent, while not addressing the issue of incentivising cooperation with third countries. The coverage of potential users registering on the platform and expected successful matches would be relatively high in view of the open nature of this PO. However, while this PO would potentially address labour and skills shortages to a greater extent, the open approach is expected to provide with lower quality of candidates' profiles (resources would not be focused on assessing and targeting specific profiles). Economic and social impacts, including impact on employers and SMEs is medium positive. Efficiency is low as the costs/benefits ratio between developing a costly and totally new IT system compared to the estimated number of additional job-matches, is not very positive.

7. HOW DO THE OPTIONS COMPARE?

The table below provides an overview of the ratings of the impacts of each Policy Options, on a score from -3 to +3 (-3 indicating the most negative impact, +3 indicating the most positive impact). While these ratings allow for a comparison between options, the various ratings for a particular option cannot be cumulated since there is no objective basis to weigh one assessment criterion over another.

Table 4: How do the options compare?

	Baseline	PO1	PO2	PO3
Effectiveness				
Relevance and effectiveness in achieving the objectives				
SO1	0	+1	+3	+3
SO2	0/+1	+1	+2	+2
SO3	0/+1	+2	+3	+3
SO4	0	0	+2	0
Economic impacts				
Impact on growth and competitiveness	0	+1	+2	+2
Impact on SMEs	0	+1	+2	+2
Impact on innovation and research	0	0/+1	+2	+2
Social and fundamental rights impacts				
- Impact on EU citizens	0	+1	+2	+2
- Impact on business and employers	0	+1	+2	+2
- Impact on third country nationals	0/+1	+1	+2	+2
- Impact on third countries	0	+1	+2	+1
Environmental impacts				
	0	0	+2	+1
Efficiency				
- Administrative costs and cost/benefit effectiveness - Practical of technical feasibility	0	+1	+3	+1

EFFECTIVENESS

In terms of effectiveness in achieving the objectives, PO2 and PO3 are equally effective with regard to the achievement of SOs 1, 2 and 3, having either a significantly or moderately positive impact on facilitating different aspects of international recruitment. Although PO3, covering all occupations, is expected to result slightly more matches than PO2, the open nature of this PO would have a moderate adverse effect on the overall quality of the matches in comparison to PO2. Concentrating tools and personalised support on occupations of the EU

and national relevance under PO2 would guarantee the highest concentration of matches in the key areas for the EU twin transition and future prosperity as well as the strategic labour market needs relevant for the Member States. At the same time a subset of employers whose job vacancies are not of the EU and national relevance would not be able to use the Talent Pool under PO2. Lastly, PO2 is the only PO that would incentivise cooperation on migration with third countries (SO3), by providing a platform supporting effective implementation of the Talent Partnerships that, in turn, would better engage key partner countries on migration management. PO1 is the least effective in view of its limited scale and functionalities that can be developed by using a non-legislative instrument.

In terms of economic impacts, PO1 is estimated to have a small positive impact, in view of its limited coverage. PO2 and PO3 would both have a comparable medium positive impact but for different reasons. Both POs would guarantee to employers, in particular SMEs, access to a wider pool of candidates, tools facilitating recruitment, information and personalised support that would result in an increased number of recruitments. However, in comparison to PO2, PO3 would have a slightly higher number of matches which would result in additional wages. As a result, PO3 is estimated to have an higher contributibution to GDP than PO2. PO3. On the other hand, PO2, in view of its targeted nature, would guarantee better quality of candidates whose profile is more aligned with priorities of Member States labour migration system and the EU strategic interests like the twin transition and future prospeirty.

As regards social and fundamental rights impacts, PO1 would have small positive social impacts. Both PO2 and PO3 would have medium positive impact on employers, EU citizens and TCNs. They would increase moderately the number of TCNs that could fill in the EU skills and shortages that employers are facing, while not increasing substantially the risk of displacement of the EU citizens and positively impacting social cohesion. Both PO2 and PO3 are also equal in terms of reducing the risk of unfair recruitment. PO 2 has nevertheless the highest positive impact on third countries given its link with Talent Partnerships.

With regard to environmental impacts, PO2 scores the highest among the assessed POs as it focuses on sectors and occupations of the EU and national relevance, hence also those linked to the green transition. Targeted advertising and concentrating the EU Talent Pool resources on facilitating recruitment of TCNs in those occupations, would increase number of “green” occupations being filled by TCNs. Despite the fact that PO3 would result in higher number of matches in absolute terms, its lack of focus would not necessarily increase the number of “green” occupations filled by TCNs.

EFFICIENCY

In terms of efficiency, PO2 guarantees the best cost/benefits ratio. In terms of governance costs at the EU level, PO2 and PO3 are comparable. By contrast, the costs for national administrations are higher under PO3 as more staff would be needed in the NCPs in view of the EU Talent Pool open to all sectors and for the migration authorities to implement mandatory fast-track migration procedures. In terms of IT costs, PO3 generates more costs as it entails establishing a completely new IT system. As for PO1, it generates the lowest costs in view of its limited scale and non-availability of advanced functionalities foreseen in PO2 and PO3. At the same time, its also entails relatively small cost savings for employers and TCNs. In addition, developing an online catalogue of profiles via a non-legislative instrument would require a number of technical, legal and practical efforts which are disproportionate in comparison with the limited benefits envisaged under this PO. As for costs savings, EU Talent Pool under each POs would be free for users. Employers and business would be able to benefit from time savings linked to the the time and efforts saved throughout the entire recruitment process (difficult to quantify). Opportunity costs are also associated with both PO2 and PO3 (additional wages and revenue gain for using the Talent Pool). In addition, indirect benefits

linked to the additional GDP, fiscal contributions and increased remittances for third countries are foreseen under each option. As those benefits result from the higher number of TCNs working in the EU, they vary under each policy option according to the number of expected successful matches. The table below provides an overview of how the different policy options compare in terms of costs/benefits analysis.

Table 5: Overview of how the different policy options compare in terms of costs/benefits analysis

	Costs				***Benefits***	
	Citizens	**Business**	**Administrations**	**EC**	**Direct**	**Indirect**
PO1	n/a	n/a	*Recurrent:* EUR 1 683 000 – 3 060 000	*Recurrent:* EUR 3 078 633 – 3 086 514 *One-off:* EUR 4 069 883 – 4 085 644	Time savings (non-quantifiable): the time and efforts saved throughout the entire recruitment process	GDP: EUR 235-260 million
					Opportunity costs: n/a	Fiscal contribution: EUR 56-59 million
					Cost-savings: n/a	Remittances: EUR 44-46 million
PO2	n/a	n/a	*Recurrent:* EUR 9 788 075 – 16 583 867 *One-off:* EUR 2 672 400 – 4 175 625	*Recurrent:* EUR 7 332 755 – 7 947 497 *One-off:* EUR 6 722 056 – 6 804 539	Time savings (non-quantifiable): the time and efforts saved throughout the entire recruitment process	GDP: EUR 3.855-4.255 billion
					Opportunity costs: ○ For employers: EUR 3 132 195 000 – 3 265 111 000 ○ For TCNs: EUR 1 044 065 000 – 1 088 370 000	Fiscal contribution: EUR 918-957 million
					Cost-savings: EUR 74 500 000 – 77 700 000	Remittances: EUR 712-748 million
PO3	n/a	n/a	*Recurrent:* EUR 82 786 925 – 101 588 945 *One-off:* EUR 7 748 000 – 12 106 250	*Recurrent:* EUR 10 390 001 – 11 448 318 *One-off:* EUR 10 275 409 – 10 647 243	Time savings (non-quantifiable) : the time and efforts saved throughout the entire recruitment process	GDP: EUR 3.968-4.458 billion
					Opportunity costs: ○ For employers: EUR 3 224 658 000 – 3 421 143 000 ○ For TCNs: EUR 1 074 886 000 – 1 140 380 000	Fiscal contribution: EUR 945 million – 1 billion
					Cost-savings: EUR 76 725 000-81 400 000	Remittances: EUR 739-784 million

COHERENCE

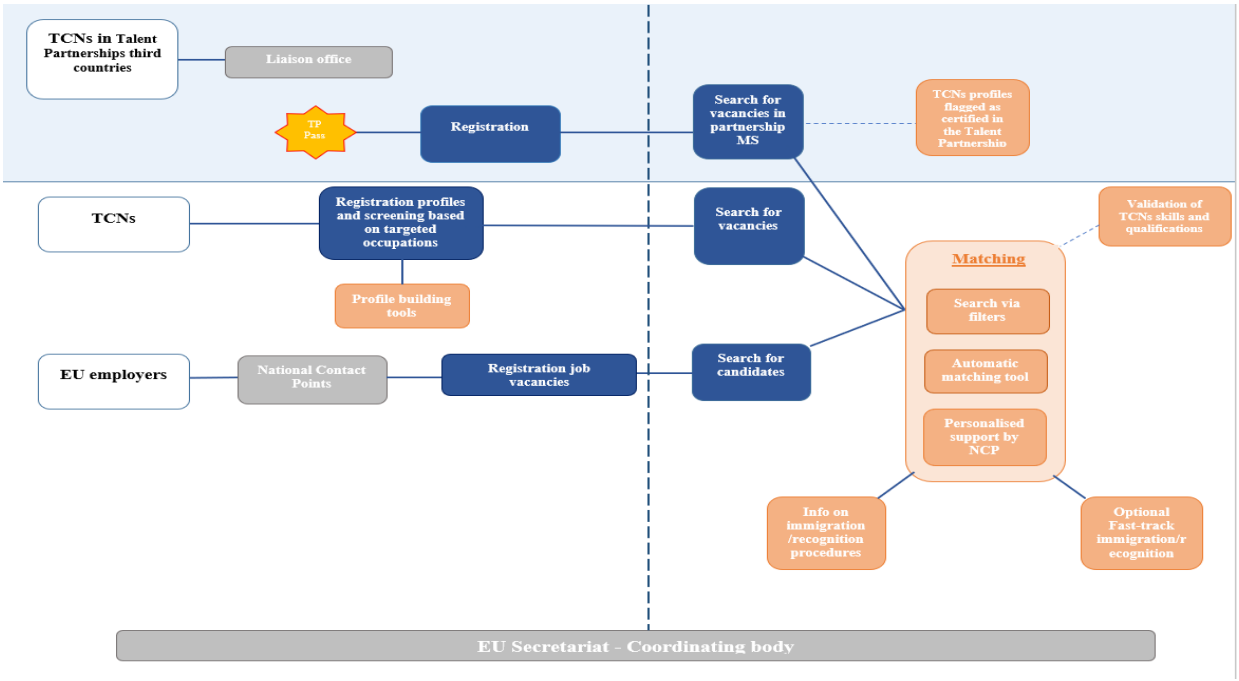
All three POs would be in line with both EU migration as well as social and economic policies. They would contribute to the European Year of Skills as a key component of the package on talent mobility.

8. PREFERRED OPTION

After the assessment of the impacts, effectiveness and efficiency of the POs, as well as stakeholders' acceptance **the preferred option is PO2**. This option is the one that the most effectively addresses the problem drivers as well as the associated costs and impacts, and achieves the objectives of the initiative in the best way. This option is the most economically convenient to reach the objectives of this initiative.

The preferred option notably includes the **development of a voluntary tool** for interested Member States with a targeted **approach focusing on certain occupations** of EU and national relevance with **specific facilitations for Talent Partnerships**. The EU Talent Pool platform would integrate **specific tools** to facilitate the identification and matching, while benefitting from re-using of certain EURES IT components. The visual below provides an overview of the functioning of the preferred PO.

Figure 4: Overview of the functioning of the preferred policy option



** The boxes in grey indicate the governance structure, those in blue the user journey while the orange identify the main functionalities of the tool.*

The targeted nature of this PO would allow to develop a **strategic approach to the EU labour market needs**. The identification of occupations of EU and national relevance would enable to specifically target occupations suffering from structural labour and skills shortages where there is an actual need to attract TCNs from abroad. This PO would allow to address shortages at all skills levels. The list of relevant occupations would be identified on the basis of the national shortages occupations lists hence taking into account Member States' national, and regional specific needs. Therefore, the preferred policy option would have a particularly positive impact

on **strategic sectors** suffering from structural shortages such as the **healthcare sector and sectors linked to the green and digital transition**.

The **voluntary approach** would provide a tool facilitating international recruitment at disposal of interested Member States. This initiative does not aim at imposing any obligation on Member States nor orienting their talent attraction policies but rather **offering additional support at EU level** as this would not be achieved effectively by the Member States individually.[201] Hence, Member States would be able to maintain their tools in place and complement them with the new platform. The preferred option would be **particularly beneficial** for Member States suffering from the greatest labour and skills shortages and having a declining working age population.

In addition, the targeted nature of this initiative requiring a **pre-screening** of the candidates' profiles, would allow to achieve the general objective to a greater extent. In particular, while contributing to addressing labour and skills shortages the preferred option would provide for quality profiles, therefore **favouring quality of profiles over quantity**.[202]

Making the EU Talent Pool the tool for job placements in the context of the **Talent Partnerships** would facilitate the implementation of this initiative and, hence, indirectly contribute to the overall migration management by incentivising cooperation with third countries on migration.

Overall the preferred PO would **benefit employers and TCNs** as it would make international recruitment faster, easier and more effective. Those benefits are mainly linked to **time-savings** across the various steps of the recruitment process. In addition, as **cost savings** for employers would result from the fact that the new platform would be free to use for business. A detailed description of the benefits for employers and TCNs is provided in Annexes 3 and 10.

While this PO would imply **costs** linked to the development and management of the platform both at EU and national level, re-using certain IT elements of EURES would allow higher saving in terms of resources. In addition, synergies with EURES would allow to build on the well- established expertise of this network on recruitment procedures.

The use of a legislative option would allow to include appropriate **safeguards and ensure transparency and accountability on fundamental rights protection**, in particular with regard to protection of personal data and the risk of exploitative working conditions. This is particularly important considering the specific risk of vulnerability when TCNs are concerned.

8.1 REFIT (simplification and improved efficiency)

The preferred option is not expected to result in any simplification of a regulatory burden.

8.2 One in, one out approach

The 'one in, one out' approach refers to the principle whereby each legislative proposal creating new burdens should relieve people and businesses of an equivalent existing burden at EU level in the same policy area. The preferred option is not expected have any new or removed administrative burden on businesses and citizens.

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201 Member States acting alone, may not be able to compete internationally for third-country workers. This is even more apparent for smaller Member States facing greater difficulties in attracting TCNs from abroad due to their limited visibility, and resource limitations.

202 The use of profile building (e.g. Europass) and automatic matching tools coupled with the personalised assistance by the NCPs would further go in this direction. Similarly, the preferred option would mitigate the **risk of unfair recruitment** and avoid mismatches and overqualification. While these tools are also included under PO3, the targeted nature of PO2 would allow to **better focus resources and expertise** to ensure **better quality** of matches therefore building employers and TCNs trust on the tool and making it more effective (e.g. better support NCPs and more precise automatic matching tool).

9. HOW WILL ACTUAL IMPACTS BE MONITORED AND EVALUATED?

The actual impacts of the preferred option will be monitored and evaluated against the specific objectives. Indicators will be defined in the legislative act foreseen according to the preferred option. Data will be collected using a wide range of sources including already existing ones (e.g. Eurostat, Cedefop). Existing sources and databases would allow to monitor current trends in relation to the labour market situation and migration flows. A clear understanding of the actual labour market needs and TCNs workers would enable to efficiently adapt the EU Talent Pool over time (e.g. modifying the list of occupations of EU and national relevance). New data will be collected via the new IT platform as well as information provided by the National Contact Points (e.g. number of registered CVs and job vacancies, successful matches, etc). This would allow to monitor the effectiveness and success of the initiative in achieving the specific objectives.

The following table presents a series of headline indicators that could be used to measure the achievement of each of the objectives under the preferred option.

Table 6: Indicators to measure the achievement of the specific objectives

Objective	Indicators	Data sources
GO	1. No. of unfilled vacancies by occupation in each MS	1. EURES Report, Cedefop Skills forecast, Eurofound Report
	2. No. of visa and work permits issues for employment purposes	2. Eurostat and Europop
	3. No. of TCNs registered to the EU Talent Pool	3. Data extracted from the platform
	4. Percentage of TCNs registered successfully pre-screened	4. Data extracted from the platform
SO 1	1. Length of the recruitment procedure via the EU Talent Pool	1. Survey to users
	2. Facilitation measures in place in the Member States	2. Information from NCPs
	3. Percentage of successful matches	1. Survey to users and NCPs
SO 2	1. Usefulness of online information provision on recognition procedures	1. Data on usage online information extracted the platform
	2. No jobseekers and employers that obtained personalised support by NCPs on recognition procedures	2. Survey to users
SO 3	1. Usefulness of online information provision on immigration procedures	1. Data on usage online information extracted from the platform
	2. No jobseekers and employers that obtained personalised support by NCPs on immigration procedures	2. Survey to users
SO 4	1. No. of MS and third countries involved in Talent Partnerships	1. National authorities
	2. No of TCNs participating in the Talent Partnerships	2. National authorities
	3. No. of registered TCNs in the context of a Talent Partnership	3. Liaison officers
	4. No of successful matches in the context of a Talent Partnership	4. Survey to TCNs registered in the context of a Talent Partnerships

ANNEX 1
PROCEDURAL INFORMATION

1. Identification of the lead DG:

DG Migration and Home Affairs (DG HOME) is the lead DG with DG for Employment, Social Affairs and Inclusion (DG EMPL) associated to the initiative.

2. Organisation and timing

The **New Pact on Migration and Asylum** of 23 September 2020[203] committed to 'further explore an EU Talent Pool for third-country skilled workers which could operate as an EU-wide platform for international recruitment'.

The **Skills and Talent Package**[204] launched in April 2022, sets out a new approach to legal migration aimed at attracting and retaining talent to foster growth and innovation. The Package includes a number of proposals to develop an ambitious and sustainable EU legal migration policy. As part of these proposals, the Commission announced the development of an EU Talent Pool.

The Commission launched the **EU Talent Pool Pilot**[205] in October 2022 to help integrate people fleeing Ukraine into the EU labour market. The EU Talent Pool will take into account the lessons learned from this Pilot.

The need to attract the right skills to the EU was also mentioned by President von der Leyen in her **2022 State of the Union**[206] where the **European Year of Skills**[207] was announced as an opportunity to make Europe more attractive for skilled workers.

The EU Talent Pool will contribute to the European Year of Skills and will be a key component of the initiative included in the **European Commission's Package on talent mobility** (Commission's work programme for 2023[208]).

The **Call for evidence**[209] providing an overview of the initiative and envisaged policy options was published on 16 of February 2023 and remained open for feedback until 16 March 2023 (a detailed assessment of the feedback received is provided in Annex 2).

The **Impact Assessment report** (IA report) is based on a number of studies and existing literature, reports and background research. A study from an external contractor was launched in March 2023 to inform the IA report.

In addition, **extensive targeted consultations** were conducted in the context of this initiative between March and June 2023.

Previous consultations were also taken into account in the preparation of the IA report.

In particular, the input collected during the Public consultation on legal migration carried out in 2020 was considered[210]. In addition, extensive consultations were conducted with relevant

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203 COM(2020)609 final.
204 COM/2022/657 final.
205 https://eures.ec.europa.eu/eu-talent-pool-pilot_en.
206 https://state-of-the-union.ec.europa.eu/state-union-2022_en.
207 Proposal for a Decision of the European Parliament and of the Council on a European Year of Skills 2023, COM/2022/526 final https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022PC0526.
208 COM(2022)548 final.
209 EU Talent Pool (europa.eu).

stakeholders in the context of the **OECD feasibility study on the Talent Pool**[211], finalised in June 2022, and the **preparatory work to the Skills and Talent Package**.

The EU Talent Pool was also recently assessed in the **European Economic and Social Committee** (EESC) and the **European Committee of the Regions** (CoR)'s **opinions** on the Skills and Talent Package.[212] In addition, recommendations on the EU Talent Pool were included in the **two resolutions on legal migration of the European Parliament**[213].

Inter-Service Steering Group

The Inter-service Steering Group (ISG) was set up by the Secretariat-General to assist in the preparation of the initiative as part of the wider Package on talent mobility. A specific subgroup on the EU Talent Pool was created. The representatives of the following Directorates-General participated in the ISG work: BUDG, CNECT, COMM, EAC, ECFIN, EEAS, EMPL, ESTAT, GROW, JUST, JRC, INTPA, MOVE, NEAR, REFORM, REGIO, RTD, SANTE, TRADE, SG and the Legal Service. The ISG met two times, on 18 January 2023 and 15 June 2023. Written consultations within the ISG were conducted three times (on the Inception and Final report of the external contractor as well as on the IA report).

The first ISG meeting of 18 January 2023[214] introduced the policy initiative and the expected timeline. A presentation of the Call for Evidence, Consultation Strategy and Terms of Reference was provided. The presentation highlighted the main problems and challenge**s** identified as well as the corresponding objectives that the initiative aims to achieve.

The second ISG on 15 June 2023[215] meeting reported on the progress of the preparation of the abovementioned package, to be adopted in the context of the European Year of Skills. The interim report of the study feeding into the Impact Assessment was presented, followed by a tour de table to discuss the main comments. Participants were given the possibility to share written comments in a later stage.

In addition, the ISG participants were consulted five times:

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210 The public consultation was launched in the framework of the New Pact on Migration and Asylum on 23 September 2020, and was open until 30 December. This public consultation aimed to identify areas where the EU framework on legal migration could be further improved, including through possible new legislation. It also covered the EU Talent Pool. In particular, questions relevant for the establishment of an EU Talent Pool were included (4 out of 13 questions). Questions concerned the identification of occupations in which the EU will mostly need to recruit third-country nationals in the coming years, the main objectives the EU Talent Pool should achieve and possible admission criteria to the EU Talent Pool, with a final open question on how to improve the EU legal migration policy. The consultation also allowed participants to submit a position paper.

211 An EU Talent Pool - OECD. The consultations conducted in the framework of the OECD feasibility study included relevant public and private sector actors, at the European, national and regional level, as well as academics and experts. Public sector actors included relevant ministries, regional entities, national talent attraction initiatives, and employment services. Private sector actors included employer representatives, multinational enterprises, unions, recruitment agencies. European Commission services, competent EU agencies and entities managing or contributing to European existing pools were also consulted.

212 EESC Opinion on Legal Migration –Skills and Talent Package, SOC/733, 26 October 2022 and CoRs Opinion on Legal Migration – Attracting Skills and Talent to the EU, CIVEX-VII/0171 December 2022.

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

214 Participants: SG, HOME, EMPL, GROW, RTD, SANTE, MOVE, INTPA, BUDG, SJ, REFORM, NEAR, TRADE, ECFIN, ESTAT, EAC.

215 Participants: SG, HOME, EMPL, GROW, RTD, SANTE, MOVE, INTPA, BUDG, SJ, REFORM, NEAR, TRADE, ECFIN, ESTAT, CNECT, EAC, EEAS, JRC, JUST.

- Following the ISG meeting of 18 January 2023, ISG representatives were invited to provide written comments on the Call for Evidence and Consultation Strategy, and the Terms of Reference for the study supporting the Impact Assessment;
- On 27 March 2023, the Inception Report submitted by the contractor was shared with the ISG representatives and they were invited to provide comments;
- On 5 June 2023, the Interim Report submitted by the external contractor was shared with ISG representatives and they were invited to provide written comments;
- On 4 August 2023, the ISG representatives were consulted in writing on the Final Report submitted by the external contractor;
- On 28 August 2023, the finalised IA report was shared to the ISG for written contributions prior submission to the RSB.

Bilateral meetings with other Commission services

Furthermore, DG HOME has held a number of bilateral meetings with several Commission services including with DG EMPL, LS, GROW, SG and SJ. As DG EMPL is associated to the initiative, recurrent bilateral meetings between DG HOME and DG EMPL were organised to ensure close cooperation in the preparation of the initiative.

On 5 May 2023, a joint meeting with HOME, SG, LS, EMPL, GROW, EAC and BUDG, was organised to discuss key aspects for the design of the initiative.

External meetings and consultations

The initiative touches upon different policy areas including, migration, employment and recognition of qualifications related aspects. Therefore, extensive consultations were conducted with a wide range of stakeholders and experts from different backgrounds. Meetings and ad-hoc consultations with EU institutions and agencies, international organisation, Member States, expert groups, high-level groups, think tanks, and civil society were organised. A full overview of the consultations conducted is available in Annex 2.

3. Consultation of the Regulatory Scrutiny Board

On 8 September 2023, Directorate-General for Migration and Home Affairs submitted the draft Impact Assessment to the Regulatory Scrutiny Board, which examined the draft Impact Assessment on 27 September 2023 The Board issued a positive opinion with reservations on 28 September 2023. The Board pointed to a number of elements of the impact assessment that should be addressed. The table below summarises the main recommendations for improvement, and how they have been addressed in this Impact Assessment report.

Main recommendations for improvement	**Modifications in the IA report**
1. Better describe the expected practical functioning of the EU Talent Pool platform, in particular with regard to its links	• The description of the policy options has been improved by providing further details and clarifications on the practical functioning of the EU Talent Pool platform, in particular with regard to the voluntary nature of the tool, the identification of the targeted occupations, the role of the national authorities, the platform's IT components and its interoperability with the national systems, the registration, the screening and the validation of jobseekers profiles as well as the personalised support provided by the National Contact

with the Talent Partnerships.	Points. • The interlinks between the EU Talent Pool and the Talent Partnerships has been clarified in the report. To this purpose, additional background information on the current state of play of the Talent Partnerships has been included. In addition, it was further explained how the EU Talent Pool would articulate with the Talent Partnerships and which specific features are foreseen to this end. It was clarified that the EU Talent Pool would not constitute the only way to implement the Talent Partnerships and Member States participating in a Talent Partnership would not be required to use this tool for job placements.
2. Clarify the assumptions behind the gradual participation of the interested Member States.	• A detailed explanation of the expected uptake of the initiative by the Member States has been included in the report. In particular, it was clarify that while the initiative would be designed to be attractive as many Member States as possible, it is likely that their participation would be a gradual process with only some Member States joining in the first years of operation and a progressive increase expected in the long run. The assumptions behind this consideration have been clarified in the report further information on the consultations with Member States was included. • In order to provide a clear and realistic assessment of costs and impacts which are dependent on the uptake of the initiative it was assumed that a minimum of 11 Member States and a maximum of 20 Member States would participate in the EU Talent Pool. A range of costs and impacts estimated under each scenario has been included in the assessment of each policy option.
3. Better highlight the EU added value of the EU Talent Pool platform and how it would provide support to Member States, including with regard to interoperability of the EU Talent Pool with the national systems.	• The added value of the EU Talent Pool vis à vis existing initiatives national and EU level aimed at addressing labour shortages has been clarified and explained in more detailed in the report. To this purpose a better overview of the similar initiatives at national level was provided. It was clarified that the EU Talent Pool would address remaining gaps where domestic workforce is insufficient to fully address labour and skills shortages. • In addition, it has been clarified the EU Talent Pool would complement existing initiatives at national level by offering additional support at EU level. Hence, Member States would be able to maintain their tools in place and complement them with the new platform. The interlinks between the EU Talent Pool and national initiatives has been clarified also with regard to their interoperability. • Further information on the consultations conducted with the Member States has been included as the added value of the EU Talent Pool in supporting Member States to address labour and skills shortages was widely acknowledged by the Member States.
4. Clarify how the list of occupations targeted by the EU Talent Pool is	• A more detailed explanation on the identification of the list of shortage occupations of Union relevance targeted by the EU Talent Pool has been included in the report. In particular, the role of the Member States and the relevant of shortage occupations identified at

established.	national level was clarified.
5. Describe the specific objectives in SMARTer terms.	• A clearer description of the specific objectives according to the SMART terms has been included in the report. In particular, the objectives have been further specified in more concrete terms, the links with the general objective has been clarified and additional explanations have been incorporated on how the fact that they are realistically achievable, and time bound.
6. Better present the costs and benefits of all options in the main report and provide further explanation and evidence for the estimates and the assumptions and their potential evolution, including as regards to Member States participation.	• A detailed overview of the costs and direct and indirect benefits under each policy option has been incorporated in the main report as well as in the Annex. • Additional explanation of the basis for these calculations and the validation by the consulted stakeholders has been included together with more detailed breakdown of costs. • As mentioned above, ranges of costs and benefits have been introduced to better clarify their variations depending on the number of Member States participating in the initiatives and provide a clearer overview of the expected evolution.
7. Provide a clearer overview of all impacts, costs and benefits of all options.	• A clearer comparison of all impacts, costs and benefits under each option has been included in the main report to provide a better assessment of each policy option's effectiveness. Such an overview of how the different policy options compared in terms of costs/benefits analysis has been included in form of a table in the main report. A more detailed assessment has been incorporated in the Annex.

4. External consultant

An external contractor (RAMBOLL) has assisted DG HOME by conducting a study to support the work on the Impact Assessment report. The call for proposals/tenders (?) for the study was launched on 26 January 2023, two substantive bids were evaluated in February, leading to the award decision in March 2023. Due to the tight timeframe the contractor and DG HOME have worked on the same substance in parallel. The kick-off meeting for the study took place on 16 March 2023, an inception report was delivered on 24 March 2023 and a draft interim report on 4 April 2023. The final report for the first reviews cycles was submitted on 4 August 2023.

The table below provides a clear overview progress of the study to support the impact assessment:

Meeting/Deliverable	Proposed date/deadline
Call for proposal	26 January 2023
First meeting of the Evaluation Committee on the bids for the study	22 February 2023

Second meeting of the Evaluation Committee on the bids for the study	28 February 2023
Award decision and contract signature	8 March 2023
Kick-off meeting	16 March 2023
Inception report	24 March 2023
Inception report meeting	4 April 2023
Inception report for acceptance	7 April 2023
Interim report for review	2 June
Interim report meeting	15 June 2023
Interim report for acceptance	28 June 2023
Final report for the first review cycle	4 August 2023
Final report for the review for the second review cycle	5 September 2023
Final report for acceptance	18 October 2023
Contract end date	8 November 2023

Evidence and Sources

The impact assessment was supported by a wide variety of sources and evidence collected through desk research, a comprehensive literature review, inter-service cooperation, expert consultations and focused group discussions. The Impact Assessment Report draws on numerical estimates and calculations, as well as qualitative material such as expert opinions. The following list represents an indicative selection, but by no means an exhaustive list of the wide range of internal and publicly available sources used[216]:

- European Migration Network (EMN), Report - The application of quotas in EU Member States as a measure for managing labour migration from third countries EMN Inform - The application of quotas in EU Member States as a measure for managing labour migration from third countries, (2013), http://ec.europa.eu/dgs/home-affairs/what-we-do/networks/european_migration_network/reports/docs/emn-studies/emn-informs/emn_inform_application_of_quotas_en_version_final.pdf

[216] Where explicitly used, this material is referenced in the Impact Assessment report. In other cases it served as background material.

- European Migration Network (EMN), Study - Admitting Third-country National for Business Purposes, (2015) https://ec.europa.eu/home-affairs/sites/homeaffairs/files/whatwe-do/networks/european_migration_network/reports/docs/emnstudies/emn_study_admitting_third_country_nationals_for_business_purposes_synthesi s_report_04may2015.pdf

- European Migration Network (EMN), Synthesis Report for the EMN Focused Study, Determining Labour Shortages and the Need for Labour Migration from Third Countries in the EU, (2015), https://ec.europa.eu/home-affairs/sites/homeaffairs/files/what-wedo/networks/european_migration_network/reports/docs/emnstudies/emn_labour_shortages_synthesis__final.pdf

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- OECD, Assessing the role of migration in European labour force growth by 2030, (2018), https://doi.org/10.1787/6953a8ba-en

- OECD/EU, Building an EU Talent Pool, (2019), https://www.oecd-ilibrary.org/social-issues-migration-health/building-an-eu-talent-pool_6ea982a0-en
- OECD, The Expression of Interest Model: What Lessons for Migration Management in the EU and elsewhere, (2019), https://www.oecd.org/migration/mig/migration-policy-debates-18.pdf
- OECD, How do OECD countries compare in their attractiveness for talented migrants, (2019), migration-policy-debates-19.pdf (oecd.org)
- OECD, Measuring and assessing talent attractiveness in OECD countries, (2019), https://www.oecd-ilibrary.org/social-issues-migration-health/measuring-and-assessing-talent-attractiveness-in-oecd-countries_b4e677ca-en
- OECD policy brief, How to make Labour Migration Management Future-Ready?, (2020) https://www.oecd.org/migration/mig/migration-policy-debates-21.pdf
- OECD/EU, Feasibility Study on the Development of an EU Talent Pool, (2022), https://www.oecd.org/migration/mig/Report-Feasibility-Study-on-the-Development-of-an-EU-Talent-Pool-2022.pdf
- OECD, Talent Attractiveness in OECD countries: policy brief (2023), Talent Attractiveness 2023 - OECD – Policy Brief: What is the best country for global talents in the OECD?: [Title] (oecd.org)

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- Gürtzgen, N. et al., Does online search improve the match quality of new hires?, (2021) https://ftp.iza.org/dp14031.pdf.
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- CEDEFOP, The green employment and skills transformation. Insights from a European Green Deal skills forecast scenario, Luxembourg: Publications Office, 2021

- Eurofound, Changing labour markets - How to prevent a mismatch between skills and jobs in times of transition - Background paper, Eurofound, Dublin, 2023
- European Commission, European Semester Spring Package (2023)
- CEDEFOP, The Green Employment and Skills Transformation (2021)
- ESDE, Employment and Social Developments in Europe (2023)
- LMWD, Labour Market and Wage Developments (2022)
- EUROFOUND, Business not as usual: How EU companies adapted to the COVID-19 pandemic (2021)
- EUROFOUND, Tackling Labour Shortage in EU Member States (2021)
- EUROFOUND, Measures to Tackle Labour Shortages: Lessons for future policy (2023)
- EIB, 2022/2023 Investment Report (2023) based on latest available data
- ECFIN, Monthly and Quarterly Business and Consumer Surveys (July 2023)
- ELA, 2022 EURES report on Labour shortages and surpluses (2023)
- ELA, 2022 Annual report on intra-EU labour mobility (2023) based on latest available data (2021/2020)

Studies - Labour migration and labour market inclusion

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ANNEX 2
STAKEHOLDER CONSULTATION

1. Consultation strategy

The objective of the Member States' and stakeholders' consultation was to collect their views on the establishment of an EU Talent Pool. In particular, targeted consultations offered them the opportunity to inform the Impact Assessment and, including with regard to the development of policy options addressing the problems identified. Consultations covered a number of elements relevant to the initiative, in particular issues related to international recruitment and labour and skills shortages including the recognition of professional qualifications of third country nationals, as well as the scope of application, governance and possible functionalities of the future EU Talent Pool.

The consultations sought to collect inputs pertaining to:

(1) objective data, information, and evidence to feed into the Impact Assessment;

(2) views on the issues at stake and suggested EU involvement, as well as opinions, ideas and concerns about possible solutions and impacts.

In preparing the initiative, Commission services carried out an initial mapping of primary stakeholders, which include: (i) EU institutions and agencies; (ii) relevant authorities in the EU Member States; (iii) networks of NGOs working at the EU level; (iv) subject-matter experts; (v) economic and social partners; (vi) trade unions; (vii) international organisations and (vii) employers' associations.

Over the course of the consultation process, Commission services used a variety of methods and forms of consultation, which included:

- Targeted consultations with stakeholders both independently and as part of the study that supported the development of this Impact Assessment (e.g. specific dedicated meetings with target groups, based on discussion papers/questionnaires and bilateral meetings with interested parties);
- An opportunity for all interested parties to provide feedback on the Call for Evidence via the Commission's 'Have your say' platform.

A study to inform the Impact Assessment was commissioned to an external contractor by the Commission's Directorate-General for Migration and Home Affairs (DG HOME). Additional consultations and targeted surveys were conducted in this context. Detailed information on the study is provided in Annex 1.

In addition, **previous consultations** were also taken into account in the preparation of the Impact Assessment:

- A **Public consultation on the future of legal migration** was launched in the framework of the New Pact on Migration and Asylum on 23 September 2020, and was open until 30 December. This public consultation aimed to identify areas where the EU framework on legal migration could be further improved, including through possible

new legislation. It also covered the EU Talent Pool. In particular, questions relevant for the establishment of an EU Talent Pool were included (4 out of 13 questions).[217]

- Extensive consultations were conducted with relevant stakeholders in the context of the **OECD feasibility study on the Talent Pool**[218], finalised in June 2022. The consultations conducted in the framework of the OECD feasibility study included relevant public and private sector actors, at the European, national, and regional level, as well as academics and experts. Public sector actors included relevant ministries, regional entities, national talent attraction initiatives, and employment services. Private sector actors included employer representatives, multinational enterprises, unions, recruitment agencies. European Commission services, competent EU agencies and entities managing or contributing to European existing pools were also consulted.
- In the framework of the preparation of the **Skills and Talent Package**, targeted consultations, including on the Talent Pool, were organised with Member States, including Public Employment Services, and expert groups working migration related aspects.

In light of the consultations already conducted, no dedicated public consultation took place in the framework of this impact assessment.

To ensure a comprehensive assessment of this initiative targeted consultations were organised in the first half of 2023. These consultations covered more technical questions compared to the ones included in the public consultation and the OECD feasibility study.

This synopsis report presents a succinct overview and the conclusions of the consultations undertaken in relation to the Impact Assessment on the EU Talent Pool. The main results are summarised below and, where appropriate, referenced and taken into account in the Impact Assessment report.

2. Overview of the consultations

2.1 Call for Evidence

The **Call for Evidence** providing a detailed explanation of the planned initiative was published on 16 February 2023 (in all EU languages) on the website 'Have Your Say'. It remained open for feedback until 16 March 2023. A total of **45 stakeholders**, including networks, umbrella organisations, economic and social partners, local and regional authorities in the Member States as well as EU citizens contributed evidence.

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217 Questions concerned the identification of occupations in which the EU will mostly need to recruit third-country nationals in the coming years, the main objectives the EU Talent Pool should achieve and possible admission criteria to the EU Talent Pool, with a final open question on how to improve the EU legal migration policy. Respondents considered that health professionals were the top shortage occupation (77% of responses) ; followed by personal care workers (68% of responses), agricultural, forestry and fishery labourers (58%) and information and communications technology professionals (51%). To the question on the main objectives, of the four measures proposed, respondents rated highly the following objectives: "Helping retain highly skilled third-country nationals already legally residing in the EU" (76% favourability), "Addressing the existing barriers to international recruitment" and "Involving employers in labour migration schemes" (both with 75% favourability). Regarding the question on possible admission criteria, a majority of respondents agreed that the EU should introduce rules allowing the admission of third-country workers without a concrete job offer, permitting them to search for a job subject to certain conditions (60% of responses). Concerning the question related to the improvement of the EU legal migration policy, respondents suggested to enhance the information on legal pathways, systems to recognise professional qualifications and validate professional skills acquired, and the support in the exchange of good practices.

218 The OECD feasibility study covered the assessment of three possible scenarios for the development of the EU Talent Pool as well as the cost-benefit analysis for each version. The study assessed in detail the possible legal framework, governance, scope of application as well as functionalities of the future EU Talent Pool.

Overall, 21 stakeholders, including non-profit organizations, trade unions, regional governments, and EU citizens, **expressed their support** for the development and implementation of the EU Talent Pool. The **potential added value** of the initiative in **addressing labour and skills shortages** by facilitating international recruitment was acknowledged. Among those supporting the initiative, the majority of the stakeholders favoured the two **legislative options** and in particular the development of a **voluntary tool targeted to certain occupations of EU and national relevance**. Several stakeholders stressed the need of ensure appropriate **protection of third country nationals** against the risk of unfair recruitment and exploitative working conditions. The need of ensuring **protection of personal data** in developing such tool was also mentioned. The importance of **building on existing recruitment tools at EU and national level** was highlighted, in particular with regard to the need of ensuring **interoperability**. The involvement of **economic and social partners**, especially trade unions and **national and local authorities** in the design and implementation of the initiative was recommended. Conversely, 24 stakeholders (all EU citizens) did not endorse adopting the EU Talent Pool.

A detailed summary of the feedbacks received is provided below in Section 3.1. An extensive overview of the position of the economic and social partners is provided in Section 3.3.

2.2 Targeted consultations conducted by the Commission

Between March and June 2023, the Commission organised extensive targeted consultations to inform the Impact Assessment on the EU Talent Pool. These consultations were conducted by organising bilateral meetings and focus groups. A discussion document with a questionnaire was shared with the participants of each consultation activity in order to allow them to provide written contribution if deemed necessary. Additional stakeholders were consulted in writing.

The table below provides an overview of the consultation's activities organised (both meetings and written consultations).

The outcome of the consultations is summarised in Section 3.3.

Consultation activity	**Short description**
Meetings	
European Qualifications Framework Advisory Group	This meeting took place on 1 March 2023. The Commission presented the EU Talent Pool initiative, and participants were invited to express their views with regard to the scope and main features of the Talent Pool.
Group of Coordinators on Recognition of Qualifications	This meeting was held on 8 March 2023. The Commission presented the EU Talent Pool to the Member States representatives and invited them to express their views on key aspects of the initiative, in particular those related to recognition of qualifications obtained in third countries.
Advisers for European Public Employment Services (AFEPAs)	This meeting took place on 10 March 2023. During the meeting, the Commission consulted the Public Employment Services representatives from the Member States on the key elements for the design of the EU Talent Pool, including international recruitment and labour shortages related aspects.
EMN Talent Pool	This meeting was held on 21 March 2023. The group was

Working Group	established in April 2022 within the EMN framework to support the development of the EU Talent Pool and the pilot initiative. It brings together Member States representatives from the immigration and employment authorities as well as economic and social partners. In its first phase, the group mainly focused on the development of the EU Talent Pool Pilot. Following the launch of the Pilot in October 2022, the Commission has resumed its discussions on the development of the EU Talent Pool proper. In view of the new initiative, an ad hoc meeting on the EU Talent Pool proper development was already held in November 2022 to provide participants with preliminary information on the envisaged proposal. The roundtable of 21 March 2023 focused on number of key aspects for the design of the EU Talent Pool (scope of application, pre-screening and validation process, components and functionalities, and governance structure). Economic and social partners were also consulted in this context.
Resettlement Network - Roundtable on Complementary Pathways	The meeting was held on 23 March 2023. DG HOME presented the EU Talent Pool and potential synergies that could be explored with complementary pathways. Participants (Member States representatives, international organisations (IOM and UNHCR) and NGOs) shared their experience with recruitment of people in need of international protection and displaced in third-countries.
Meeting with SkillLab	The meeting was held on 31 March 2023. SkillLab is a software company based in Amsterdam, established in 2018, with a focus on supporting marginalized job seekers in entering the job market and creating social impact. They address market challenges such as recognizing skills for migrants and refugees, limited labour market information, and the lack of interconnected platforms for skilled mobility. SkillLab shared valuable insights on the market challenges and provided a comprehensive overview of their company and the functionalities of their tool, information relevant for the development of an EU Talent Pool.
Focus group with the European Training Foundation (ETF), Cedefop, and European Labour Authority (ELA)	This focus group was held on 21 April 2023. The meeting aimed at consulting ETF, Cedefop, and ELA on the development of an EU Talent Pool on the basis of their expertise on several aspects including, recruitment processes, labour and skill shortages, transparency and comparability of qualifications obtained in third countries.
European Council of Refugees and Exiles (ECRE)	The meeting was held on 24 April 2023. The Commission presented the EU Talent Pool initiative and participants were consulted on the main components of the EU Talent Pool as well as its potential contribution to complementary pathways.
Expert Group on the Views of Migrants	The meeting was held on 27 April 2023. The Expert Group on the views of migrants is composed of 24 experts, most of whom have a migrant background, and selected on the basis of their

	experience in the field of migration, integration and asylum or as representatives of organisations representing the interest of migrants at local, national or EU level. The experts were consulted on the amin aspects of the initiative, in particular with regard to the added value for third country nationals' interest in working in the EU.
Consultations with the European Labour authority (ELA)	Several meetings were organised with ELA given its experience in managing the EURES network facilitating intra-EU recruitment. In view of ELA's expertise on the recruitment processes, the matching platform and national level implementation, the authority was extensively consulted to design the governance and main functionalities of the initiatives, as well as to estimate potential costs.
Expert Group on Economic Migration (EGEM)	This meeting took place on 4 May 2023. The Commission presented the EU Talent Pool, and participants were invited to share their perspectives on several issues related to international recruitment and labour shortages as well as immigration procedures in the Member States. Economic and social partners were also consulted in this context.
IOM Private Sector Consultation on the EU Talent Pool	This meeting was held on 15 May 2023, and it aimed at discussing the current labour and skills shortages in the EU and the EU Talent Pool initiative together with actors from the private sector.
Meeting with the International Labour Organisation (ILO)	The Commission consulted with the ILO on 25 May 2023, on key aspects for the design of the EU Talent Pool, including labour shortages, fair recruitment, and recognition of qualifications and skills.
NARICs Network Meeting	This meeting took place on 25 May 2023. The Commission presented the initiative of the EU Talent Pool, consulting the ENIC-NARICs Network on their role and responsibilities on recognition and validations of skills and qualifications in the Member States as well as best practices. The NARIC Network was also consulted in the context of a targeted survey conducted by the external contractor.
Strategic Dialogue with Civil Society Organisations	The meeting was held on 30 May 2023. Civil society organisations were consulted on the initiative and provided their views on relevant aspects including the provision of information and support to third country nationals in the recruitment process.
EU Legal migration Practitioners' Network	This meeting was held on 31 May 2023. This expert group is an EU-level network of practitioners in the field of legal migration composed of associations of legal practitioners and individual experts from EU Member States applying the legal migration acquis. The European Commission presented the proposal for an EU Talent Pool and participants provided feedback to the initiative. The study team joined the meeting and collected information on the views of participants.

European Labour Migration Platform	The European Labour Migration Platform meeting was held on 21-22 June 2023 to specifically consult Member States representatives from employment and migration authorities on the EU Talent Pool initiative. The two-day meeting covered several aspects ranging from the governance structure, the scope of application of the initiatives, the role of the national authorities and immigration procedures as well as the links of the EU Talent Pool with Talent Partnerships and complementary pathways.
Dedicated hearing with Social Partners	The meeting was held on 29 June 2023. Given their key role in the policies covered by the initiative, social partners were extensively consulted on the main components of the EU Talent Pool.
Written consultations	
Council Employment Committee (EMCO)	The Committee was consulted in writing on the key elements of the initiative and its added value in addressing labour shortages.
European Union Agency for Fundamental Rights (FRA)	The FRA was invited to share its views on key elements of the initiative, in particular with regard to third country nationals' fundamental rights protection as well as protection of personal data processed by the EU Talent Pool.

2.3. Consultations conducted by the external contractor in the context of the study

2.3.1 Surveys to employers and third country nationals

1. Survey to employers

The external contractor conducting the study to inform the Impact Assessment conducted a survey to employers. The purpose of the survey with EU employers was to assess the main challenges faced by employers in international recruitment. It also allowed to assess their potential interest to participate in the EU Talent Pool. Employers provided their views on the main elements to design the policy options.

The survey targeted companies or company branches based in 10 Member States. Small and medium enterprises, as well as large enterprises were covered. The table below presents an overview of the respondents to the survey.

Country	No. of respondents	%	Size of the company (n. of employees)	No. of respondents	%
Estonia	4	4%	Less than 10	7	7%
Finland	7	7%	10-49	22	21%
France	15	14%	50-249	35	34%
Germany	15	14%	250 or more	40	38%

Greece	1	1%	**Total**	**104**	**100%**
Italy	13	13%			
Lithuania	3	3%			
Netherlands	15	14%			
Poland	10	10%			
Spain	12	12%			
Total	**104**	**100%**			

2. Survey to third country nationals

The external contractor conducting the study to inform the Impact Assessment conducted a survey to third country nationals. The purpose of the survey to third-country nationals (TCNs) was two-fold: (1) to assess the barriers faced by TCNs in international recruitment, thus feeding in the problem definition; and (2) to assess the specific features of the EU Talent Pool to design the policy options. TCNs residing outside the EU as well as TCNs already residing in the Member States were consulted.

The questionnaire was structured around the following topics: attitude to move (only for TCNs residing in third countries), barriers to employment in the EU, and relevance of the EU initiative.

The external contractor selected certain third countries for the survey to TCNs based on the size of the skilled migrant population (also considering Blue Card holders' origin) and the specific relationship with the EU (i.e., the country is a candidate country for joining the EU, the country participates to a Talent Partnership, or is an EU Neighbourhood country). For the survey to TCNs already located in the EU, four Member States were covered: Belgium (2), Denmark (1), Estonia (7) and Sweden (11).

TCN in source country				**TCN in the EU**		
Nationality	**No. of respondents**	**%**		**Nationality**	**No. of respondents**	**%**
United Kingdom	91	11%		United Kingdom	6	29%
Albania	102	13%		Russia	4	19%
Morocco	99	12%		Pakistan	1	5%
Bangladesh	97	12%		Turkey	1	5%
Pakistan	101	13%		Argentina	1	5%
Turkey	99	12%		China	1	5%
Canada	83	10%		Colombia	1	5%

Other <2%	36	4%		India	1	5%
Total	**808**	**100 %**		Nigeria	1	5%
				Philippines	1	5%
				United States	1	5%
				Uganda	1	5%
				North Macedonia	1	5%
				Total	**21**	**100 %**

2.3.2 Ad-hoc data surveys

The external contractor conducting the study to inform the Impact Assessment also ran two ad-hoc surveys. The purpose of ad-hoc surveys was to gather targeted inputs from selected relevant stakeholders.

The first one targeted **EURES National Coordination Offices (NCOs)** and aimed at gathering more information on the staff and budget allocation across NCOs activities. This was necessary to provide a baseline for estimations on the potential costs associated with the creation of National Contact Points under the EU Talent Pool framework.

The second survey targeted national **representatives of the NARIC network**. The aim of this mini survey was to gather inputs and information on validation and recognition procedures across Member States and associated costs and length.

Stakeholder category	***Stakeholder type***	***No. of respondents***
Representatives in the Member States	EURES NCOs	20
	NARIC national representatives	14[219]

2.3.3 Broad stakeholder survey

The purpose of the broad stakeholder survey was to gather insights on the views of stakeholders on the problem and its drivers, and to collect cost data and stakeholder views on the impact of the policy measures and options and the potential magnitude for the assessment of impacts. The survey was disseminated to all stakeholders by the study team. The survey was distributed to 166 stakeholders, out of which 20 stakeholders (mainly associations) were also asked to distribute the survey to other relevant stakeholders and colleagues (*snowballing*

[219] Including three NARICs for Belgium.

technique). The table below provides an overview of the types of stakeholders who responded to the survey past the profiling section of the questionnaire.

Stakeholder category	***Stakeholder type***	***No. of respondents***
Public bodies: International level	International level public body	2
Public bodies: National level	National level network	2
	National level public body	23
	Local level public body	1
Private sector	Private sector organisation	5
Civil society / representative organisations	Non-governmental organisation / civil society network or organisation	14
	Business association	2
	EU level network	1
	Trade union	2
Other	Academia / research institution	3
	Other[220]	2
Total		**57**

A detailed summary is provided in Section 3.3.

3. Summary results of the consultations

3.1 Feedbacks to the Call for Evidence

Organisation	***Short description***
EPSU (European Public Service Union)	The federation did not fully **support** the EU Talent Pool in its current form due to a number of elements and advocates for: i) the **involvement of social partners** and trade union in the governances structure and their consultation in the design of the initiative; ii) an **enhanced role of the trade unions** due to the particular risk of labour exploitation and discriminations faced by migrant workers; iii) a broader approach on the causes and **solutions to labour shortages** as they are not necessarily related to the lack of skilled workers (e.g labour shortages in healthcare are mainly due to poor pay and working conditions and years of underinvestment, as was revealed by the Covid-19 pandemic).

[220] One lawyer and one judge in the area of migration and asylum.

Ceemet	The organisation **supports** the initiative of adopting an EU Talent Pool via legislative action as this will facilitate the recruitment of skilled workers from abroad in a targeted manner, to address labour shortages and support the EU's transition towards a green and digital economy. Ceemet agrees with the Commission´s analysis on the **challenges to international recruitment.** Ceemet is in favour of the **two legislative alternatives**. Targeting the EU Talent Pool to **certain occupations and having a voluntary system** is considered the best option in the short term. While an open Talent Pool would be the optimal solution in the long run. Ceemet also welcomes the possibility of **upgrading and modernizing the EU immigration portal** and **organising job matching events. Interoperability** with existing systems should be ensured.
DGB (German Trade Union Confederation)	The DGB advocates for a holistic and differentiated approach to the problem of skills shortages. For this reason, skills and labour shortages should be addressed in the first place through **qualification and improvement of working conditions**. In addition, considering existing national platform and EURES, the Commission should assess the added value of the initiative. The confederation supports the adoption of an **EU Talent Pool targeted to certain occupations and having a voluntary nature**. However, **protection of third country nationals** and quality of job should be ensured (national contact points play a central role in monitoring employers and job vacancies). In addition, **interoperability with existing systems** and platforms at EU and national level should be granted.
EDF (European Disability Forum)	The organisation **supports** the adoption of a **fully self-standing and mandatory EU Talent Pool** for all labour migration purposes. This is seen as a valuable chance for the EU to enhance its employment rates among individuals with disabilities while simultaneously improving the accessibility and inclusivity of the EU international recruitment procedures, legal migration processes, and the overall labour market for all workers. The platform should include the following measures: 1. Ensure equal treatment of persons with disabilities and apply EU standards; 2. Ensure the recognition of the disability status and eligibility for support of skilled workers with disabilities when being recruited via the EU Talent Pool. 3. Promote gender equality and diversity when recruiting skilled workers from outside the EU (e.g. skilled workers with disabilities that are particularly prone to exclusion from the labour market, including women with disabilities, people with disabilities of ethnic minorities, such as Roma, etc).
Region Västerbotten	Region Västerbotten **supports the adoption of the EU Talent Pool**, which is expected to streamline international recruitment, addressing critical challenges such as demographic shifts and skill scarcities in Northern Sweden. With some of Europe's

	lowest unemployment rates, local hiring to meet labour demands is limited due to the existing employment of the local populace. Therefore, an EU Talent Pool would help in collaboratively retaining and attracting skilled workers, meeting the diverse skill demands in Northern Sweden.
FH (Danish Trade Union Confederation)	The confederation **supports** the adoption of the EU Talent Pool, and the need to facilitate international recruitment as long as it happens in areas where labour shortages exist and national rules on third country nationals' recruitment are complied with. Equal treatment with regard to working conditions should be ensured.
Region Jämtland Härjedalen	Region Jämtland Härjedalen **supports the adoption of an EU Talent Pool**, as companies and organisations operating in the region have identified the lack of relevant skills as one of the key barriers to growth.
ETUC (European Trade Union Confederation)	The ETUC remains **highly critical on the development of the EU Talent Pool** as it is considered as based on labour migration models designed for employers. However, the ETUC welcomes the call for evidence for further assessment. ETUC highlighted the importance of ensuring appropriate governance and accountability, including the **involvement of trade unions**. The importance of **ensuring migrant workers' access to decent and good quality jobs** based on the **principle of equal treatment** was mentioned. The Talent Pool **may support the implementation of the Talent Partnerships**. However, it needs to be carefully designed. In addition, the Talent Pool could play a relevant role in ensuring **transparency and access to information** to employers and third country nationals. Appropriate support and **measures to avoid the risk of unfair recruitment** should be in place. The Talent Pool should consider the **validation and recognition of skills and qualifications**, which is a practical barrier that migrant workers experience. Workers' skills and qualifications should be valued, assessed and swiftly recognised, as necessary, whether or not documentation is available. The ETUC is on the view that the Talent Pool should be **open to all workers, across sectors and skills levels**, and in a non-discriminatory manner. **Data protection** considerations should be taken into consideration.
HIAS Europe	HIAS Europe **supports** the establishment of an EU Talent Pool as a constructive approach to collaborating with partner countries on migration management. It is essential that the Talent Pool initiative provides **effective legal migration pathways for asylum seekers and refugees via complementary labour pathways**. The initiative should also encompass information dissemination and outreach to refugee and asylum seeking communities, efforts to develop their soft and technical skills, and suitable preparation for the interview

	and recruitment process. On the EU side, employers must be well-informed about existing complementary pathways. The initiative could **improve recognition of qualifications** in the Member States. The Talent Pool initiative should be a tool for **mutually beneficial cooperation with partner countries**.
PICUM (Platform for International Cooperation on Undocumented Migrants)	The stakeholder **supports** the establishment of an EU Talent Pool, underlining that regardless of the chosen policy approach for its implementation, it is crucial for the Talent Pool to **minimise administrative burden** for prospective workers, foster ethical recruitment practices, and involve a wide array of stakeholders, including civil society organisations, in its formulation. The Talent Pool should become a reliable and up to date source access to information for migrant workers. It should not only **promote ethical recruitmen**t but also ensure **access to decent and dignified working conditions**. The initiative should be **open to all candidates, across sectors and skills levels**, and in a non-discriminatory manner. **Protection of personal data** should be ensured.
NSPA (Northern Sparsely Populated Areas)	The organisation **supports** the adoption of the EU Talent Pool; however, it recommends that the initiative is **open to unskilled jobs** as well, recognising the necessity for a comprehensive workforce solution. Additionally, it emphasises the importance of respecting the **specificities of each EU Member State**, aligning with other EU initiatives, and minimising administrative complexities. The aim is to ensure that the process of connecting TCNs with vacancies in EU Member States remains as transparent as possible.
Municipality of Luleå	The Municipality **supports** the creation of the EU Talent Pool, as it holds the potential to address the prevalent skills shortage in the Nordic regions. The Municipality also emphasises the urgency of finding a solution and underscores the importance of making the Talent Pool **accessible to various skill levels**. Additionally, it highlights the significance of integrating the expertise and initiatives of European local and regional authorities into the execution of the Talent Pool.
Unión Profesional	The organisation **supports** the establishment of the EU Talent Pool; however, it underlines the need for active **engagement with professional organisations** and the establishment of **effective procedures for recognition** of qualifications of TCNs.
Eurocities	The organisation **supports** the creation of an EU Talent Pool aimed at establishing a digital platform connecting proficient TCNs with EU employers. They advocate for the **participation of cities** and emphasise the importance of aligning the Talent Pool with **local labour market needs**. **Cities** therefore need to be involved as **key stakeholders** in the implementation of the EU Talent Pool. Lastly, the initiative should be **open to all**

	skills levels.
Hotrec	The association **supports** the adoption of the EU Talent Pool, particularly through the **legislative options**. In particular, it supports the **voluntary nature** of the system They also call for inclusion of **low and medium-skilled** individuals, considering diverse **needs in sectors like hospitality**. The EU Talent Pool should be user friendly and non-bureaucratic. It should be business oriented, as the end users will be both employers and potential workers. Hotrec considers **positive** that the EU Talent Pool would be **linked with Talent Partnerships**. Hotrec, welcomes the development of a **new IT solution** rather than re-using EURES. The EU Talent Pool should include administrative processes to **pre-screening candidates**; the **validation** of candidates' skills and qualifications and **interoperability** with other international recruitment tools and national platforms.
Fundación para la Innovación, Investigación, Formación y el Desarrollo Comunitario	The organisation **supports** the adoption of the EU Talent Pool, however it emphasises the importance of addressing existing challenges and inequalities within the talent pool concept, such as regularisation of migrants already present in the EU, streamlining title recognition processes, and fighting **against wage gaps and discrimination**.
The Swedish Trade Union Confederation	The confederation **supports** the establishment of the EU Talent Pool, contingent upon labour immigration from third countries being in response to existing labour shortages. Additionally, the host Member State should ensure that migrant workers are adequately protected in the labour markets against exploitative working conditions. The success of the EU Talent Pool hinges on forging strong partnerships with trade unions, verifying qualifications, and effectively addressing labour shortages, all while preventing exploitation, unauthorised labour migration, and minimizing negative impacts on sending countries due to brain drain.
WKÖ (Austrian Chamber of Commerce)	WKÖ (Austrian Chamber of Commerce) **supports the EU Talent Pool**, as it is urgently needed to address increasing labour shortages in Austria and Europe, promoting a robust European workforce and attracting international specialists. WKÖ envisions the Talent Pool as a seamless platform connecting employers, jobseekers, and public entities, streamlining access to skilled workers. Restricting the EU Talent Pool to **shortage occupations should only be limited to the initial phase** while remaining open in a later stage. WKO **supports the non-legislative option** as the legislative alternatives would take too long. WKO is in favour of ensuring a **link with Talent Partnerships** as well as **facilitations of recognition of skills and qualifications**. .

Autonomous Region of Friuli Venezia Giulia	The Region **supports** the development of an EU Talent Pool, favouring the option of a **targeted approach having a voluntary nature**. This mechanism is seen as supportive, integrating established practices such as the EURES network to address shortages at national, regional, and specific interest levels. It enhances coordination among regional and local authorities. The stakeholder believes this regulated but non-mandatory mechanism offers a coordinated approach to effectively address shortages, improve job placement, and enhance replicability and sustainability. The stakeholders favour links with the **Talent Partnerships**.
Government of Canary Islands	This stakeholder emphasizes the need to consider regional contexts in the development of an EU Talent Pool, and tailor its implementation accordingly. While the Talent Pool offers strategic benefits, it must align with each area's **specific socio-economic and cultural factors**. The focus should be on sectors like green and digital transition, while ensuring opportunities for the local population and transparent monitoring. Incorporating successful models, clear definitions, and **assessing local workforce** potential are vital for its effectiveness.
EU citizen	This EU citizen **supports** the EU Talent Pool, which facilitates the search and recruitment of skilled workers from non-EEA countries. The individual emphasises the significance of addressing the shortage of skilled workers across EU Member States through a centralised pool, making the process of finding workers more efficient and less bureaucratic. The EU citizen finds the Talent Pool valuable for quickly and seamlessly sourcing skilled workers.
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool, asserting that it would potentially lead to attracting cheap labour to the EU, resulting in low wages and potentially contributing to wage dumping
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool, as she believes that there are sufficient skilled workers within the EU who could be relocated to regions where their skills are most needed.
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool.
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool because they believe that the EU already has a sufficient number of educated individuals for the available jobs, and these opportunities should be prioritised for EU citizens. They express concerns about administrative costs, potential exploitation of non-EU workers, and the need to uphold EU principles of equality for all residents. The citizen suggests that the initiative should focus on improving the quality of life for

	EU citizens and consider labour and talent imports only as a last resort when qualified EU candidates cannot be found. They also propose the idea of introducing quotas for labour imports and promoting training programs for EU citizens to fill deficit jobs.
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool, holding that as long as the rate of unemployed people in Europe does not reach 0%, there will be no valid reasons to bring workers from abroad.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool, as they hold that each EU Member State has different needs and may find tailored solutions for their own country.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool, as they believe that there are already sufficient skilled individuals within the EU.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool, as they believe that third countries should not benefit from solutions provided by the EU.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool.
EU citizen	This EU citizen is **not in favour** of developing an EU Talent Pool, as they believe that national governments should be addressing labour shortages by themselves without intervention from the EU.
EU citizen	This EU citizen is **concerned** that an EU Talent Pool could potentially lead to the erosion of EU borders with third countries.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool, as they believe that there are already sufficient skilled individuals within the EU.
EU citizen	This EU citizen **is not in favour** of adopting an EU Talent Pool, as they deem that it would overburden Member States and increase costs.
EU citizen	This EU citizen **does not support** the adoption of an EU Talent Pool, as they hold that efforts should be concentrated first and foremost on satisfying the basic needs of the nationals from EU Member States.
EU citizen	This EU citizen **does not support** the adoption of an EU

	Talent Pool as they do not support any form of immigration.
EU citizen	This EU citizen **does not support** the adoption of an EU Talent Pool as they believe that the skill assessment is biased.
Eu citizen	This EU citizen is **in favour** of an EU Talent Pool to the extent that immigration laws are fully complied with.
EU citizen	This EU citizen is **not in favour** of adopting an EU Talent Pool, as they believe that there are already sufficient skilled individuals within the EU.

3.2. Outcome of the targeted consultations

European Qualifications Framework Advisory Group

During this meeting, the Commission put forward the EU Talent Pool to Member States representatives. The discussion covered a range of topics from difficulties in ensuring labour matching, the barriers for EU employers in identifying the right candidates, to complex comparability and lack of transparency and information on skills and qualifications. Participants **acknowledged the value** of creating an EU Talent Pool to facilitate international recruitment, particularly for SMEs lacking the means to attract skilled.

Group of Coordinators on Recognition of Qualifications

During this meeting, Member States representatives provided their views on the EU Talent Pool initiative, in particular with regard to the initiative potential in facilitating recognition of qualifications obtained in third countries. SE, RO noted the lack of legislation on third country qualifications in some countries as a particular barrier. SE, RO highlighted the important role of ENIC-NARIC in providing information on recognition and assisting competent authorities. SE also asked how the future platform would be managed and what would be expected from Member States. RO mentioned that the EQF and ECTS credit systems can play a potential role in enabling recognition. CY described that the pilot Talent Pool had led to a number of placements, but that further consultation would be necessary to extend it further. LT asked for clarification on how DG GROW would be involved in the initiative, asked how SMEs would be supported and questioned if the proposal can be agreed within the current political cycle before elections next year. COM assured attendees of a co-ordinated approach by all relevant DGs in the initiative. Management of the Talent Pool is still under consideration and may be modelled on governance of EURES and will avoid creating additional burdens for Member States.

Advisers for European Public Employment Services (AFEPAs)

In the context of the AFEPAs meeting, Public Employment Services in the Member States were also invited to share their views on the EU Talent Pool initiative. The intervening representatives **welcomed the initiative** overall as an important tool to address existing labour shortages (e.g. DE, HR, NL, ES). According to certain PES, the EU Talent Pool should be limited to **specific sectors and occupations** (e.g. NL). The majority of the participants stressed the importance of involving PES in the governance of the EU Talent

Pool giving their well-established expertise on recruitment, in particular on the matching. On the other hand, PES also flagged that EURES is a different tool and directed to intra-EU mobility. However, the potential added value of ensuring synergies among the two instruments and, if feasible merge them, was acknowledged. The need of trying first to address labour shortages via domestic workforce was also mentioned (PL). The role of recognition of qualifications to obtain work permits in certain Member States was stressed. PES could also play a role in that regard (SE). Following the meeting, several Public Employment Services provided additional details on their views through written contributions.

EMN Talent Pool Working Group

As part of the targeted consultations envisaged for the preparation of the EU Talent Pool legislative proposal, the **7th EMN Talent Pool Group meeting was held on 21 March 2023**. The group brings together **Member States' representatives** from the **immigration and employment authorities** as well as **economic and social partners.**

The roundtable focused on number of **key aspects for the design of the EU Talent Pool** (scope of application, pre-screening and validation process, components and functionalities, and governance structure). Participants **actively engaged** in the discussion and the meeting represented a **fruitful opportunity to collect Member States' views** on the ongoing initiative.

Overall, **Member States and economic and social partners welcomed the proposal** and its objective to attract talent from abroad.

All Member States intervening agreed on the EU Talent Pool potential **added value** in addressing the main challenges linked to international recruitment (e.g. language barriers, lack of guidance and information, lengthy and complicated procedures, etc.). Member States identified as **major challenges** linked to international recruitment the **language barriers**, **lack of guidance and information** provision on recruitment and immigration procedures, **lengthy and complicated** procedures, employers' **lack of experience** in international recruitment, the **risk of unethical recruitment** as well as **difficulties in identifying the right candidate** and **validating and recognising** skills and qualifications. For smaller Member States it was highlighted, in particular, their limited visibility in the global labour market and the lack of resources to invest on international recruitment (LT). All Member States intervening agreed on the EU Talent Pool potential **added value** in addressing these challenges.

The establishment of an EU Talent Pool based on the **voluntary participation of the Member States** was considered as the **preferred option** for all participants intervening.

Several Member States highlighted the need of developing a **flexible instrument** able to adapt to the national specificities with regard to international recruitment and immigration procedures (AT, BE, EL, HR, IT). This flexibility should also be reflected in the **governance structure**. The need to **involve the Public Employment Services** at national level was repeatedly stressed (AT, BE, HR, SE). The importance of **ensuring interoperability** with national systems was reiterated by several participants.

All Member States intervening **supported the idea of targeting the EU Talent Pool to specific sectors and occupations** and building on **existing EURES components**. The possibility to link the EU Talent Pool with **Talent Partnership**s was also supported. The possibility to further extend the scope of application in a later stage was also mentioned

(EL, HR, PL). Some participants stressed the particular relevance of the EU Talent Pool would have in facilitating recruitment of **low and medium skilled** workers (in comparison with high skilled workers that are normally recruited by other channels (AT, HR). Similarly, the specific added value for **SMEs** which often lack of adequate expertise and channels for international recruitment was also mentioned (BE, Eurochambres).

It was widely agreed that the **validation process** of candidates' skills and qualifications would constitute an important added value for the EU Talent Pool.

The possibility to link the **EU Talent Pool with Talent Partnerships** was welcomed (FI, PL). However, it was clarified that the EU Talent Pool scope of application should not be limited to Talent Partnerships.

Economic and social partners also welcomed the initiative and the Commission multi-stakeholders' approach. It was pointed out the importance of involving them both in the design and in the governance of the EU Talent Pool due to their expertise at national level on labour shortages and existing recruitment practices. The need of ensuring **ethical recruitment** was stressed by ETUC and FI agreed it would represent a relevant added value for the EU Talent Pool (FI).

Resettlement Network

During the Resettlement Network meeting with the European Union Agency for Asylum (EUAA), the EU Talent Pool initiative was presented. The consultations focused in particular on its possible synergies with **labour complementary pathways**. All participants welcomed the possibility to open the EU Talent Pool to displaced people in need of international protection and having the right skills.

Talent Beyond Boundaries noted that the limited awareness that employers have about international recruitment as an option for people in need of international protection constitute a barrier together with the mistrust that refugees have on labour mobility. Processing times and difficulties refugees might face in accessing the request documents create additional difficulties. Therefore, it was recommended to invest into awareness and education and incentives for employers and refugees to consider labour complementary pathways. It was also suggested to ensure stronger cooperation with businesses. The EU Talent Pool could offer an added value in this regard by facilitating the identification and providing personalised assistance to people in need of international protection by taking into account their specific situation.

UNHCR emphasised that, while an initiative like the EU Talent Pool holds promise, its success hinges on its ability to address the unique challenges faced by refugees. It was flagged that several refugees may need pre-departure preparation. Refugees often lack access to vital documentation and encounter obstacles when verifying language skills, especially within a platform tailored to Western standards. To truly be effective, the UNHCR advised that the EU Talent Pool should not rely solely on conventional proof of qualifications, as alternatives like the European Refugee Qualification passports or Duolingo English tests could be more inclusive. Additionally, in view of the financial realities that refugees face, including difficulties in opening bank accounts and meeting visa requirements due to limited funds, should be factored into the initiative's design. Seamless integration with existing systems, where feasible, were deemed to be essential to provide a holistic solution. Furthermore, the UNHCR suggested that the EU Talent Pool should be forward-thinking and consider remote working opportunities, ensuring that necessary

resources and conditions are in place for these arrangements to truly benefit refugees seeking employment integration.

IOM noted that the EU Talent Pool added value could stem from having a central pool with several layers of quality assurance and validation of employers and candidates with the benefit of facilitating the matching. Capacity building options would be necessary. Additional information is provided in the written contribution.

Meeting with SkillLab

During the meeting with the software company SkillLab, the European Commission, together with the study team, discussed the EU Talent Pool initiative. SkillLab, established in 2018, is a technology-driven company focusing on aiding marginalised job seekers, using artificial intelligence and simulation for interviews. They acknowledged market challenges including skills mapping, recognition difficulties, lack of labour market information, and coordination issues among stakeholders. The meeting addressed key discussion points, such as the development of an IT platform for the EU Talent Pool, utilising the ESCO taxonomy for skill matching, and collaborating with existing platforms like EURES. The pricing model and stakeholders' involvement in system design were also discussed. SkillLab's involvement in a comprehensive career guidance platform for Saudi Arabia was mentioned, which may be similar to the development of a platform for the EU Talent Pool.

Focus group with the European Training Foundation (ETF), Cedefop, and European Labour Authority (ELA)

During this focus group, range of stakeholders shared their insights on the potential establishment of an EU Talent Pool. The **ELA** acknowledged current inadequacies of intra-EU mobility in fully addressing labour shortages and underscored the importance of defining "talents." They raised concerns about variations in immigration procedures across countries and emphasized the value of the EURES network in this context. The **ETF** expressed favourable views on the Talent Pool concept while also suggesting a consideration of how existing solutions could complement it. They highlighted brain drain and brain waste as crucial aspects to be factored in. **Cedefop** also showed support for the Talent Pool initiative, focusing on the inclusion of third-country nationals in need of protection. They stressed the significance of going beyond mere platform creation and incorporating dynamic training, language support, and skill recognition. They also noted that formal qualification recognition might not be as critical as trust-building and pre-screening/validation processes. The European Commission offered insights into studies on international recruitment challenges and addressed the scope of the initiative, matching platform functionalities, and governance aspects. Trust and user-friendliness were central in their considerations. The ETF and Cedefop stressed transparent communication as a key element in overcoming barriers in international recruitment. Both also highlighted the importance of involving diverse stakeholders in designing the system, emphasizing a collaborative approach. Overall, the discussions revolved around ensuring effectiveness, inclusivity, and user-centricity in the development of the EU Talent Pool. Written contributions were also shared following the meeting.

Expert Group on the Views of Migrants

Following the presentation of the initiative, participants expressed their views. Overall, the **participants welcomed** the EU Talent Pool initiative and *its potential added value* in facilitating international recruitment and making use of third country nationals' skills and talent. However, it was also **emphasised the need of ensuring access and integration** into the labour marked of **third country nationals already residing** in the Member States (e.g. undocumented migrants). This should also cover **actions aimed at facilitating recognition and validation of skills and qualifications** as well as **up-skilling and re-skilling** migrants in the Member States. With regard to the EU Talent Pool added value, participants stressed, in particular, the crucial role this tool could play on **enhancing migrants' protection against unethical recruitment and exploitative working conditions** as well as the recognition and **validation of skills obtained in third countries**. Several participants highlighted the importance of allowing third country nationals who participated in the EU Talent Pool to bring their **family members** and ensuring adequate support following the arrival including via access to education, social benefits, health care. The possibility to open the EU Talent Pool to **displaced people in need of international protection** was also **welcomed**. However, it was stressed the need to ensure adequate support measures **tailored to the specific needs** of this group (e.g. specific support in case they lack of travel documents and qualifications, facilitating the access to the platform, etc.). Specific measures should also be considered for **migrants' women** given their specific situation of vulnerability. It was also noted that to make the EU Talent Pool a successful tool an **extensive awareness campaign** should be conducted both in the Member States (for EU employers) and in third countries. In addition, support services allowing effective access to the platform should be provided in third countries where third-country nationals face difficulties in accessing the internet.

Consultations with the European Labour Authority (ELA)

ELA **welcomed** the initiative and considered that EU Talent Pool initiative may effectively **address labour shortages** and enhance international recruitment. They recognised the persistent structural shortages across sectors and countries, acknowledging that although intra-country and intra-EU mobility could help, it might not suffice. ELA emphasised the need for a tool to attract skilled labour from third countries to mitigate labour market imbalances. ELA underlined the **importance of practical and updated information** for third-country jobseekers regarding living conditions, work, and settling in the EU, as well as the **challenges faced by SMEs** in navigating complex recruitment processes. They emphasised the necessity of a**voiding duplication with existing tools and promoting synergies**. ELA showcased readiness to **support the identification of relevant sectors** and qualifications, leveraging existing obligations and data sources. Moreover, they highlighted the **role of social partners** and called for interoperability with existing systems like EURES to streamline the EU Talent Pool's implementation.

ELA was also consulted in writing on more specific aspects relevant for the design of the policy options including, estimated costs for governance of the EURES system, information on current IT solutions and practical functioning of the EURES platform.

Expert Group on Economic Migration (EGEM)

The EGEM meeting discussed the scope of the EU Talent Pool, emphasising inclusivity for

various categories such as highly skilled, seasonal workers, foreign students, jobseekers, and displaced persons. Displaced individuals, a significant global talent pool, face limited access to formal employment due to barriers. The EU acknowledged their potential through projects like the Displaced Talent for Europe (DT4E), aiming to integrate them into the labour market. In terms of implementing an EU Talent Pool, skills recognition was highlighted, with a recommendation to adopt a flexible approach that acknowledges non-formal paths. Additionally, a proposal was made to develop an EU Sector Shortage List to address evolving skills needs, allowing skilled workers from various occupations to register their interest. A user-friendly registration process, light-touch verification, and a network of contact points were suggested to provide better integration support within the context of the EU Talent Pool. The focus extended beyond attracting and migrating talent to also retaining and integrating it. The recommendation was to build upon existing tools and develop an open EU Talent Pool.

Fragomen and Talent Beyond Boundaries supported the EU Talent Pool development. It should be employer-led with inclusive parameters designed to attract diverse talent from around the world, including from within refugee and displaced communities. It was recommended to establish an inclusive candidate pool, create an “EU Sector Shortage List” which is business and employer-led. In addition, a light touch verification process for candidates and employers should be considered. A network of contact points supporting candidates and employers should be established together with efficient outreach strategies to promote the EU Talent Pool. It was also recommended to build on existing EU and national tools to engage as many State actors as possible, regardless of the legislative vehicle.

IOM Private Sector Consultation on the EU Talent Pool

During the IOM Private Sector consultation on the EU Talent Pool, a variety of stakeholders shared their perspectives. Eurochambers presented survey results on recruitment challenges and advocated for integration with EUTP, emphasising the need for user-friendly tools, interoperability with EURES, and additional screening for employers. Link2Europe discussed labour shortages and the difficulty of filling vacancies in Belgium, underscoring the necessity of a broad scope, simplified procedures, expedited language learning, and the creation of a European list of potential jobs. BusinessEurope stressed administrative barriers and shortages across sectors, proposing pre-screening based on skills, interoperability with existing platforms, and collaboration with talent partnerships. CSREurope underscored the significance of cultural diversity, inclusion, and ethical recruitment for attractiveness and fairness. Additionally, Responsible Business Alliance offered insights into existing standards and capacity-building efforts to protect third-country nationals. International Organisation of Employers highlighted cooperation with ILO and IOM on fair recruitment practices.

Meeting with the International Labour Organisation (ILO)

During the meeting with ILO on the possible adoption of an EU Talent Pool, the organisation emphasised the existence of research on **labour shortages** and underlying causes, referring to ILO studies and demographic trends. The concept of **fair recruitment** based on ILO conventions was highlighted, advocating for the term "fair" due to its negotiated nature. Examples from Canada's employer registration processes were provided as operational insights. ILO expressed the importance of transparency, equivalence statements, and validation of **skills and qualifications** in the context of the EU Talent Pool,

while clarifying that it is not a qualifications recognition mechanism. The potential for a database of matched people with recognition decisions was raised. The significance of **partnerships**, initiatives, and mobility partnerships for specific sectors and origin countries was underlined. The challenges posed by governance, the care economy, and regulated professions were mentioned.

The ILO was also invited to submit a written contribution further expressing the organisations' views on many aspects of the EU Talent Pool. The ILO acknowledged the **potential value** of the EU Talent Pool initiative **in addressing labour shortages** and **facilitating international recruitment**. In particular, ILO stressed that greening economies require new jobs and related new skills. However, it emphasised that successful implementation depended on **collaborative efforts with key stakeholders** and adaptation to specific socio-economic contexts. The involvement of labour ministries, government agencies, workers' and employers' organisations were deemed crucial for effective labour migration policy design. Several successful programs were mentioned as a source of best practices in terms of up-skilling, language training, and strategic skills recognition. ILO recommended to build **protection against unfair recruitment** on International Labour Standards and ILO General Principles and Operational Guidelines for Fair Recruitment. Regarding openness to TCNs, the ILO underscored the need for a balanced approach across skill levels, cautioning against excessive emphasis on temporariness. The ILO also pointed out that inadequate skills matching could lead to precarious work arrangements and hinder overall economic growth. ILO acknowledged the importance of promoting **trade unions' effective participation** in policy discussions and monitoring of recruitment processes as well as in labour migration governance

NARICs Network Meeting

The meeting of the NARIC network, which comprises countries participating in Erasmus+, involved 31 participants. For the development of an EU Talent Pool, it was highlighted that the role of pre-screening at the EU level, while contingent on employer verification, remains to be determined for added value. It was highlighted that challenges often arise in recognising non-formal education, unlike formal education with established frameworks. Participants also stressed that regulated professions demand more robust recognition mechanisms, as seen with mandatory recognition in these cases. Additionally, recognition serves purposes beyond job placement, such as legal stay (e.g., Norway's regulated professions). For an EU Talent Pool to work effectively, starting with a small-scale approach for easier management was suggested for initial implementation.

EU Legal Migration Practitioners' Network

During the meeting, participants identify as a relevant challenge to international recruitment the **length of immigration procedures** and the **high costs** on employers and TCNs for obtaining a visa and travel arrangements. In addition, it was notated that **labour market tests** are present in some Member States but there are also some exceptions applying. It was noted that recruitment agencies are increasing their role in this framework. **Recognition of qualifications** was also flagged as an important barrier to international recruitment.

The need of ensuring **adequate protection** to TCNs to avoid the risk of exploitation and human trafficking was raises. A right balance between guarantees and facilitation for

employers should be ensured. Participants welcomed the creation of potential synergies with **Talent Partnerships**.

Strategic Dialogue with Civil Society Organisations

During the meeting Civil Society Organisations expressed their views on the initiative and highlighted in particular the following points. A **broad range of stakeholders**, including civil society organisations should be consulted in the design of the initiative. It is important to provide the **correct information to the migrant workers**, they should be made aware of their rights such as social security and protection. Particular attention should be paid in **defining the critical shortages sectors** and all labour market needs, including those at **local level** should be considered. The long-term care sector could be one of the priority sectors. It is important to take into account the current workforce and if the shortages can be covered by national and intra-EU mobility. The EU Talent Pool should be **open to all third country nationals and flexible** in defining the admission criteria. It should also provide an inclusive approach to consider candidates with disabilities. **Assistance services** to support third country nationals should be included and particular focus should be ensured on the **standards in terms of working conditions** also to deter undeclared work. It is important to clearly identify who will be allowed to input the vacancies and the **role of the national authorities**. **Civil society organisations could participate** at EU and national level notably to provide information to migrants on working conditions and rights, as well as assistance, if needed. They could also assist in defining procedures to ensure ethical recruitment practices. Recruitment via the EU Talent Pool should be linked to **improved and simplified immigration procedures**.

European Labour Migration Platform Meeting

On 21-22 June, the European Commission held the second meeting of the Labour Migration Platform, an initiative of the Skills and Talent package aimed at **better understanding common issues** and strengthening coordination/complementarity in employment and migration policies. This second meeting of the Platform focused on the **upcoming EU Talent Pool initiative** (adoption planned for early autumn) and gathered representatives of **Member States' migration and employment sectors representatives, European Social and Economic Partners as well as relevant stakeholders active in labour migration**.

Member States expressed **interest in the initiative and recognised its added value.**

The meeting confirmed **Member State' unanimous preference for a voluntary participation** to the EU Talent Pool and overall support for the EU Talent Pool **focused on sectors facing labour shortages both at EU and national levels** (with a few Member States referring also to regional shortages) and **re-using elements of EURES.**

The need for a **flexible, responsive, and user-friendly system** was highlighted. To do so, the EU Talent Pool should ensure **interoperability with already existing IT solutions** for talent attractiveness at national level.

Governance of the EU Talent Pool should be **multi-layered**, involving stakeholders at the EU and national level.

Member States were against **the idea of modifying their national procedures by**

introducing obligatory fast-track immigration procedures to candidates admitted to the EU Talent Pool.

Some Member States acknowledged the added-value of creating synergies between the **Talent Partnerships and the EU Talent Pool** but questions were raised about different objectives between the Talent Pool and Talent Partnerships and whether it was yet sufficiently clear how the Talent Partnerships will work**.**

The issue of **complementary pathways** and potential synergies with the EU Talent Pool was relatively new for the majority of Member States. Only five Member States took the floor and presented different views and the expressed views do not allow us to draw any conclusions. The Commission needs to continue its advocacy to different stakeholders on the issue of complementary pathways.

ETUC expressed constructive **criticism of the EU Talent Pool and interests of migrant workers**. It also stressed the importance of **human rights-based labour mobility and opposed restrictions based on skills or sectors**. ETUC advocated for governance, accountability, and sectorial social dialogue. The EU Talent Pool should focus on **fair recruitment practices, sustainable employment conditions, validation of qualifications, and access to information and worker protections**.

BusinessEurope considered **attracting talent from abroad as crucial**, with the EU Talent Pool playing a key role, but there are some challenges that employers face that this initiative will not be able to address. As such it **supports a legislative framework for the Talent Pool**. It could support for **starting with specific sectors and having easy entry criteria** as well as a support system for employers and job seekers. Business Europe calls also for the **flexibility, the use of available labour market intelligence**, i**nvolvement of employers, trade unions, and dedicated sub-groups within the Labour Migration Platform for effective governance.**

Dedicated hearing social partners

Participants acknowledged the **added value** of the initiative and welcomed the fact that it is open to all Member States on a **voluntary** basis (e.g. BusinessEurope, SMEunited, SGI Europe, BDA). It also stressed the importance of developing a **user friendly and simple system** which is not too cumbersome (e.g. BusinessEurope, SGI Europe). They **supported the sectoral approach** focusing on sectors where shortages are most important (e.g. BusinessEurope, SGI Europe, EFBWW). Cross-industry, sectoral and national level social partners should be involved. Participants (e.g. ETUC, DGB, EPSU) advocated for ensuring that **adequate working conditions** and remuneration are granted to migrants. **Protection of personal data** should also be ensured. The importance of ensuring access to the labour market to third country nationals already in the Member States was also mentioned (e.g. CGT).

European Union Agency for Fundamental Rights (FRA)

In its written contribution, the **FRA expressed support** for the EU Talent Pool as a valuable initiative aimed at addressing labour shortages and facilitating international recruitment. The EU Talent Pool added value would be to decrease irregular migration and smuggling by introducing new legal pathways for migrating to the EU; improved working conditions for third-country nationals; quicker and smoother recognition of qualification

and the possibility to address labour shortages in the EU through legal migration channels.

A number of recommendations were put forward. The EU Talent Pool should be open to all third-country nationals residing outside as well as inside the EU (regardless of their country of origin). In FRA's view, the EU Talent Pool should also cover low and medium-skilled workers. In addition, the need to facilitate recognition of professional qualifications was flagged and a number of recommendations to improve it were put forward. It was also highlighted that many occupations in shortage are often characterised by low pay and poor working conditions. It is important to make these jobs more attractive by improving pay and working conditions.

In addition, particular attention should be paid in preventing and addressing labour exploitation in the context of international recruitment of third-country workers. The EU Talent Pool should be designed so that procedures and requirements to come to the EU to work are not overly cumbersome and expensive. The digital interface should be accessible and easy to understand for third-country nationals. It is crucial to open the talent pool to people in need of international protection.

Offering a legal pathway through the talent pool would reduce the risk of migrants resorting to smugglers or illegal networks and go on unseaworthy and dangerous boat journeys. Concerns have been raised on the risk of 'brain drain' affecting countries of origin and education of applicants from non-EU countries. FRA reported a number of examples to address this risk in the context of the EU Talent Pool.

From a fundamental rights point of view, FRA suggests integrating specific safeguards in the EU Talent Platform, such employers vetting procedure and accurate, timely and accessible information, during the recruitment process and prior to signing an employment contract. This would entail information provided by a competent authority (national authorities, employment advisers, etc.) on conditions for obtaining a work permit, labour right and existing safeguards against exploitation.

Given the sensitivity of the personal data that will be included in the database and the fundamental rights risks that may result from storing such data in an online accessible database and analysing the data through an algorithm.

International Organization for Migration (IOM)

In its written contribution, the **IOM expressed support** for the EU Talent Pool. The establishment of the EU Talent Pool represents an important step towards the fulfilment of the 2030 Sustainable Development Goal. The adoption of the EU Talent Pool provides an opportunity for the EU and its Member States engaged in this initiative to strengthen the implementation of laws and regulations to promote fair and ethical recruitment in compliance with international standards.

The EU Talent Pool should promote skills-based migration that relies on genuine partnerships and contributes to sustainable development for all. Strong partnerships with third countries are a precondition of effective skills-based migration schemes. Such partnerships guarantee that both the needs and advantages for all parties are duly considered, making such schemes truly mutually beneficial. This calls for enhanced coherence between the internal and external dimensions of migration management and strengthened development cooperation policies. This consideration seems to be at the core of the EU Talent Partnerships, to which the EU Talent Pool will connect.

The EU Talent Pool should be based on multistakeholder collaboration and accurate and forward-looking evidence on present and future skills needs.

The EU Talent Pool should target all skill levels and be open to different categories of applicants. The EU Talent Pool should be widely accessible for employers and prospective migrant workers. Extensive investment in communication efforts will be necessary to build trust and ensure that the platform is known and accessible to its end users. Pre-screening processes of candidates' profiles embedded in the EU Talent Pool must be transparent and comprehensive to abide by the principle of non-discrimination and equal opportunity.

The EU Talent Pool should foster ethical recruitment and the protection of migrant workers in line with international standards. This requires screening and vetting of vacancies based on internationally recognized ethical recruitment principles and standards. The EU Talent Pool could embed specific eligibility criteria for employers and features allowing for the screening and vetting of vacancies based on internationally recognized ethical recruitment principles and standards, such as those outlined in the Montreal Recommendations on Recruitment and IOM's International Recruitment Integrity System (IRIS) Standard. Eligibility criteria for the registration of recruiters, employment agencies, employers and employer associations could introduce a multi-layered but streamlined verification process including: a) documentation such as licenses13 , b) an "ethical pledge", in the form of terms that outline a legally binding commitment to uphold ethical recruitment and international labour standards, consequences in case of non-compliance (e.g. sanctions, fines) and the relevant monitoring system; and c) a capacity building component consisting, for example, in the completion of mandatory (online) self-training in order to complete registration.

3.3 Economic and social partners views on the initiative

Economic and social partners were consulted on multiple occasions during the targeted consultations on the EU Talent Pool. In particular, they participated to several meetings, including the EMN Talent Pool Working Group, the Expert Group on Economic Migration, IOM Private Sector Consultation as well as the European Labour Migration Platform.

In addition, a dedicated hearing with social partners was organised on 29 June 2023.

Overall, economic and social partners **supported the initiative** as a tool facilitating international recruitment whilst some criticism was voiced by ETUC. All the economic and social partners favoured the development of a voluntary systems. While the need for a **flexible tool, demand driven** (based on actual labour need) **and open to all skills levels** was acknowledged, the majority of the economic and social partners suggested to have **a more targeted approach** (limiting the tool to certain sectors and occupations) **in the first stage** with the aim of expanding the scope over time.

All economic and social partners advocated for their **involvement in the design o**f the initiative and in its implementation.

Economic and social partners acknowledged the EU Talent Pool potential to partially reduce existing **barriers to international recruitment**, including slow and complex recognition and immigration procedures. In addition, the EU Talent Pool could have an added value in providing clear information and guidance on these processes. The need to ensure TCNs **protection against unfair recruitment and exploitative working conditions** was stressed (ETUC)

Position papers on providing a detail assessment of the initiative were submitted. A detailed overview of economic and social partners views is provided in the table below.

Economic and social partners	
BusinessEurope	BusinessEurope considers that the EU Talent Pool should be a **voluntary instrument**. It recommends to: i) bring forward a proposal for an EU talent pool that helps member states and employers to address their skills needs, complementing the need to increase employment participation of member state nationals and make good use of intra-EU labour mobility, ii) **build on the relevant existing EU bodies and tools, i**ii) Explore a fresh approach to the role of **labour market tests** by improving coordination and mutual learning opportunities among member states, iv) put in place the direct referencing of third country qualifications, to the European Qualifications Framework – EQF. The EU Talent Pool should be **demand-driven**, ensuring the appropriate involvement of member states, economic and social partners, and employers. **As a first step**, it **would be useful to focus on those groups** for whom the EU already has a legal migration scheme in place, such as the EU Blue Card. Nevertheless, the ultimate goal will be to connect a future EU talent pool with EU and national legal migration schemes.
Eurochambers	The EU Talent Pool could be **particularly beneficial for SMEs** given their limited experience and resources to embark in international recruitment procedures. With regard to the **screening process** it was confirmed that it would be important at some point to verify the candidates. Eurochambers also stressed the importance to **link the EU Talent Pool with EURES**. In terms of the scope, Eurochambers agrees with the **step-by-step approach** and to have a tool that is easily used and clearly defined. The importance of **information campaigns** both in the EU and in third countries was emphasised and it was noted that the lack of knowledge of these types of initiatives can be a **barrier** of the effective use of it.
SMEUnited	SMEUnited is in favour of a **voluntary system**. The deployment of the EU Talent Pool should be **incremental**, starting with specific sectors facing shortages and then enlarged to other sectors, with the objective to include all sectors as soon as possible. The EU Talent Pool should be **demand-driven** based on the real needs of the labour market. The governance of the EU Talent Pool should **involve the EU cross-industry social partners**. The initiative should be designed the EU Talent Pool as a tool **able to support SMEs**. Labour market intelligence tools should inform the matching process. **Recognition of skills and qualification** systems should be transparent, trustworthy, and easy to understand by SME employers. **Social partners and SME organisations should**

	be involved in the design and in the governance. The **key functions** of the EU Talent Pool should be CVs registration, automatic matching tool, employers vetting procedures, support services and provision of information. Concerning **employers vetting procedures**, they should not be burdensome for SMEs.
Ceemet	The organisation **supports** the initiative of adopting an EU Talent Pool via legislative action as this will facilitate the recruitment of skilled workers from abroad in a targeted manner, to address labour shortages and support the EU's transition towards a green and digital economy. Ceemet agrees with the Commission´s analysis on the **challenges to international recruitment.** Ceemet is in favour of the **two legislative alternatives**. Targeting the EU Talent Pool to **certain occupations and having a voluntary system** is considered the best option in the short term. While an open Talent Pool would be the optimal solution in the long run. Ceemet also welcomes the possibility of **upgrading and modernizing the EU immigration portal** and **organising job matching events. Interoperability** with existing systems should be ensured.
ETUC	The ETUC remains **highly critical on the development of the EU Talent Pool** as it is considered as based on labour migration models designed for employers. However, the ETUC welcomes the call for evidence for further assessment. ETUC highlighted the importance of ensuring appropriate governance and accountability, including the **involvement of trade unions**. The importance of **ensuring migrant workers' access to decent and good quality jobs** based on the **principle of equal treatment** was mentioned. The Talent Pool **may support the implementation of the Talent Partnerships**. However, it needs to be carefully designed. In addition, the Talent Pool could play a relevant role in ensuring **transparency and access to information** to employers and third country nationals. Appropriate support and **measures to avoid the risk of unfair recruitment** should be in place. The Talent Pool should consider the **validation and recognition of skills and qualifications**, which is a practical barrier that migrant workers experience. Workers' skills and qualifications should be valued, assessed and swiftly recognised, as necessary, whether or not documentation is available. The ETUC is on the view that the Talent Pool should be **open to all workers, across sectors and skills levels**, and in a non-discriminatory manner. **Data protection** considerations should be taken into consideration.
Hotrec	The association **supports** the adoption of the EU Talent Pool, particularly through the **legislative options**. In particular, it supports the **voluntary nature** of the system They also call for inclusion of **low and medium-skilled** individuals, considering diverse **needs in sectors like hospitality**. The EU Talent Pool should be user friendly and non-bureaucratic. It should be

	business oriented, as the end users will be both employers and potential workers. Hotrec considers **positive** that the EU Talent Pool would be **linked with Talent Partnerships**. Hotrec, welcomes the development of a **new IT solution** rather than re-using EURES. The EU Talent Pool should include administrative processes to **pre-screening candidates**; the **validation** of candidates' skills and qualifications and **interoperability** with other international recruitment tools and national platforms.
DGB (German Trade Union Confederation)	The DGB advocates for a holistic and differentiated approach to the problem of skills shortages. For this reason, skills and labour shortages should be addressed in the first place through **qualification and improvement of working conditions**. In addition, considering existing national platform and EURES, the Commission should assess the added value of the initiative. The confederation supports the adoption of an **EU Talent Pool targeted to certain occupations and having a voluntary nature**. However, **protection of third country nationals** and quality of job should be ensured (national contact points play a central role in monitoring employers and job vacancies). In addition, **interoperability with existing systems** and platforms at EU and national level should be granted.

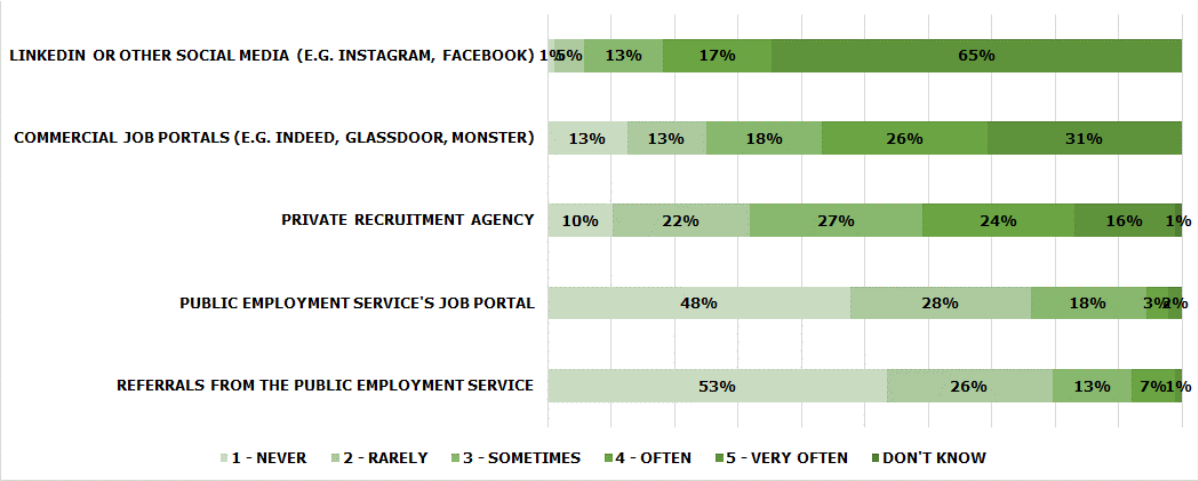
3.4 Results of the surveys to employers and third country nationals

Problem drivers

With regard to problem driver 1, **TCNs** residing in third countries highlighted the **non-transparency information regarding job opportunities** in the EU as well as the rules and requirements for seizing these opportunities seem to represent the main reasons why some TCNs have never searched for a job in the EU. Finding suitable job opportunities is a barrier for 43% of respondents, while 44% struggle to understand how to align with job requirements.

Differently, based on the survey with **employers**, key barriers for employers are related to the **access to suitable candidates** (i.e. too many unsuitable applications) and **understanding the complex rules and procedures** for hiring from outside the EU. When it comes to the recruitment channels / tools, the results of the survey with employers shows that LinkedIn and other social media are used as the main external channel for recruitment of TCNs, while PES services seem to have very limited success among employers.

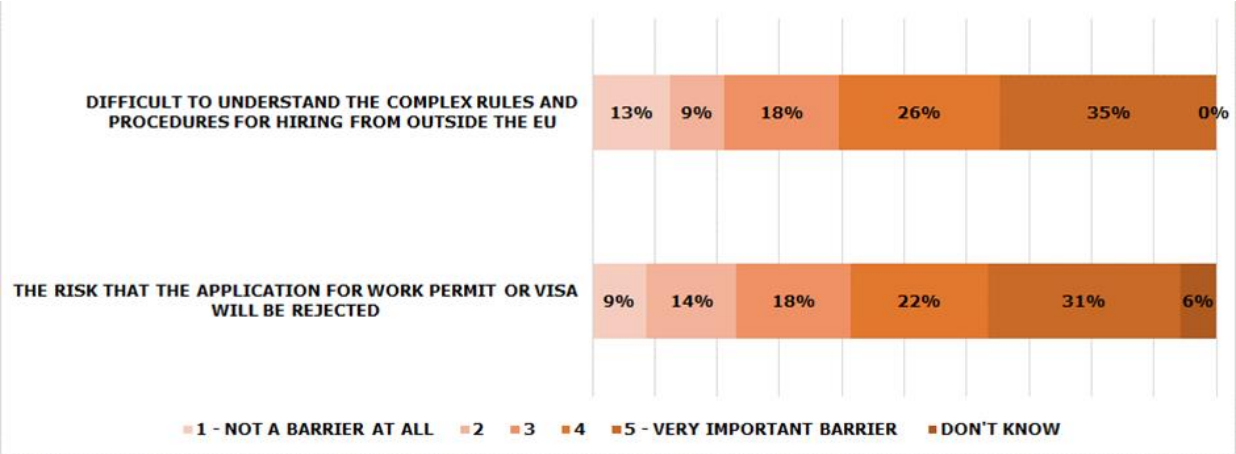
How often do you use the following external channels for recruitment from outside the European Union?



When it comes to internal **channels used by employers to publish vacancies**, most employers said that they publish vacancies on their website. Similarly, during the interview conducted for this study, one interviewee representing the interests of SMEs pointed out that SMEs do not always publish vacancies online and that PES could potentially support more in this.

With regard to Problem driver 2, the survey with employers shows that 61% of respondents found it **difficult to understand the complex rules and procedures** for hiring from outside the EU.

How important are the following barriers to recruiting from outside the European Union?

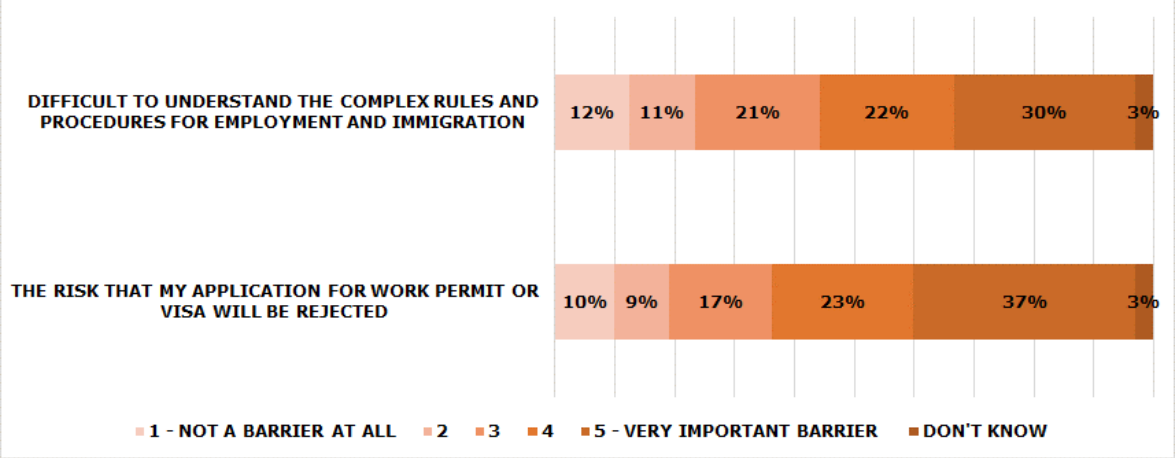


Half of the respondents to the survey with employers indicated that the **immigration process and its duration takes too long** and that this constitutes an important barrier. For the duration of the full recruitment process, some respondents provided estimations of the duration from the vacancy notice to signing the contract: 6.4 weeks for candidates from the same country; 9.8 weeks for candidates from within the EU; 14.4 weeks for candidates from outside the EU. In terms of recruitment costs, a majority of respondents (75%) consider that recruitment of employees from outside the EU to be more costly than recruitment of foreign EU nationals,

while this difference is not so striking when comparing the costs between the recruitment of a co-national and an EU national. For one third of the respondents, typically, costs to recruit non-EU nationals are 30% higher.

Another dimension of this problem driver is the **fragmented and complex migration framework** within the EU. Member States have different procedures for immigration and often times these are complex for candidates. The figure below presents that nearly half of TCNs respondents consulted find it difficult to understand complex employment and immigration procedures. Moreover, TCNs recognised the potential risk of their work permit or visa application being rejected.

How important are the following barriers to finding a job in the European Union?



In regard to Problem driver 3, the primary concern among employers seems to revolve around the **reliability of candidates' CVs and profiles**, which was identified as a substantial hurdle by 38% of the participants. Around one-third of the sample found it challenging to compare both professional and educational qualifications with those from their home country. Moreover, approximately one-third of the respondents harboured doubts regarding the legitimacy of documents submitted by candidates as evidence of their professional or educational background. There is a general perception that the recognition procedure can be unsuccessful when coming to TCNs' qualifications. This risk is perceived as an important barrier by 45% of employers and by 40% of TCNs.

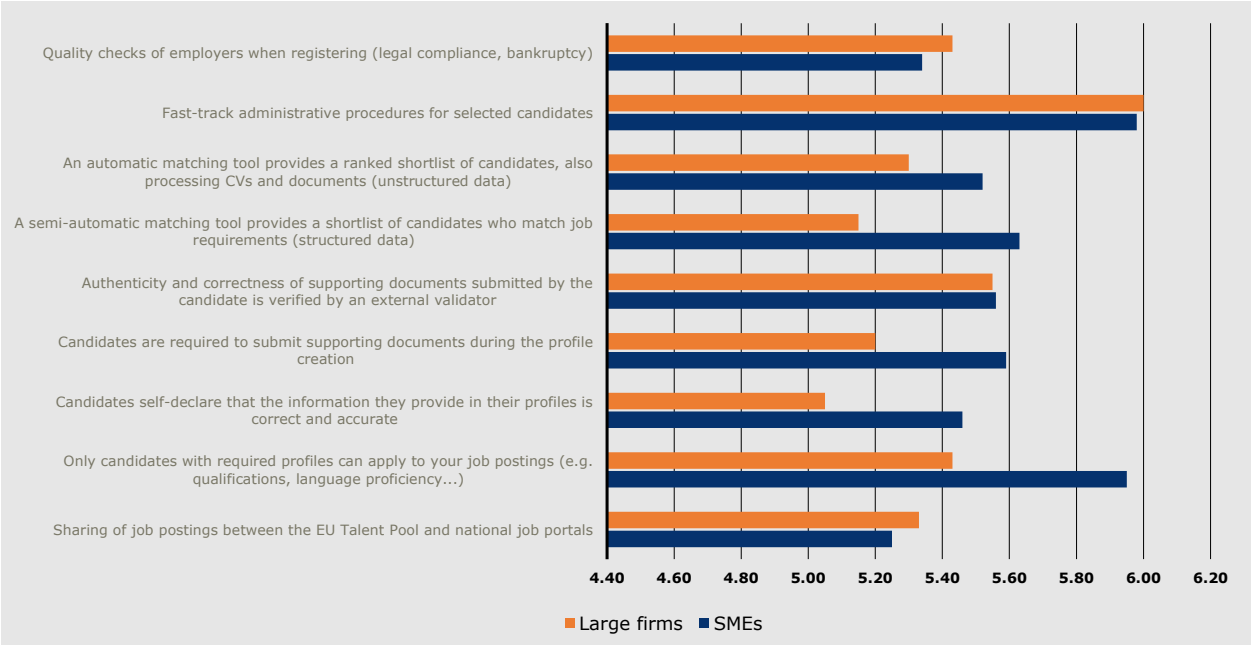
Policy measures

In terms of policy measures, some measures were received more positively by different stakeholders. Results of the survey with TCNs show that 36% of respondents who are TCNs residing in third countries said that they would register their profile and search for job postings on the EU Talent Pool. More than half of the respondents who are TCNs residing in third countries said that they appreciate faster administration procedures (on work permit, visa etc.), while the same amount of people considered that receiving advice on the rules and process of living and working in the EU would increase their likelihood of registering on the platform. Similarly, for TCNs already living in the EU, faster administrative procedures remain the most appreciated features (64% of respondents), as well as companies having access to their profile and that employers are subject to quality assurance checks.

In the survey with employers, 17% of respondents considered it very likely that they will publish jobs through an EU Talent Pool. Rather consistent with the findings from TCNs, the most useful features of the EU Talent Pool for employers are the fast-track administrative procedures for selected candidates (70% of respondents), access of immigration authorities to

candidate profiles (69%), and that only the candidates with the required profiles can apply to vacancies (68%). Differences between larger employers and SMEs were identified in relation to some policy measures (**Error! Reference source not found.**).

To what extent the following features would change the likelihood of registering on the platform?



3.5 Results of the ad hoc surveys

Ad-hoc survey to EURES NCOs

The ad-hoc questionnaire was shared with EURES NCOs via ELA with the aim to precisely quantify the current costs of the national EURES governance structure and activities (excluding those related to IT development and the EURES portal). Those estimates have been used as a baseline to adjust the estimated costs for the governance of the Talent Pool under the different options. In total 20 EURES NCOs responded to the survey.

The survey comprised two questions on the total number of EURES staff and budget and on the disaggregation of resources across the different activities conducted by NCOs. The outcomes of these questions have been aggregated in the table below.

Questions	Results
Staff and budget	
What is the total number of EURES staff (in FTEs) in your country for the latest available year?	On average NCOs have around 27 total staff (in FTEs), out of which 23 advisers, and 4 NCO staff. Several NCOs involve also other categories of staff, such as line managers (4 NCOs) and external experts including IT experts (5 NCOs). Those other categories of staff average to around 6 per NCO.
What is the total EURES budget (in EUR) in your country for the latest available	On average NCOs have around EUR 1 200 000 of budget for staff and activities.

year?	
Disaggregation of resources by activities[221]	
How many resources (in terms of time) are used for the main (non-IT-related) activities your national EURES undertake?	Around 70% of staff resources are involved in conducting activities of matching and recruitment and information provision (with the latter accounting for slightly more than the former). A smaller share (around 10%) is invested in post-recruitment services. As the number of NCOs able to provide disaggregated data was limited (only 9 out of 20 respondents), estimates should be considered with caution. To substantiate the findings, we triangulated them with estimates resulting from the ex-post EURES evaluation; our estimates are in line with those in the evaluation.
How many resources (in terms of budget) are used for the main (non-IT-related) activities your national EURES undertake?	The largest share of the budget (more than 30%) is used for staff costs. A relatively large share (around 5%) is instead used for activities related to information provision. As the number of NCOs able to provide disaggregated data was very limited (10 responses overall and only 4 more completed), those estimates should be considered with caution.[222]

Ad-hoc survey to NARICs national representatives

The ad-hoc questionnaire was shared with national representative of the NARIC network via Commission Services with the aim to better understand the competencies, responsibilities, procedures and costs for the recognition and validation of qualifications and skills, as well as understand the organisation of other linked recognition services at national level. This information has been used in the calculation of costs and cost-savings when it comes to validation and recognition procedures. In total 14 NARICs responded to the survey.

The survey comprised four main areas: i) recognition of qualifications for academic purposes, ii) recognition of qualifications for academic professions, iii) statement of comparability and iv) statistics on the recognition of diplomas and professional qualifications. Outcomes are presented in the table below. As the response rate was rather limited, outcomes from the survey were complemented with desk research on missing Member States. Average costs and time required for recognition and validation procedures presented in the report come from the final compilation of information on recognition and validation procedures.

Questions	**Results**
i) Recognition of qualifications for academic purposes	

221 The number of NCOs that were able to provide the breakdown is lower than the total number of respondents. In particular, only 9 NCOs (out of the total 20 respondents) was able to provide the breakdown in terms of time invested in each activity and only 10 NCOs provided the breakdown in terms of budget invested (4 of which provided more completed responses).

222 In this case, estimates cannot be triangulated with outcomes of the ex-post EURES evaluation as the latter did not provide figures on budget disaggregation across activities. European Commission (2021). Study supporting the ex-post EURES evaluation and the second biennial EURES report, Contract VC/2019/0854.

Does the NARIC in your country process requests for recognition of qualifications obtained in third countries for academic purposes?	• 33% do with issuance of legally binding decision • 40% do not, but issue comparability statements • 20% do not, as NARIC is only information centre • 7% did not respond
What is the average time (in calendar days) taken from the submission of an application (receipt of all documents) for the recognition of qualifications for academic purposes awarded in third countries to a decision (excluding any appeals)?	On average it takes around 40 days for the recognition of qualifications for academic purposes
What is the cost (fee) of an application for the recognition of qualifications for academic purposes obtained in third countries? (cost in euro or national currency).	On average it costs around EUR 140 (in fees) per application for the recognition of qualifications for academic purposes, while it is free for 57% of respondents (14% provided no response or the question was not applicable for them).
ii) Recognition of qualifications for regulated professions	
Does the NARIC in your country process requests for recognition of professional qualifications acquired in third countries?	• 25% do with issuance of a legally binding decision • 10% do not, as they deal only with recognition for academic purposes • 40% do not, as requests are processed by relevant competent authority • 25% do not but support with information provision.
What is the average time (in calendar days) taken from the submission of an application (receipt of all documents) for the recognition of professional qualifications obtained in third countries to a decision (excluding any appeals)?	On average it takes around 90 days for the recognition of professional qualifications.
What is the cost (fee) of an application for the recognition of professional qualifications obtained in third countries? (cost in euro or national currency).	On average it costs around EUR 135 (in fees) per application for the recognition of professional qualifications, while it is free for 21% of respondents (50% provided no response or the question was not applicable for them).
iii) Statement of comparability	

Does the NARIC in your country issue statements of comparability for academic and professional qualifications as well as non-formal learning obtained in third countries?	• 8% do, with costs attached • 15% do, but only for academic purposes • 8% do, but only for professional purposes • 23% do, for academic and professional purposes • 46% do not
What is the average time (in calendar days) taken from the submission of an application (receipt of all documents) for the validation of professional qualifications obtained in third countries to a decision (excluding any appeals)?	On average it takes around 140 days for the issuance of comparability statements.
What is the cost (fee) of an application for the validation of professional qualifications obtained in third countries? (cost in euro or national currency).	On average it costs around EUR 170 (in fees) for the issuance of comparability statements, while it is free for 7% of respondents (78% provided no response or the question was not applicable for them).
Other aspects	• Main types of supporting documents required for the statement of comparability include ID card (or other proof of identity), certificate of citizenship, diploma(s), transcript/diploma supplement, learning outcomes, curriculum vitae, proof of residency/work permit in the host country. • 60% require those documents to be provided in English and/or the Member States' official language, while 13% do not have this requirement (27% provided no response or the question was not applicable for them). • 50% require the translation to be carried out by a sworn and certified translator, while 31% do not have this requirement (19% provided no response or the question was not applicable for them). • 7% require those documents (or some of them) to be legalised, while 71% do not have this requirement (22% provided no response or the question was not applicable for them). • Checks for authenticity of those documents include online verification of information (e.g., via databases of HEIs or Ministries of education; contacting institutions or awarding bodies), technical checks (e.g., examination of original documents for signs of tampering; comparison of documents against known fraudulent examples), use of databases such as SCAN D and Q-

	ENTRY to identify potential fraud or cooperating within the ENIC-NARIC network to share information and request support.
iv) Statistics on the recognition of diplomas and professional qualifications	
How many applications did you receive in 2022 for the recognitions of qualifications for academic purposes obtained in third countries?	8 000 on average (57% provided no response or the question was not applicable for them).
How many applications did you (or other competent authorities) receive in 2022 for the recognition of professional qualifications acquired in third countries?	2 700 (57% provided no response or the question was not applicable for them).
How many statements of comparability were issues in 2022 for academic and professionals' qualifications obtained in third countries? How many were issued for non-formal learning (if applicable).	7 400 (87% provided no response or the question was not applicable for them).

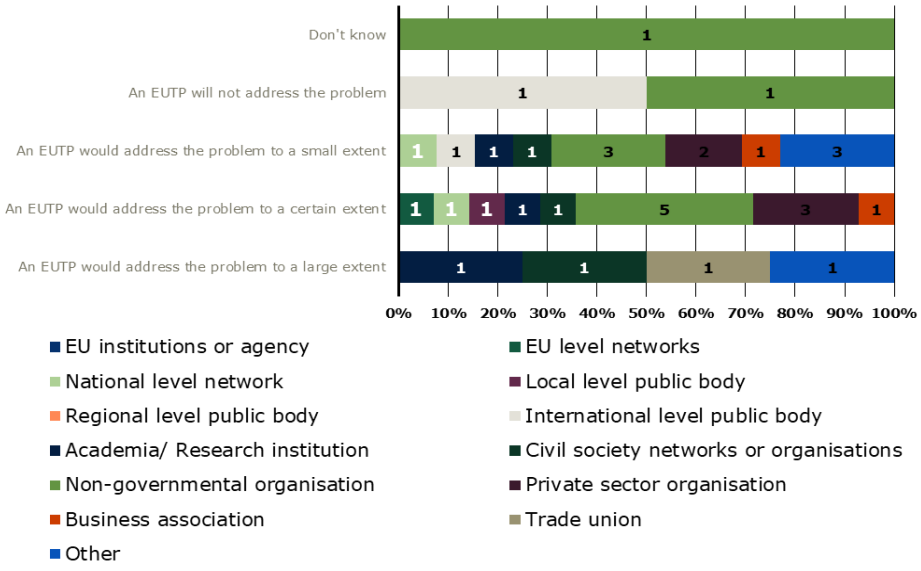
3.6 Results of the broad survey

The broad stakeholder survey provided insights into various topics, including the overarching problem, the underlying problem drivers, and views on the proposed policy options and measures. The following paragraphs extract the most relevant inputs from the broad stakeholder survey.

Overarching problem

The impact assessment study identified one problem, as a result of participation in consultations organised by the European Commission: *insufficient recruitment of third-country nationals via legal migration pathways to address EU labour and skills shortages*. The figure below presents the results from the broad stakeholder survey when respondents were asked to what extent an EU Talent Pool will address this overarching problem. Four problem drivers were developed to further explain the underlying causes to this overall problem.

Considering the overall problem mentioned above, to what extent do you believe that an EU Talent Pool (EUTP) would address this problem in the future?



Most respondents substantiated their answer to this question. One widespread reason that was mentioned by the stakeholders who identified that the EU Talent Pool can address the above-mentioned problem 'to a certain extent' or 'to a small extent' was primarily due to the complexity of the problem at stake, stemming from the differences in terms of recognition of qualifications and skills, immigration regimes, and other areas that make it difficult to use existing legal migration pathways. One respondent (national public body) detailed that the possibilities that the initiative to address the overarching problem depend on the way that the EU Talent Pool will be constructed.

Problem drivers

Based on the overarching problem mentioned above, a series of problem drivers were developed to explain what are the main factors that contribute to the insufficient recruitment of TCNs via legal migration pathways to address EU labour and skills shortages. In relation to the development of the identified problem drivers in the absence of an EU Talent Pool, a majority of respondents from the broad stakeholder survey believed that without an EU Talent Pool, the problem drivers may *worsen significantly*, *worsen to a small extent or stay the same*, with very few answers pointing to an improvement of the problem drivers through existing measures.

Problem driver 1 refers to the cumbersome and ineffective international job matching. The broad stakeholder survey shows that 48 out of 55 respondents believed that an EU Talent Pool would address the issue of cumbersome and ineffective international job matching to a large extent or to a certain extent. Respondents to the broad stakeholder survey pointed out that the costs of international recruitment are high, with associations representing employers stating that many employers tell them that employing TCNs relates to significantly higher costs than employing someone from within the country[223]. Also, part of the broad stakeholder survey, the risk of unfair recruitment was brought up by many respondents who are non-governmental organisations when detailing their answers to different questions, identifying that existing methods such as PES and private platforms are not effective in terms of avoiding unfair recruitment.

223 The same respondent mentioned that in the case of employing someone in a occupation facing shortages, the costs pay off after a short time of the contract duration.

Problem driver 2 identifies that employers and TCNs have difficulties to understand how skills and qualifications obtained in third countries correspond to those required at national level. Results of the broad stakeholder survey show that 42 out of 55 respondents stated that an EU Talent Pool would address this problem driver to a large extent or to a certain extent. Part of answers to open-ended questions, several respondents made references to the differences in approaches to recognition of skills and qualifications differ from country to country.

Problem driver 3 refers to the non-transparent, cumbersome, and costly immigration procedures. The broad stakeholder survey shows that 42 respondents out of a total of 55 who responded to the question believe that an EU Talent Pool would address this problem driver to a large extent or to a certain extent.

Proposed policy options and policy measures

In the broad stakeholder survey, Policy Option 3 ("Developing an open EU Talent Pool for all occupations with a modernised matching platform inspired by other initiatives in the private sector (legislative)" ranked as the most effective policy option in the view of respondents, while Policy Option 2 ("Developing a focused EU Talent Pool building on certain components of EURES and targeted to specific occupations (legislative)" was ranked lower.

Due to the number of policy measures and the amount of information collected, we will summarise the views of respondents to the broad stakeholder survey, by each cluster of policy measures:

An interest in having **governance** through a combination of national level actors and with a proper coordination at EU level. Respondents considered that costs could be higher for having an EU level coordinating body and national level offices because of staff and IT costs necessary, thus more resources will be needed at both levels and double work should be avoided, therefore coordination between the different levels is essential.

For the **scope of application** of an EU Talent Pool, respondents pointed out to political implications involved in a voluntary or mandatory initiative for Member States to participate, while targeting specific sectors / occupations was received as both limiting in terms of the candidates to be accepted, but also as a measure that could lead to a faster and more efficient process of recruitment.

In relation to the **interoperability** of the EU Talent Pool with EURES, with national platforms, and / or private platforms, most respondents considered that these costs would rather increase for existing platforms due to the need to adapt to the EU Talent Pool, whereas benefits may come for candidates and employers. The costs of integrating other existing systems into the EU Talent Pool will largely depend on the types of platforms and the functionalities used by the EU initiative.

Results on the measures targeting **quality assurance checks of employers** pointed out that existing checks are still not the most effective for fair recruitment, therefore other ways to improve fairness and avoid exploitation of workers are still necessary.

For the **registration of job vacancies**, if employers have to register the vacancies in the Talent Pool, this entails higher costs.

When **registering candidate profiles**, results show that having the necessary tools to standardise the process of collecting information from candidates would also mean a reduced burden for employers, but additional need to understand the system might be necessary for TCNs.

In relation to the **pre-screening of candidates**, some respondents considered that it depends on what pre-screening criteria is used and that there should be no room for bias, but that pre-screening may generally be useful because it may limit the pool to the candidates who fit proper qualifications needed in a specific Member State.

For the **validation of candidates**, some respondents pointed out that employers may experience higher costs in the case of the self-declared information from candidates, as the information may not be accurate.

For policy measures targeting **searching and matching**, several respondents considered that automation of this process and simplification in this respect is favourable to a manual matching in order to decrease costs.

In the case of the policy measures addressing **transparency and comparability tools,** introducing a correspondence grid for automatic issuance of the equivalence was particularly seen as costly and difficult to implement for an EU Talent Pool. For the other measures, respondents found it difficult to estimate costs.

The measures for **recruitment facilitation** were received with positive feedback, as the costs could be lower for both employer and candidates, but that national institutions may not agree on these measures. One respondent pointed out potential inequalities between countries stemming from the voluntary EU Talent Pool and fast-track procedures, because candidates may prefer countries where they could benefit from fast-tracking.

In terms of **specific support services**, participants to the survey indicated that an increase in costs would affect the stakeholders who will provide the support services, depending on the type. For proposed measures in the area of user experience, results show that respondents did not see a large difference between the costs entailed by different measures; however, user-friendliness was highlighted as important for the development of each measure.

For proposed measures in the area of **user experience**, results show that respondents did not see a large difference between the costs entailed by different measures; however, user-friendliness was highlighted as important for the development of each measure.

ANNEX 3
WHO IS AFFECTED BY THE INITIATIVE AND HOW?

1. Practical implications of the initiative

The preferred option (PO2) would have positive impacts on most target groups. In particular, there would be **significant positive impacts** for **EU employers and business as** well as **third-country nationals** willing to work in the EU. Given the targeted nature of the preferred option, it would be particularly beneficial for EU business and employers working in strategic sectors suffering from structural shortages such as the **healthcare sector and sectors linked to the green and digital transition.** In addition, the preferred option is not expected to have particularly negative impacts on **EU citizens.**

While envisaging certain additional costs for the public administrations, **national, regional and local authorities of Member States** would benefit from this initiative as offering an additional tool to foster talent attraction to address labour shortages, since Member States acting alone, especially **smaller Member States**, may not be able to compete internationally for skilled third-country workers (global race for talent). Therefore, the preferred option would be particularly beneficial for those Member States suffering from the highest labour and skills shortages with a declining working age population.

The table below provides an overview of the impacts of this initiative on each target group:

Who is affected by the initiative	How the target group is affected by the initiative
Business and employers	This PO would have a particularly **positive impact on EU business and employers** as by facilitating international recruitment they will have an **easier, quicker, and wider, access to labour resources** from third countries. In addition, **better quality of matches** would be ensured via specific tools and personalised support. The envisaged support to international recruitment would be **particularly beneficial for SMEs** as they are likely to bear a disproportionate burden when hiring TCNs in comparison to large enterprises due to more limited resources (e.g. limited understanding of rules on recruitment and immigration procedures, lack of in-house support, lack for resources to rely on recruitment agencies, etc.). In particular, this PO would **largely benefit SMEs** as it would entail a wide pool of candidates **easily accessible**, specific tools **facilitating the matching** (e.g. filters and automatic matching tool), **personalised guidance** by the National Contact Points as well as **online information** on recruitment, immigration and recognition procedures. In addition, by providing a focused pool of pre-screening candidates and the integration of skills profiling and comparability tools (e.g. Europass and ESCO), **better quality recruitment** would be ensured (see Annex on SMEs test). Overall, the increased numbers of TCNs workers **SMEs** would be able to recruit would **boost their growth perspectives**.

	The due to its targeted nature focusing on addressing specific shortages in occupations of EU and national relevance, this PO would be particularly beneficial for EU business and employers working in **strategic sectors** suffering from structural shortages such as the **healthcare sector and sectors linked to the green and digital transition**. In addition, the preferred PO would have a positive impact on companies' **capacity for innovation and research** as it would facilitate international recruitment of skilled third country nationals in this field. This PO would involve processing of personal data, which would be retained and accessed via the IT platform. Thus, this PO would need to ensure that the proposed measures are based on a legislative act which is in compliance with the EU data protection **acquis**, including the principles of purpose limitation, data minimisation, storage limitation and data security.
EU citizens	The preferred PO would result in a **moderate increase in the number of TCNs workers**. In addition, the entry of new TCNs workers would be subject to the control of Member States via **labour market tests**. Therefore, this PO is not expected to entail particular costs or disadvantages for EU citizens vis-à-vis the status quo and the potential **displacement effect on EU workers** is expected to be **limited**. Considering the limited increase in the migration rates (?) , this PO would have a **positive impact on social cohesion** as it is not expected to increase social tensions or negative perceptions of migration. TCNs will be perceived as contributing to addressing labour shortages and increasing the overall economic prosperity. In addition, a well-balanced labour market with workers from various backgrounds can promote knowledge exchange and cultural understanding, which are essential elements of building social cohesion in multicultural societies. In addition, ensuring **protection against unfair recruitment and working conditions** (via quality assurance checks on employers) is expected to reduce downward pressure on wages resulting from exploitation and social dumping practices (and as a result benefitting wider workforces). The positive outcomes would include fairer salary and employers investing in fair working conditions, which may increase labour productivity in the medium to long run. The targeted approach of this PO would ensure complementarity of skills (TCNs would be recruited in occupations where domestic workforce is insufficient), that may also result in a **positive impact on wages.**
Third-country nationals	The preferred PO would have a **positive impact for TCNs** because of improved career opportunities, as their possibilities to find a job in the EU and being recruited would increase. Their understanding of immigration procedures would also be improved via the EU Immigration Portal. In particular, this PO would have a higher positive impact on TCNs as it would ensure

	a **high rate of successful matches and their quality**. The integration of skills profiling and matching tools as well as quality checks on employers would avoid mismatches and over-qualification of TCNs. Overall, this PO would have a **positive impact on social cohesion** as it will contribute to TCNs' labour market participation and create a sense of interdependence with the local population. In addition, match skilled migrants with meaningful job opportunities can lead to reduced social disparities. With regard to the **fundamental rights impacts**, this PO would enact the right to choose an occupation and engage in work [Article 15 of the Charter, and SDG 16] as well as the right to fair and just working conditions [Article 31 of the Charter] and non-discrimination (Articles 21 of the Charter)]. This PO would have a great positive impact on **protection of TCNs against discrimination**, **job quality and working conditions standards** [SDG 8 and 10] as it would reduce the risk of unfair recruitment and exploitative working conditionsas appropriate safeguards against the unfair recruitment would be enusured. . This PO would involve processing of personal data as those data would be retained and accessed via the IT platform. Thus, this PO would need to ensure that the proposed measures are based on a legislative act which is in compliance with the EU data protection **acquis**, including the principles of purpose limitation, data minimisation, storage limitation and data security.
National, regional and local authorities of Member States	The preferred option would foresee the development of **a voluntary system** to which only interested Member States might decide to participate. Therefore, no disproportionate burden on the national authorities is expected under this PO as the EU Talent Pool would rather offer a **supporting tool for the public administrations** in the context of international recruitment. This tool would not replace existing national platforms or talent attraction policies but rather complement them. The majority of Member States lacking international recruitment tools would particularly benefit from this initiative. This is even more apparent for **smaller Member States** facing greater difficulties in attracting TCNs from abroad due to their limited visibility, and resources. Therefore, the preferred option would be **particularly beneficial** for those Member States

	suffering from the greatest labour and skills shortages. By increasing the number of migrants workers coming to address labour and skills shortages in the EU labour markets this PO would be **particularly beneficial** for Member States suffering from the greatest **labour and skills shortages**[224] with a **declining working age population**. Certain **rural and peripherical regions** with net emigration and limited talent attraction are the most negatively affected by the current situation and therefore, would particularly benefit from this initiative. They are sending regions with regard to intra-EU labour mobility, and currently they are not attractive for TCNs due to relatively low wages, small scale of the relevant local labour market, language issues, limited knowledge and information, also because of the lack of existing TCN social networks.[225] When Member States decide to participate in the initiative, certain while limited administrative adjustments would be required. In particular, Member States would have to **set up a governance structure at national level** by designating National Contact Points responsible for the practical implementation of the EU Talent Pool. Therefore, **additional while limited new responsibilities** would be attached to the national authorities. This would imply higher cost (whilst limited) for the public administrations. However, s certain components of EURES would be re-used, the preferred option would require only limited adaptations to the current IT systems at national level to ensure interoperability with the EU Talent Pool platform
Third countries	This PO would have an impact on third countries as facilitating international recruitment and, therefore, making the EU more attractive, third countries may face the **risk brain drain**. However, the increase of TCNs moving to the EU would be small in comparison with the baseline, making this impact limited. Due to the special **link with Talent Partnerships**, the risk of brain drain would be mitigated under this PO for matches conducted in this context given that Talent Partnerships are developed in a mutual beneficial way and relevant sectors as selected in common agreement with the partner country. In

224 For instance, 4.7 % of jobs in Belgium, the Netherlands and Austria were vacant in the first quarter of 2023, the highest value in the EU, followed by Germany (4.1 %). Eurofound distinguishes between three groups of Member States in relation to their job vacancy rates: countries with very high levels of labour shortages with strong increases in the past decade (Austria, Belgium, Czechia, Germany and the Netherlands); countries in line with the EU average (Cyprus, Estonia, Finland, Hungary, Italy, Latvia, Luxembourg, Malta, Slovenia and Sweden); and countries with lower and only slowly increasing job vacancy rates, typically with high levels of unemployment and informal employment (Bulgaria, Croatia, Greece, Ireland, Lithuania, Poland, Portugal, Romania, Slovakia and Spain).

225 Peripheral regions such as Sardinia or Sicily in Italy and Rurall regions such as Lapland in Finland or in the EU are more affected by a shrinking working-age population than others, losing also young people when they move to study or employment elsewhere. The share of people in the EU living in a shrinking region will increase from 34% in 2020 to 45% in 2030 and 51% in 2040. (Eurostat EUROPOP2019 disaggregated at NUT3 level). European Commission Communication, Harnessing Talent in Europe's regions, p. 5.

	addition, the targeted nature of this PO, focusing only to specific occupations would further **limit the risk of brain drain** in third countries. This PO is expected to have a **positive impact on remittances**. Protection from unfair recruitment and exploitative working conditions via checks on employers would also positively affect remittances.

2. Summary of costs and benefits

The tables below present the estimated costs and benefits associated with the preferred option (PO2). Benefits are mainly in the form cost savings for the users of the platform (**TCNs and employers**). However, it is important to note that benefits resulting from the preferred options are difficult to monetise as they are partially linked to time savings for employers and TCNs during the recruitment processes. A detailed overview of quantifiable cost-savings (monetary and in terms of time) associated with the steps of the recruitment process is available in Annex 10.

On the other hand, costs were mainly identified for **national authorities** and include both one-off and recurring costs (see Annex 10 for a detailed description).

A detailed explanation of the assumptions and calculations underlying the estimated costs and benefits is provided in Annexes 4 and 10.

As some costs and benefits vary depending on the number of Member States participating difference ranges are provided below depending on whether 11 or 20 Member States participating in the EU Talent Pool.

I. Overview of Benefits (total for all provisions) – Preferred Option		
Description	***Amount***	***Comments***
Direct benefits		
Simplification of international recruitment procedures for employers (e.g. easier and faster identification and matching)	EUR 150 – 400 (per employer) EUR 74 271 000 – 77 687 5000 (for 11 or 20 Member States participating) (average for all employers participating in the EU Talent Pool)	The costs associated with international recruitment are normally borne by employers (between EUR 1 500 and EUR 2 500 per candidate. EUR 8 500-10 000 is support of recruitment agencies). As the new platform would be free to use for business, and especially SMEs, **cost savings** for employers would result from the fact that they do not need to pay additional money to publish their vacancies online or recurring to external support services.

	n.a. (not quantifiable savings)	Apart from direct costs savings, the preferred policy option would result in **more effective and quicker recruitment of TCNs residing abroad**. Benefits related to employers are mainly linked to **time-savings** across the various steps of the recruitment process (e.g. provision of information and personalised support, matching and searching tools and possibility to include fast-track procedures). However, **these time savings are not quantifiable** (see Annex 10). Cost savings would be mainly linked to the time saved throughout the entire recruitment process. Overall shorter recruitment procedures would mean that the third-country workers would commence their job sooner, which in turn could lead to more efficiency on the labour market in terms of greater job matching and shortages filled, as well as potential increases in business productivity. This will also result in fiscal benefits in terms of tax contributions. In addition, the preferred PO would ensure better quality of matches and profiles, thus further benefitting businesses productivity and growth. The preferred option has also an important added value in reducing the barrier of entries for companies that cannot otherwise allocate financial resources to international recruitment, especially among Small and Medium Enterprises (SMEs). (See annex on SMEs test).
	EUR 11 500 (per employer) EUR 3 132 195 000 – 3 265 111 000 (for 11 or 20 Member States participating) (all employers participating in the EU Talent Pool)	A part from non quantifiable savings, the preferred option foresees the possibility for Member States to introduce fast-track procedures. If those measures are introduced by all Member States, the preferred option would reduce the total time needed for international recruitment by around 3.5 months while increasing the chances of successful matches. Thus, this option has a relatively strong financial impact in terms of **opportunity costs**

		(additional revenue when conducting international recruitment with the Talent Pool).
Simplification of international recruitment procedures for TCNs (e.g. easier and faster identification and matching)	n.a. (not quantifiable)	As described above with regard to the employers, TCNs would benefit from time-savings across the various steps of the recruitment process (access to single platform to find vacancies, information provision and support etc.). However, these time savings are not quantifiable. In addition, protection against unfair recruitment and working conditions under the preferred option is expected result in fairer payment and working conditions, which may increase labour productivity in the medium to long run.
	EUR 3 750 (per TCNs) EUR 1 044 065 000 – 1 088 370 000 (for 11 or 20 Member States participating) (for all TCNs recruited via the EU Talent Pool)	A part from non quantifiable savings, the preferred option foresees the possibility for Member States to introduce fast-track procedures. If those measures are introduced by all Member States, the preferred option would reduce the total time needed for international recruitment by around 3.5 months while increasing the chances of successful matches. In terms of **opportunity costs** this would result in additional wages stemming from the use of the EU Talent Pool.
Indirect benefits		
Increase in GDP	EUR 3.855 – 4.255 billion (for 11 or 20 Member States participating)	Member States would benefit from additional GDP resulting from the higher number of TCNs working and residing in the Member States.
Increase in fiscal contribution of TCNs	EUR 918 957 million (for 11 or 20 Member States participating)	Public finances of theMember States would benefit from net fiscal contribution of the additional TCNs working in the Member State as result

		of this initiative. This covers not only all types of cash benefits received at the individual or household level, such as family benefits, unemployment benefits, and pensions, but this also includes the monetary value of in-kind benefits that individuals receive for health, social housing and education. In general, welfare expenditures in favour of EU nationals are higher; i.e., EU nationals tend to benefit more from public expenditures than migrants. The preferred option will benefit concerned Member States, accordingly, depending on their participation to the EU Talent Pool.
Indirect benefits		
Additional remittances to third countries	EUR 712 – 748 billion (for 11 or 20 Member States participating)	The economies of third countries will benefit from additional remittances sent by TCNs coming to work within the EU as a result of the successful matches provided by the EU Talent Pool. This estimate must be taken with caution because it is based on a world-wide sample and the patterns of remittances may vary remarkably across continents and type of migrants.

II. Overview of costs – Preferred option									
		Citizens/Consumers		Businesses		Administrations		EC	
		One-off	Recurrent	One-off	Recurrent	One-off	Recurrent	One-off	Recurrent
PO 2	Direct costs	n/a	n/a	n/a	n/a	EUR 2 672 400 – EUR 4 175 625	EUR 9 788 075 – 16 583 867 (including governance and IT maintenance)	EUR 6 722 056 – 6 804 539 (IT platform development)	EUR 7 332 755 – 7 947 497 (including, staff, IT maintenance

									and other costs)
	Indirect costs	n/a							

A detailed assessment of the costs associated to the preferred option is provided in Annex 10.

With regard to table III below, no new or removed administrative burden on businesses and citizens is expected under the preferred option.

III. Application of the 'one in, one out' approach – Preferred option(s)			
[M€]	**One-off** (annualised total net present value over the relevant period)	**Recurrent** (nominal values per year)	**Total**
Businesses			
New administrative burdens (INs)			
Removed administrative burdens (OUTs)			
Net administrative burdens*			
Adjustment costs**			
Citizens			
New administrative burdens (INs)			
Removed administrative burdens (OUTs)			
Net administrative burdens*			
Adjustment costs**			
Total administrative burdens***			

(*) Net administrative burdens = INs – OUTs;
(**) Adjustment costs falling under the scope of the OIOO approach are the same as reported in Table 2 above. Non-annualised values;
(***) Total administrative burdens = Net administrative burdens for businesses + net administrative burdens for citizens.

3. Relevant Sustainable Development Goals

This section describes the expected impacts of the most relevant Sustainable Development Goals (SDG) identified in the impact assessment.

IV. Overview of relevant Sustainable Development Goals – Preferred Option

Relevant SDG	Expected progress towards the Goal	Comments
SDG1 – No poverty	A positive impact in addressing inequalities and distribution of incomes is expected as TCNs would access better quality jobs. In addition, higher remittances in third countries are expected.	To be considered in conjunction with SDG 10 below.
SDG 8 – Decent work and economic growth	A positive economic impact would accrue from the international recruitment of TCNs residing abroad to address skills and labour shortages. Thus, this initiative would benefit the EU productivity and economic gains.	
	Specific support to international recruitment would be particularly beneficial for SMEs as they are likely to bear a disproportionate burden when hiring TCNs in comparison to large enterprises due to more limited resources The increased numbers of TCNs workers SMEs are able to recruit would boost their growth perspectives.	This initiative would entail a wide pool of candidates easily accessible, specific tools facilitating the matching (e.g. filters and automatic matching tool), personalised guidance by the National Contact Points as well as online information provision on recruitment, immigration and recognition procedures. In addition, by providing a focused pool of pre-screening candidates better quality recruitment would be ensured
	TCNs workers would be protected against the risk of unfair recruitment and adequate working conditions in line with EU and international standards would be ensured. The preferred options would have a positive impact on employment protection in terms quality of work.	The development of an EU-wide matching platform where employers' job vacancies are registered by the National Contact Points in the Member States would ensure that quality assurance checks on employers and job vacancies are adequately conducted (see also SDG 10)

SDG 9 – Industry innovation and infrastructure	A positive impact EU's overall capacity for innovation and research. In addition, as mentioned under SDG 8, a particularly positive impact is expected for SMEs.	By facilitating international recruitment, this initiative would have a positive impact on EU companies' capacity to conduct R&D.
SDG 10 – Reduced inequalities	Better protection against discrimination is expected from this initiative as non-discriminatory criteria for the candidates would be ensured in the matching process. In addition, quality checks on job vacancies would ensure protection against discriminatory practices.	See in conjunction with SDGs 1 and 10.

ANNEX 4
ANALYTICAL METHODS

This Annex provides an overview of the key assumptions on the basis of which the assessment of costs and benefits under each policy option is conducted (see Annex 10). These assumptions are based on the methodology used by an external contractor in the impact assessment study commissioned by DG HOME in preparation of this impact assessment.

1. KEY ASSUMTIONS FOR THE ASSESSMENT OF THE POLICY OPTIONS

The assessment of the policy options, including their effectiveness and efficiency, is based on following estimations:

a) **Number of Member States participating** in the initiative;
b) **Number of potential users** (TCNs and employers) of the EU Talent Pool by 2030;
c) **Number of successful matches** via the EU Talent Pool.

The key assumptions and methodological choices underlying these estimations are described below.

1.1 Number of Member States participating in the initiative

All the POs foresee the development of a **voluntary EU Talent Pool** leaving Member States the possibility to decide whether they want to participate. Certain costs and impacts **vary depending on the number of Member States** participating. In order to provide a clear and realistic assessment, uncertainties linked to the potential uptake of the initiative should be taken into account. To this purpose it was assumed that a **minimum of 11 Member States** and a **maximum of 20 Member States** would **participate** in the EU Talent Pool. A **range of costs and impacts** estimated under each scenario is presented below in the assessment of each policy option.

This assumption was based on a number of considerations. Whilst the initiative would be designed to be attractive as many Member States as possible, it is likely that their participation would be a gradual process with only some Member States joining in the first years of operation and a progressive increase expected in the long run. The minimalistic scenario (with 11 Member States participating) was built taking into account that legal migration is an area of share competences where Member States tend to be cautious to engage in view of political sensitivity of migration overall. Consultations also demonstrated that some Member States interested in the initiative would wait to see the first outcomes of the operation of the EU Talent Pool before deciding to formally join. Therefore, it was assumed that Member States with a stronger interest may join from the outset, while others will follow after 2030. In the long run, a higher uptake of the initiative is foreseen as demonstrated by the fact that the large majority of Member States consulted welcomed the initiative. In addition, it can be reasonably assumed that several Member States will join in view of the pressing needs related to the challenging demographic situation which would require to rely on legal migration to address and future skills and labour shortages that cannot be sufficiently addressed by the EU domestic workforce.

The number of Member States participating would also imply a **different number of expected successful matches** stemming from the EU Talent Pool. An higher uptake of the initiative by the Member States would result in a higher number of TCNs interested in registering their profiles in the EU Talent Pool and, hence, in a higher number of successful matches. Therefore, ranges of expected successful matches with 11 and 20 Member States participating are provided below. Assumptions linked to the higher attractiveness of the EU Talent Pool in

case of a higher number of Member States participating are explained below (Section 1.2 point 2)).

1.2 Estimated number of potential TCNs interested in using the EU Talent Pool

The estimation of the number of TCNs from abroad potentially interested in seeking job opportunities in the EU by 2030 provides an indication of the **number of TCNs potentially interested in using the EU Talent Pool**.

1) Baseline: Number of TCNs from abroad potentially interested in seeking job opportunities in the EU by 2030

The **baseline for the estimation** of the number of expected TCNs using the EU Talent Pool is based on a hypothetical model taking into account two factors: the number of TCNs profiles available in mid-2023 in the EUROPASS database and the projected trends in the legal migration to the EU by 2030.

1.A) Number of TCNs profiles available in the EUROPASS database

The estimation of the number of TCNs profiles in the EU Talent Pool was based on the current number of **TCNs profiles** available in the **EUROPASS database**.[226] The number of TCNs who registered a profile on EUROPASS and created a CV was used as a **proxy to estimate the number of TCNs potentially interested in using the EU Talent Pool**. This number shows the level of interest of TCNs jobseekers to seek employment opportunities in the EU. The **rationale** behind this methodological choice was based on the fact that investing time and efforts in creating a profile and preparing a CV on EUROPASS **indicates genuine interest** in pursuing professional opportunities within the EU job market. In addition, it shows a **certain level of IT skills** which are equivalent to those that would be required to create a profile on the EU Talent Pool platform.

Almost 1 300 000 CVs of TCNs were registered in EUROPASS in mid-2023[227]

1.B) The projected trend in the legal migration by 2030

The number of TCNs profiles registered in EUROPASS is a static picture of the situation in mid-2023. According to the baseline scenario, **labour migration is projected to grow in 2030**[228] (and, therefore also the number of potentially interested TCNs). Therefore, the stock of registered profiles in EUROPASS is adjusted in line with **the estimated trends in labour migration** (extrapolated on the basis of the number of legal permits issued for employment

[226] While the number of Europass profiles of TCNs also includes profiles of TCNs living in the EU, there are many TCNs that seeking employment in the EU without creating a Europass profile. Hence, we consider that both these factors will balance themselves out and the number of Europass TCN profiles is the conservative proxy.

[227] Approximately 1 300 000 TCNs profiles were registered in EUROPASS in May 2023. See EUROPASS website and statistics.

[228] According to EUROPOP2023 projected net migration and on the share of first residence permits given for employment purposes in the period 2017-2021, the estimated inflows of TCNs coming for employment purposes is expected to be about 400.000 per year, adding up to a cumulated 3.8 million by 2030.

purposes in 2015-2022), resulting in a **multiplier factor of 2,64 to be** applied **up to 2030 reflectig the past trend of the last 7 years [229].**

Number of TCNs from abroad potentially interested in seeking job opportunities in the EU by 2030
1.246.136 x 2,64 = 3 290 000 (approximated)

Therefore, the number of TCNs profiles in EUROPASS adjusted with the labour migration projections in 2030 formed the basis for the expected number of interested TCNs in registering in the EU Talent Pool.

2) Attractiveness factors of the EU Talent Pool compared to the baseline

In order to estimate how many TCNs are likely to register in the EU Talent Pool, the additional factors have to be taken into account **on top of the baseline**:

- **Awareness Campaigns** worldwide would promote the EU Talent Pool and increase the number of TCNs outside of the EU interested in using the Talent Pool compared to the baseline. According to the survey carried out by the contractor of the study supporting the Impact Assessment Report, 28% of TCNs that have never applied for a job in the EU would be interested in using the EU Talent Pool[230]. On this basis, taking into account different models of the Talent Pools under each POs, it is estimated that the awareness campaign would increase the number of TCNs using the EU Talent Pool by +1% of the baseline for PO1, +10% for PO2 and +30% for PO3 (under the scenario of **11 Member States** participating) [231] A 30 % increase was assumed for PO3 on the basis of the results of the survey mentioned above.[232] In particular it is estimated that information campaigns under PO3 would have the highest impact as it opened to all occupations and, therefore, is expected to be more attractive for TCNs. PO2 is also expected to have a high impact, provided that similar features as those envisaged under PO3 are foreseen. However, in view of its targeted nature focusing only on certain

229 The projection of past increase in the issuance of legal permits for employment purposes over the next 7 years is used as a measure of the trends in the interest to search and apply for a job vacancy in the EU. This trend is a proxy as Eurostat data harmonising statistics on total applications for legal permits and the share of rejected applications in respect of successful applications for all types of permits are not available yet. As the EU Talent Pool is essentially a tool for facilitating matching of demand and supply of labour, only the legal permits for employment purposes were taken into account in the period between 2015 and 2022, resulting in the 2.64 multiplier factor.

230 The survey was used as proxy for identifying the potential information campaign effect. The fact that 28% of respondents would be interested in participating to the initiative when it includes EU job postings is an indicator that the information they received on the initiative was relevant and would have triggered an action from their side (registering in the EU Talent Pool). Therefore, this is an indication of the potential increase in interested participants that raising awareness of the initiative would generate.

231 PO3 is open and covers all occupations, hence it is expected to be the most attractive for TCNs. PO1 is the least attractive for them in terms of functionalities (as it is a repository of anonymized CVs without a matching tool) offers and perspectives of the successful employment. PO2 is much more attractive than PO1 but in view of its targeted nature that would cover only some shortage occupations, it will attract a smaller number of additional TCNs than PO3.

232 The 30% increase of interested TCNs was also based on the results of the stakeholders' survey conducted by the external contractor in 8 third countries with 880 TCNs participants. 28% of TCNs in origin countries responded that their likelihood to register to a portal that offers the search of job postings is very high (i.e. 10 on a scale from 1 to 10). Additionally, almost 45% of respondents indicated that having a matching tool that recommends job postings matching their profile would strongly increase their likelihood of registering (i.e., 6-7 on a scale from 1 to 7). Those results significantly indicate a preference among TCNs in third countries for PO2 and, especially PO3, as both offer the possibility of searching across job openings and the inclusion of matching tools (more sophisticated and automated under PO3).

occupations, it is assumed that the EU Talent Pool would attract a smaller number of TCNs in comparison with PO3. Therefore, the effect was assumed to be 10 percentage points lower than for PO3 (i.e., 20%). PO1 is the least attractive option for TCNs due to its limited functionalities (e.g. no matching tool and list of job vacancies available). Therefore a 1% increase was assumed under this policy option.

In addition, the higher uptake of the initiative by the Member States would make the EU Talent Pool more attractive for TCNs interested in working in the EU. The increased attractiveness is explained by the fact that TCNs would be able to search for job vacancies in more Member States and the number of job vancies available on the EU Talent Pool would be higher given the higher number of employers allowed to use the tool. Therefore, under the scenario envisaging the participation of **20 Member States**, it is expected that the information campaign would have more positive results and an additional 5% of TCNs would be interested in registering on the EU Talent Pool.

- It is also estimated that some **potential irregular migrants** would decide to use the EU Talent Pool instead of using illegal channels to migrate to the EU. It is estimated that 1 % of such migrants for PO1, 5% for PO2 and 10% for PO3 will decide to use the EU Talent Pool.[233]
- Additionally, the **operational link with the Talent Partnerships** under PO2 is assumed to have a relevant positive effect on registration numbers since all TCNs participating in Talent Partnerships will be directly registered on the EU Talent Pool by the Liaison Officers.[234]

As shown in the table below, all these elements were used to estimate the number of TCNs potentially interested in registering their profiles on the EU Talent Pool platform. The different ranges indicated below refer to the two scenarios with 11 or 20 Member States participating.

POs	**Baseline of TCNs interested in registering the profiles**[235]	**Attractiveness factors of the EUTP** *additional TCNs interested in registering on top of the baseline in view of the establishment of the EU Talent Pool*			**Expected TCNs interested in registering the profile (summary of the baseline + attractiveness factors)**
		Nr of additional TCNs attracted following the **global awareness campaigns**[236]	Nr of **potential irregular migrants** that decide to use EUTP instead of irregular migration[237]	**TCNs taking part in the Talent Partnerships**	

233 Irregular migrants are estimated as 10% of expected regular flows (on the basis of the ratio of 1:10 between the illegal border crossings to the EU detected by Frontex and the first residence permits in 2022). It is expected that there will be 16 million of legal migrants for all purposes by 2030.

234 The number of people trained under 10 Talent Partnerships will be registered in the Talent Pool. 10 Talent Partnerships would involve around 30 000 (assuming an average of 3000 individuals trained and obtaining the Talent Partnership PASS, per country).

235 Baseline: Number of EUROPASS CVs of TCNs in 2023 x 2.64 (projected labour migration trend extrapolated on the basis of the number of legal permits issued for employment purposes between 2015 and 2022)

236 It is estimated that the awareness campaigns will increase the number of TCNs interested in registering in the Talent Pool compared to the baseline (1% increase for PO1, 10% for PO2, and 30% for PO3). As for PO2, in all countries apart from the Talent Partnership countries, the increase will be 10%.

PO1[238]	3 290 000	32 900 - 197 400 *1% - 6% of the baseline*	16 000 *1% of the irregular migration flows*	N/A	**3 338 900 – 3 503 400**
PO2	3 290 000	329 000 – 493 500 *10% - 15% of the baseline*	80 000 *5% of the irregular migration flows*	30 000 *TCNs participating in 10 Talent Partnerships*	**3 729 000 – 3 893 500**
PO3	3 290 000	9 870 000 - 1 151 500 *30% - 35% of the baseline*	160 000 *10% of the irregular migration flows*	N/A	**4 437 000 – 4 601 500**

1.3 Estimated number of potential TCNs in the EU Talent Pool

Following the registration, the **completeness of candidates' profiles is checked**. Several profiles registered on online platforms are often incomplete, fake or lacking relevant information requested in the profile form. In order to avoid the EU Talent Pool being feed in with incomplete and unusable profiles, completeness checks would include basic automatic data cleaning (e.g. incomplete information, suspicious content detection, repetitive information detection, format verification, etc). Therefore, those checks would detect any relevant inconsistency in the data (e.g. fields were filled in with random letters to be able to be accepted to the platform). This is estimated to lead to a reduction of 1% of the registered profiles under all POs.

While under PO1 and PO3, registered TCNs are automatically admitted into the pool following the completeness checks, PO2 foresees in addition an **automated pre-screening** of TCNs profiles based on the occupations targeted by the initiative. Therefore, under PO2 it was estimated that 35% of the registered profiles are expected to be screened out as the skills and qualifications declared by the candidate do not correspond to those required to work in one of the occupations targeted by the EU Talent Pool. This means that, 65% of registered profiles are expected to successfully pass the pre-screening.[239] By contrast, no pre-screening is foreseen under PO1 and PO3.

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237 It is estimated that in view of the establishment of the EU Talent Pool, some potential irregular migrants will decide to use the Talent Pool to get to the EU legally instead of taking an irregular route. It is estimated that for PO1 it would be 1% of such potential irregular migrants, for PO2 5% and for PO3 10% of projected irregular migrants. It is assumed that the number of irregular migrants to legal migrants is 1:10 (on the basis of the 2022 ratio).

238 PO1 is a package of non-legislative measures around repository of CVs on the model of EuroAxess, with limited search functionalities.

239 The pre-screening entails the exclusion of potentially interested TCNs to work in occupations that are not targeted by the EU Talent Pool. The estimate rate of potentially interested TCNs that would be successfully pre-screened on the basis of the relevant occupations, was based on the fact that around 50% of current jobs for TCNs are in occupations that may not be included under PO2. This is based on the current distribution of labour migrants across different occupations which would reflect the potential distribution of expected profiles in the EU Talent Pool (based on the Labour Force Survey ad-hoc module 2021). However, it is assumed that the pre-screening rate would be lower than 50% as a large number of TCNs registering in the platform would be interested in working in the occupations targeted by the EU Talent Pool as a resulted of the information campaigns that would specifically focus on those occupations and would be aimed at attracting TCNs working in these occupations.

The table shows the numbers of estimated TCNs profiles in the EU Talent Pool under each policy options for each step. The different ranges indicated below refer to the two scenarios with 11 or 20 Member States participating.

POs	Expected TCNs interested in registering the profile *	Checks on completion of profiles	Expected CVs after checks on profiles completion	Pre-screening	Expected CVs in the platform
PO1	**3 338 900 – 3 503 400**	- 1%	3 305 500 – 3 468 366	n/a	3 305 500 – 3 468 366
PO2	**3 729 000 – 3 893 500**	- 1%	3 692 000 – 3 854 865**	- 35%	2 410 000 – 2 516 165**
PO3	**4 437 000 – 4 601 500**	- 1%	4 293 000 – 4 555 485	n/a	4 293 000 - 4 555 485

** These estimations already include the effects of information campaigns and irregular migration flows (which raise expected registrations for each policy option) and interlinkages with Talent Partnership (which raise expected registrations for PO2).*

*** Checks on completion of profiles and pre-screening is not applied to the 30 000 TCNs coming via Talent Partnerships.*

1.4 Estimated number of potential job vacancies registered in the EU Talent Pool

To estimate the number of employers interested to publish their job vacancies, it was considered the number of job openings projected by Cedefop for the year of 2030.[240]

These job openings stem from both expected additional job creation, due to the transformation of the EU economy up to 2030, coupled with the need of replacing existing workforce existing the labour market due to the ageing demographics. The estimated maximum potential job openings for an EU-wide platform available under the different options are presented in the table below. The share of job vacancies potentially open to TCNs was estimated on the basis of the existing distribution of employed TCNs in the EU, on the basis of the 2021 *ad hoc* module on migrants of the Labour Force Survey (2021 LFS) at ISCO 2-digit level.

It is important to note (as explained in Section 1.1) that the potential uptake of the initiative was identified by defining a range of participating Member States (11 or 20 Member States participating. As only employers established in participating Member States would be able to use the EU Talent Pool, the number of expected job vacancies would vary depending on the number of Member States participating. A higher number of Member States participating in the EU Talent Pool would result in a higher number of employers able to register their job vacancies on the platform. Therefore, different ranges of job vacancies registered in the platform are identified below considering the two scenarios of 11 and 20 Member States participating.

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240 Cedefop skills forecast. However, only a share of the total job openings was considered in order to reflect the potential number of job openings for TCNs. The share was estimated by considering the current percentage of TCN workers out of total EU workforce (i.e., 5% according to Eurostat, labour force statistics, custom extraction) and adjusting it to 2030 (i.e., increasing this share to 7.5% to consider current population and migration trends. This entails that 7.5% of the total job openings was considered as potential job vacancies to be included in the EU Talent Pool.

In addition, as mentioned above, under PO2 (limited only to certain occupations), the number of job opening was further restricted to reflect the targeted approach.[241] This explains why, under PO1 and PO3 having an open approach (hence not targeting only certain occupations), the number of estimated job vacancies available in the EU Talent Pool is higher.

The table below provides an overview of expected job openings to be registered in the EU Talent Pool by 2030 under the each option. Ranges are provided in case of participation of 11 or 20 Member States. These figures represent the maximum potential stock of vacancies which could be registered up to 2030, but at the difference of TCN jobseekers there is not proxy such as profiles registered in the Europass dataset[242].

PO	Estimated job openings for TCNS registered on the EU Talent Pool
PO1	3 830 000 – 5 100 000
PO2	1 720 000 – 2 300 000
PO3	3 830 000 – 5 100 000

1.4 Estimated number of successful matches via the EU Talent Pool

Once the number of potential users in the EU Talent Pool is estimated (the supply side being represented by the TCNs jobseekers and the demand of labour by the employers), the **expected successful matches** need to be calculated in order to determine the potential impacts of the initiative.

Successful matches indicate the number TCNs selected in the context of the EU Talent Pool and, therefore receiving and accepting a job offer made by an employer for a specific job vacancy.

The recruitment process encompasses the identification of potential candidates in the platform via the search by filters functionality as well as the automatic matching tool which shows a list of suitable candidates. It also includes the interviewing and skills testing phase. A successful match between an employer and a candidate is, therefore, the outcome of this process. After receiving a job offer, TCNs have to apply for a work permit in the Member States. Therefore, the estimated number of successful matches is not equivalent to the number of TCNs obtaining a work permit as the subsequent immigration procedure depends on the assessment of the national authorities which might include additional requirements to the simple job offer (job

241 Only job openings of the 13 ISCO 2-digit level occupations identified as of EU and national relevance, thereby covering those occupations for which projected available workforce is insufficient. 13 ISCO occupations of strategic relevance were identified. These occupations were selected based on ELA's list of widespread and persistent shortages, complemented with inputs from Commission Services. ELA shortages report (2023) presents occupations at ISCO 4-digit level, as used under the problem definition and for the baseline. However, data on employment levels of migrants and job openings is not available at this level of disaggregation. Therefore, the 4-digit occupations suffering from shortages were aggregated at 2-digit level, leading to a certain approximation to our estimation. The list includes : 21 – science and engineering professionals, 22 – health professionals, 24 – business administration professionals, 25 – information and communications technology professionals, 31- science and engineering associate professionals, 51 – personal service workers, 53 – personal care workers, 71 – building and related trades workers excluding electricians, 72 – metal machinery and related trades workers, 74 – electrical and electronic trades workers, 75 – food processing wood working garment and other craft and related trades, 83 – drivers and mobile plant operators, 91 – cleaners and helpers. Commission Services' inputs were also considered when drawing this list to include occupations that have not been in widespread shortage in previous years but are likely to grow in importance for the transition due to their active role in the acceleration of greening activities.

placement). However, the discrepancy between the number of successful matches and the number of issued work permits is not expected to be significant.

The **success rate of matches** indicates the number of job offers received by TCNs compared to the number of expected TCNs interested in registering their profile in the EU Talent Pool.

The **success rate of matches** was estimated to calculate the number of successful matches. **Under each PO, a different selection rate was identified**[243] on the basis the **expected quality of the profiles** which would imply greater chances to satisfy employers' needs.

1) **Under PO1** a selection rate of 0,5% was assumed considering the added value of the initiative in facilitating international matching compared with current situation (the baseline). However, this selection rate is lower compared with the other POs due to the limited tools and supports measures available under this option.

2) **Under PO2** a selection rate of 7% was assumed. This is the highest rate (compared with the other POs) due to the expected better quality of candidates' profiles arising from the pre-screening process, the inclusion of TCNs profiles certified in the context of the Talent Partnerships as well as IT tools and support services facilitating the matching.

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243 These rates were built on the basis of evidence gathered in the context of the study to inform the Impact Assessment conducted by the external contractor. This evidence was gathered through literature review, desk research and interviews with relevant stakeholders active in the field of international recruitment. The share of jobseekers finding employment thanks to the involvement of Public Employment Services in their job search averages at around 7% according to inputs from Commission Services. Systematic publicly available data regarding these rates across industries in the European Union are lacking. However, the limited data sources from both Europe and other regions suggest that the share of jobseekers which obtain a job offer following the selection process is to be below 5%. Notably, sources such as Jobvite, propose a rate ranging between 1% and 2%. See for instance, https://ideal.com/recruiting-metrics/; https://www.jobvite.com/blog/recruiting-funnel/; https://zety.com/blog/hr-statistics. Additionally, while context matters, stakeholders consulted by the contractor in the context of this study have indicated that around 80-90% of the CVs received will be screened out as not matching the requirements of the job.

243 The selection rate refers to the proportion of the admitted profiles that will be successfully matched with job vacancies under each policy option. In other words, it indicates the percentage of profiles that employers are expected to select from the total pool of admitted candidates for potential job offers. Systematic publicly available data regarding selection rates across industries in the European Union are lacking. However, insights gathered from consultation activities conducted by the contractor indicate that among 100 received CVs for a position, only around 30% are typically shortlisted for deeper consideration following pre-screening. Furthermore, sources such as CareePlug observe an average interview-to-hire ratio of 48%, indicating that a significant portion of candidates who have passed the pre-screening phase reaching the interview stage successfully secure job offers. This rate diverges across sectors, with cleaning services having a rate of approximately 27%, compared to significantly higher rates of 75% and 56% in the retail and.

243 These selection rates were built on the basis of evidence gathered in the context of the study to inform the Impact Assessment conducted by the external contractor. This evidence was gathered through literature review, desk research and interviews with relevant stakeholders active in the field of international recruitment.

243 The highest selection rate was assumed for PO2 (i.e., 11%) due to the expected better quality of candidates' profiles arising from the pre-screening, the possibility for employers to request to TCNs the validation of their profiles via procedures at national level and IT tools and the support services available to facilitate the matching. Additionally, a higher selection rate (of 30%) was estimated for TCNs profiles certified in the context of the Talent Partnerships, as those will entail trained TCNs who have obtained the Talent Partnership PASS. The lowest selection rate was assumed for PO1, considering the more limited value added of the initiative in facilitating international matching relative to the two legislative options. An intermediary rate was assumed for PO3 as it entails certain elements that ensure the quality of the profiles (e.g., IT tools, support services available) but no pre-screening and no operational link with Talent Partnerships.Lever, ERE, and SHRM propose a selection rate ranging between 1% and 2%. Notably, sources such as Jobvite, Lever, ERE, and SHRM propose a rate ranging between 1% and 2%. See for instance, https://ideal.com/recruiting-metrics/; https://www.jobvite.com/blog/recruiting-funnel/; https://zety.com/blog/hr-statistics. Additionally, while context matters, stakeholders consulted by the contractor in the context of this study have indicated that around 80-90% of the CVs received will be screened out as not matching the requirements of the job.

3) **Under PO3** a selection rate of 6% was assumed. It represents an intermediate rate between PO1 and PO2 due to the fact that only certain elements ensuring the quality of profiles are envisaged. On the one hand, IT tools such as the automatic matching tool as well as support services are available as under PO2. More sophisticated IT tools would be used, therefore, ensuring a better quality of potential matches (e.g. automatic matching tool). On the other hand, candidates registering in the platform do not undergo a pre-screening process and there is no direct link with Talent Partnerships.

In addition, the estimation of the **selection rate** was also included to clarify the number of successful matches compared to the number of expected CVs on the platform following the completions checks and the pre-screening.

Therefore, the **selection rate** indicates the number of job offers received by TCNs compared to the number of expected CVs in the platform.

It was estimated by determining the share of the TCNs profiles registered in the EU Talent Pool that will be selected by the employers[244]. **Under each PO, a different selection rate was identified**[245] on the basis of the **expected quality of the profiles** which would imply greater chances to satisfying employers' needs.[246]

The steps described above are visually represented by the figure below.

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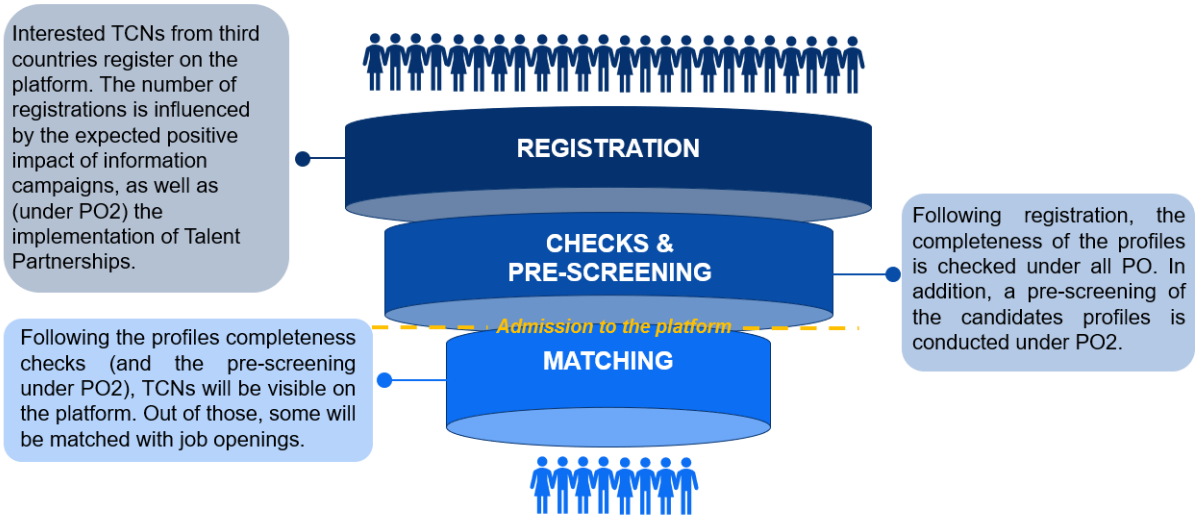
244 The selection rate refers to the proportion of the admitted profiles that will be successfully matched with job vacancies under each policy option. In other words, it indicates the percentage of profiles that employers are expected to select from the total pool of admitted candidates for potential job offers. Systematic publicly available data regarding selection rates across industries in the European Union are lacking. However, insights gathered from consultation activities conducted by the contractor indicate that among 100 received CVs for a position, only around 30% are typically shortlisted for deeper consideration following pre-screening. Furthermore, sources such as CareePlug observe an average interview-to-hire ratio of 48%, indicating that a significant portion of candidates who have passed the pre-screening phase reaching the interview stage successfully secure job offers. This rate diverges across sectors, with cleaning services having a rate of approximately 27%, compared to significantly higher rates of 75% and 56% in the retail and.

245 These selection rates were built on the basis of evidence gathered in the context of the study to inform the Impact Assessment conducted by the external contractor. This evidence was gathered through literature review, desk research and interviews with relevant stakeholders active in the field of international recruitment.

246 The highest selection rate was assumed for PO2 (i.e., 11%) due to the expected better quality of candidates' profiles arising from the pre-screening, the possibility for employers to request to TCNs the validation of their profiles via procedures at national level and IT tools and the support services available to facilitate the matching. Additionally, a higher selection rate (of 30%) was estimated for TCNs profiles certified in the context of the Talent Partnerships, as those will entail trained TCNs who have obtained the Talent Partnership PASS. The lowest selection rate was assumed for PO1, considering the more limited value added of the initiative in facilitating international matching relative to the two legislative options. An intermediary rate was assumed for PO3 as it entails certain elements that ensure the quality of the profiles (e.g., IT tools, support services available) but no pre-screening and no operational link with Talent Partnerships.



The table below presents the expected number of successful matches:

POs	Expected TCNs interested in registering their profiles*	Expected CVs after checks on profile completion		Expected CVs in the platform		Selection rate [247]	Expected successful matches	Success rate of matches[248] (≠ job placement rate)
PO1	**3 338 900 – 3 503 - 400**	-1%	3 305 500 – 3 468 366	N/A	3 305 500 – 3 468 366	0,5%	**16 500 – 17 300**	**0,5%**
PO2	3 699 000 – 3 863 500	-1%	3 662 000 – 3 324 865	Pre-screening: -35%	2 380 000 – 2 486 165	11%	261 000 – 273 500	
	30 000 *TCNs taking part in the Talent Partnerships*	N/A	30 000	N/A	3 0000	30%	9 000	

247 Number of matches compared to the number of expected CVs on the platform.
248 Number of matches compared to the number of expected TCNs interested in registering their profile.

	Tot for PO2: **3 729 000 – 3 893 500**	N/A	N/A	N/A	2 410 000 – 2 516 165	N/A	Tot for PO2: **271 000 – 282 500**	**7%**
PO3	**4 437 000 – 4 601 500**	-1%	4 293 000 – 4 555 485	N/A	4 293 000 – 4 555 485	6,5%	**279 000 – 296 000**	**6%**

** This number reflect the expected CVs in the platform after accounting for attractiveness factors and **selective** steps.*

The assessment of socio-economic impacts, costs and cost-savings presented in Annex 10 is based on these estimations.

ANNEX 5
COMPETITIVENESS CHECK

1. Overview of impacts on Competitiveness

The table below provides an overview of the expected impacts of the preferred option on competitiveness.

Dimensions of competitiveness	Impact of the initiative	References to sub-sections of the main report or annexes
Cost and price competitiveness	0	n.a.
International competitiveness	0	n.a.
Capacity to innovate	+	n.a.
SME competitiveness	++	SME test Annex

2. Syntetic assessment

In general terms, it can be assumed that competitiveness gains from the EU Talent Pool will initially accrue to the economies, sectors and companies of the participating Member States (assumed to be a subgroup of the current EU membership). Competitiveness gains will spread gradually, mostly a the company level, as other Member States will join in a later stage. In the best-case scenario in relation to Member State participation, it is reasonable to expect an evolution according to a logistical curve (S-shaped) due to the uncertain time-dependent process of voluntary adhesion by member States to the EU Talent Pool with minimum participation (and effects) at the beginning and an exponential increase in a short amount of time, consequentely reaching a high-level plateau of participation rather quickly. In the initial phase, the critical core of participant Member States, more concerned by the difficulties of insufficient international recruitment of third-country national workers, will reap most of the benefits in terms of competitiveness and capacity to innovate. These effects will gradually spread as the number of sectors and businesses serviced by the EU Talent Pool will increase.

The preferred option envisages the development of an EU-wide platform aimed at facilitating international recruitment and providing opportunities for TCNs to work in areas of EU and Member States strategic interest. By adopting a focused and targeted approach, the preferred option is catering to the needs of competitiveness of the EU as a whole in the context of the twin transition to the EU Digital and Net-zero economy, addressing increasing difficulties experienced by European companies in filling their vacancies in many sectors. The preferred options would entail additional help and support throughout the recruitment process for companies, catering to the needs of SMEs which are disproportionately disadvantaged in the process of international recruitment in respect of larger companies. Additionally, awareness-raising activitites towards to targeted third-country workers and entrepreneurs that the EU welcomes them to sustain economic growth and competitiveness would indirectly help the efforts of SMEs to raise interest from potential candidates.

The EU Talent Pool is likely to have a positive impact on capacity to innovate via additional recruitment of workers from third countries, in particular addressing labour and skills shortages experienced by SMEs. Recruitment from abroad could increase EU businesses'

competitiveness and capacity to innovate also for large companies, as their needs are rather specialised. However, aside from demand driven by labour and skill shortages, SME recruitment of migrant workers is found to be driven by owner-managerial values, as well as the perceived skill level and necessity of migrant labour.[249] Research shows that the career experience of migrant SME owner-managers influence their behaviour in recruiting and retaining international staff: a more positive experience of a TCN SME manager is associated with a greater likelihood of them recruiting other third country nationals, in turn. [250] Moreover, research shows that the career experience of migrant SME owner-managers influence their behaviour in recruiting and retaining international staff: a more positive experience of a TCN SME manager is associated with a greater likelihood of them recruiting other third country nationals, in turn.[251]

In general, small firms may also be less likely to take a risk in hiring unknown candidates if recruitment costs are high and sponsorship requirements are complex. A previous review of the availaible schemes in the EU suggests that some labour migration channels favour larger firms, with a few OECD countries having labour migration instruments specifically targeting or favouring SMEs.[252]

Additional competitiveness analysis can be provided when looking at the three main macro-sectors that are generally suffering from labour shortages in most Member States (Green, Health and ICT sectors) and that are more likely to benefit by the operations of the EU wide-platform.[253]

Green sector: Broadly speaking, green SMEs can contribute to the protection of the climate, environment and biodiversity in various ways. Some are "green performers" – SMEs focusing on reducing the environmental footprint via resource-efficient processes – while others are "green innovators" – SMEs focusing on producing green products and services (e.g., renewable energy).[254] Greening production processes or designing and producing green products generally requires a workforce with specific and specialised skills and expertise.[255]

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250 Lähdesmäki, Merja and Suutari, Timo, 'Good workers, good firms? Rural SMEs legitimising immigrant workforce', *Journal of Rural Studies*, Vol. 77, 2020, pp. 1-10.

251 Crowley-Henry, Marian, O'Connor, Edward P and Suarez-Bilbao, Blanca, 'What goes around comes around. Exploring how skilled migrant founder–managers of SMEs recruit and retain international talent', *Journal of Global Mobility: The Home of Expatriate Management Research*, Vol. 9, 2, 2021, pp. 145-165.

252 Ibidem.

253 As information on occupations and firm size is not available at EU level, we rely on literature and sectoral statistics from Eurostat when available. We considered three main macro-sectors (green, ICT and health) that are most suffering from shortages according to the above-mentioned list. For instance, occupations relevant for the green sector and identified as of strategic relevance include: 31- science and engineering associate professionals and 21 – science and engineering professionals. Those relevant for the ICT sector and identified as of strategic relevance include: 21 – science and engineering professionals, 25 – information and communications technology professionals, 31- science and engineering associate professionals, 71 – building and related trades workers excluding electricians, 72 – metal machinery and related trades workers, 74 – electrical and electronic trades workers, 83 – drivers and mobile plant operators. Those relevant for the health sector and identified as of strategic relevance include: 22 – health professionals, 51 – personal service workers, 53 – personal care workers.

254 OECD, *SMEs: Key Drivers of Green and Inclusive Growth*, Issue Paper in: Inclusive solutions for the green transition, 2018.

255 In this regard, the Flash Eurobarometer 498 defines a "green job" as "one that directly deals with information, technologies, or materials that preserves or restores environmental quality. This requires specialised skills, knowledge, training, or experience …". European Commission, *Annual Report on European SMEs 2021/2022*, SMEs and environmental sustainability, Background document, 2022.

As Europe witnesses a growing number of green performers and innovators, the demand for technical skills in this field is on the rise. Eurobarometer surveys on this topic reveal that a significant portion of SMEs, more than half of the approximately 13 000 SMEs respondents, have already invested or plan to invest in emissions reduction and climate change mitigation.[256] Additionally, more than two-thirds of SMEs (around 9 000) are already actively engaged in resource efficiency activities, primarily cantered around waste reduction and energy conservation.[257]

This surge in green initiatives is propelled by the ambitious objectives of the European Green Deal, which foresees a reduction in net greenhouse gas emissions by at least 55% by 2030 and zero net emissions by 2050. Within the Green Deal, the Green Deal Industrial Plan fosters an environment conducive to scaling up the production of net-zero technologies and products to meet Europe's climate targets. Following these efforts, the value of EU's net-zero start-ups ecosystem in 2021 doubled since 2020 and reached over EUR 100 billion. In addition, the number of green jobs in the European economy is growing; it went from an estimated 3.2 million in 2000 up to 4.5 million in 2019.[258]

However, the transition towards a more sustainable and green economy necessitates expertise and skills that may not be readily available in the EU. In this regard, four in ten SMEs (39%) face challenges in transitioning to more environmentally sustainable business practices due to skills shortages.[259] Similarly, 23% of SMEs (around 3 000 out of 13 000) report that a main barrier to undertaking resource-efficiency actions is the lack of specific environmental expertise.[260] Those numbers indicate a high potential pool of SMEs, across all sectors, that would benefit from the Talent Pool (including under the Preferred Option).

ICT sector: The number of SMEs in the ICT sector[261] is around 1 240 000, making up around 99% of the total number of enterprises in the sector.[262] This represents a very large sectoral base for the potential uptake of the Talent Pool under the targeted approach of **PO2**. Additionally, as it is the case for green skills, also digital skills are cross-cutting across sectors, entailing that SMEs not necessarily operating in the ICT sector may require workers with strong digital expertise and knowledge. Indeed, the green transition is highly interlinked with the digital revolution, in that digitalisation offers SMEs the potential to become more productive and reduce their environmental impact.[263] However, a large share of SMEs reports not having enough human resources, also in terms of skills and expertise, to take advantage of the digital transition. Indeed, among SMEs with very limited digitalisation, or that have not yet digitalised any of their activities, 90% indicated the lack of required skills as a main cause. Even if less problematic, the lack of required skills plays a role also in the digitalisation

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256 European Commission, *Annual Report on European SMEs 2021/2022,* SMEs and environmental sustainability, Background document, 2022.

257 European Commission, Flash Eurobarometer 498: SMEs, green markets and resource efficiency, 2021. The number of SMEs respondents is around 13 000 SMEs.

258 More information available here : https://commission.europa.eu/strategy-and-policy/priorities-2019-2024/european-green-deal/green-deal-industrial-plan_en

259 Flash Eurobarometer 529 on European Year of Skills : Skills shortages, recruitment and retention strategies in small and medium-sized enterprises. The number of SMEs respondents is around 13 000 SMEs.

260 European Commission, Flash Eurobarometer 498: SMEs, green markets and resource efficiency, 2021. The number of SMEs respondents is around 13 000 SMEs.

261 NACE code J.

262 Eurostat, Structural Business Statistics, code: SBS_SC_OVW.

263 European Commission, *Annual Report on European SMEs 2021/2022,* SMEs and environmental sustainability, Background document, 2022.

strategy of SMEs with very or more extensive digitalisation, as indicated by more than 30% of those.[264]

Health sector: The number of SMEs in the health sector[265] is around 2 130 000, which represents around 99% of the entire totality of the enterprises in the sector.[266] As for the ICT sector, this also entails a very large sectoral base for potential uptake from SMEs of the EU Talent Pool initiative under **PO2**. Disaggregating this number across the different subsectors show that the majority of SMEs in the sector are concentrated among Medical and dental practices activities (44%) and Other human health activities (48%), which can include activities for human health not performed by hospitals or by medical doctors or dentists (e.g., midwives, physiotherapists or other paramedical practitioners, medical massage, et cetera).

Overall, the increasing number of SMEs taking actions to navigate the twin green and digital transition and the high number of SMEs operating in the health and ICT sectors suggests a high (and growing) potential demand for specialised skills and expertise in those fields. In this context, while a limited scope of the Talent Pool may restrict registration to certain sectors and occupations, a considerable number of SMEs will still directly benefit within the strategic sectors that will likely be part of the initiative, or will indirectly benefit from the recruitment of critical skills and expertise (e.g., digital skills or green skills) via the EU-wide platform. These direct and indirect perspective indicate a substantial number of potential beneficiaries among SMEs, which will benefit from the expected successful matches.

264 Survey of SME Associations, European Commission, Annual Report on European SMEs 2020/2021: Digitalisation of SMEs, 2021.

265 NACE code Q.

266 Eurostat, Structural Business Statistics, code: SBS_SC_OVW.

ANNEX 6
PROBLEM ASSESSMENT FROM A DEMOGRAPHIC PERSPECTIVE

1. Demography and Migration

EU Member States, as other parts of the world, will be affected by deep-seated demographic changes in the next decades. This will affect the capacity of economic growth, sustainability of social security systems as well as the EU attractiveness at global level.

The charts and tables below present the main elements of the demographic changes forecasted in the EU and highlight the potential contribution of migration to attenuate their impacts in the long run. This concerns in particular the size of the general population and share of working-age population; as well as the old-age dependency ratio, taking into account the share of the population aged 65 and over in respect of the working-age population (15-64 year-olds). As far as this annex is concerned, likely trends of population size and its age structure are presented, followed by a discussion on working age-population and old-age dependency ratio.

To highlight the role of migration in attenuating the impact of the ageing population, the latest population projections released by Eurostat[267], are broken down under different alternatives:

a) baseline scenario - produced based on 'main input dataset';

b) low migration scenario;

c) high migration scenario;

d) no net migration scenario – obtained by assuming that the component of international net migration[268] equals zero (see methodological box below).

For the purposes of this Impact Assessment, migration scenarios to and from the European Union were built on the basis of Eurostat EUROPOP2023 projections[269]. See Box 1 below.

Box 1: Forecasting population developments with or without the contribution of international migration

Population projections are "what-if" scenarios that aim to show hypothetical developments of the population size and structure. These projections are deterministic projections based on a set of assumptions for future levels of fertility, mortality, and migration.

EUROPOP2023 population projections are a 'Convergence Trends' scenario that includes short-term (nowcasting), medium-term (trend) and long-term (convergence) components released by Eurostat on 30 March 2023. This exercise takes in account the impact of COVID-19 pandemic as well as the impact of the mass influx of displaced persons as a result of the

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267 Database - Population and demography - Eurostat (europa.eu)

268 Due to the limited reliability of emigration and immigration statistics in many EU Member States, it is preferable to calculate net migration as the difference between population change and natural change between two dates. It is called "net migration (including statistical adjustment)" as it includes other changes which cannot be attributed to births, deaths, immigration or emigration between that time period.

269 Presentation available at: Population projections - Population and demography - Eurostat (europa.eu) and main results available at: EU's population projected to drop by 6% by 2100 - Products Eurostat News - Eurostat (europa.eu) as well as Young people projected to be 15% of EU's population by 2050 - Products Eurostat News - Eurostat (europa.eu)

Russian military aggression against Ukraine.

Computations are based on cohort-component method with 1st January 2022 base population, disaggregated by sex and age. Data on population, live births and deaths used as input data in EUROPOP2023 round are official statistics provided by the national statistical authorities to Eurostat in the frame of annual demographic data collection. Migration flows have been measured in terms of net migration (including statistical adjustment) and computed as residual from the annual demographic balance.

The 'main input dataset' includes the 2022 base-population and the assumptions for fertility, mortality and international net migration (including statistical adjustment), and defines the frame of main scenario for producing the population projections. Four variants ('no-migration variant', 'reduced-migration variant', 'higher-fertility variant' and 'lower-fertility variant') were obtained by modifying one of the modelled component while the other components of the 'main input dataset' were maintained constant.

The data used in this annex mainly refer to the 'main scenario' (produced based on 'main input dataset') in comparison to the 'no-migration scenario' - obtained by considering the component of international net migration equals zero. It should be noted that Eurostat also publishes statistics for a "reduced migration scenario" and an “enhanced migration scenario”, considering that the component of international net migration[270] is reduced or increased by a third in respect of the baseline scenario.

In Europop2023, "**net migration (including statistical adjustment)"** is a general estimation of the net migration based on the difference between population change and natural change between two dates (including other changes which cannot be attributed to births, deaths, immigration or emigration between that time period).

One of the implications is that, for a given Member State, net migration is the result (apart from so-called "statistical adjustment") of the difference, in a given year, between immigration flows and emigration flows with the rest of the world. Flows to and from other EU Member States are therefore also included into this net migration definition, and not only migration flows from outside the EU. However, this is not the case when using the EU-27 aggregate as net migration refers then only to the differences between immigration flows and emigration flows outside of the EU.

As shown in the table below, the net migration assumed by Eurostat in the main scenario would be positive over the entire period and will be the only component contributing to the EU-27 population growth. It is projected to be almost constant, on average 1.2 million, over the entire projection horizon, apart from the 2022-2027 period where it is expected to be negative, due to the expiration of the Temporary Protection Directive and the progressive return of beneficiaries of Temporary protection to their country of origin.

Source for the box: Eurostat, Europop2023, International net migration by age and sex [proj_23nanmig] Metadata available

[270] Due to the limited reliability of emigration and immigration statistics in many EU Member States, it is preferable to calculate net migration as the difference between population change and natural change between two dates. It is called "net migration (including statistical adjustment)" as it includes other changes which cannot be attributed to births, deaths, immigration or emigration between that time period. Please note that net migration includes statistical adjustment.

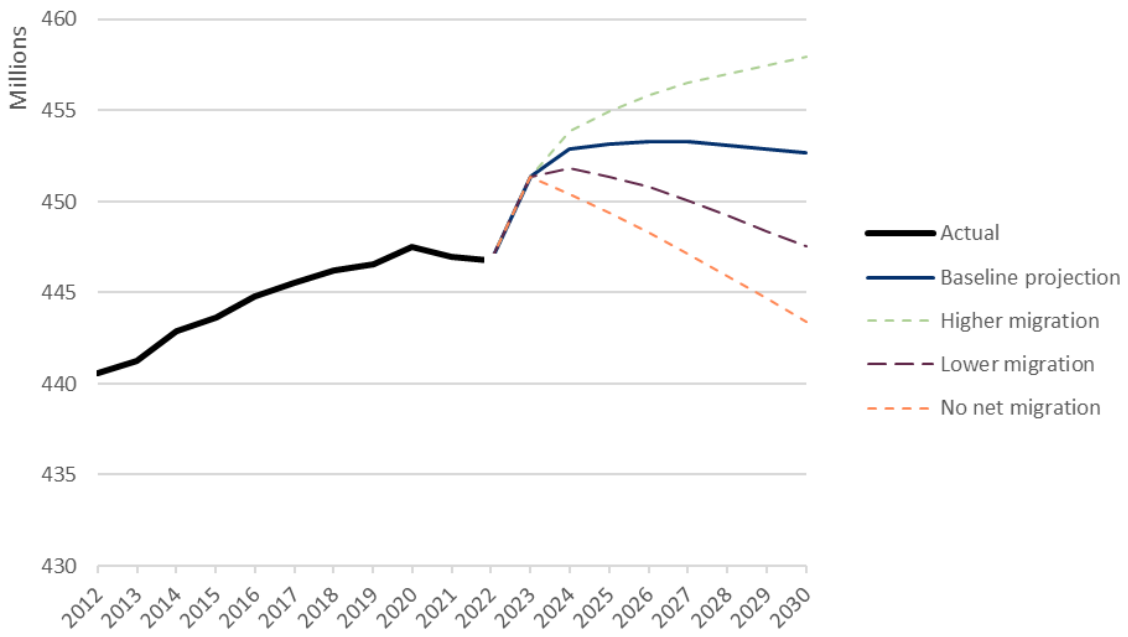
at: EUROPOP2023 - Population projections at national level (2022-2100) (proj_23n) (europa.eu)

1.1 Forecasted developments of population in the EU-27

Eurostat's EUROPOP 2023 baseline projection depicts a scenario where the population of the EU27 is expected to start its long-term decrease, after the recent turbulences due to the COVID-19 pandemic[271] and the outbreak of war in Ukraine[272]. In the near future, the EU-27 population is projected to plateau at around 453 million inhabitants and slowly start to enter a long-term decline from 2027 onwards.

Under an alternative 'low migration' scenario, where the projected baseline net migration is reduced by a third, the EU population is projected however to decrease significantly, by 0.9% (3.8 million) between 2023 and 2030, and by 1.8% (8.0 million) in a scenario when there is no net migration. Under a theoretical 'high migration' scenario, where projected immigration figures from outside the EU are increased by a third for the purpose the exercise, Eurostat's model projects an increase in the EU27's population by 1.5% (6.5 million).

Figure 1: Population: Eurostat projections (different scenarios) up to 2030, EU27



Source: Population on 1st of January [TPS00001__custom_7062984], Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

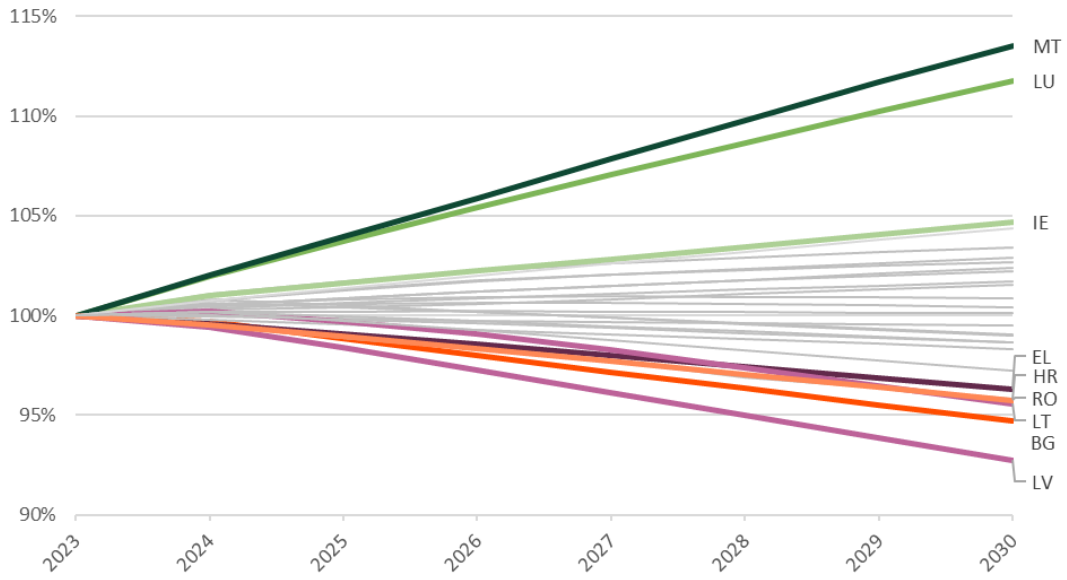
At the Member State level, the EUROPOP2023 projections highlight significant differences in demographic trajectories. The baseline projection shows population increases by 2030 in 14 countries (AT, BE, CY, DE, DK, ES, FI, FR, IE, LU, MT, NL, SE, SI), with Malta (+14%), Luxembourg (+12%) and Ireland (+5%) growing the most thanks to large-scale immigration, while 13 countries (BG, CZ, EE, EL, HR, HU, IT, LT, LV, PL, PT, RO, SK) would lose

271 After a 2-year consecutive decline in population, due to the impact of the COVID-19 epidemic, the EU population increased in 2022, mainly due to positive net migration, also partly due to the mass influx of displaced persons from Ukraine. EU population increases again after two years decrease - Products Eurostat News - Eurostat (europa.eu)

272 On 30 June 2023, approximately 4 million of non-EU citizens were granted a temporary protection status in the EU, on the basis of the Council Implementing Decision 2022/382 of 4 March 2022. 30 June 2023: 4.07 million with temporary protection - Products Eurostat News - Eurostat (europa.eu)

population. The largest relative population decreases are projected for Latvia (-7%), Bulgaria (-5%), Lithuania, Romania, Croatia and Greece (-4% each).

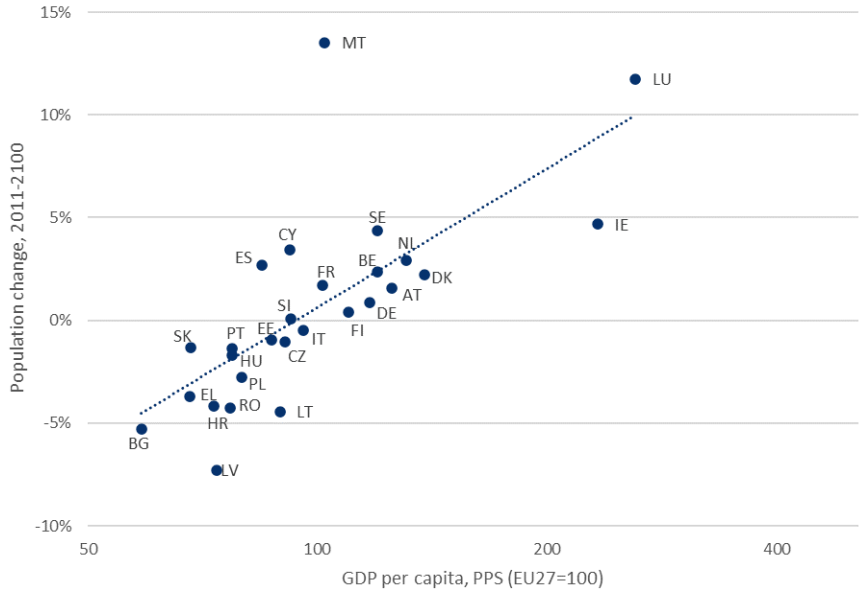
Figure 2: Population projections up to 2030, by Member State (baseline projection; 2023 = 100%)



Source: Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

As shown by the figure 3 below which combines projections and statistics provided by Eurostat, projected population trends tend to be more negative in Member States with lower GDP per capita figures. This highlights a twin challenge due to demographic challenges and lower prosperity, which are unrelated but they are reinforcing each other. However, the close fit between projected population trends (mainly driven from natality and mortality rates) and GDP per capita also shows the tightness of correlation across Member States in the European Union with only a few outliers (notably Malta, Luxembourg, Ireland) leaving little variability in this respect: prospective negative population growth is coupled with lower prosperity, which means that countries with more need to catch up in terms of GDP per capita are also facing more severe demographic decline in relative terms.

Figure 3: Population projections up to 2030 vs. GDP per capita (2022), by Member State (baseline projection; 2023 = 100%)

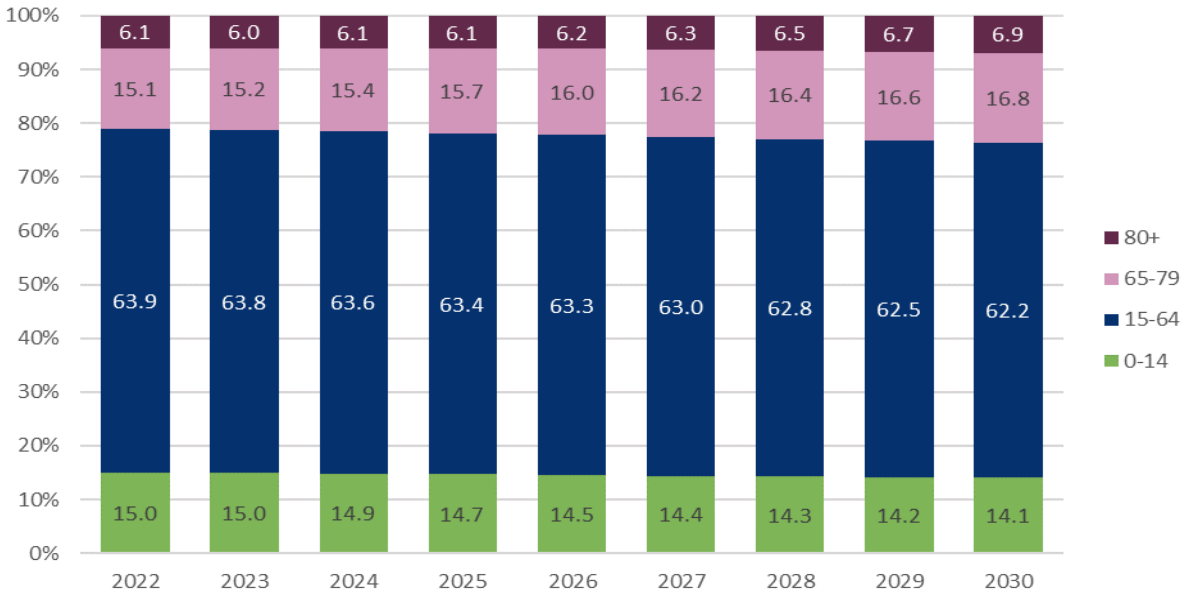


Source: Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661], GDP per capita in PPS [NAMA_10_PC__custom_7073439]

Moving from the general population trends, the aggregated projected decline in the EU27 shows **very different demographic trends across** Member States in the labour market. In fact, the working-age population is projected to increase between 2022 and 2075 in four Member States (**Malta, Luxembourg, Sweden and Ireland**), while declining by less than 10% only in another eight countries. The former **group of Member States tends to have a higher GDP per capita than those at the bottom of the chart**. Seven Member States, all with relatively low GDP per capita, are in addition expected to see declines in their working-age population of at leaset 30% the coming five decades, according to the baseline population projections of Eurostat, adding to the challenge of catching up with other Member States.

At the same time, this projected population decrease is coupled with a general ageing of the EU27's population, which has been on-going for many years and will accelerate in the future, according to EUROPOP2023 projections. The share of population aged 65 and over is projected to grow to 23.7% by 2030 (the corresponding value in 2022 was 21.2%), while the proportion of persons aged 80 and over will grow from 6.1% to 6.9%. The share of children below the age of 15 is projected to decline from 15.0% to 14.1%, and the share of working age population, aged 15-64, is projected to fall from its 63.9% share in 2022 to 62.2% by 2030.

Figure 4: Population broken down by age group, EU27, baseline projection (percentage)



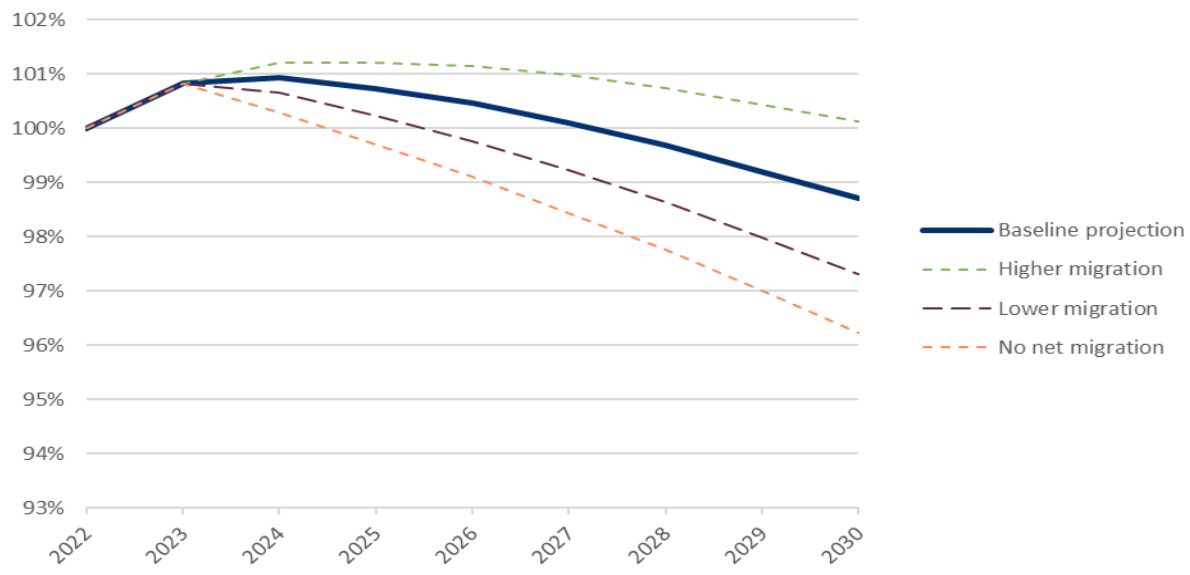
Source: Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

1.2 Projected working-age (15-64-year olds) population in the EU-27

The decline of the share of the working-age population leads to a corresponding decline in absolute numbers, which is appearing already in the projections by 2030 but is expected to accelerate afterwards. The EUROPOP23 baseline scenario projects – under the assumption that exceptional immigration levels driven to a large extent by the war in Ukraine will gradually return to the historic average by 2027 - that the number will drop by 1.3% (corresponding to 3.7 million persons) by 2030. The lower migration and no net migration scenarios involve more pronounced drops of 2.7% (-7.6 million) and 3.8% (-10.8 million), respectively. The size of the working-age population is projected to slightly increase under the higher migration scenario, by 0.1% (+0.3 million persons) by 2030.

It is to be noted again that the temporary increase of EU27 population until 2024 is due to the unusually high number of people fleeing the war in Ukraine that have recently arrived in the Union - and is modelled according to the methodology used by Eurostat (See methodological box below) which only gradually reabsorb 2022 outlier figures until 2027 (when the projection arrives back at long-term historic averages). The sudden increase in the 2022 statistics is coming predominantly from the sudden influx of people who did not primarily come for employment reasons, and/or might not want to reside in the EU in the long term: consequently, they will not necessarily integrate into the labour market.

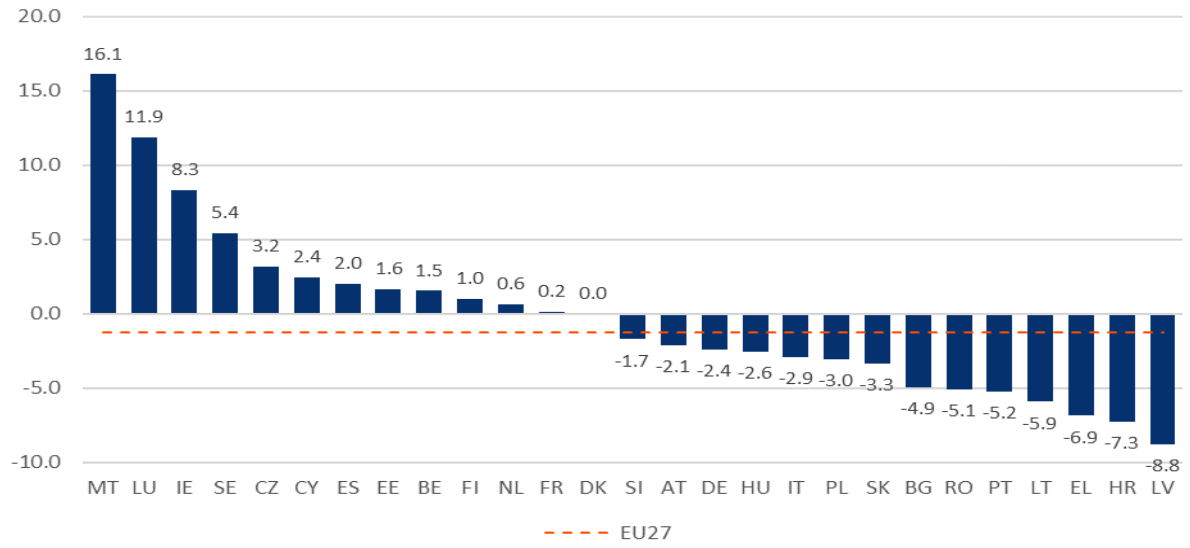
Figure 5: Working-age population (15-64), EU27 (2022=100%)



Source : Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

The projected decline in the EU27 masks very different demographic trends across Member States. Working-age population is in fact projected to increase between 2022 and 2030 in 12 Member States (MT, LU, IE, SE, CZ, CY, ES, EE, BE, FI, NL, FR). Seven Member States (BG, RO, PT, LT, EL, HR, LV), all with relatively low GDP per capita, are however projected to see declines in their working-age population of 5% or more, according to the baseline population projections of Eurostat.

Figure 6: Change in working-age population (2022-2030), baseline projection, by Member State



Source : Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

At the level of NUTS3 regions, the working-age population is projected to continue shrinking mostly in predominantly rural areas in Eurostat's earlier EUROPOP2019 projections (the latest

for which figures at NUTS3 level have been published[273]). In the contrary, working-age population is shrinking the least in predominantly urban regions. The latter have somewhat younger populations and are attracting more immigration. Although the regional breakdown is not available for the EUROPOP2023 projection at the time of the baseline analysis, is likely that this long-term pattern has remained stable. It is also to be noted that, in 2022, the share of working age population as a percentage of total population was already slightly lower in rural and intermediate regions than in urban regions.

Bearing in mind that potential economic growth is the sum over employment and productivity growth, the declining working-age population may have implications for the EU's long-term growth prospects. Without additional migration from third countries and substantial progress in terms of higher employment rates, the pressure to generate ever higher productivity gains will be immense[274]. Based on these considerations, several analyses concluded that targeted migration should be part of a broader policy concept to maintain the EU's growth potential through the decades to come[275].

1.3 Projected old-age dependency

The shrinking working-age population will continue to put more and more pressure on the EU's pension and social protection systems in the long run. The challenge can be seen in the high and increasing old-age dependency ratios in Europe: this indicator is a key measure for the sustainability of social security and economic dependency, defined as the ratio between the number of persons 65 and over (i.e. the age when they generally become, or have traditionally become, economically inactive) per 100 working-age persons (15 to 64 years), expressed as percentage.[276]

As presented in the figure below, the old-age dependency ratio – already at a very high 33.0 in 2022 (by international comparison) – is projected to grow quickly in the coming years, to 38.0 by 2030 under the baseline scenario. The lower migration scenario projects a 38.5 dependency ratio by 2030, and the no net migration scenario 39.0.

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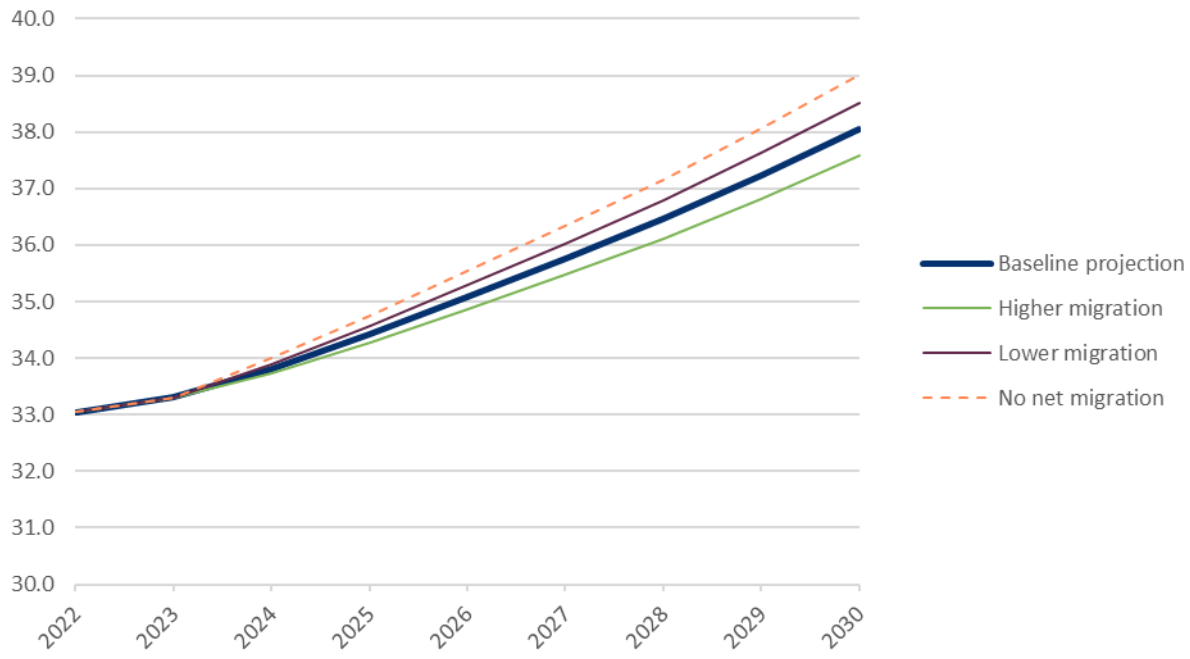
273 Note that the EU- and national-level figures in the 2019 Eurostat population projection differ from those in the latest 2023 projection, primarily due to volatility in migration scenarios.

274 Peschner, J. and Fotakis, C. (2013), Growth potential of EU human resources and policy implications for future economic growth, European Commission, DG EMPL, Working Paper 3/2013.

275 European Commission, ESDE 2015, Chapter " Mobility and Migration in the EU: Opportunities and Challenges" and ESDE 2023, "Reducing labour and skills shortages through migration", pp. 128-129.

276 The indicator can be calculated using other age ranges as well, e.g. 20-64, where the lower bound is more accurately grasping the average age for persons to become economically active, considering the spread of tertiary education.

Figure 7: Old-age dependency ratio (population 65+ vs. 15-64 years), EU27

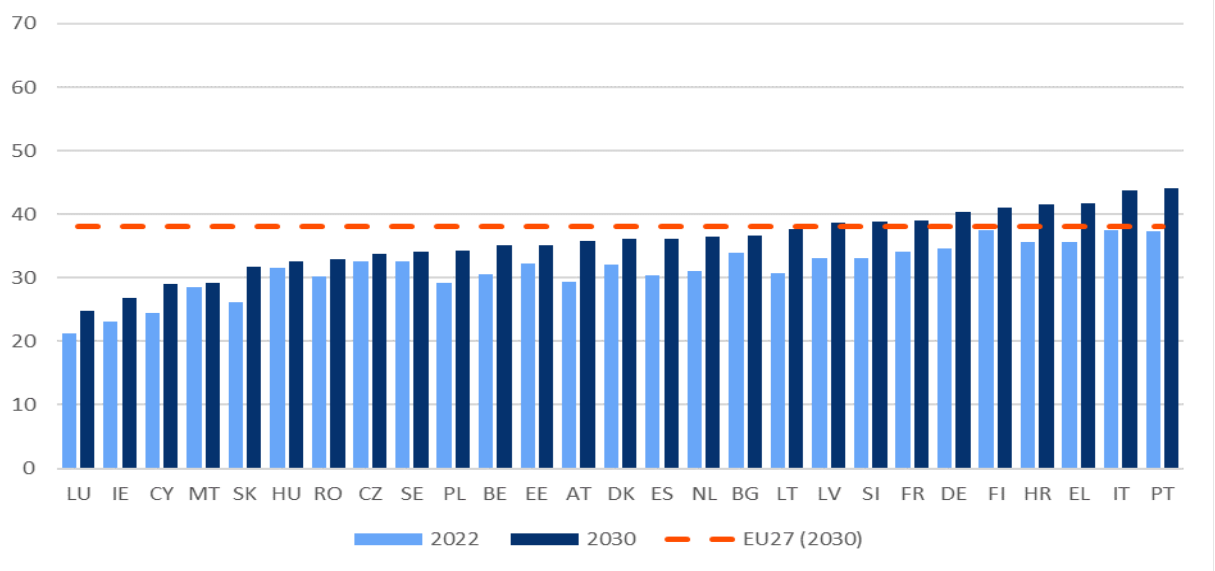


Source : Population on 1st January by age, sex and type of projection [PROJ_23NP__custom_6678661]

In some countries - and in rural regions especially – the problem will likely be more pressing of what is suggested by looking at the EU aggregated level.

By 2030, the old-age dependency ratio is projected to surpass 40.0 in 6 Member States (PT, IT, EL, HR, FI, DE), while remaining below 30.0 only in 4 (MT, CY, IE, LU). The projected situation shows a somewhat different picture in respect of the starting positions of each country in 2022. This is to a large extent a consequence of the chosen projection methodology used by Eurostat which assumes that the distribution of migration flows between Member States (net migration) will approximate over time their share of the EU27 population. If net migration ratios will markedly differ between countries in the future, driven by factors such as persisting differences in GDP, the pull effect of existing social networks, language etc., the actual ranking of countries by old-age ratio reached in 2030 can turn out differently.

Figure 8: Old-age dependency ratio (population 65 years or over to population 15 to 64 years) by Member State



Source : Population on 1st January by age, sex and type of projection [PROJ_23NP custom_6678661]

The various indicators provided above all lead to the same conclusion: ageing will be a major challenge for the EU-27 as the general population and the working-age population will decline, the latter both in absolute terms and as a share of the total population. The positive net migration assumed by Eurostat in their projections will not prevent these demographic developments to happen; however, it could contribute to attenuating their impacts. The methodological box below provides a synthetic view of the various indicators.

2. Migration

Future trends (both in terms of stocks and flows) of international labour migration are difficult to predict[277]; Nonetheless, already on-going megatrends are likely to be confirmed in the near and medium-term future, at least by 2030[278]. For instance, the global competition for talent has increased over the past decade due to the higher demand for labour supply from developed and emerging countries linked to the ageing population and shrinking workforce detailed above for the EU.

At the global level, the world is becoming more migratory[279]. The share of the total world population living permanently outside the country of birth has increased over the last decades from 2.8% in 1990 to 3.6 % in 2020 (an estimated 281 million people were living outside their

277 As they are dependent on the business cycle and volatile geopolitical conditions as well as occurrence of natural and man-made disasters, including displacement of populations induced by climate change. European Commission, Strategic Foresight Report, 2023, pp. 8-9 2023 Strategic Foresight Report (europa.eu).

278 JRC, Migration Megatrends, Increasing significance of migration | Knowledge for policy (europa.eu).

279 A more migratory world means that the volume, diversity, geographical scope, and overall complexity of international migration have increased as part of globalization processes. Migration has globalized in particular from a destination country perspective, such as OECD countries, with migrants from an increasingly diverse array of non-European-origin countries concentrating in a shrinking pool of prime destination countries. The global migration map has thus become more skewed. Rather than refuting the globalization of migration hypothesis, this seems to reflect the asymmetric nature of globalization processes in general. Hein de Haas, Mathias Czaika, The Bloablization of Migration: Has the World Become more migratory ?, International Migration Review, 2014, The Globalization of Migration: Has the World Become More Migratory? - Czaika - 2014 - International Migration Review - Wiley Online Library.

country of birth)[280]. This results from several factors, including better access to good quality education[281] and the globalisation of the economy[282]. Moreover, in 2021, according to Gallup World Poll, 16% of adults worldwide, corresponding approximately to 900 million people had aspirations to migrate permanently[283]. This historical upwards trend of increased global mobility is expected to continue and to intensify, even if prediction of directions and flows of displaced people is difficult to foresee due to unpredictability of conflicts and wars as well as man-made and natural disasters, including climate change consequences.

In terms of expected evolution of migration towards the EU, immigration of third-country nationals is discussed (2.1), followed by immigration of working age third-country nationals (2.2) and, finally, immigration for employment purposes (2.3).

2.1 Immigration of third country nationals in the EU

The projection for the inflow of TCNs had to be calculated from the EUROPOP2023 net migration dataset. Eurostat does not disclose modelled immigration and emigration figures separately, as these are less robust than the net migration projection. The calculation was using the published Eurostat method for developing migration-related scenarios The ’higher migration’-scenario assumes an increase by 1/3 in the immigration of third country nationals.

A further essential aspect of the EUROPOP2023 methodology was that it had to address the likely bias to possible historic trend analysis techniques, caused by the very high influx of refugees from Ukraine under temporary protection in 2022. For this reason, it was assumed that by 2027, Member State migration patterns will gradually return to their 2013-2021 average (with smaller modification factors considered). From that point onward, the migration patterns of Member States will converge towards each other, with the share of immigrants received being fully proportionate to the population share of the given Member State by 2100.

On this basis, the annual immigration of TCNs is projected by Eurostat to be reverting from exceptional levels to about 1.8 million in 2027 and remain close to that level in the 2027-2030 period as well.

Figure 1: Projected annual immigration of third-country nationals (2023-2030), EU27

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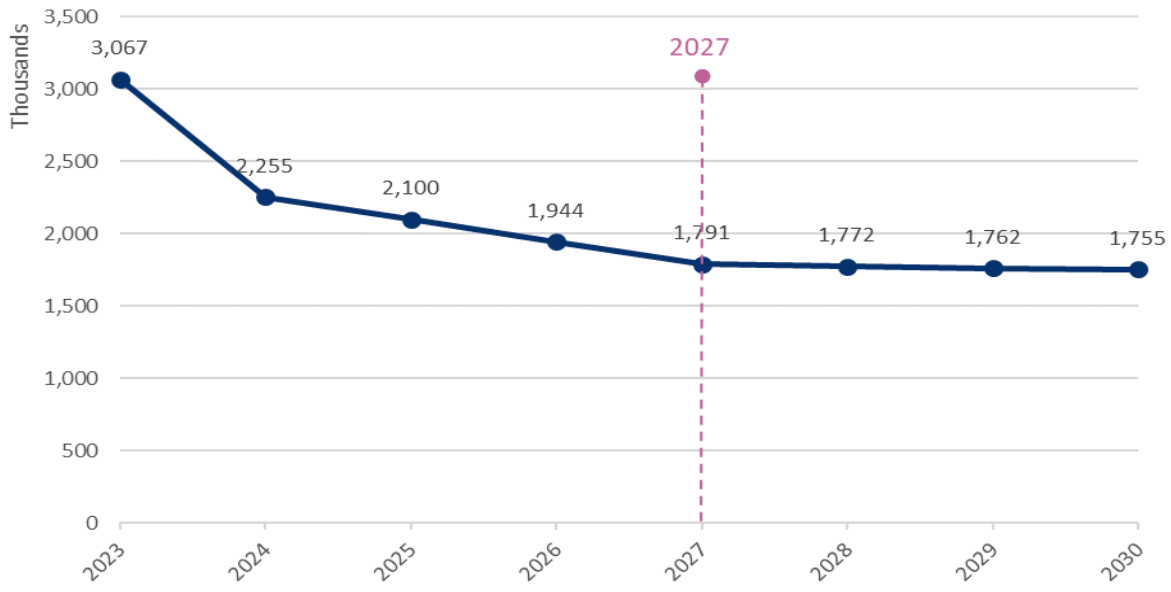
280 UNDESA, Policy Brief 146 UN DESA Policy Brief No. 146: Why safe, orderly and regular migration matters for sustainable development | Department of Economic and Social Affairs

281 As the population of well-educated workers is growing in many countries around the world, access to quality education has become increasingly available. Technical and vocational training as well as tertiaries education is becoming more accessible, in emerging and developing countries. This has led to an increase in the number of medium- and high-skilled workers entering the global talent pool, including in sectors and occupations with persistent labour and skills shortages in Europe. UNDESA Policy Brief 152 UN DESA Policy Brief No. 152: Population, education and sustainable development: interlinkages and select policy implications | Department of Economic and Social Affairs

282 Businesses are increasingly operating in a global environment. Global supply chains, advances in technology and communication capabilities, the spread of English as the language of global communication contributed to make international recruitment easier. The impact of increased automation of work, Artificial intelligence developments and remote and nomad working patterns are still to work out.

283 Gallup, Nearly 900 Million Worldwide Wanted to Migrate in 2021 (gallup.com). See also UNDESA, Policy Brief 153 UN DESA Policy Brief No. 153: India overtakes China as the world’s most populous country | Department of Economic and Social Affairs

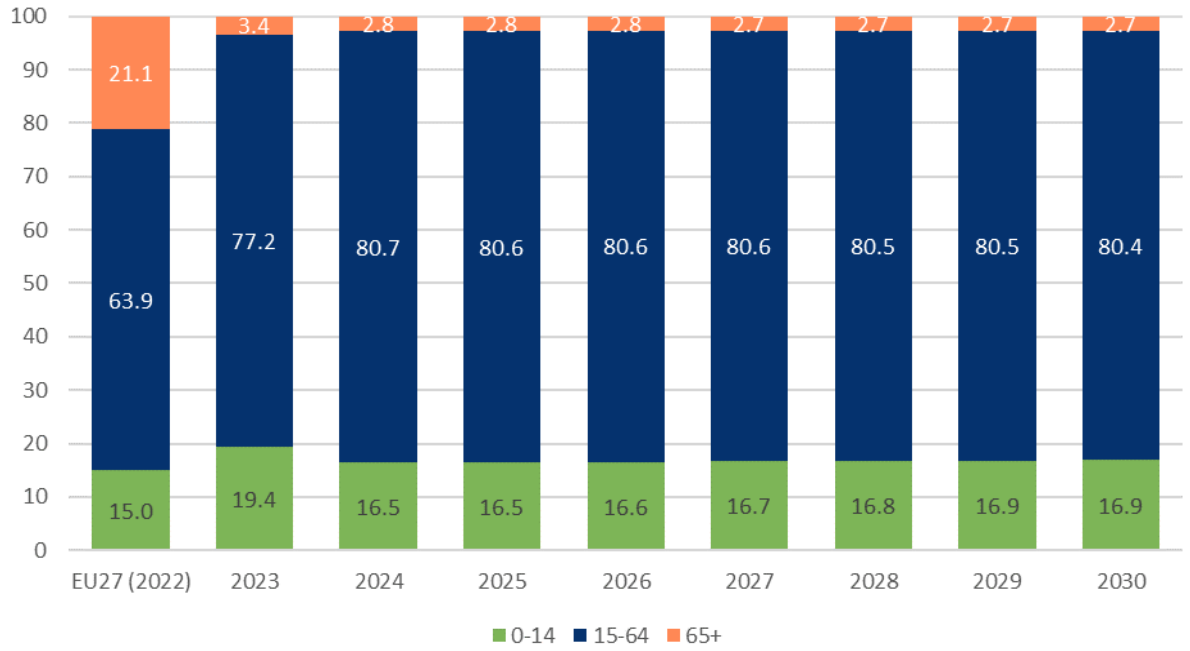


Source: Assumptions for net migration by age, sex and type of projection

2.2 Immigration of working age third country nationals in the EU

Most of the TCN immigrants will be of working age. Immigrants are, on average, considerably younger than the EU population as a whole. This applies both to historic data, sourced from Eurostat, and EUROPOP2023 projections. The share of working-age persons is very high among TCNs immigrants, above 80% (in the projection, the share is below 80% only for 2023, where the model is still highly impacted by the exceptional year of 2022 with a sudden arrival of temporarily displaced children arriving from Ukraine). In comparison, the share of working-age persons in the EU population as a whole (which already includes TCN migrants arriving in earlier years) is only 63.9%.

Figure 2: Projected immigration of third-country nationals (2023-2030), by age group, EU27 (percentage)



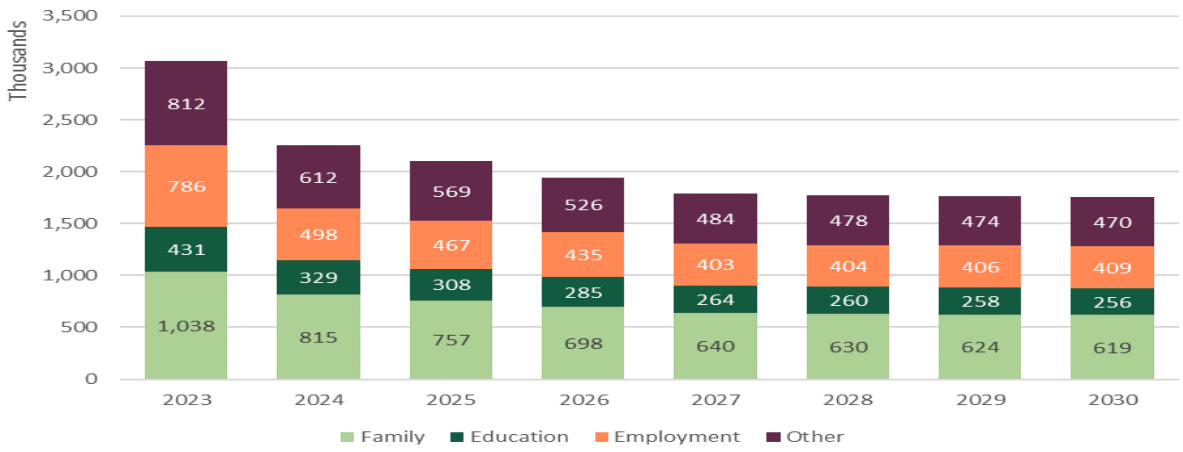
Source: Assumptions for net migration by age, sex and type of projection

2.3 Immigration for employment purposes

The likely evolution of projected TCN immigration by main reason - family, education, employment and other reasons - was done by building on the breakdown of first residence permits by main reason284, separately per Member State. Consistently, to the extent possible285, with the approach behind EUROPOP2023, it was assumed that between 2023 and 2027, all countries will maintain their historic breakdown for the 5-year period between 2017 and 2021. From 2028 onwards, all individual breakdowns by Member State will converge towards the grand EU27 average. This method does not account for possible EU-wide or country-specific trends between 2013-2021 that could continue in the future.

According to this estimation method, the number of TCN migrants under the EUROPOP2023 baseline scenario who would arrive for employment purposes will be around 400,000 per year, after the expected expiration of the temporary protection directive in 2025.

Figure 3: Projected immigration of third-country nationals (2023-2030), by main reason of permit, EU27



Source: Assumptions for net migration by age, sex and type of projection, First permits by reason, age, sex and citizenship [MIGR_RESFAS__custom_6828377]

An essential question is what share of projected TCN immigrants, irrespectively of the breakdown of (first) residence permits, are likely to ultimately seek employment. For instance, TCNs who obtained their residence permit for family reasons – which could be an easier route for some – may be trying to apply for jobs and pursue a corresponding permit later; persons who came for education purposes can stay and work (it is generally allowed to pursue

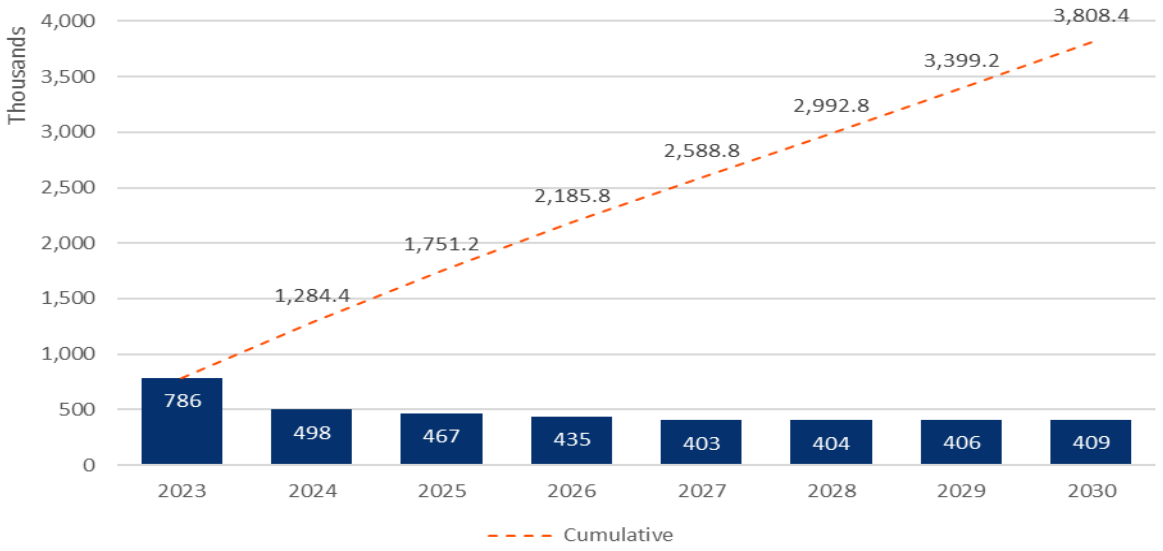
284 This is not entirely consistent with recorded immigration figures for various reasons.

285 There was no historic first residence permits data available at Eurostat for the outlier year of 2022, from which a gradual return to the long-term average by 2027 could have been calculated.

employment for 1 year after finishing their studies); and TCNs can in general change their immigration status permit later.

To remain realistic with the projections, this baseline scenario only account for numbers of TCNs projected to come with an EU Single Permit, currently under renegotiation, extrapolated on the basis of the share of first residence permits given for employment purposes. Accordingly, the EUROPOP2023 baseline projection and above-described modelling of the split by main reason, the number of TCNs who come to the EU27 for employment purposes is projected to be about 400,000 per year, for a cumulated total of 3.8 million by 2030. This figure only concerns gross immigration legal entry for employment purposes and does not account for TCNs who will subsequently emigrate from the EU27, either back to their country of birth or to a third country, without prejudging of the capacity to retain talent attracted in the first place to the EU.

Figure 4: Projected number of third-country nationals arriving for employment (2023-2030), annual and cumulative, EU27



Source: Assumptions for net migration by age, sex and type of projection, First permits by reason, age, sex and citizenship [MIGR_RESFAS custom_6828377]

ANNEX 7
ASSESSMENT OF LABOUR AND SKILLS SHORTAGES IN THE EU

1. Methodology and definitions

1.1 Definition of labour and skills shortages

The terminology around "*labour and/or skill shortage*" is not always standardised or universally agreed upon, in terms of definitions. Moreover, in practice, measuring labour shortages is difficult, especially at a detailed and operational level, given also the transformation and evolution of the labour market (see box on definitions and methodologies below). More broadly, while labour shortages refer to hiring difficulties when attracting *any staff*, meaning an objective limit to the workforce available to employers, skill shortage refers to a situation when employers face difficulties to find specific skills and/or competences in the pool of their existing or prospective staff given their business needs. Accordingly, labour shortages occur when the demand for workers qualified in a particular area of the labour market exceeds the supply of those workers. This can arise for a variety of interrelated reasons,

such as insufficient labour supply in certain segments of the labour market or in certain geographical locations (quantitative shortages), or a discrepancy between the skills and qualifications sought by employers and those held by individuals seeking employment (qualitative shortages). To successfully fill a vacancy, people with the right skills and qualifications must be in the right place at the right time and must be willing to work under the conditions offered. Accordingly, individuals seeking employment must have adequate information about the requirements, working conditions, and availability of vacant positions[286].

Determinants and categories of labour and skills "shortages"

When individual employers cannot find the workers they need to fill open vacancies, labour shortages occur. Labour shortages refer to a situation in which labour demand exceeds labour supply. However, a distinction should be made between quantitative and qualitative labour shortages.

In case of a **quantitative** labour shortage, there is an absolute lack of workers in the labour market. Labour demand is larger than labour supply, resulting in a large share of difficult-to-fill vacancies and a low unemployment rate. Quantitative shortages can be caused by increased demand for specific goods or services or economic growth more generally. The insufficient supply of labour can be caused by a decline in the working age population due to ageing or emigration or by a decrease in participation rates due to early retirement or the inactivity of certain groups.

In case of a **qualitative** labour shortage, labour demand and labour supply are roughly in equilibrium (balanced), but a large share of unfilled vacancies and a high unemployment rate exist simultaneously. This signals a qualitative mismatch between supply and demand. A common cause is skill mismatch, either because there are not enough graduates with the necessary skills to fill open vacancies, or because skill requirements have changed or because job requirements by employers do not fit with the competences of jobseekers and graduates.

Qualitative shortages can also be caused by a mismatch between the preferences of jobseekers and the characteristics of the open vacancies. This occurs when jobseekers do not want to fill a vacancy because of the working conditions offered or because the sector is seen as unattractive. Moreover, the lack of sufficient and correct labour market information for both employers and jobseekers can also contribute to qualitative shortages.

However, it should be noted that a labour shortage is ***always relative*** in the sense that it refers to labour demand in excess of labour supply of people willing to work at a particular wage and under particular working conditions at a particular place and point in time. Offering better wages and working conditions can thus be effective at resolving shortages in certain sectors.

One also finds the distinction between **cyclical and structural drivers of shortages**. Skills mismatches will always exist as a part of the frictional dynamics of the labour market and due to the business cycles (i.e., cyclical labour shortages). However, persistent or structural shortages can be detrimental to economic recovery and growth. Some structural changes, such as the adoption of new technologies, may increase the demand for certain skills that are not available in the labour market in the short run, creating skills shortages even when

[286] ESDE, 2023, chapter 2, section 1.

unemployment is high. Therefore, one of the main challenges faced by policy makers is identifying real, structural labour shortages, which cannot be met by the local labour force even if the labour market is functioning well or measures are taken to improve it, e.g., by supporting labour matching or by investing in education and training**.**

Objective labour market information, such as vacancy rates, unemployment rates, and changes in wage rates can be extremely useful but, in many countries, data on detailed occupations are not necessarily available. In practice, measuring occupational groups' shortages is also difficult. Notably, there is no harmonisation of benchmarking used to identify a shortage and/or surplus across countries or regions involved in the EURES exercise, so there is no common definition of what can be considered as a labour shortages. Using interviews has its limitations and bias, but it provides at least a recurrent and flexible way for identifying occupational shortages at a more detailed level.

Source: based on European Parliament, *Labour Market Shortages in the European Union* (2015); European Migration Network, *Determining labour shortages and the need for labour migration from third countries in the EU* (2015); OECD/EU, Matching economic migration with labour market needs (2014)

1.2. Data sources on current and expected skills shortages in the EU

There **is no universally agreed methodology** on how to measure sectoral or occupational shortages in the EU, which could function as an operational tool to identify professional profiles in short supply. **Eurostat** identifies three main approaches to capturing skills in statistics: indirect measurement (mainly through qualifications and occupations), direct measurement (testing and job vacancy data) and self-reporting.

On the one hand, labour shortages can be tracked through self-reporting, such as DG **ECFIN's Business and Consumer Surveys (BCS)** which collect quarterly survey data asking employers whether labour is a major factor limiting their production, which refer to self-reported difficulties in the recruitment process and therefore having a subjective element. On the other hand, direct measurement via vacancy statistics collected by Eurostat shed light on the labour demand in sectors that are outside the scope of the BCS. However, the drawback of vacancy statistics is that they show the demand for labour, without comprising the supply side and do not distinguish whether high job vacancy rates in a sector are driven by different underlying causes such as high turnover or by labour shortages[287]. Moreover, data availability is limited: EU level data are not available before 2012; data for the full set of NACE sectors are not available; as there are missing data for agriculture, forestry and fishing, water supply, public administration and defence, and compulsory social security and finally, data for human health and social work activities, and arts, entertainment and recreation data are only available and shown for 20 countries in the Euro area. Both approaches provide information on relatively broad aggregated sectors, making them less relevant for the identification of related qualifications or skills required to fill occupational shortages, which is indirect measurement.

[287] Another major drawback of vacancy statistics collected by Eurostat is that the pool of vacancies used to calculate the vacancy rate is not harmonised across Member States, as some Member States use internal firm vacancies as basis whereas this information is not used in other Member States.

A third approach uses information collected by in the context of the **EURES report**[288] by the **European Labour Authority (ELA)** on occupational classifications and identifies labour shortages across occupations by Member States. The analysis is based on a questionnaire circulated to National Coordination Offices (NCOs). Answers to the questionnaire represent the primary source for labour market imbalances as presented in this report. Additional sources used are data extracted from the European Labour Force (LFS) database; and detailed CEDEFOP forecasts. Therefore, the analysis makes use of national data sources, which were utilised by NCOs to identify regional differences. Each NCO provides a list of shortages and surpluses in their country based on the data in 4-digit ISCO '08 occupation codes. Out of 436 ISCO 4-digit level occupations, there are identified 35 widespread shortage occupations. Despite certain limitations[289], this third methodology allows to provide information about labour shortages at the most disaggregated occupational level. Given the objective of the EU Talent Pool initiative to identify *occupations* with high demand for workforce, this approach is considered to be the most relevant for the mapping of labour shortages and will be developed accordingly. Building on the information on shortages from ELA as well as the 2023 ESDE Chapter 2 and Commission internal analysis on labour and skills shortages shortage occupations at the EU level that persist over the medium term (2017-2022[290], at ISCO 4-digit level), the methodology considered for the purpose of the EU Talent Pool initiative considers those occupations that were indicated at least twice, including at least once since the onset of the pandemic. A list of occupations identified in such a way can be found at the end of the section 2.2.

1.3 Literature review

Apart from the definition and methodology used, the assessment of labour and skills shortages outlined below is based on a literature review, with few recent key studies at EU level mentioned below:

- European Commission, European Semester Spring Package (2023)
- European Commission, Towards a Job-Rich Recovery COM(2012)173
- CEDEFOP, Skills Shortages and Gaps (2015)
- CEDEFOP, Insights into skills shortages and skill mismatch (2018)
- CEDEFOP, The Green Employment and Skills Transformation (2021)
- CEDEFOP, Skills Forecast up to 2030 (2023)
- ESDE, Employment and Social Developments in Europe (2023)
- LMWD, Labour Market and Wage Developments (2022)

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288 Based on Article 30 of EURES Regulation (EU) 2016/589.

289 The shortcomings include: variation in the geographical scope of the exercise across years; different reference periods covered in the same reporting year; different sources used by the PES when reporting shortages (i.e. PES administrative data, national occupation forecasts, occupation barometer, PES survey only, combination of different sources); the selection criterion for identifying widespread shortages varies from year to year.

290 Before this period, data is only available at ISCO 3-digit level.

- EUROFOUND, Business not as usual: How EU companies adapted to the COVID-19 pandemic (2021)
- EUROFOUND, Tackling Labour Shortage in EU Member States (2021)
- EUROFOUND, Measures to Tackle Labour Shortages: Lessons for future policy (2023)
- EIB, 2022/2023 Investment Report (2023) based on latest available data
- ECFIN, Monthly and Quarterly Business and Consumer Surveys (July 2023)
- ELA, 2022 EURES report on Labour shortages and surpluses (2023)
- ELA, 2022 Annual report on intra-EU labour mobility (2023) based on latest available data (2021/2020)

Against this background, the section below aims at summarising briefly the main data and knowledge on current and future skills shortages present in the EU.

2. Labour and skills shortages in the EU

Labour shortages are a common challenge for EU member states. Shortages in key strategic sectors for the green and digital transition are a risk for attaining common initiatives agreed at the European level, such as the EU industrial strategy, or common objective, such as the competitiveness of the EU economy as a whole. Notwithstanding the need to upskill and reskill the existing EU workforce as well as activate the inactive population in working age, all of which is highlighted by the current 2023 EU Year of Skills, the EU lacks a common EU-level tool to attract and retain workers from third countries, at all skill levels, as part of a strategic labour migration policy living up to common European challenges, such as for instance the relative lack of attractiveness of the EU and of its Member States[291].

2.1 Labour shortages in the EU labour markets

This section starts with the historical dynamics of the headline indicator of labour shortages, namely the Job Vacancy Rate published by Eurostat (2.1.1), to move to labour market imbalances (at sectoral and occupational level of analysis) as reported by EU companies and Public Employment Services (2.1.2) and to conclude on the forecasting of labour and skills shortages performed by CEDEFOP (2.1.3).

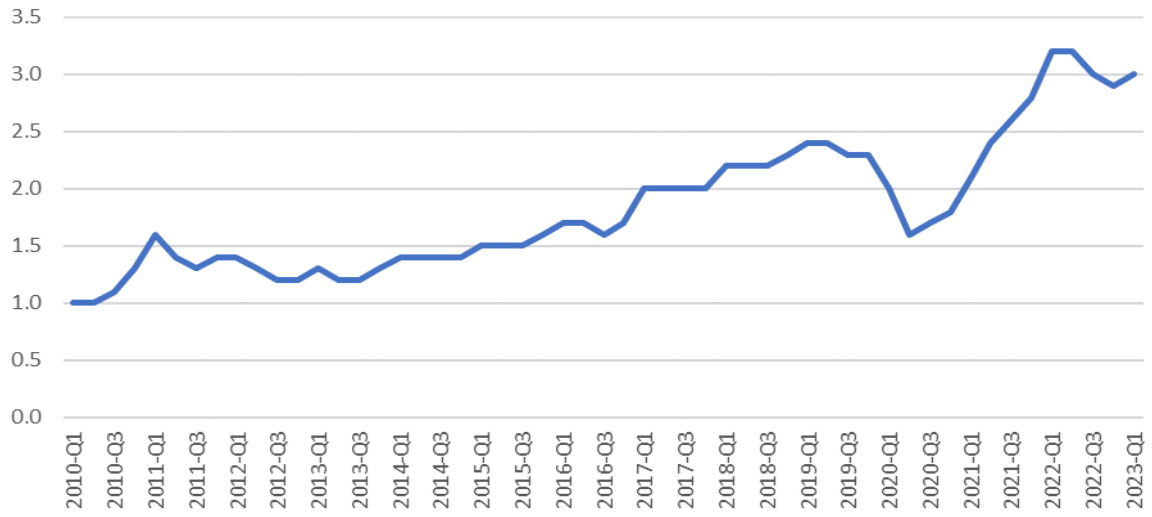
2.1.1 A steadily increasing job vacancy rate

In the EU, after the COVID-19 induced temporary turbulence in labour markets; **labour shortages** rebounded sharply in line with previous occupational and sectoral patterns pre-2020 as the economy and the labour market recovered and even increased in the period leading to the outbreak of the conflict in Ukraine, in early 2022[292]. Taking a longer perspective, not merely linked to the business cycle, the unmet demand for labour, as measured by the job vacancy rate in the EU, had been steadily rising since 2012, when economic activity started to

[291] OECD, Attractiveness Index, 2023.
[292] European Commission, ESDE, 2023, p. 14.

recover from the global financial crisis of 2009-2010[293]. After COVID-19 turbulence, the vacancy rate reached levels much higher than before the lockdowns: the overall vacancy rate stood a 3% in the first quarter of 2023, more than doubling from the 2010-2015 period, including in sectors relevant to the transition to climate neutrality (to be detailed below).[294]

Figure 1: Job vacancy rates in the business economy, EU27 (quarterly data)



Source: Eurostat (jvs_q_nace2)

In terms of geographic patterns, as showed by the figure below, Q1 2023 job vacancy rates in the business economy were especially high in Belgium, Austria, the Netherlands, Germany, Czechia and Sweden, while moderate in Bulgaria, Spain, Poland and Romania. While the pressure on labour supply is the largest in countries with the fastest-shrinking working age population – explained by low past birth rates and negative or insignificant net migration (examples are Bulgaria, Croatia, Italy, Latvia, Poland, Romania) – job vacancy rates tend to be lower in these Member States, suggesting that the current imbalances on the labour market are structural and rather demand-led. Eurofound distinguishes between three groups of Member States: countries with very high levels of labour shortages with strong increases in the past decade (Austria, Belgium, Czechia, Germany and the Netherlands); countries in line with the EU average (Cyprus, Estonia, Finland, Hungary, Italy, Latvia, Luxembourg, Malta, Slovenia and Sweden); and countries with lower and only slowly increasing job vacancy rates, typically with high levels of unemployment and informal employment (Bulgaria, Croatia, Greece, Ireland, Lithuania, Poland, Portugal, Romania, Slovakia and Spain).

Figure 2: Job vacancy rates in the business economy, by Member State (2023 Q1)

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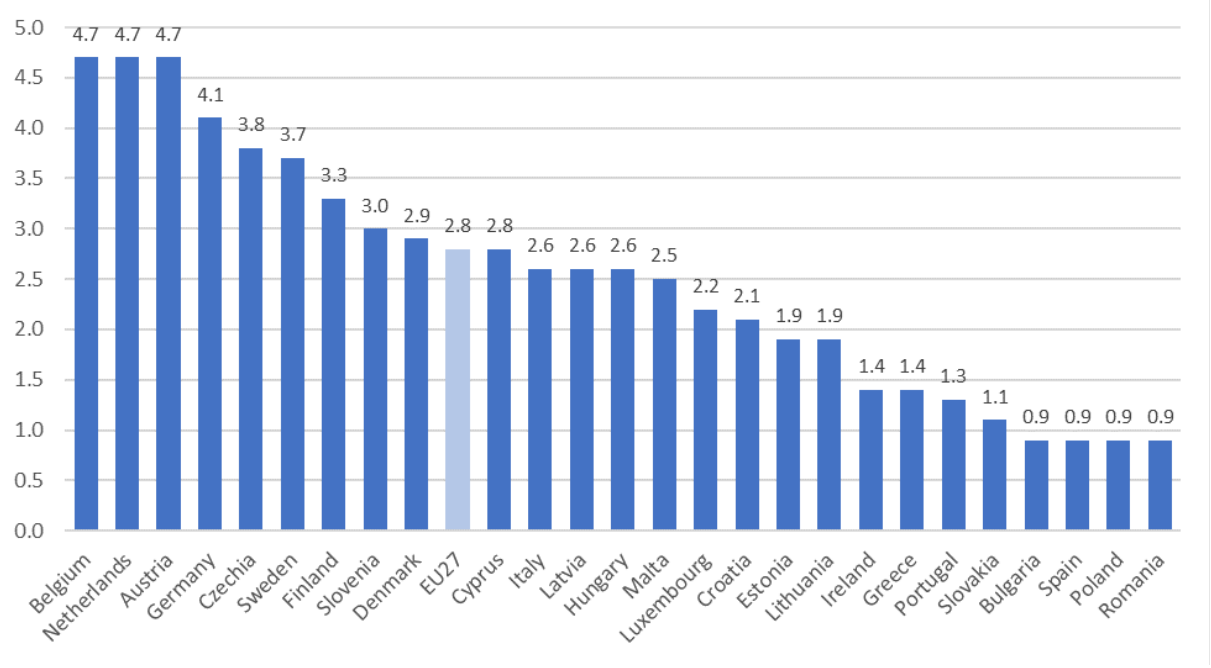
293 European Commission, Towards a Job-Rich Recovery, COM(2012)173 plotted a strategy to reach 75% of 20-64 years old in employment as a target of the 2020 Strategy. With a 2-year delay, also due to the turbulence of the COVID-19 pandemic the employment rate dropped to 72% in 2020, rebounded to 73% in 2021, and reached 75% in 2022. EU's employment rate peaks at 75% in 2022 - Products Eurostat News - Eurostat (europa.eu).

294 https://ec.europa.eu/eurostat/databrowser//product/view/JVS_A_RATE_R2 During the entire 2022, the vacancy rate was markedly higher even than vacancy rates of the tight labour market from before the Covid outbreak, by 0.6 percentage points.



Source: Eurostat (jvs_q_nace2)

Serious labour shortages are also clearly evident at the sectoral level. As of the first quarter of 2023, job vacancy rates were especially high in administrative and support service activities (4.6%), accommodation and food service activities (4.2%), construction (3.7%), professional, scientific and technical activities (3.6%), and information and communication (3.5%). On the other hand, sectors that experience lower levels of unmet demand for labour include: financial and insurance activities (1.9%), electricity, gas, steam and air conditioning supply (1.8%), water supply; sewerage, waste management and remediation activities (1.8%), and mining and quarrying (1.7%).[295]

2.1.2 Current imbalances in the labour market

As mentioned before, the tightness of the EU-27 labour markets[296] has increased substantially in 2022, compared to the pre-COVID-19 crisis period, as the pandemic exacerbated labour shortages in some sectors and occupations (for example healthcare, social care and ICT services[297]). Subsequently, in 2023, unemployment reached a historically low point compared to the number of vacancies[298]. Labour markets are tighter in some Member States than in

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295 Job vacancy statistics by NACE Rev. 2 activity - quarterly data (from 2001 onwards) [JVS_Q_NACE2_custom_6683579]

296 As measured by the Labour market slack indicator which measures the unmet supply of employment, which has several different components, more or less substantial according to the country. According to Eurostat, in 2022, the labour market slack was highest in Spain (21.3 % of the extended labour force), followed by Italy (19.5 %), Greece (18.5 %), Sweden (16.1 %) and Finland (15.1 %). By contrast, Czechia (3.0 %), Malta (4.4 %) and Poland (4.9 %) registered the lowest levels of labour market slack Labour market slack - employment supply and demand mismatch - Statistics Explained (europa.eu).

297 Eurofound, Business not as Usual (2021).

298 According to the 2022 Labour Market and Wage Developments, job creation brought unemployment to an all-time low and a sharp increase in job vacancies, leading to unfilled labour demand. p. 8. Additionally, the labour market slack, comprising not only unemployed, but also the part-time workers who want to work more, people who are available to work but do not look for work, and people who are looking for work but are not immediately available, also decreased. p. 83 Labour market and wage developments in Europe - Publications Office of the EU (europa.eu).

others[299], highlighting that labour demand and supply are not balanced across Member States[300]. For instance, skills mismatches are being highlighted in some Member States: Spain, Greece and Italy[301], whereas for the EU the overqualification rate was 22% in 2022[302]. Some regions in the EU are more affected by a shrinking working-age population than others, with rural areas losing the most population. Eurostat projections indicate that the share of people in the EU living in a region, whose population is shrinking, will increase from 34% in 2020 to 45% in 2030 and 51% in 2040[303]. 82 EU regions accounting for 30% of the European population are facing or risking a talent development trap, meaning a decline of their working-age population and a stagnant number of people with tertiary education.[304]

Within Member States and regions, sector and occupation **specific labour shortages do already occur**. Therefore, **quantitative labour shortages** in some parts of the EU economy are expected grow in the medium-term, as incipient demographic trends leading to an ageing population and shrinking workforce will take hold[305]. According to Eurofound, in the last quarter of 2022, the proportion of managers reporting that labour shortage was a factor limiting production in the industry, services and construction sectors were 26%, 30% and 31%.

According to the European Investment Bank, in 2022, 85% of EU companies found that lack of available staff with the right set of skills is an additional factor hampering investments. In 2021, approximately 63% of EU companies experienced difficulties to recruit **ICT specialists**, with large companies reporting more-hard-to-fill vacancies[306]. In most of the cases (51.3%) the lack of applications was the difficulty for recruiting ICT specialists' positions most often reported by companies in 2021. By 2030, the target of the EU Digital Compass is to have 20 million of employed ICT specialists to accompany the transition to a digital economy. Only 9

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299 The EU employment rate peaked at 75% in 2022, for the age group 20-54-year-olds. For comparison, the employment rated dropped to 72% in 2020, due to the COVID-19 pandemic. The countries with the highest employment rate, above 80%, were the Netherlands, Sweden, Czech Republic, Estonia, Hungary and Germany. EU's employment rate peaks at 75% in 2022 - Products Eurostat News - Eurostat (europa.eu)

300 The EU economy grew by 3.5% in real terms in 2022. In the EU, in 2022, employment rates were at a record high at 74.6% with 213.7 million people employed and unemployment rates at a historic low at 6.2%. As evidenced by different labour market participation rates, labour markets in some Member States are close to almost full employment (ESDE, 2023). And yet intra-EU mobility is not sufficient or balanced across all different levels of skills Intra-EU mobility Report (2023)

301 European Commission, Labour market and Wage Development, Annual Review 2022, p. 83

302 Overqualification refers to "vertical" skills mismatch, when people with tertiary education are employed in occupations that do not require such a high level of education. Among the EU countries, the "vertical" mismatch was highest in Spain (36%), Greece and Cyprus (each 32%). EU's employment rate peaks at 75% in 2022 - Products Eurostat News - Eurostat (europa.eu) Using EU Labour Force Survey (EU-LFS) data, Eurostat monitors both "vertical" and "horizontal" skill mismatch. "Vertical" measures focus on discrepancies between educational attainment levels (ISCED 2011 1-digit) and occupations (ISCO 2008 1-digit). "Horizontal" measures focus on misalignments between the educational field of the highest level of education attained (ISCED-1999 fields of education and training) and occupations (ISCO 2008 3-digit).

303 Relative peripheral geographical position, availability of transport and digital infrastructure and lack of attractiveness are among the reasons which contribute to the intertwined emigration and depopulation trends of certain regions, in the EU, especially among young people who emigrate for study and work-related reasons. European Commission Communication, Harnessing Talent in Europe's regions, 17 January 2023.

304 European Commission Communication, Harnessing Talent in Europe's regions, 17 January 2023.

305 For instance, in Germany, the Institute for Employment Research (affiliated to the Federal Employment Agency), estimated in 2021 that the German labour market will need to recruit from abroad approximately 400000 skilled workers annually to offset the incipient labour shortages, with number being potentially even higher due to the war in Ukraine. In Germany, the highest number of workers is required in the social work sector, followed by healthcare and nursing staff as well as electricians and heating and air conditioning technicians. Software engineers are also very much in demand. Projektion des Erwerbspersonenpotenzials bis 2060 - Demografische Entwicklung lässt das Arbeitskräfteangebot stark schrumpfen (iab.de).

306 Eurostat, isoc_ske_itrcrn2.

million were employed in 2021[307], whereas the demand for ICT work doubled between 2011 and 2021[308]. Therefore, current labour shortages in this sector are likely to become even more pressing. WHO estimates a projected shortfall of workers in the **healthcare sector**, at the global level, of approximately 10 million health workers, where labour shortages are predicted to be most severe in low- and lower-middle income countries[309]. Labour shortages have doubled also in **sectors considered key for the green transition** between 2015 and 2021[310]. For the EU, it is estimated that the green transition could lead to the creation of between 1 and 2.5 million additional jobs by 2030[311], increasing the demand for staff namely in sectors such as construction, renewable energy and electricity, manufacturing of electric goods[312]

On the basis of the analysis of several past EURES reports on labour shortages and surpluses, the most frequently reported **labour shortages** since 2017 are in healthcare, software, engineering, mechanics and building trade occupations. Unsurprisingly, sectors such as construction, healthcare, and STEM (science, technology, engineering, and mathematics), particularly ICT (Information and Communications Technology), were among the most affected in 2022. These shortages will likely increase with the projected decline in the working age population from 265 million in 2022 to 258 million by 2030[313], moving closer to a quantitative labour shortage scenario and therefore having a persistent and structural nature.

Throughout Europe, according to the 2022 EURES report[314], there are hundreds of labour shortages at the level of 4-digit ISCO 08 nomenclature. Some of them are niche shortages (being reported by only one country or a small number of countries). However, 38 occupations were identified as most common (being reported by at least 11 countries) and among them the following occupational groups were identified: metal, machinery and related trade workers, welders, concrete placers and finishers, science and engineers as well as ICT professionals. Among the most severe shortages were identified: bricklayers and related workers, building and related electricians, carpenters and joiners, plumbers and pipe fitters, heavy truck and lorry drivers and nursing professionals.

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307 Eurostat, Our progress towards the EU's Digital Decade targets - Produkte Eurostat Aktuell - Eurostat (europa.eu).

308 As of today, the impact of recent advancements in the Artificial Intelligence (AI) field remains unclear both in terms of labour market development but also labour market shortages. Given this uncertainty, this report keeps a neutral stance on the likely consequences of the AI, both in terms of productivity but also labour demand as a result of employers' decisions.

309 WHO, Health workforce (who.int).

310 According to the narrow definition of green jobs provided by Eurostat (Employment in the environmental goods and services sectors). These sectors include manufacturing, construction, transportation and electricity, steam, gas and air conditioning. Commission, A Green Deal industrial Plan for the Net-Zero Age, COM(2023)62.

311 The employment consequences of the green transition need to take into account not only the sectors directly concerned by enhanced greening activities, such as the construction sector, but also indirectly affected sectors, such as manufacturing. Moreover, the estimated employment impacts depend on underlying assumptions about by proper employment and adequate educational policies. ESDE, 2023, pp. 51-54.

312 Cedefop, The green employment and skills transformation; Eurofound Fit for 55 Employment Forecasts; Asikanen et al. The future of jobs is green.

313 Annex 6, Problem assessed by a Demographic perspective.

314 A statistical relationship could not be found between the numbers employed in a country and the number of identified shortage occupations reported in the country. Labour shortages report 2022 - EURES | European Labour Authority (europa.eu), pp. 18-22.

Table 1: Shortage occupations most often reported by PES, 2022

Occupation	**Number of countries reporting the occupation as a shortage**	**Percentage of countries who ranked shortage as 'high magnitude'**
Bricklayers and related workers	19	57%
Carpenters and joiners	18	38%
Heavy truck and lorry drivers	18	73%
Metal working machine tool setters and operators	18	50%
Nursing professionals	18	54%
Plumbers and pipe fitters	18	38%
Building and related electricians	18	40%
Welders and flame cutters	17	54%
Concrete placers, concrete finishers and related workers	17	62%
Sheet metal workers	16	44%
Floor layers and tile setters	16	36%
Software developers	15	58%
Cooks	15	55%
Building construction labourers	15	38%
Electrical mechanics and fitters	15	22%
Applications programmers	15	64%
Generalist medical practitioners	14	55%
Bus and tram drivers	14	50%
Motor vehicle mechanics and repairers	14	33%
Specialist medical practitioners	14	55%
Software and applications developers and analysts not elsewhere classified	14	58%
Earthmoving and related plant operators	14	44%
Waiters	13	44%

Occupation	Number of countries reporting the occupation as a shortage	Percentage of countries who ranked shortage as 'high magnitude'
Early childhood educators	13	43%
Structural metal preparers and erectors	13	33%
Painters and related workers	13	63%
Agricultural and industrial machinery mechanics and repairers	12	67%
Bakers, pastry-cooks and confectionery makers	12	25%
Systems analysts	12	56%
Butchers, fishmongers and related food preparers	12	38%
Health care assistants	12	60%
Cleaners and helpers in offices, hotels and other establishments	12	63%
Electrical engineering technicians	12	63%
Psychologists	11	75%
Plasterers	11	25%
Civil engineers	11	57%
Physiotherapists	11	40%
Roofers	11	78%

Source: European Labour Authority

Moreover, the presence of occupations surpluses, according to the 2022 EURES report[315], also points to the emergence of **labour market imbalances**, in the context of major drivers of change, which include, but are not limited to, rapid diffusion of new digital technologies, the ageing of the European population and the transition to a climate-neutral economy. The Annual Report on Intra-EU Labour Mobility 2022[316] analysed the transformation of EU labour market between 1999 and 2017. The report highlights a clear pattern of change, showing major increases in employment levels in health and social services, professional services, financial services, ICT & business services, and retail & hospitality. Together, these five sectors

315 Labour shortages report 2022 - EURES | European Labour Authority (europa.eu)
316 https://op.europa.eu/en/publication-detail/-/publication/00ed7c30-dd96-11ed-a05c-01aa75ed71a1/language-en

accounted for almost two-thirds of the total increase in jobs over this time frame. The employment growth within health and social care services alone accounted for almost the entire net growth observed over this period (+1 921 400 employed persons), due largely to the ageing European population leading to increased demand for healthcare professionals and care workers to provide support to the elderly with their daily activities such as personal care or mentoring. Other sectors which showed large increases were professional services e.g., legal or accounting services (with 586,200 additional persons employed), retail & hospitality (225 900) as well as ICT & business services (207 100). On the other hand, there were some industries which experienced decreases in their employment levels between 1999 and 2017. These include sectors such as manufacturing (-764 300) and agriculture (-353 000). These decreases in employment levels can be mainly attributed to labour-replacing technological advancements coupled with the effects of globalisation - i.e. increasing international competition - resulting in a reshaping of global production chains.

2.1.3 Consensus on future expected labour and skills shortages

Labour shortages are expected to persist in both high-skills and low-skills occupations, driven by the creation of additional jobs and the need to replace workers who retire[317]. In such a context, labour shortages are not a novel challenge. However, limited supply of specialized as well as generalist workers is increasing its gravity. Recent studies conducted by Eurofound confirm that existing labour shortages are likely to persist in Europe for years to come, with demographic trends being one of the major underlying trends, but not the only one.[318]

Additionally, in relation to the European Green Deal, Cedefop launched a foresight exercise on skills related to 4 sectors: smart and green cities, waste management, agri-food and circular economy[319] up to 2030 and beyond. The construction sector, which plays a pivotal role in achieving the green transition, the shift to energy-efficient buildings will require workers to be more aware of eco-friendly materials and technologies. By 2030, an estimated 3 to 4 million construction workers in various occupations such as heat pump boiler installers, carpenters and joiners, bricklayers, and technicians will require training on energy efficiency and renewable energy sources. The green transition is expected to shift the sectoral composition of employment in the EU from polluting to 'cleaner' sectors and boost employment in some supporting services, albeit to a limited extent. ICT-related professions play key role in the transition towards neutrality too. According to assessment carried out by sectoral stakeholders, sectors such as renewable energy or automotive manufacturing are experiencing increased demand for digital competences and knowledge, such as big data and data analytics or software development.[320]

Integration of skills relevant to the green transition in the broader national strategies addressing skills challenges to address labour shortages and fairness in the transition is mandated by the

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317 ESDE, 2023, p. 15.

318 Eurofound (2023), Measures to tackle labour shortages: Lessons for future policy. Available at: https://www.eurofound.europa.eu/publications/report/2023/measures-to-tackle-labour-shortages-lessons-for-future-policy This report builds on the findings of the Eurofound study "Tackling Labour Shortages" published in 2021, which mapped the scale, scope and nature of labour shortages in the EU Member States. The earlier report explored the drivers of shortage and developed a categorisation of measures adopted in different Member States to address the most important shortages at sectoral, occupational and geographical levels.

319 CEDEFOP, The Green Employment and Skills Transformation (2021), p. 30.

320 Strategic Blueprint project for the automotive sector DRIVES or initiatives under the Pact for Skills.

Council Recommendation on ensuring a fair transition to climate neutrality.[321]. On this basis, the 2023 European Semester Spring package states: "the development and acquisition of skills and competences relevant for the green transition is becoming more pressing. It is becoming increasingly important to ensure that all workers, in particular those in sectors and regions more affected by the green transition, can benefit from the employment gains of a net-zero economy. Vocational and technical profiles will be particularly sought after considering the accelerated energy transition and technological transformation in the context of the EU Green Deal Industrial Plan. **Member States face significant and growing labour shortages**, while low training provision **in key sectors could furthermore exacerbate bottlenecks in the transition to a net-zero economy**. The challenge can be even stronger in some peripheral, economically stagnant or affected regions[322]. In this context, it is crucial that Member States support the anticipation, acquisition and provision of skills for the green economy, as highlighted in the CSRs to all Member States and in line with the Council Recommendation on ensuring a fair transition towards climate neutrality, to match labour market needs and offer equal opportunities for all. Promoting training for public sector workers at all levels (including local administration) would also accelerate investments and reforms necessary for the green transition[323]. However, additional up-skilling and re-skilling measures, while also fighting against gender segregation in the labour market as well promoting higher female participation to the labour market[324], need time to be effective, not only because of implementation and deployment of initiative overcoming ingrained cultural and resistances in many countries. Therefore, tackling the current skills shortages by relying on these measures alone is not going to produce immediate results[325].

To measure future labour shortages, 2023 Cedefop skills forecast, taking into account expansion demand, replacement demand and labour market imbalances, provides a high-level analysis, ranging from weak to strong shortages.[326] For more details, see below section 2.3.

2.2 Bottleneck occupations critical for the twin transition

In the context of the twin transition strategy adopted at the European level, several sectors play a prominent role for structural transformation to happen successfully on the ground[327]. The

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321 On 16 June 2022 Member States unanimously adopted the Council Recommendation on ensuring a fair transition towards climate neutrality ((2022/C 243/04). The Recommendation invites Member States to adopt measures which address the employment and social aspects of climate, energy and environmental policies. The Commission proposal was accompanied by a Staff Working Document (https://ec.europa.eu/social/BlobServlet?docId=25029&langId=en) that provides an overview and discussion of the available analytical evidence underpinning the recommended policy interventions, building on the analyses presented in relevant impact assessment reports accompanying the 2030 Climate Target Plan and the various initiatives of the 'Fit for 55' package.

322 See Communication on Harnessing Talent for Europe's regions, 2023 for definition of talent trap and example of rural and/or peripheral regions across all Member States.

323 EIB, 2022/2023 Investment Report (2023) states that nearly seven in ten municipalities report problems with access to environmental and climate assessment skills, while about six in ten report a lack of engineering or digital skills to deliver their investment programme.

324 ESDE, 2023 p. 15-16.

325 Analogy from business practices shows that corporate internal training is not able to fill all internal needs in alignment with their growth and production objectives; As a consequence, companies of all sizes tend to resort to external recruitment (either on international or domestic labour market) when confronted with urgent and significant labour or skills shortages. Based on a survey, 4 in 10 EU employers had difficulty finding people with the right skills, in the domestic labour market, even though unemployment rates peaked CEDEFOP, Insights into skills shortages and skill mismatch, 2018.

326 ESDE, 2023 pp; 48-49.

327 Eurofound, Measures to Tackle Labour Shortages: Lessons for future policy, pp. 3-11 Measures to tackle labour shortages: Lessons fot future policy (europa.eu).

energy crisis and the need for accelerating the energy transition have amplified labour and skills shortages and magnified the recruitment needs for key sectors to decarbonise the EU economy. In particular, digital skills are of transversal nature and affect many EU sectors, the green jobs' skills and related skills mismatch affect primarily a limited number of sectors. Evidence from sectoral studies and macroeconomic projections indicates that some sectors linked to energy, manufacturing, construction, transportation, water and waste management and ICT will be more affected than others given their contribution to advancement on energy, digital and other relevant targets set out under the Green Deal. The sectoral and occupational impact of the green transition, in other words, is more heterogenous than that of the digital transition which is relevant for almost all sectors and occupations and therefore the digital one has more widespread and cross-sectoral labour market impacts.

At a lower level of detail, the ESCO classification allows for defining the relevant green skills[328] needed to make the green transition happen on the ground[329]. By cross-referencing the ESCO taxonomy with the list of occupational shortages provided by the EURES labour shortages and surplus report (codified at ISCO-08 4-digit taxonomy) it is possible to identify occupational shortages (for which at least one country reported a shortage). The mapping of such occupational shortages is made available in the context of the 2023 European Semester, which constitutes the basis for defining country-specific analysis in this field, as a result of the horizontal CSR on skills for the green transition as follows: "Step up policy efforts aimed at the provision and acquisition of skills and competences needed for the green transition." addressed to all Member States in July 2023. In short, skills shortages are a contributing factor for bottleneck occupations. Among occupational groups there are clear differences between how employers work to mitigate their recruitment difficulties. While recruitment abroad is relatively common among health professionals, it is less used to recruit science and engineering professionals. Among the skilled manual occupations, employers mainly cope by providing training and development to existing staff, and to a limited degree on labour mobility[330].

The evidence points to targeted **structural shortages at the EU level**, in relation to the twin transitions (see case studies below for IT and Green transitions) or healthcare and care sectors (see case studies), which should be a priority for EU-level policies as they relate to EU-level targets and objectives such as the Digital Decade, FitFor55 initiative and the Green Industrial Plan. When trends differ between countries, in terms of national labour or skills shortages, mobility can offer a good opportunity for reducing bottlenecks. This concerns especially occupational groups within the top 5 at 2-digit level. International recruitment schemes could add value in this respect, but they should be narrowly defined, preferably at ISCO 4-digit level (or even more specific). For instance, ICT professionals, one of the top 5 bottleneck occupational groups, schemes should be oriented to occupations within the 4-digit groups such as Software developers and Systems analysts, which are both within the top 20 bottleneck vacancies at 4-digit level.

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328 Green Skills and Knowledge - Labelling ESCO.pdf (europa.eu).

329 ESCO classification, which is labour-market related, has identified green skills and knowledge concepts: https://esco.ec.europa.eu/en/news/green-skills-and-knowledge-concepts-labelling-esco-classification.

330 CEDEFOP, Skill shortages and gaps in European enterprises, 2015, pp. 7-8.

Occupations with shortages relevant for the green transition reported in the most Member States are bricklayers and related workers (19 MS), plumbers and pipe fitters, carpenters and joiners, building and related electricians, metal working machine tool setters and operators, heavy truck and lorry drivers (18); and concrete placers, concrete finishers and related workers (17 MS). These occupations are particularly relevant in the construction sector to increase energy efficiency, to reduce energy consumption in existing buildings or to install alternative sources of energy (electricians, plumbers) and to build the new necessary infrastructure (bricklayers, concrete placers). Concerning the digital transition, the occupations with most frequently recorded shortages in Member States are software developers; web and multimedia developers; applications programmers; and software and applications developers and analysts not elsewhere classified. These professions also play a key role in the transformation towards net-zero, as the development of alternative sources of energy (such as offshore energy) relies on data storage and software development.

Additionally, there is a number of occupations that were not in widespread shortage in the previous years but are likely to grow in importance for the transition in the future due to their active role in the acceleration of greening of activities. These are identified based on a review of sectoral sources and are colour coded in yellow in the table below. Overall, the following occupational groups (43) have been identified as critical occupations at EU level and should therefore also inform the discussion for which targeted recruitment through labour migration would be beneficial[331]:

Table on Critical occupation at the EU level (ISCO-08)[332]

2142	Civil engineers
2151	Electrical engineers
2211	Generalist medical practitioners
2212	Specialist medical practitioners
2221	Nursing professionals
2411	Accountants
2511	Systems analysts
2512	Software developers
2513	Web and multimedia developers
2514	Applications programmers
2519	Software and applications developers and analysts not elsewhere classified
3113	Electrical engineering technicians

331 ESDE, 2023, pp. 128-130.

332 This table is based on information provided by several previous EURES reports identifying occupational shortages (ISCO-8) that are not exhaustive for the green and digital transition.

3221	Nursing associate professionals
5120	Cooks
5131	Waiters
5321	Health care assistants
7112	Bricklayers and related workers
7114	Concrete placers, concrete finishers and related workers
7115	Carpenters and joiners
7121	Roofers
7123	Plasterers
7126	Plumbers and pipe fitters
7127	Air conditioning and refrigeration mechanics
7212	Welders and flamecutters
7213	Sheet-metal workers
7214	Structural-metal preparers and erectors
7223	Metal working machine tool setters and operators
7231	Motor vehicle mechanics and repairers
7233	Agricultural and industrial machinery mechanics and repairers
7411	Building and related electricians
7412	Electrical mechanics and fitters
7511	Butchers, fishmongers and related food preparers
8331	Bus and tram drivers
8332	Heavy truck and lorry drivers
9112	Cleaners and helpers in offices, hotels and other establishments
3119	Physical and engineering science technicians not elsewhere classified
2143	Environmental engineers
2133	environmental protection professionals
2145	Chemical engineers
2144	Mechanical engineers
3115	Mechanical engineering technicians

2141	Process engineers
3119	Process engineering technicians

***Legend**: Highlighted in green are occupations relevant to the twin transition with already observed widespread shortages today. Highlighted in yellow are the occupations that are not yet in shortage but are of growing importance to the twin transition.*

2.3 Current and future employment needs by occupation and qualification levels

The European Centre for the Development of Vocational Training (Cedefop) is **monitoring current and forecasting future skills in Europe, by looking at the supply, demand and matching of skills at the sectoral and occupational group level**[333]. As clarified in the previous section, an overall balance between aggregate labour supply and demand can hide quantitative and qualitative labour and skill shortages. The latter may be caused by matching frictions, geographical barriers to mobility, or asymmetric information between employers and workers[334]. In particular, structural labour and skills shortages lay in sudden changes linked to the new economy needs[335].

The employment growth within health and social care services alone accounted for almost the entire net growth observed over this period (+1 921 400 employed persons), due largely to the ageing European population leading to increased demand for healthcare professionals and care workers to provide support to the elderly with their daily activities such as personal care or mentoring. Other industrial sectors which showed large increases were professional services e.g., legal or accounting services (with 586 200 additional persons employed), retail & hospitality (225 900) as well as ICT & business services (207 100).

On the other hand, there were some industries which experienced decreases in their employment levels between 1999 and 2017. These include sectors such as manufacturing (-764 300 jobs) and agriculture (-353 000). These decreases in employment levels can be mainly attributed to labour-replacing technological advancements coupled with the effects of globalisation - i.e. increasing international competition - resulting in a reshaping of global production chains with the outsourcing of production and jobs to other countries.

Cedefop's Skills-OVATE dataset (updated to 2022)[336] provides detailed quantitative information on professions and skills employers demand based on online job advertisements (OJAs) in European countries. Note that this dataset, in turn, is biased towards sectors with a high share of online recruitment. According to OVATE, the occupations most sought after in online ads are office associate professionals; ICT professionals; office professionals; technical labourers; sales workers as well as researchers & engineers.

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333 Skills Forecast | CEDEFOP (europa.eu)

334 European Commission (2012a), "The Skill Mismatch Challenge in Europe", *Employment and Social Developments in Europe 2012*.

335 The Annual Report on Intra-EU Labour Mobility 2022 analysed the transformation of EU's labour market between 1999 and 2017 at the level of occupations. The report highlights a clear pattern of change, showing major increases in employment levels in health and social services, professional services, financial services, ICT & business services, and retail & hospitality. Together, these five sectors accounted for almost two-thirds of the total increase in jobs over this time frame.

336 https://www.cedefop.europa.eu/en/tools/skills-intelligence/skills-online-job advertisements?country=EU27_2020&year=2022#3

Table 3: Share of occupations sought in online job ads in 2022, EU27 (percentage)

Occupational group	**Share**	**Occupations**	**Share within group**	**Share overall**
Professionals	26.36	ICT professionals	30.54	8.05
		Office professionals	26.74	7.05
		Researchers & engineers	22.25	5.87
		Health professionals	7.85	2.07
		Legal & social professionals	7.66	2.02
		Teaching professionals	4.95	1.30
Associate professionals	18.77	Office associate professionals	51.19	9.61
		Science & engineering technicians	25.53	4.79
		Legal & social associate professionals	9.34	1.75
		Health associate professionals	7.99	1.50
		ICT technicians	5.94	1.11
Service and sales workers	11.56	Sales workers	50.81	5.87
		Personal service workers	28.23	3.26
		Care workers	17.24	1.99
		Protection workers	3.73	0.43
Clerks	10.36	Accounting clerks	33.66	3.49
		Other support clerks	25.87	2.68
		Customer clerks	25.42	2.63
		Office clerks	15.05	1.56
Elementary workers	9.32	Technical labourers	66.77	6.22
		Cleaners and helpers	17.2	1.60
		Food preparation helpers	9.25	0.86
		Other elementary workers	5.09	0.47

Occupational group	Share	Occupations	Share within group	Share overall
		Agricultural labourers	1.36	0.13
		Street services workers	0.33	0.03
Managers	8.76	Business managers	55.1	4.83
		Technical managers	20.44	1.79
		Hospitality & retail managers	13.91	1.22
		CEOs, officials & legislators	10.55	0.92
Trades workers	8.42	Metal & machinery workers	37.86	3.19
		Electroengineering workers	24.62	2.07
		Construction workers	20.77	1.75
		Other manufacturing workers	14.47	1.22
		Handicraft & printing workers	2.28	0.19
Operators and assemblers	6.3	Drivers & vehicle operators	44.08	2.78
		Machine & plant operators	39.48	2.49
		Assemblers	16.44	1.04
Farm and related workers	0.15	Farm and related workers	100.00	0.15

Source: Skills-OVATE

These structural shortages in a given sector or occupation can generally be attributed to (i) unattractive pay and working conditions, including a stressful environment, or low prestige, or (ii) to mismatches with the local working force, if the required qualifications and skills are simply not available for given medium and high-skilled occupations.

Cedefop's 2018 survey, presented in their publication "Insights into skill shortages and skill mismatch"[337], found that 4 in 10 EU employers had difficulty finding people with the right

[337] https://www.cedefop.europa.eu/en/publications/3075

skills, even though unemployment rates peaked[338]. The fast pace of digitalisation, the rapid obsolescence of technological skills leads to significant structural shortages in digital and technological skills in general, encompassing many sectors and occupations.

With regard to transversal skills, Cedefop found in its publication "Skills forecast: trends and challenges to 2030"[339] that digital skills and transversal skills such as communication, problem-solving and critical thinking will be in high demand. High-level cognitive and analytical skills will also be more and more important for the future of work.

Traditional vocational skills such as those required in the construction and automotive industries will remain in demand in the EU. The publication also highlights that transferable skills will become more important, as well as demand for workers who can work effectively in interdisciplinary teams. Finally, transversal skills such as creativity, flexibility and an entrepreneurial spirit will be essential in the future job market.

For the future, in terms of labour and skills needs of the EU27 economy, Cedefop recently published the 2023 Skills Forecast, providing projections on labour and skills needs in the EU economy, based on Cedefop dataset of Skills Panorama in the EU. The 2023 Skills Forecast gives a forward projection up to 2030 of the size and composition of the population and labour force (based on Eurostat), as well as employment by sector (2-digit NACE), occupation (2-digit ISCO) and level of educational attainment (three levels: low, medium and high) – together with modelled replacement labour demand and the number of open positions.

The model of future employment levels is building on historic trends in employment data (LFS) and additional economic projections.

The main indicator in the Cedefop dataset for quantifying future labour and skills needs in terms of the EU workforce already existing in given sectors or given occupations is 'job openings'. This indicator measures the need for labour inflow (into the EU, which can be broken down by Member State, sector or occupation) to reach the projected employment numbers for the EU or that specific sub-group. This is calculated as the sum of 'expansion demand' (which compares the projected employment level in the actual year and the preceding year) and 'replacement demand' explained by the number of employed persons leaving the labour force permanently or temporarily340, or emigrate. In other words, this is equal to the number of workers who need to flow into the EU, MS, sector or occupation to occupy the vacancies only to maintain employment at the level of the preceding year.

According to the 2023 Skills Forecast, there will be an annual need of 8.2-8.9 million persons. For comparison, the size of a young age cohort that is set to enter the labour force (e.g. 25-year-olds) according to EUROPOP2023 will remain below 5 million in their baseline projection in theEU27. The amount of 65-year-olds, who could proxy the number of persons leaving the labour force permanently, due to retirement, is projected to be 5.7-6.1 million each year, up to 2030. Accordingly, the young age cohort, numbering less than 5 million, cannot

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338 Relationship with unemployment is complex, as employers who do not increase wages in the face of shortages indicate that they expect to find a candidate at the current wage and labour conditions. Shortages are therefore relative to the terms offered, as wage levels might be the reason why students and jobseekers do not to opt for a field of study or job which could reduce the shortage. https://www.cedefop.europa.eu/en/publications/3075

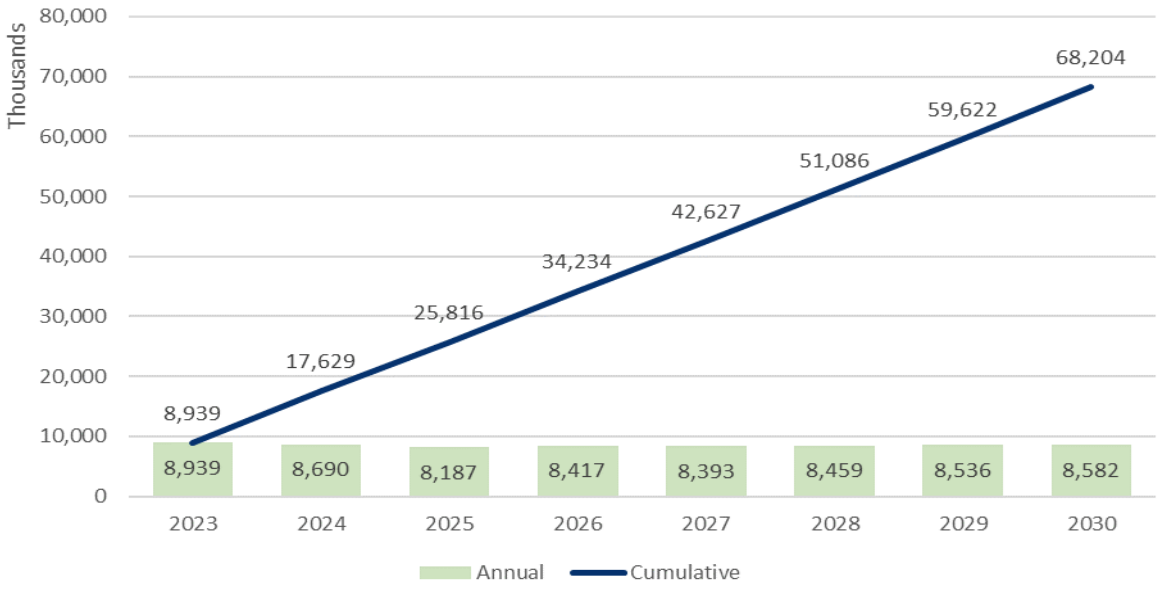
339 https://www.cedefop.europa.eu/en/publications/3077

340 The main reason for permanently leaving the labour force is retirement; the reasons for leaving it temporary may be parental leave, study leave etc.

fully fill the vacancies of the old age cohort permanently leaving the labour force (even if those who left it temporarily return).

Overall, the cumulative job openings – which will be filled partly by a new EU27 age cohort, and partly by third country nationals - are projected to amount to 68.2 million by 2030.

Figure 3: Projected job openings (2022-2030), annual and cumulative, EU27

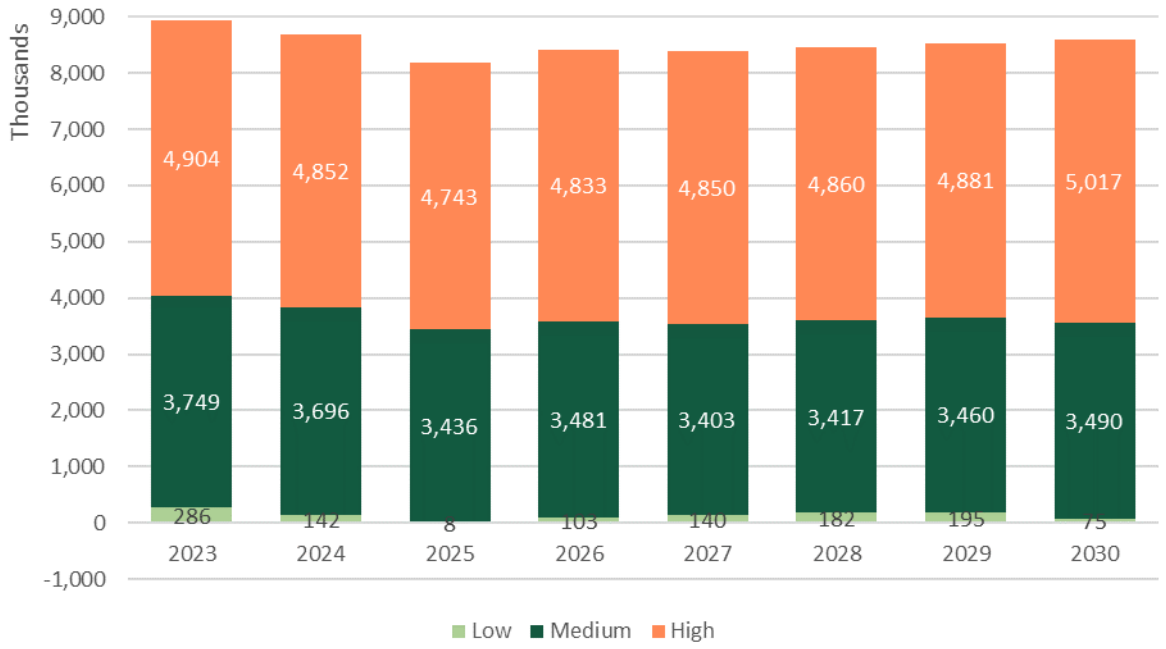


Source: Cedefop 2023 Skills Forecast

Breaking down this projection by level of education, the Skills Forecast suggests that the additional need for worker inflow will mostly concern persons with high educational attainment levels (4.7-5.0 million per year), and in second place those with medium education levels (3.4-3.7 million per year). Additional inflows of workers with only low educational attainment levels will barely be necessary according to Cedefop's dataset (this is explained by the relatively low initial share of employed persons with low education in the labour force already in 2013 as well as in 2023 and by a significant decline in future demand). Already in 2013, there were more low-educated workers in the EU than jobs at that level, suggesting an over-supply of low-skilled workers. The reverse is true for jobs requiring medium-level qualifications, while at higher level, supply and demand were more or less in line[341].

[341] Cedefop (2014b), "Projected Labour Market Imbalances in Europe: Policy Challenges in Meeting the Europe 2020 Employment Targets", in OECD-EC (2014), *Matching Economic Migration with Labour Market Needs*, OECD Publishing, Paris, http://dx.doi.org/10.1787/9789264216501-en

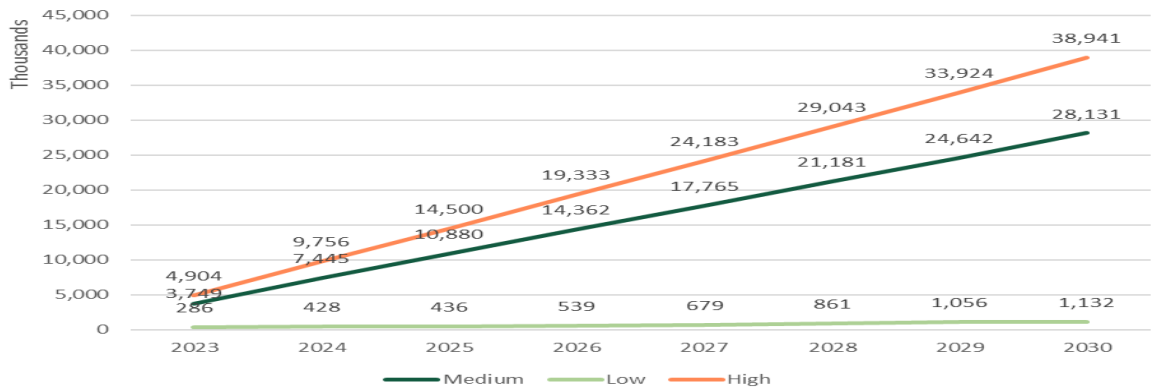
Figure 4: Projected job openings by level of qualification (2022-2030), EU27



Source: Cedefop 2023 Skills Forecast

In cumulative terms, the demand for highly educated workers - both new EU27 labour market entrants and TCNs – is projected to reach 38.9 million by 2030; while that of workers with medium levels of education 28.1 million, and only 1.1 million for workers with low educational attainment.

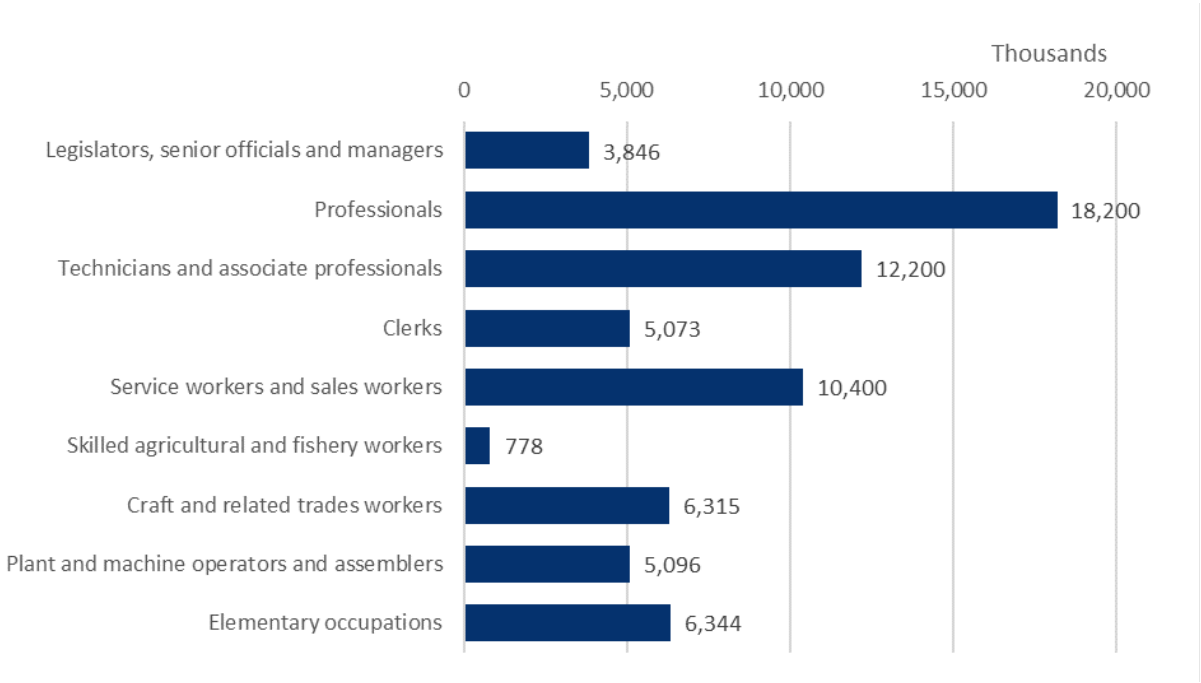
Figure 5: Job openings by level of qualification (2022-2030), cumulative, EU27



Source: Cedefop 2023 Skills Forecast

The highest need - in terms of absolute numbers - for replacement of old workers and recruitment of new workers, broken down by ISCO 1-digit level, is projected to be in the category of Professionals, with a need for 18.2 million workers projected until 2030, followed by Technicians and associate professionals (12.2 million), and Service and sales workers (10.4 million).

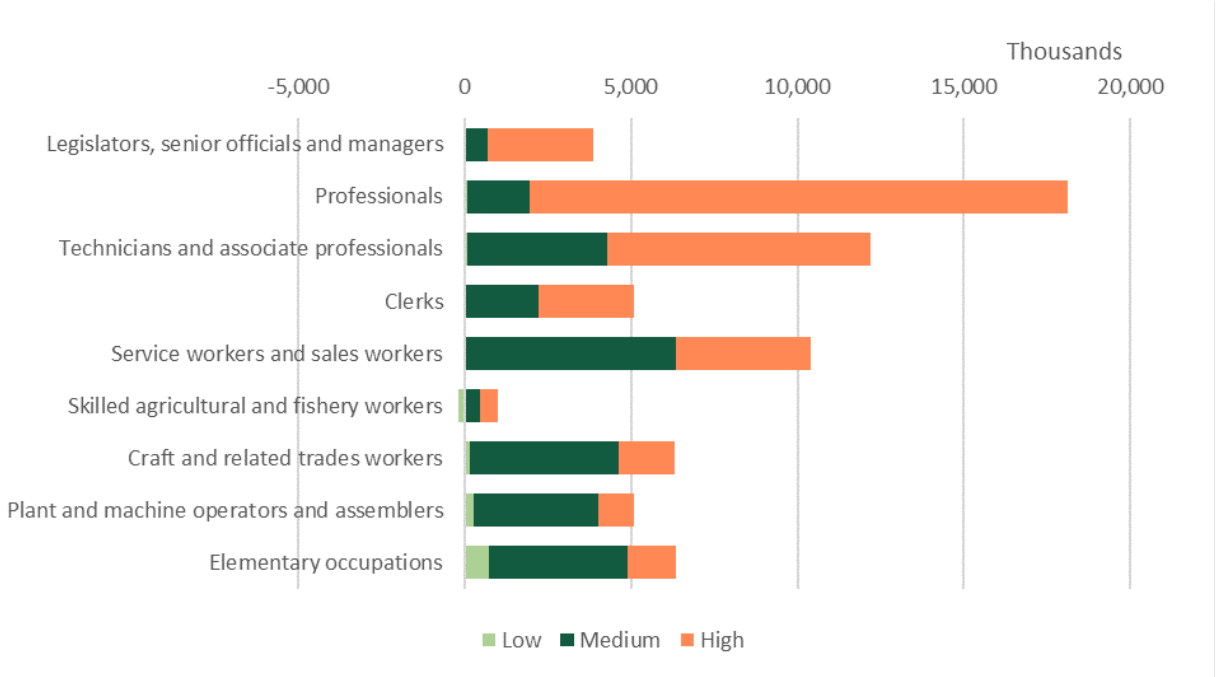
Figure 6: Job openings by occupation (2022-2030), cumulative, EU27



Source: Cedefop 2023 Skills Forecast

The relative significance of the need for highly educated workers will be the highest in the category of Legislators, senior officials and managers (in practice, this category is dominated by managers), Professionals, and Technicians and associate professionals, as well as Clerks.

Figure 7: Job openings by occupation and level of qualification (2022-2030) cumulative EU27

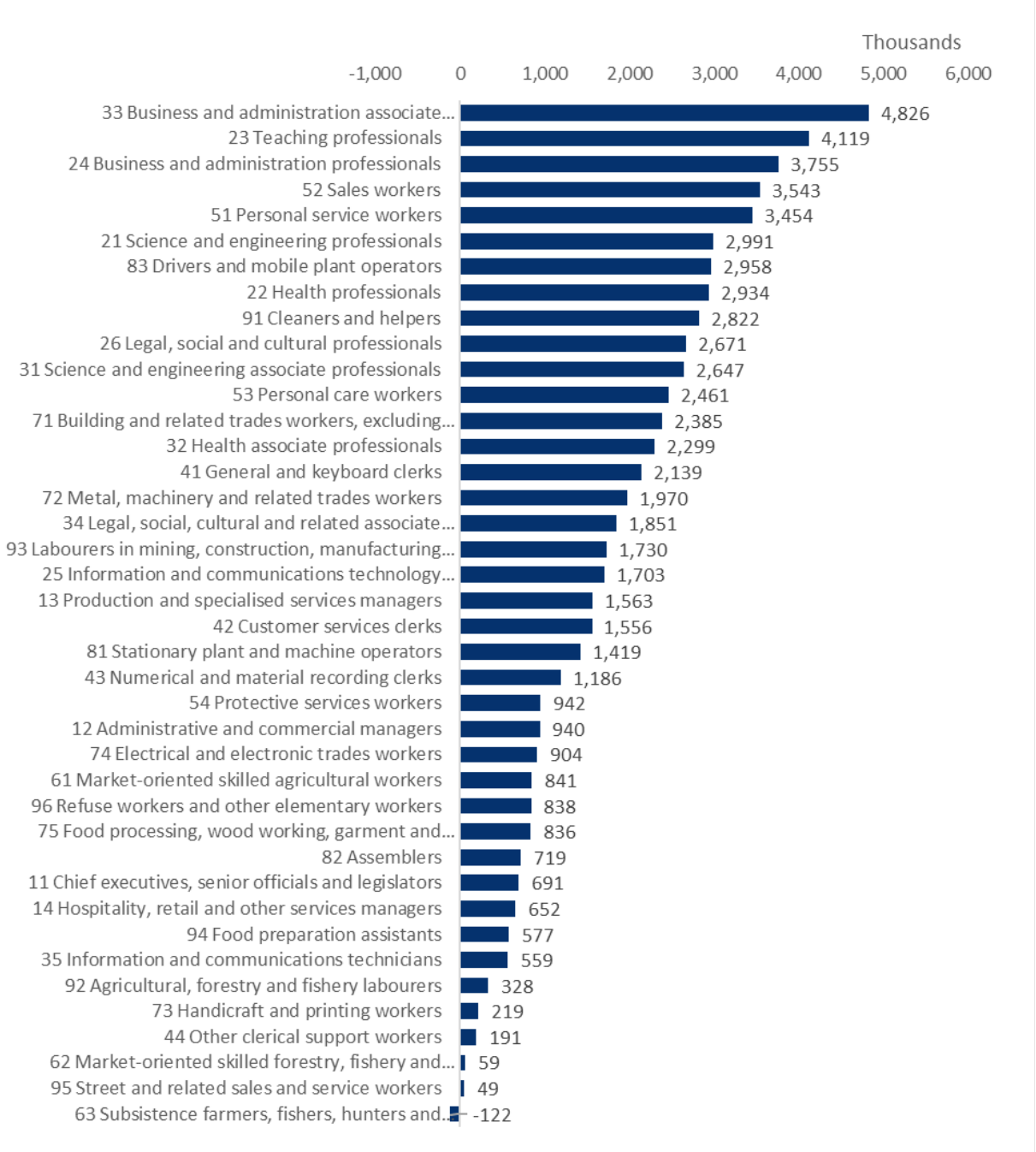


Source: Cedefop 2023 Skills Forecast

The breakdown of job openings by 2-digit ISCO categories shows the highest numbers for Business and administration associate professionals (4.8 million by 2030), Teaching professionals (4.1 million), Business and administration professionals (3.8 million), Sales

workers (3.5 million) and Personal service workers (3.5 million). However, unfilled vacancies in some occupations, such as teaching professionals, are less likely to be filled by TCN workers in many Member States, as the recruitment is subject to linguistic tests for ensuring mastery of the official languages taught in the educational system.

Figure 8: Job openings by detailed occupation (2-digit) (2022-2030), cumulative, EU27



Source: Cedefop 2023 Skills Forecast

The table below gives detailed projections on the need for workers in occupations at ISCO 2-digit level, broken down by educational attainment.

Table 4: Job openings by detailed occupation (2-digit) and level of qualification (2022-2030) cumulative, EU27

ISCO	Occupation (2-digit)	Low	Medium	High	Total
11	Chief executives, senior officials and legislators	11,835	137,467	541,379	690,681
12	Administrative and commercial managers	4,109	144,497	791,076	939,685
13	Production and specialised services managers	1,764	186,049	1,375,597	1,563,410
14	Hospitality, retail and other services managers	25,653	195,209	430,963	651,825
21	Science and engineering professionals	12,232	302,909	2,675,643	2,990,784
22	Health professionals	6,147	330,690	2,596,812	2,933,647
23	Teaching professionals	15,141	428,347	3,675,576	4,119,063
24	Business and administration professionals	15,494	451,126	3,288,378	3,754,999
25	Information and communications technology professionals	4,641	200,946	1,497,371	1,702,956
26	Legal, social and cultural professionals	8,575	155,369	2,507,260	2,671,202
31	Science and engineering associate professionals	17,870	941,197	1,687,497	2,646,566
32	Health associate professionals	66,571	1,058,784	1,174,014	2,299,365
33	Business and administration associate professionals	-19,218	1,445,376	3,399,616	4,825,774
34	Legal, social, cultural and related associate professionals	17,149	608,561	1,225,019	1,850,730
35	Information and communications technicians	112	160,663	398,260	559,032
41	General and keyboard clerks	29,377	1,029,353	1,079,898	2,138,628
42	Customer services clerks	37,707	616,587	902,159	1,556,452
43	Numerical and material recording clerks	-40,057	512,735	713,592	1,186,267
44	Other clerical support workers	-22,930	50,116	164,303	191,489

51	Personal service workers	81,919	2,144,914	1,226,738	3,453,571
52	Sales workers	-80,550	2,017,114	1,606,451	3,543,017
53	Personal care workers	30,022	1,616,114	814,423	2,460,558
54	Protective services workers	-39,028	551,867	429,149	941,987
61	Market-oriented skilled agricultural workers	-87,021	453,664	474,193	840,838
62	Market-oriented skilled forestry, fishery and hunting workers	-9,290	32,177	36,180	59,069
63	Subsistence farmers, fishers, hunters and gatherers	-104,606	-19,869	2,333	-122,139
71	Building and related trades workers, excluding electricians	157,634	1,666,067	561,753	2,385,453
72	Metal, machinery and related trades workers	46,758	1,488,933	433,971	1,969,660
73	Handicraft and printing workers	1,283	118,897	99,030	219,214
74	Electrical and electronic trades workers	9,112	593,130	301,926	904,169
75	Food processing, wood working, garment and other craft and related trades	-55,076	594,275	297,193	836,392
81	Stationary plant and machine operators	24,638	1,052,092	342,001	1,418,731
82	Assemblers	116,457	494,525	108,033	719,014
83	Drivers and mobile plant operators	126,892	2,187,900	643,388	2,958,178
91	Cleaners and helpers	191,496	1,989,407	641,583	2,822,486
92	Agricultural, forestry and fishery labourers	13,808	234,519	79,236	327,562
93	Labourers in mining, construction, manufacturing and transport	281,499	1,061,373	387,037	1,729,908
94	Food preparation assistants	67,165	352,202	157,664	577,034
95	Street and related sales and service workers	18,162	28,221	2,792	49,173
96	Refuse workers and other	148,154	517,851	171,608	837,611

	elementary workers				

Source: Cedefop 2023 Skills Forecast

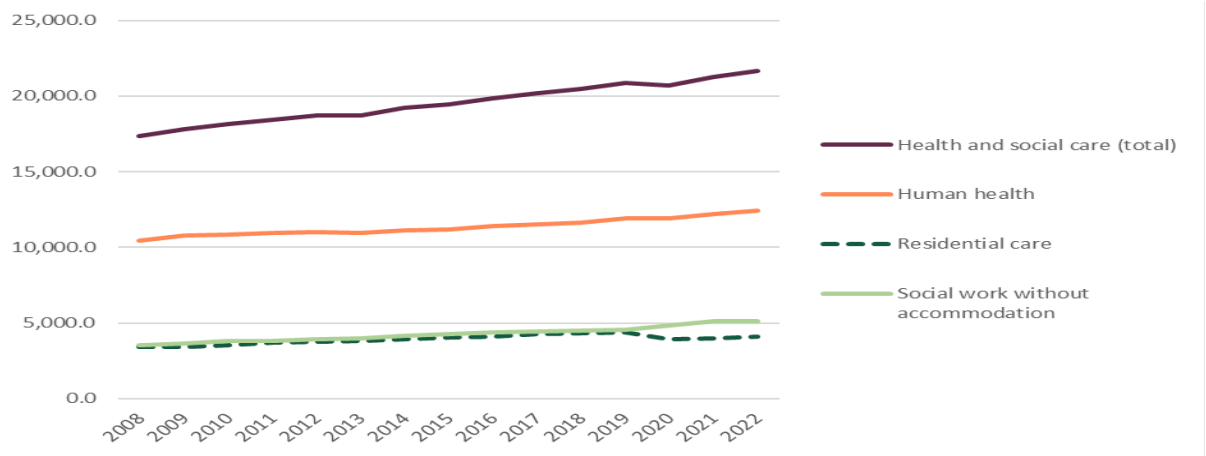
3. Sector-specific analysis for strategic skills and labour needs: White (healthcare), Grey (ICT) and Green Transition Jobs[342]

3.1. Healthcare and social care sectors

The healthcare sector is one of the most important in the European Union, providing essential services to an increasingly ageing population (See Annex on Demographic Developments). From a sectoral perspective, healthcare services are primarily grouped under the NACE division 'Human health activities' (NACE code 86), which is broken down into three groups: hospital activities, medical and dental practice activities, and other human health activities.[343] But human health-related activities are also found in NACE division 87 'Residential care activities'. At the highest NACE level, human health is grouped together with social care (Section Q: Human health and social work activities, which also covers division 88 'Social work activities without accommodation'), and this is the level at which Cedefop publishes its sector forecasts, as well as corresponding to the relevant ESCO sector category.344

Employment in the health and social sector has been growing rapidly in recent years in the EU27, from an overall number of workers of 17.4 million in 2008 to 21.7 million in 2022 (in Cedefop 2023 Skills Forecast dataset[345] the corresponding figure is 22.3 million). This marks an increase of 24.8% over this period, far surpassing the 3.8% total employment growth, and putting the health and social care sector third out of 19 high-level sectors in terms of employment growth rates[346], but first in absolute terms. Consequently, the share of NACE section Q in total employment has grown from 9.1% to 11.0%[347]

Figure 9 Employment in health and social care, by detailed economic activity, EU27 (1,000 persons)



342 Already in 2012, CEDEFOP organised an Employment Policy Conference identifying Healthcare and Social Care, Information and Technology Sector as well as the not yet well-identified as providing the backbone of new jobs for Europe. This section is prolonging the perspective and analysis presented in the 2012 Annual Growth Survey and the Communication "Towards a job-rich Recovery". COM(2012)173.

343 This category includes e.g. the activities of midwives, non-hospital nurses (e.g. visiting nurses under the aegis of various health programmes), physiotherapists or other paramedical professionals.

344 https://esco.ec.europa.eu/nb/node/210

345 https://www.cedefop.europa.eu/en/projects/skills-forecast/dataset

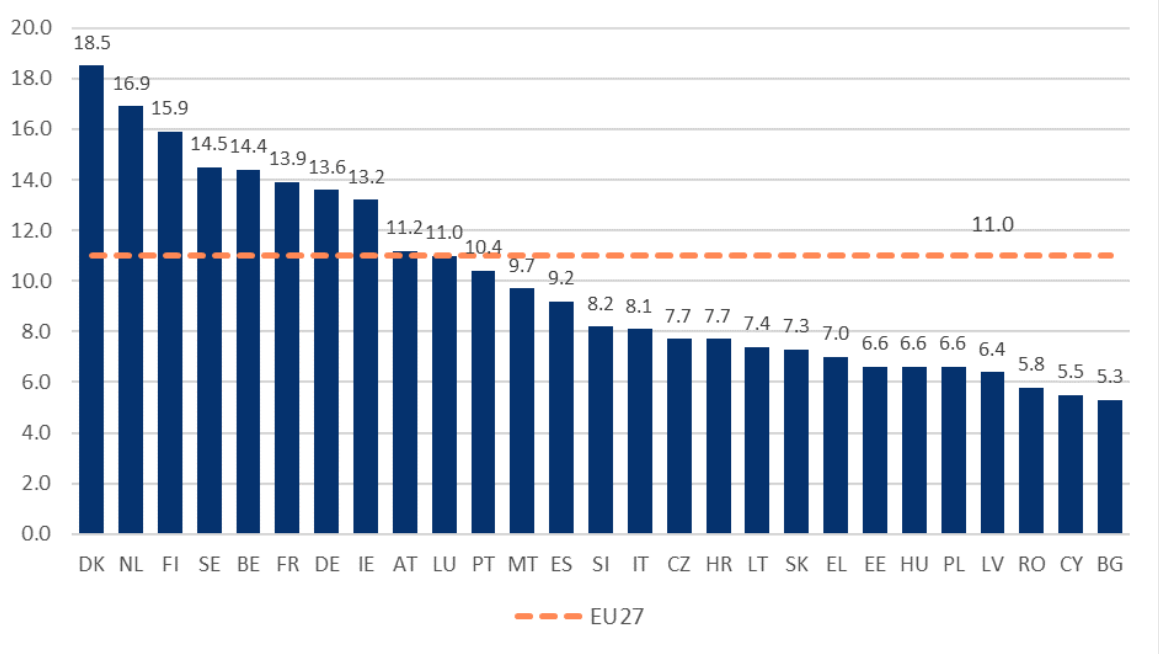
346 After J 'Information and communication' and M 'Professional, scientific and technical activities'.

347 Source: Eurostat (LFSA_EGAN22D).

Source: Eurostat (LFSA_EGAN22D)

All three NACE divisions in health and social care have recorded steady increases in employment numbers, with the exception of residential care, which saw a significant outflow of workers at the outbreak of the Covid epidemic, although employment numbers are on the rise again. Employment in human health activities has increased by 19.0% to 10.5 million (12.7 million in Cedefop's 2023 Skills Forecast), in residential care by 21.4% to 3.4 million, and in social work without accommodation – involving, among others, non-residential care for the elderly and child day-care activities – by 45.5% to 3.5 million.[348] The significance of the sector, in terms of number of workers, is especially large in Denmark, the Netherlands, Finland, Sweden and Belgium – and the lowest in Romania, Cyprus and Bulgaria.

Figure 10 Employment in health and social care in 2022, by Member State (as percentage of total employment)



Source: Eurostat (LFSA_EGAN22D)

At the occupational level, the main relevant categories with regard to health care are occupational groups 22 'Health professionals' and 32 'Health associate professionals' in the ISCO classification. These are not exclusively occupations related to human health care, as they include veterinarians and veterinary assistants, but they are the categories for which Cedefop has employment and job openings forecasts. The subdivision of the groups is given in the table below.

Table 5: Classification of main occupational groups in health care

Code / Sub-major group	Minor group	Unit group
22 Health professionals	Medical doctors	Generalist medical practitioners
		Specialist medical practitioners

348 The latter ranks 6th out of 85 NACE divisions in terms of employment growth rates between 2008 and 2022.

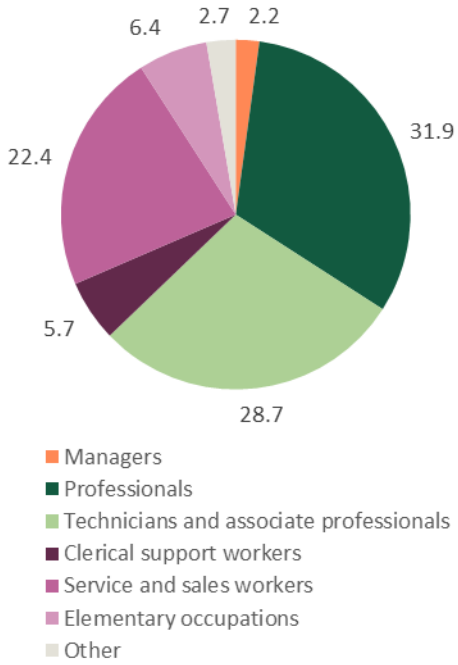
Code / Sub-major group	Minor group	Unit group
	Nursing and midwifery professionals	Nursing professionals
		Midwifery professionals
	Traditional and complementary medicine professionals	Traditional and complementary medicine professionals
	Paramedical practitioners	Paramedical practitioners
	Veterinarians	Veterinarians
	Other health professionals	Dentists
		Pharmacists
		Environmental and occupational health and hygiene professionals
		Physiotherapists
		Dieticians and nutritionists
		Audiologists and speech therapists
		Optometrists and ophthalmic opticians
		Health professionals not elsewhere classified
32 Health associated professionals	Medical and pharmaceutical technicians	Medical imaging and therapeutic equipment technicians
		Medical and pathology laboratory technicians
		Pharmaceutical technicians and assistants
		Medical and dental prosthetic technicians
	Nursing and midwifery associate professionals	Nursing associate professionals
		Midwifery associate professionals
	Traditional and complementary medicine associate professionals	Traditional and complementary medicine associate professionals
	Veterinary technicians and assistants	Veterinary technicians and assistants

Code / Sub-major group	Minor group	Unit group
	Other health associate professionals	Dental assistants and therapists
		Medical records and health information technicians
		Community health workers
		Dispensing opticians
		Physiotherapy technicians and assistants
		Medical assistants
		Environmental and occupational health inspectors and associates
		Ambulance workers
		Health associate professionals not elsewhere classified

Source: ISCO

In addition, the human health and social care sector also employs psychologists and social work professionals (from ISCO minor group 263); social work associate professionals (341); child care workers (531); as well as health care assistants, home-based and other personal care workers (532). These relevant occupations however only form smaller parts of their ISCO sub-major group for which Cedefop modelled labour market trends, hence specific forecasts are not available to add to the projections for sub-major groups 22 and 32.

Figure 11: Occupational groups in NACE section Q 'Health and social care' in 2022, EU27 (percentage)



Source: Eurostat (LFSA_EISN2)

These two groups account for a modest majority of all employment in the relevant NACE section Q. Professionals and associate professionals together accounted for 60.6% of workers in the sector, although this number also includes an unknown number of medical teachers and workers with qualifications not linked closely to human health care, such as legal and ICT professionals. The sector also employs a large number (22.4%) of service and sales workers (this category includes, among others: non-medical care personnel, facility caretakers, cooks), workers in elementary occupations (6.4%) and clerical support workers (5.7%). On the other hand, health professionals and associate professionals are

also employed in significant numbers in other service sectors, such as trade (mostly pharmacies) or public administration.

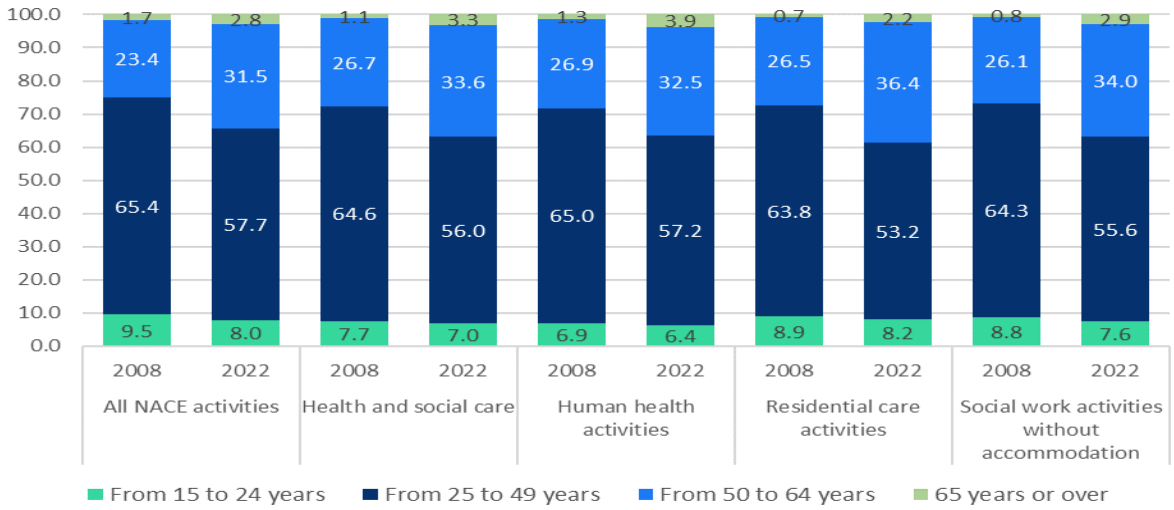
In 2022, around 6.0 million health professionals (29.2% more than in 2011) and 6.2 million health associate professionals (20.6% more) were employed in the EU27, according to LFS data. The corresponding estimates in Cedefop's 2023 Skills Forecast are 6.2 million and 6.5 million, respectively.

Figure 12: Employment of health professionals and associate professionals, EU27 (1,000 persons)

Source: Eurostat (LFSA_EGAI2D)

Ageing has a very considerable effect on the sector, not only in terms of the healthcare demand, but also on healthcare services supply. The ageing process has been rapid in recent years: the proportion of 50-64 year old workers in health and social care sectors has grown from 26.7% in 2008 to 33.6% in 2022. The proportion of workers who are at least 65 years old grew from 1.1% to 3.9%.

Figure 13: Age structure of health professionals and associate professionals, EU27 (percentage)



Source: Eurostat (LFSA_EGAI2D)

The labour market in the health and social care sector has an exceptionally strong gender bias: women make up 78% of the labour force. In more detail, the share of women among the employed in social work without accommodation (NACE division 88) and in residential care (87) was 82% in 2022, while in the human health sector (86) it was 76%, putting these three sectors 1st, 2nd and 4th among 82 NACE divisions.[349] The highest share of female labour in the sector is found in Latvia, Estonia, Lithuania, Finland, Slovakia and Portugal (84% or more).[350]

Eurofound (2023) highlights that despite the growth in employment in these sectors, current forecasts predict a persistent shortage of labour in the medium and long term. The shortage of healthcare workforce is a global phenomenon, with WHO predicting a shortfall of around 10 million workers by 2030.[351] The permanence of labour shortages in the sector reflects, on the one hand, challenges related to an ever increasing demand from an ageing population, and on the other hand problems with the supply as the existing workforce is ageing, suffers skills shortages and mismatches, and as the wages and working conditions make many occupations in the sector unattractive. In recent years the COVID-19 pandemic has also aggravated the situation, putting an enormous strain on healthcare workers and leading many to quit.

Eurofound (2021, p. 28) provides the following list of shortage sectors linked to the transition to a climate-neutral economy:

Sectors	**Countries identifying the shortage sectors**
Manufacturing	Bulgaria, Finland, Poland, Sweden
Construction	Cyprus, Ireland, Poland, Portugal
Energy	Croatia, Hungary, Ireland, Malta, Portugal, Romania
Transport	Poland, Portugal
Professional, scientific and technical activities	Cyprus, Denmark, Latvia, Lithuania
Tourism	Bulgaria
Agriculture	Latvia
Education	Spain

ELA in its 2021 Labour Shortages Report has pointed out severe shortages among nursing professionals and general practitioners. Even though the number of doctors per capita in Europe has increased over the past decade, the share of GPs has declined. This shortage of GPs is linked among others to relatively lower incomes as compared to specialist doctors. Especially certain rural areas which lack a modern health infrastructure, have poorer working conditions and are generally less attractive to live in face severe shortages (including that of

349 https://ec.europa.eu/eurostat/databrowser/view/LFSA_EGAN22D__custom_6684246/default/table?lang=en
350 https://ec.europa.eu/eurostat/databrowser/view/LFSA_EGAN22D__custom_6684261/default/table?lang=en
351 WHO (World Health Organization) (2022), Health and care workforce in Europe: Time to act. Available at: https://www.who.int/europe/publications/i/item/9789289058339

general paediatricians) and the sector has difficulties with recruiting candidates with the appropriate skills[352].

3.2 ICT sector and Digital transition

The skills dimension to the digital transition of the European economy concerns two different domains: (i) digital skills among the widest groups of the population, who could be employed in different sectors and different occupations, as a form of horizontal skill, helping them participate successfully in the labour market via employability and job security; and (ii) specific and higher-level digital skills required for ICT-related research and innovation and the digital transition of given sectors, or specific technologies or companies within these sectors.

For the first domain, research shows that basic digital skills can be linked to higher wages Even for those with low levels of educational attainment.[353] Higher digital skills of the workforce also contribute to increased innovation and productivity in companies.

At the same time, as pointed out in Eurofound (2013), Europeans are lagging behind other developed countries in this area. Romania has the highest percentage (25%) of adults with limited or no overall digital skills, while the Netherlands has the lowest (1%), according to Eurostat's ICT survey. Remote working, with its significance increasing, and having received a strong boost during Covid lockdowns, requires the use of digital tools for managing and monitoring workers.[354] Working in companies who introduced robots and automation, AI, also puts demands for at least basic digital skills of all workers. Cedefop's 2021 European Skills and Jobs Survey has found that 87% of EU jobs require at least basic digital skills. Out of these, 52% have low skills demands, 32% have moderate demands, and 17% have high demands.

Regarding the second domain, Eurofound (2023) reiterates that skills shortages in the EU are currently particularly acute in sectors that require advanced digital skills, such as the ICT sector. The sector has shown impressive growth rates in recent years, which could have been growing even faster if enough qualified personnel would have been available. Job vacancy data shows that the job vacancy rate in the ICT sector is high and has increased between 2014 and 2022 in all European countries, except for Croatia, Greece and Ireland. The increase was very high in Belgium (5.1 percentage points), the Netherlands (4.6 pp) and Austria (4.0 pp). At the cross-sectoral level, in 2022, 6% of European businesses had vacancies that were difficult to fill due to the need for ICT specialist skills, marking an increase of 3.4 percentage points from 2014. The study cites the forecast according to which even at the current employment growth rates – i.e. filled vacancies - the EU is still likely to be short of the 20 million experts needed in key ICT-related areas such as cybersecurity and data analysis in 2030.[355]

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352 ELA (2021), Report on labour shortages and surpluses: November 2021. Available at: https://www.ela.europa.eu/en/media/725

353 OECD (2016), Innovating education and educating for innovation: The power of digital technologies and skills. Available at: https://www.oecd.org/education/innovating-education-and-educating-for-innovation-9789264265097-en.htm

354 Eurofound (2022d), The rise in telework: Impact on working conditions and regulations. Available at: https://www.eurofound.europa.eu/publications/report/2022/the-rise-in-telework-impact-on-working-conditions-and-regulations.

355 European Commission (2021b), 2030 digital compass: The European way for the digital decade. Available at: https://eufordigital.eu/library/2030-digital-compass-the-european-way-for-the-digital-decade/

3.3. Green skills and jobs for the transition to Net-zero Economy

The green transition is forecasted to impact the aggregated level of employment at the EU level to a relatively small extent only. Between 1 and 2.5 million additional jobs are estimated to be created by 2030 by a fully-fledged green transition[356]. Up to over 460 000 additional direct jobs could be crated in the manufacture of net-zero technologies only. Further additional jobs could be created indirectly, in the deployment of the net-zero technologies. For instance, 100 000 jobs may be created by 2030 in the deployment of solar photovoltaics and wind technologies only[357]. Eurofound's Future of Manufacturing in Europe project has estimated that employment in the EU would grow by 0.5% by 2030 if it met its objectives under the Paris Climate Agreement. Eurofound also estimates that the net effect of Fit for 55, the action plan to cut GHG by 55%, would be only 0.1% on total employment. On the other hand, Cedefop's 2021 study on green employment predicts that if the European Green Deal emissions target is met, there would be an increase of 1.2% in employment, corresponding to around 2.5 million jobs by 2030.[358]

The planned transition towards a climate-neutral European economy under the Green Deal, which involves ambitious objectives for cutting net greenhouse gas emissions, leads however to certain more significant sectoral employment shifts, as well as new demand for 'green skills' within sectors.

The green transition is anticipated to lead to a transformation in the employment structure, with net job creation, resulting from employment increases in sectors related to greening the economy and employment decreases in carbon-intensive sectors. Consequently, it is expected that job creation will be unevenly distributed, with construction and other primary and utility sectors, as well as those manufacturing low-carbon goods and technologies, likely to be positively affected[359] by the greatest employment increases. The table below presents the NACE sectors where sector shift effects are forecasted for employment in Cedefop's 'The green employment and skills transformation (2020-2021)' study.

Table 6 NACE sectors with the largest relative forecasted increase or decrease in employment by 2030, EU27

Employment Increase	Employment decrease
Water supply & waste management	Rubber/non-metallic mineral products
Construction	Mining and quarrying
Wholesale and retail trade	Gas, steam & air conditioning
Administrative and support services	Coke and refined petroleum
Electricity	
Basic metals & metal products	

Source: Cedefop

356 ESDE 2023, p. 15.
357 ESDE 2023, p. 53.
358 Cedefop (2021), The green employment and skills transformation: Insights from a European Green Deal skills forecast scenario.
359 Sectors related to agriculture and renewable energy are likely to see significant green job expansion. Asikainen et al. The future of jobs is green , JRC 2021.

At the occupational level, an increased need for new skills is anticipated within sectors, either through the creation of new ‘green jobs’ or in the greening of existing ones. While there is no universally agreed-upon method for classifying jobs as green, the EU has an officially agreed definition, based either on the output of the job, or the process involved. Under the methodology,[360] jobs are considered 'green' if they are connected with firms or industries that create outputs in the form of goods or services which are either environmental or relatively environmentally friendly. Relevant work is ongoing as strengthening of the evidence base and measurability of key concepts in the green economy as follow-up action to the Council Recommendation on ensuring a fair transition to climate neutrality, including a concept of ‘a green job’.[361]

A classification methodology used by Eurofound is based on a study by Erich Dierdorff et al., who identify four types of green occupations.[362]

Table 7: Categorisation of greening jobs (Dierdorff)

Category	Description
No-greening	Occupations with limited or no impact of greening.
New and emergent	New and emerging occupations that do not exist in ISCO-08 and are classified in one of the old codes, despite having new characteristics; these might require separate classification.
Enhanced skills	Existing occupations that will potentially require changes in tasks, skills and knowledge as a result of the transition to a carbon-neutral economy, although the essential purpose of the occupation remains unchanged.
Increased demand	Existing occupations that will not require changes in tasks, skills and knowledge but will potentially see increased demand due to the transition to a carbon-neutral economy.

Source: Eurofound (2023)

Data from the 2021 Eurofound European Working Conditions Telephone Survey (EWCTS) suggests that almost 65% of European workers are employed in occupations that will not be affected, or only to a small extent, from the green transition (‘no-greening’). On the other hand, about 10% of the workforce works in new and emergent occupations, and close to 15% are in two latter categories, in jobs that will require enhanced skills or in sectors that are likely benefit from increased demand[363].

360 It should be noted that while this methodology has been commonly used as the literature on the green economy, there are limitations regarding its transferability to the European labour market, cross-country measurability and sectoral scope. Eurofound (2023).

361 ESDE, 2023, p. 5 See for more details on harmonization of taxonomies: Green Skills and Knowledge Concepts: Labelling the ESCO classification | ESCO (europa.eu) being used to lead to harmonized and coherent recommendations to Member States in the framework of the European Semester.

362 Dierdorff, E. C., et al. (2009), Greening of the world of work: Implications for O*NET®-SOC and new and emerging occupations. Available at: https://www.onetcenter.org/reports/Green.html

363 https://www.eurofound.europa.eu/surveys/2021/european-working-conditions-telephone-survey-2021

ANNEX 8
MAPPING OF EXISTING INITIATIVES AT EU AND NATIONAL LEVEL

1. Relevant initiatives at EU level

European cooperation network of employment services (EURES)

- **EURES** is a European cooperation network of employment services, designed to facilitate the free movement of workers. The following services are offered via the EURES Job Mobility Portal:
- Access to basic information on the portal, job-application and CV database and EURES network.
- Support to workers with the provision of information and guidance on job opportunities. This includes general information on living and working conditions in the country of destination, assistance to draw up job applications and CVs.
- Support to employers with the provision of information related to recruitment from another Member State as well as of assistance in the formulation of individual job requirements in a job vacancy.
- Post-recruitment assistance such as training on intercultural communication, language courses and support with integration.
- Facilitated access to information on taxation, employment contracts, pension entitlement, health insurance, social security, and active labour market measures.
- Support services in cross-border regions to provide workers and employers with information relating specific situation of frontier.
- Access to analysis on labour shortages and surpluses on national and sectoral labour markets.

Table below details the functionalities of EURES platform.

Tool	Short description
Matching tool	*Find a job.* It is a search functionality for job seekers where multiple filters can be applied (occupation, sector, language of the job vacancy, work schedule, education level, work experience, contract type, extra benefits). The search interface is available in the 25 EEA languages. Job vacancies are published by employers through a EURES Employment Service partner. *Find candidates.* The engine search allows pre-screened employers with specific access rights to find candidates and see their CVs by using keywords and applying filters (language skill, occupation, skills). To fine tune the research, employers can further search candidates according to their location, contract type, duration, and education level. The functionality automatically proposes CV lists of candidates matching the selected filters. Search profiles can be saved and shared and an option to receive regular updates on candidates can be activated.

My EURES	*My Candidates.* Pre-screened employers with specific access rights can save multiple candidates in a repository of the platform. They can download or print the CVs proposed by the search engine and send candidates enquire. The function allows to be automatically notified when new candidates matching the criteria appear. *My Jobs.* This section allows job seekers to view the enquired received from different companies. Enquires are also notified by email. In this section, job seekers can also set up different search profiles what will allow them to be notified about new job vacancies matching their search criteria. *My CV.* Job seekers can create their online CV in different languages. The CV creator is composed of several sections – work experience, education and training, skills. Further, there is the *desired employments* section to describe the ideal job features such as the location, contract type and other employment aspects. CV can be published so that they can be searchable by employers for 12 weeks (extendable). Europass users can send their Europass CV to EURES.
Hints and tips	*For jobseekers.* This section is for jobseekers with higher qualifications (students, graduates, teachers and researchers). It contains hints to find information on practical and legal aspects of mobility, job application, selection process (tests, interviews) and to settle in a new country. *For employers.* The section makes available three check lists to support employers in the hiring processes for workers from other countries. The check lists entail to steps before recruiting workers (legal requirements, working permits, practical arrangements, language barriers), during the process (presenting the services offered by EURES portal to employers) and after having hired a worker from abroad (integration of workers, conditions at workplace).
Other information	*Living and working section*. Practical information and facts about labour market trend in each country in Europe are available. *Labour market information*. Every year a report on labour shortages and surpluses is published on the platform. The report gathers data collected by Member States on their national labour markets. In addition, other information on labour market is available for each country in dedicated pages of the platform (*Short overview of the labour market*, *Where are the available jobs* and *Where are the available workers*)
Guidance and support	*EURES advisers.* The platform offers a network of advisers to provide information required by job seekers and employers through personal contacts. Currently there are 900 EURES advisers across Europe that have developed practical, legal and administrative expertise in relation to mobility at national and cross-border levels. There is a search form to find them in each country or cross-border region. *Skills and careers*. Employers can explore learning opportunities for their employees to acquire new skills and learn about staff education and training

	opportunities throughout Europe

Another channel for matching employers with jobseekers from within the 31 members of the EU and the EEA (including Switzerland) are ***European Job Days***[364], an initiative organised by EURES and the European Commission, which seeks to promote and enhance labour mobility within the EURES countries. The events – which are typically sector-specific - provide jobseekers with direct access to employers (large enterprises and SMEs, private and public) from other countries, and providing general and practical information on both the opportunities and challenges associated with such mobility. Employers are encouraged to advertise their vacancies in order to attract potential talented individuals from across Europe and can interview or chat with interested jobseekers who register. Through this initiative, jobseekers can listen to presentations both on site and on the internet, and have access to tailored services, such as CV workshops and participating EURES Advisors. Interested jobseekers who do not ask for an interview can still express their interest in a specific company. In the latter case, the employers will gain access to their profile and CV. Altogether, 11 events have taken place in 2023 until May, bringing together from a dozen to over 100 employers and from 20-30 to over 600 vacancies at the end of May 2023 almost 7,000 employers and 637 info points were registered in the database.

EURAXESS

EURAXESS[365] is a pan-European network supported by the European Commission, dedicated to assisting researchers in moving and working throughout Europe. It seeks to promote international collaboration between scientists and institutions, create and strengthen the collaborative potential of science, technology, and innovation, and enhance research infrastructure in Europe.

One of the main objectives of EURAXESS is to support the recruitment of highly qualified research and innovation personnel involving mobility across borders - including the facilitation of access to the labour market for highly qualified individuals from outside Europe. EURAXESS provides a wide range of services through its website including guidance on visas/residence permits applications, job submission system which enables direct contact with companies/institutions offering job opportunities in different countries across Europe, access to dedicated scholarship databases for funding relocation projects related directly or indirectly related to research activities within Europe as well as assistance in finding accommodation following recruitment campaigns or during stays abroad. Researchers can also find guidance material on tax issues, relevant for relocating individuals as well as national regulations dealing with such topics as intellectual property rights or protection of privacy.

Information resources like conferences, publications journals, databases and networks are also made available on the EURAXESS website. Moreover, EURAXESS offers online self-assessment tools aiming to match individuals' interest with organisations providing suitable working environments and also serves the purpose of giving advice on how best to prepare successful grant applications aimed at realising researcher mobility ambitions.

The platform functionalities are detailed in the table below.

364 https://europeanjobdays.eu/en
365 https://euraxess.ec.europa.eu/

Tool	Short description
Search tools	*Search for jobs.* Through this function, researchers can look for job opportunities filtering by country, European Research Programme (H2020, Marie Skłodowska-Curie Actions) and research field. *Search for hosting.* Users can search for hosting opportunities as postdoctoral fellowships candidates according to the country and the European research programme. *Search for research talent.* Research organisations and universities can post jobs to recruit and look through CVs.
International networking	*Euraxess Worldwide.* It is a tool supporting researchers working outside of Europe what want to explore and develop careers in Europe. The network aims at fostering scientific collaboration and attract talent to Europe. There are dedicated teams in different countries and regions (Africa, Singapore, Thailand, Indonesia, Malaysia, Vietnam, Australia, New Zealand, Latin America, China, India, Japan, Korea and North America). Euraxess Worldwide organises events – live and virtual – and shares information on the latest developments and opportunities in Europe for studying, working and progressing a scientific career.
Career development	*Career Orientation tool.* The tool helps researchers to plan upskilling path, define their career goals and navigate across career options. Young researchers can consult a career handbook and can access to the offer to virtual webinars and training. *Pipers Project Career Kit.* It is a collection of external learning resources in the topics of entrepreneurial skills, information literacy, disciplinary working, leadership skills, managing a research career, professional development, public engagement, researcher self-assessment, market exploitation of research results and working with industry. The resources include different type of material (training, articles case studies) benefitting trainers and people in charge of training researcher. *Mentoring Programme 'Shape the future of a Researcher coming to Europe'.* This programme aims at fostering the cooperation in the research field as well as international mobility by offering the opportunity to mentor early-stage researchers. The programme allows early-stage researchers coming from third countries to get support by highly skilled researchers for what regards career counselling, publication and presentations, networking, funding opportunities…
Information and assistance	*Pensions for Researcher.* The web pages links to country specific information on pension systems. Information regards state pensions as well as occupational pensions. The page hosts one dedicated section on pension arrangements at European level such as the Pan-European Pension Fund for researcher[366].

[366] https://www.resaver.eu/

	Search for information. Researchers can retrieve information on three main macro themes: leaving Europe, Living Europe and Working in Europe. As further specification, they can filter the information according to the different areas of the three topics (for instance, accommodation, entry conditions, visas, health insurance, intellectual property rights…). *National portals.* The web page provides the link to access to national Euraxess Centres and find practical information about specific country context.

EUROPASS

Following the implementation of the new Decision in 2018[367], the Europass framework turned into a more integrated offer of tools and services not only for skills and qualifications but also for lifelong learning and career management. The new platform is now a digital web-based interface where users can access various tools and services. In particular, job seekers and learners can store personal information on their skills, learning achievements, work experiences or track their job applications. Employers can rely on tools and information to understand skills and qualifications of job applicants and staff. Similarly, education and training providers are offered with a set of tools on lifelong learning and career development.

Table below details the Europass offer.

Tool	Short description
Europass e-Portfolio	• *Europass profile* where users can organise and present their personal information on skills, qualifications, learning and work experience. Users can rely on ESCO classification or use free text to fill relevant fields (i.e. occupation or position held). • *CV creator / editor.* Europass CV is a common template that structures and presents an individual's skills and competencies, work experience, education, and training when they wish to apply for jobs. The template is available in 30 languages. The template is designed to be competence focused, transparent and easy to navigate for employers. Its ultimately aim is to encourage a portfolio-based approach to present one's competencies and experience. • The *library* is a repository where users can allocate all the relevant documents on their qualification and work experience (diplomas, reference letters…). • *My Application* is the function allowing the tracking of job applications submitted. Users can indicate the title and type of opportunities as well as the contact information of employers. Applications can be updated and downloaded.
Templates and	• *Cover letter.* Users can create, store, and share cover letters in 29

[367] https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32018D0646

Tool	Short description
documents	languages. The cover letter can be attached to the CVs when sharing it with potential employers. A variety of different cover letter templates are available, which users can modify, adjust visually or content-wise and tailor to vacancies. • *Diploma Supplement.* The Diploma Supplement is a document that aims to increase transparency and mutual understanding of qualifications within the European Higher Education Area. The Diploma Supplement is a document attached to a higher education diploma issued by the competent authorities or bodies, in order to make it easier for third persons – particularly in another country – to understand the learning outcomes acquired by the holder of the qualification, as well as the nature, level, context, content and status of the education and training completed, and skills acquired. It uses a common terminology based on the ECTS and EQF and it includes personal information about users' education and learning outcomes. This document is not a Europass document (it is managed by the European Commission, the Council of Europe and UNESCO, and the template is the result of the 2018 Ministerial Agreement of the Higher Education Ministers of the European Higher Education Area) but has been included in the Europass framework since 2004. The document is not automatically available on the Europass platform, and it needs to be uploaded to the platform by users once they obtain the higher education diploma and Diploma Supplement attached to it. • *Certificate Supplement.* The Certificate Supplement is a document attached to a vocational education and training or professional certificate issued by the competent authorities or bodies, in order to make it easier for third persons – particularly in another country – to understand the learning outcomes acquired by the holder of the qualification, as well as the nature, level, context, content and status of the education and training completed, and skills acquired. The Certificate Supplement is a document that describes the VET qualification systematically and transparently. It is based on a standard template and framework applied in all Europass countries. To obtain the Europass Certificate Supplement, users can search for the vocational qualification in a national database or obtain it from the institution providing the vocational education and training. • *Europass Mobility* is a document that presents the knowledge, skills or qualifications obtained when undergoing education, training, or volunteering abroad. Individuals can receive documents about their experience abroad from authorised organisations, after a mobility experience. Sending organisations need to contact the National Europass Centre in their country to register the mobility and later issue the document.

Tool	Short description
Transparency and comparison of qualifications	• *European Digital Credentials for Learning (EDCs)* is a standard for digital credentials in the field of learning as well as a service to issue, sign, verify, store, and share these credentials. EDCs can be certificates that record education and training, qualifications and other learning outcomes in a digital format. They are awarded following formal, non-formal or informal learning and they can describe any type of learning (e.g., activities such as classes attended, assessments such as projects, achievements such as skills developed, professional entitlements such as the registration as a medical doctor and qualifications such as a university degree or a Vocational Education and Training certificate)). Using the EDCs, organisations can issue the certificates and can validate their learning opportunities. The Qualifications Dataset Register (QDR) underpins and feeds the Accreditation Database against which the accredited credentials are verified. • *European Qualification Framework.* Europass platform is the main repository of European Qualification Framework (EQF). The EQF is an 8-level, learning outcomes-based framework for all types of qualifications that serves as a translation tool between different national qualifications frameworks. This framework helps improve transparency, comparability and portability of people's qualifications and makes it possible to compare qualifications from different countries and institutions. Europass platform for EQF includes information on EQF and National Qualifications Frameworks (NQF) and referencing to EQF. It has links to the national qualification databases and the latest updates on countries referencing or comparing to the EQF. • *Comparison tool.* Users can find information on what types of qualifications are included in national frameworks referenced to the EQF and compare qualifications levels between two EQF countries.
Other tools for presenting personal information	• *My Interest.* Users can identify and list their goals and interests. This element also allows them to identify their volunteering interests or if they want to move across Europe or participating countries. Europass uses this information, to suggest work and educational opportunities. • *My Skills.* The tool is designed for users and helps them to have an overview of their skills. The information in My Skills is be used to suggest customised job and course opportunities. Through this tool, Europass encourages the user to reflect on their skills and think about future steps for learning or working.
Career management tools	• *Digital skills self-assessment test.* The tool is created to support users in assessing and documenting their digital skills. Users can complete a questionnaire on their digital skills and receive a personalised

Tool	Short description
	report on their skills. The report helps users to understand their skills and see how they can improve them. • *Find a job.* This section is powered by EURES and is used as a search engine for EURES vacancies. Only the vacancies posted on EURES are visible in the job search. The tool also provides information materials and guidance to end-users on how to search for the right job, plan their career. This tool is created to support the mobility for employment in the EU. • *Europass Skills Intelligence tool.* It is a functionality on the platform providing information on skills that are relevant to the current and future labour market needs as well as corresponding learning opportunities. The tool contributes to guidance and counselling, recruitment processes, provision of education and training and career paths. Users can search for occupations in highest demand in the European Union and the related skills needed.
Information	• *Find a course*. The Europass platform allows users to search for education and training opportunities via a search engine. The platform hosts information on learning opportunities that can lead to a qualification (EQF levels 1-8) or that are relevant for the labour market. Information is transmitted by Europass countries (via Euroguidance Centres, the National Europass Centres or any other relevant organisation appointed at national level), however, not all countries are sharing information at this stage. Users are able to retrieve information about available learning opportunities through their profile or the Europass main page. Logged in users can receive suggestions on learning opportunities matching the skills and interests expressed. In addition, Europass has a dedicated section on "Learn in Europe" which presents a list of contacts in organisations in each of 37 participating countries that can provide detailed information to users on learning opportunities in their country.

Source: elaboration of the contractor (2023)

EUROPEAN DIGITAL CREDENTIALS FOR LEARNING

The European Digital Credentials for learning (EDCs) is a standard for tamper-evident electronic documents that allows providers of credentials to describe and show the achieved learning outcomes (knowledge, skills) of learners. The European Digital Credentials for learning are documents signed with an electronic seal (as defined under the eIDAS Regulation). The EDCs can describe and certify qualifications, activities (for example non-formal learning events), transcripts of records and entitlements. This initiative stems from the

Digital Education Action Plan[368] (Action 3) which provide a framework for issuing digitally certified qualification and validating digitally acquired skills. Their main purpose is to apply for job positions or for further education and training.

The digitally signed credentials (DSC) technical framework allows the qualification documents awarded by educational and training organisations to be understood and verified in all Member States. This also creates a system in which digitally verified certificates and credentials are issued, sealed, stored, shared, and verified under the same framework. This was not intended to replace quality assurance or certification practices at the national level, but rather offer a technical solution to facilitate the exchange of these documents throughout the EU and reinforce the trust in digital documents by fighting against fraud.

The main components of a digitally signed credential are:

- The credential, i.e. a documented statement containing claims made about a person – in this case the credential is about learning and describes the skills and/or learning outcomes acquired by an individual through a formal, non-formal or informal learning context,
- A digital signature (e-seal) that certifies the origin and integrity of the document and which is the source of trust,
- The European Learning Model which allows for interoperability of learning opportunities, qualifications and credentials in Europe and support fast track to credential recognition. European Learning Model is aligned with the "Verifiable Credential" standards which is the international standard for the envelope around the credential.

The main functions of the DSC Framework are:

- Issuing a digitally signed credential to the learner. The awarding body can build then credential in the European Digital Credentials Infrastructure, then upload the list of recipients, then seal and finally send the credentials, which will issue tamper-evident digitally signed credentials. This would replace the current model of an awarding body sending credentials to a specialised print-shop for secure printing and issuing.
- Storing the digital certificate after having been issued (storage is available on the Europass e-Portfolio in the EDCs-wallet or other compatible platforms or wallets). The credentials can be sent to the owner or directly deposited into their EDCs-wallets. Credentials are securely stored according to the digital wallet retention period. This is a change compared with the current paper storage method.
- Sharing the digital certificate with employers and other organisations, such as an education and training provider or a recognition centre. The credential owner can share a link from their EDCs-wallet. The current paper-based model consists of requesting a new certified paper copy of the credential to be sent to the requester.
- Verifying the authenticity of the digital certificate and the accreditation of the awarding body. In case of accredited credentials, the EDCs accreditation database automatically verifies the accreditation of the awarding body. All EDC credentials are automatically

[368] COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS on the Digital Education Action Plan. Available at: EUR-Lex - 52018DC0022 - EN - EUR-Lex (europa.eu)

verified every time they are accessed in the EDCs-viewer to check their format, the validity of the e-seal, and the validity of the credential. If the credential has been tampered with, the checks would fail. This can replace the administratively burdensome paper-based version of contacting awarding bodies to ensure authentic credentials and matched identity with the owner.

EU SKILLS PROFILE TOOL FOR THIRD COUNTRY NATIONALS

The EU Skills Profile Tool for Third Country Nationals[369] was developed by DG Employment, Social Affairs and Inclusion as part of the New Skills Agenda for Europe (EU-Skills, 2016).

The tool is a multilingual, free of charge online editor that helps to map out an individual's profile of skills, qualifications, and work experiences, this allowing for more transparency. It serves as the basis to issue personalised advice for further steps towards labour market integration (e.g. a referral to authorities dealing with the recognition of diplomas, validation of skills, language or other training, or employment support). The filled profile can be imported to the Europass platform.

It was developed for use by organisations offering assistance to Third Country Nationals but is available for everyone on the website. The tool can be used by:

- Organisations working with third country nationals (national authorities responsible for reception and integration of refugees, reception centres, employment assistance services, social services, NGOs…) that can use the tool in an interview situation to get to know the individuals, their skills, qualifications and experiences and to give personalised advice on further services.
- Third country nationals that wish to map their qualifications, skills and experiences, this facilitating their contact with local authorities, education and training providers and for job seeking.

The tool is available in all EU and EEA languages and in Arabis, Farsi, Pashto, Sorani, Somali, Tigrinya and Ukrainian. It is also possible to see two languages at the same time on one screen this facilitating the communication between the organisations assisting the third country nationals and the third country nationals.

The tool is not intended as a recognition or authentication tool.

The tool can be adapted to the organisation's specific needs for example by adding or hiding questions and sections from the questionnaire; exporting the excel and modifying the open source.

EUROPEAN QUALIFICATIONS FRAMEWORK (EQF)

The European Qualifications Framework (EQF) for lifelong learning was established through a Recommendation of the European Parliament and the Council in 2008 and revised in 2017[370].

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369 https://ec.europa.eu/migrantskills/#/

370 COUNCIL RECOMMENDATION of 22 May 2017 on the European Qualifications Framework for lifelong learning and repealing the recommendation of the European Parliament and of the Council of 23 April 2008 on the establishment of the European Qualifications Framework for lifelong learning. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017H0615(01).

The purpose of the European Qualifications Framework for lifelong learning (EQF) is to improve the transparency, comparability and portability of people's qualifications. The wider impact of the EQF is seen in supporting employability, mobility and social integration of workers and learners, supporting lifelong learning and activating modernisation of education and training systems.

EQF is an 8-level learning outcomes-based framework which serves as a translation tool between different national qualifications frameworks[371]. Essentially, it helps employers, education and training providers, credential evaluators, workers, and learners in different countries to easily understand end users' levels and types of skills and qualifications by creating a common reference framework for qualifications in Europe. The EQF is designed to cover all types and levels of qualifications (higher education, VET, general education, adult learning including) including the ones awarded by private sector organisations, international organisations or NGOs. The fact that the EQF is based on learning outcomes implies that a qualification is described to reflect what holders are expected to know, understand and apply after completing a learning path.

The links to the national qualification frameworks are built through a referencing process where members of the EQF link their national frameworks to the EQF. In practical terms, they have prepared detailed referencing reports that follow the 10 EQF referring criteria (Annex III of the 2017 EQF Recommendation). In addition, EQF members are invited to:

- Publish information and include reference to EQF levels on qualifications documents.
- Promote links between credit systems and national qualifications frameworks.
- Encourage the use of EQF by stakeholders and to coordinate with the EQF National Contact Points.

All EU Member States, except Spain, has referenced to the EQF. In addition, 10 other countries (EEA countries, candidate countries) have referenced to the EQF[372]. In the EQF Recommendation 2017[373], Members States have been invited to explore possibilities for the developing criteria and procedures to enable the comparison of third countries' national and regional qualification frameworks with the EQF. First comparison pilots have been conducted with Ukraine and Cabo Verde. A pilot with Southern African Development Community (SADEC) is starting in 2023. In the past years, comparison and benchmarking pilots were conducted also with some advanced qualifications frameworks as the Australian Qualifications Framework (AQF), the New Zealand Qualifications Framework (NZQF) and the Hong Kong Qualifications Framework (HKQF).

Europass hosts the EQF on its platform. It stores and make available the information on the referencing reports and provides the EQF comparability tool. Synergies of EQF and Europass is seen also with the interconnection of national databases on learning opportunities and national qualifications registers. A dedicated EQF-Europass working group works to develop

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371 The European Qualifications Framework (EQF) | Europass. (n.d.). [Government]. European Commission. Retrieved August 9, 2022, from https://europa.eu/europass/en/european-qualifications-framework-eqf

372 Iceland, Liechtenstein, Norway, Albania, North Macedonia, Montenegro, Serbia, Türkiye, Bosnia & Herzegovina, Kosovo and Switzerland.

373 https://op.europa.eu/en/publication-detail/-/publication/ceead970-518f-11e7-a5ca-01aa75ed71a1/language-en

methodology and guidance on creating short descriptions of learning outcomes based on qualifications to be used in databases and registers and thus helping the openness and transparency of qualifications.

2.2. ENIC-NARIC network

The ENIC-NARIC network brings together the European Network of Information Centres in the European Region (ENIC) and the National Academic Recognition Information Centres in the European Union (NARIC), fostering the collaboration in 55 countries in the field of academic recognition of qualifications.

The ENIC network operates under the Lisbon Recognition Convention[374] which is the legal instrument regulating recognition of higher education qualifications from abroad across Europe and North American regions. The NARIC network comprises all countries participating in Erasmus+. Depending on a country's status, therefore, they will refer to their recognition centre as an ENIC-NARIC, a NARIC or an ENIC. The European Commission is secretariat of the NARIC network, while the Council of Europe and UNESCO are co-secretariats of the ENIC network.

The network provides information on recognition to:

- Individuals wishing to study / work abroad. Information regards in particular the procedures to have academic / professional qualifications evaluated;
- Credential evaluators regarding recognition tools. The network has developed projects, tools and instruments to facilitate recognition, foster mobility and enhance internationalisation of higher education. These cover automatic recognition, databases on higher education systems and qualifications, academic recognition and quality assurance;
- Higher education institutions. In particular, the network provides information on academic recognition procedures, educational systems at national level, qualification frameworks, quality assurance and joint programmes and degrees;
- Employers. Three types of information are provided: information on candidate's qualification, professional recognition procedures (regulated and non-regulated professions) and recognition tools.

LISBON RECOGNITION CONVENTION

The Lisbon Recognition Convention, also known as the Convention on the Recognition of Qualifications concerning Higher Education in the European Region, is an international treaty adopted in Lisbon, Portugal, in 1997. It is aimed at promoting the mutual recognition of academic qualifications among the countries in the European region.

The Lisbon Recognition Convention is a collaborative effort between the Council of Europe and UNESCO. Its primary purpose is to create a unified legal framework at the European level for the recognition of academic qualifications and to eventually replace six previous conventions that had been adopted by either the Council of Europe or UNESCO.

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[374] Convention on the Recognition of Qualifications concerning Higher Education in the European Region (ETS No. 165).

The main goal of the Lisbon Recognition Convention is to facilitate academic mobility and ensure that qualifications obtained in one country are recognised and accepted by other countries in the region. This recognition is essential for students, graduates, and academic professionals seeking to study, work, or pursue further education in different countries.

The Convention sets out principles and guidelines for the recognition of qualifications at all levels of higher education, including degrees, diplomas, and certificates. It emphasizes fair and transparent recognition procedures and the use of comparable criteria to evaluate qualifications from different educational systems. The principles are:

- Fairness: The recognition process should be fair and impartial, providing an equal and non-discriminatory treatment to all individuals regardless of their nationality or country of origin;
- Transparency: The recognition procedures and criteria should be transparent and easily accessible to all stakeholders, including individuals, educational institutions, and employers;
- Reasonable Timeframe: The recognition process should be completed within a reasonable timeframe, allowing individuals to access their rights and benefits without undue delay;
- Substantial Equivalence: The recognition decision should be based on the principle of substantial equivalence, meaning that a qualification granted in one Party should be recognised as having the same or equivalent level of education and academic value in another Party;
- Burden of Proof: The burden of proof lies with the educational institution or authority in the host country to demonstrate that the qualification in question is substantially different from its own national qualifications;
- Single Application Procedure: The Convention promotes the use of a single application procedure for recognition, allowing individuals to apply for recognition in one place and have their qualifications recognised across the European Region;
- Avoidance of Discrimination: The Convention emphasizes the avoidance of any form of discrimination in the recognition process, ensuring that individuals are not subject to unjust treatment based on their nationality, ethnicity, gender, or any other characteristic;
- Use of Comparability Information: Parties are encouraged to use comparability information, such as national or regional qualifications frameworks, to facilitate the recognition of qualifications;
- Use of Information Centres: Parties are encouraged to establish National Information Centres (NICs) and participate in the European Network of National Information Centres (ENIC Network) to provide information and guidance on recognition matters.

Under the Lisbon Recognition Convention, the responsibilities for recognition lie with the competent authorities of each participating country. These authorities are responsible for assessing foreign qualifications and determining their equivalence to qualifications in their own country. The main objective of the Convention is to simplify and streamline the process of recognizing qualifications obtained in one country (Party) by other countries (Parties) within the Convention. It emphasizes that recognition requests should be handled fairly and in a

timely manner. Qualifications can only be refused recognition if they are significantly different from the qualifications of the host country. The burden of proof lies with the educational institution of the host country to demonstrate substantial differences.

To ensure effective implementation and oversight of the Convention, two bodies have been established: the Committee of the Convention on the Recognition of Qualifications concerning Higher Education in the European Region and the European Network of National Information Centres on Academic Mobility and Recognition (ENIC Network).

The Committee is responsible for promoting and overseeing the application of the Convention. The Committee can adopt recommendations, declarations, protocols, and models of good practice to guide the competent authorities of the Parties. It also seeks the opinion of the second body, the European Network of National Information Centres on Academic Mobility and Recognition (ENIC Network), before making decisions.

The ENIC Network is tasked with supporting and facilitating the practical implementation of the Convention by the competent national authorities. It serves as a network of information centres that assist in recognizing academic qualifications and promoting academic mobility within the European Region.

EUROPEAN SKILLS, COMPETENCES, QUALIFICATIONS AND OCCUPATIONS CLASSIFICATION (ESCO)

The ESCO is the multilingual classification of European Skills, Competences, and Occupations, launched in 2017 by the European Commission. It identifies and categorises skills, competences and occupations relevant for the labour market, it provides multilingual information or labour market services as well as training programs and curricula.

Regarding the occupations, the classification is organised in hierarchical relationship, and it maps to ISCO classification. More in detail, each occupation is mapped to one ISCO-08 code. An explanation of the occupation is also provided together with the related knowledge, skills and competences. In ESCO classification there are now 3008 occupations mapped.

On skills, ESCO envisage different concepts. These are knowledge, skills, attitudes and values and languages skills and knowledge. It also indicates the reusability level: cross-sectoral, occupation-specific, sector-specific, transversal and the status (obsolete or released).

On the qualification, ESCO supports the description of learning outcomes of a qualification and enhances personalised/ digital career guidance services. Is also can be used for the validation of informal and non-formal learning.

The classification is used on a voluntary basis and can support a better link between education and employment. In particular, it is used in the framework of:

- Job-matching and job-searching services: PES, talent acquisition agencies, human resources consulting but also private companies for rolling out their own job matching tools;
- Career development and learning management: qualification authorities, universities, training providers;
- Statistics and big data analysis of labour market.

ESCO classification can be downloaded or retrieved through the ESCO Application Program Interface (API) which is a software component facilitating the interaction with other software component.

ESCO is a complementary tool to the EQF as it offers a standardises terminology to describe and compare learning outcome descriptions. To this end, awarding bodies and national authorities select the relevant ESCO knowledge, skills and competence concepts, this allowing automatically understands learning outcomes without replacing or translating.

In July 2018, ESCO terminology became the standard for data exchange in EURES and it is the standard used to develop the skills-based matching tool on the portal. EURES countries had to map their national classifications to ESCO – or alternatively adopt directly ESCO – and then use ESCO codes to present job vacancies and CVs. According to the ESCO 2021 annual report[375], 21 out of 31 EURES countries had completed the implementation of ESCO.

ESCO is also used with the Europass framework and integrated in several elements of the Europass platform (ePortfolio, CV editor, My Skills, My Interest).

SKILLS-OVATE

Skills-OVATE is a project promoted by Cedefop and Eurostat that analysis online vacancies with the objective to provide information on the jobs and skills most in demand in the labour market. The analysis covers 28 European countries and is based on different type of sources for collecting online job advertisements (OJAs) these including private job portals, public employment service portals, recruitment agencies, online newspaper and corporate websites.

The information extracted are analysed against international classifications: ISCO-08 for occupation, NACE for sectors and NUTS-w for regions.

The information provided regards:

- Online job markets. Three dashboards are available: one showing the information by occupation and country; one shows differences in demand for occupations across countries (i.e. the share of selected occupation on the total number of OJAs); one displays job vacancies by sector. There is an additional tool to compare data in a customised way, by selecting different filters (countries, regions, occupations, sectors). Two additional types of information can be filtered: contract types and working hours offered;
- Skills insights. Information on skills is available at the level of occupation, sector and country. The dashboard shows how skill demand develops over time;
- Occupation insights. The information provided relates to the skills requested in a selected occupation, the type of contracts and working hours offered by employers in different countries, a general overview of the job vacancies as well as occupation trends over the time;
- Sector insight. The dashboard shows the demand for occupation (ISCO 2-digit) across sectors and countries; skills and occupation requested across sectors; evolution over the time;

375 Annual reports | Esco (europa.eu)

- Region insights. Information on the difference in demand for occupations across regions is available together with the most demanded skills, also across sectors, and the trends.

EU TALENT POOL PILOT

The EU Talent Pool Pilot is an online job-searching tool for individuals fleeing the war in Ukraine who are seeking employment in the EU. It helps identify and map their skills and connects them with EU employers. The pilot is intended to facilitate labour market integration for beneficiaries of temporary protection or adequate protection under national law, providing them with more financial independence, better integration, and preserving their skills for Ukraine's future reconstruction.

The initiative is implemented through the EURES portal, which brings together national employment offices, private agencies, and employers across the EU.

Jobseekers can publish their CVs on the portal, seek advice from EURES advisers, and browse vacancies. Employers can access the profiles of jobseekers and offer them jobs.

While the pilot initially involved countries like Finland, Lithuania, Poland, Spain, Czechia, Cyprus, Croatia and Slovakia, participation by EU member states is voluntary. Jobseekers can use the EU Talent Pool Pilot to find jobs in EU countries even if their country is not formally participating in the initiative. However, there may be limitations in accessing additional services offered by national administrations in non-participating countries.

Jobseekers can go home to Ukraine for short periods without losing their temporary protection status. If they find jobs in different EU countries, they need to inform the respective authorities to register for temporary protection in the new member state. Employers willing to hire jobseekers benefiting from temporary protection from another member state can help them in the process by providing support and a willingness to employ them.

1. **Relevant initiatives at national level**

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Key measures and schemes	**Job Seeker Visa:** For very highly qualified workers (people over the point threshold of 65)[376] it is possible to apply for a Job Seeker permit that lasts 6 months. When finding a job offer, they can apply to the RWR card. **RWR (Red-White-Red) card and the RWR plus card:** residence titles issued to very skilled workers and workers with skills that match regional shortage occupations. • **RWR card:** If applicants can find a job that matches their skills, they can apply for an RWR card. The prerequisite is to have a binding job offer. The duration of this permit is 2 years and is limited to working in the job through which the permit was granted or limited to self-employment. • **RWR card plus** is a residence permit that offers unrestricted access to labour

[376] Point criteria: https://www.migration.gv.at/en/types-of-immigration/permanent-immigration/very-highly-qualified-workers/

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	market and fixed-term settlement. Holders of the RWR card can apply for this visa after 21 months of work within the last 24 months. People that have been in Austria for five years and have B1-level German language skills can apply for a **long-term resident EU permit** that grants unlimited settlement and unrestricted access to the Austrian labour market. **Groups that can qualify for the RWR card:** Very Highly Qualified Workers. Skilled Workers in Shortage Occupations, Other Key Workers, Graduates from Austrian Universities and Colleges of Higher Education, Regular Workers in Tourism, Agriculture and Forestry, Self-employed Key Workers, Start-up Founders. • Issued based on quotas • Access to the RWR card is granted based on a **point system**: o Threshold: 65 points for very highly qualified workers 50 points for skilled workers in shortage occupation and other key workers o In 2019 amendments were introduced to this system. 1) Proficiency in English was added as a criterion, 2) More weight was given to occupational experience and less to age (age was deemed as a discriminatory and unconstitutional criterion), 3) Threshold for "very highly qualified" workers (i.e. mechanical engineering, data processing engineers, business engineers, and physicians) was lowered to 65 to facilitate admission to these types of workers. • Can be issued regionally, to ensure the supply of workers matches the needs of the local labour market. • In 2019 an amendment came into force to reduce some of the bureaucratic obstacles in the application process, including an adjustment to the required minimum salary and eliminating the requirement of proof of accommodation, however, it is not sure if the amendment will be enacted. **Seasonal workers:** **Temporary work permits:** six months (9 months under certain conditions) **Short-term employment:** 6 weeks **Quotas:** The federal Minister of Labour and Economy may set quotas to regulate the employment of seasonal workers**.** These quotas may exceed by 20% during seasonal spikes as long as it does not pass the yearly quotas. **In 2019 these quotas were:** o 4,000 employment permits

AUSTRIA	
	○ 60 short-term employments in harvesting. ○ 1,263 for time-limited employment in tourism, ○ 2,727 for time-limited employment in agriculture and forestry. ○ 288 workers employed in harvesting. **Intra-corporate Transfers (ICT):** Key workers temporarily employed in a branch in Austria of their company may have a residence and employment permit in Austria. **Au Pairs:** It is possible for foreigners between the age of 18 and 28 to join a host family to get a permit to help with childcare and easy household tasks. **New measures:** • **ID card for displaced people:** Since April 2023 people from Ukraine with an ID card for displaced people can take any employment without a permit. **Strategies to tackle skilled labour shortage:** • **Collaboration with countries of origin of migrant workers:** The Austrian Business Agency, the main actor at the federal level in attracting international companies and workers, has been set in charge of addressing the shortage of skilled workers. The agency has stablished agreements to recruit workers from other EU Member States. • **Austrian dual-training apprenticeship system**: This is a strategy where the Austrian government provides apprenticeships and language courses in the country of origin of migrants and after completion, internships in Austrian cities. A pilot of this strategy has been implemented in Spain and in the future, it might be implemented in Serbia.
Job portals / platform	The Austrian Business Agency - WORK in AUSTRIA – manages a platform with all relevant information about working, staying and living in Austria. In addition, the platform has a section dedicated to job postings where it is possible to search and filter by industry, field, type of contract (full time, part time etc…) and region.
Labour Market test[377]	**Body responsible:** the Austrian Public Employment Service (AMS) **Procedure:** The AMS verifies that no member of the Austrian Labour market could fill the vacancy. The employer applies to the AMS for the LMT in case it is required. AMS as a PES may however have a registered domestic or EU worker in its database who is suitable for the position. The employer has to justify its decision not to accept the application from EU candidates, explaining why they are not suitable to fill the vacancy.

[377] https://www.bmeia.gv.at/fileadmin/user_upload/Vertretungen/Teheran/Dokumente/02_Info-RWR-Card_en.pdf

AUSTRIA	
	Mandatory: "Other Key workers" and applicants for EU blue card. **Exceptions:** Very highly qualified workers, skilled workers in shortage occupations, and Graduates of universities and colleges of higher education in Austria.
References	EMN National Report 2021 EMN Country Factsheet 2021 Summary of European Migration Network Ad-Hoc Query No. 2021.17 https://www.enic-naric.net/page-Austria https://www.cedefop.europa.eu/en/tools/european-database-on-validation-of-non-formal-and-informal-learning Federal Ministry Republic of Austria. (n.d.). Federal Government's Official Information Website on Migration to Austria. Retrieved June 7, 2023, from https://www.migration.gv.at/en/welcome/?no_cache=1 Criteria-based immigration to Austria. Federal Ministry Republic of Austria. European and International Affairs. https://www.bmeia.gv.at/fileadmin/user_upload/Vertretungen/Teheran/Dokumente/02_Info-RWR-Card_en.pdf Types of immigration. Living and Working in Austria. https://www.migration.gv.at/en/types-of-immigration/

BELGIUM	
Key measures and schemes	**Highly qualified workers** • **Conditions:** Holding a degree of higher education, have concluded an employment contract for at least one year, and having a job offer with a salary equal to the average gross annual salary (In Flanders it is 80% of the average gross annual salary for people under 30 or working as a nurse). • **Duration**: 2 periods of 4 years, except in the Brussels-Capital region where it can be renewed indefinitely. • After 5 years of uninterrupted legal stay in Belgium you can apply for an **EU long-term residence status** • There are more flexible provisions for workers with a profession for which there is a shortage of qualified staff. **Intra-corporate transferees:** Recent changes made it possible for third-country nationals to apply for an ICT single permit. To qualify for this, permit the employee must have been working

BELGIUM	
	for the company for 3 months (or 6 months for managers and specialist in the Brussels Capital Region. **Seasonal workers:** During the covid-19 crisis, some measures were taken to respond to the shortage of seasonal workers in the agriculture and horticulture sector. These measures facilitated the stay of seasonal workers already in Belgium by for instance allowing them to work more days per year or to move to a different company. **Low and medium-skilled workers:** Wallonia: Occupations in the shortage list (list of 10 occupations) do not need to pass a labour market test to hire third-country national workers. **Type of permits:** **Single permit:** This permit is valid for the duration of the contract through which this permit was obtained, and it can be renewed. After 5 years of living and working with a single permit, highly qualified workers can apply for a single permit with unlimited duration. • Procedure: employer needs to apply for a work permit on behalf of the employee through the department of economic migration of the region the employer is based (Flanders, Wallonia, Brussels Capital Region or the German-speaking community). Freelancers or people wanting to start a business in Belgium need to apply for a professional card directly. • It is now only possible to apply for this permit while in Belgium when in the country for a legal short stay or a stay as a student or researcher, other applicants have to return to their country to apply for a single permit. • Electronic applications for single permits are now made through email, with the intention of easing the procedure. **Work permit:** valid for a maximum of 90 days **Bilateral labour agreements:** an international labour agreement is no longer a requisite for single permits or work permits subject to a labour market test.
Labour Market test	**Responsible body:** Regional Employment Services (VDAB for Flanders, ACTIRIS for Brussels, and FOREM for Wallonia). These bodies are responsible for assessing the labor market conditions and job vacancies to ensure that there are no suitable local candidates available before employers can recruit foreign workers. The LMT is required for issuing the Single Permit. **Exemptions:**

BELGIUM	
	• Highly skilled workers: Professional workers who possess specific skills or qualifications that are in high demand in the Belgian labor market (Blue Card holders) • Intra-company transferees: Employees who are transferred from a company outside Belgium to a branch, subsidiary, or affiliated entity in Belgium. • Researchers and scientific personnel: Individuals who are engaged in scientific research or who hold research positions at recognised research institutions. • Certain specialised technicians: Workers who possess specific technical skills that are needed in Belgium and are not readily available in the local labor market. • Executives, senior managers, and corporate officers: High-level management personnel who hold key positions in a company.
References	Belgium - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/belgium-highly-qualified-worker_en Coming to work in Belgium | Belgium.be. Official information and services (n.d.). Retrieved June 7, 2023, from https://www.belgium.be/en/work/coming_to_work_in_belgium EMN National Report 2019

BULGARIA	
Key measures and schemes	To migrate to Bulgaria as a **highly qualified worker** it is necessary to have a long-term visa and an EU Blue card. • **EU Blue Card** Highly qualified professionals are defined as people with the necessary competencies for a job. The qualification has to be certified by a competent higher education authority and the training must have lasted at least 3 years. **Procedure:** Employer must apply for an EU Blue Card with a proof that the Gross wage in the contract is at least 1.5 times higher than the average salary in Bulgaria. If applicant has been working for at least 18 months in another EU country while holding an EU Blue Card, the applicant can apply for a Blue Card in Bulgaria within one month of their arrival. **Duration:** This permit is valid for the duration of the contract plus 3 months without exceeding 4 years and it is renewable. On January 25, 2023, was promulgated an Act to Amend and Supplement the Labor Migration and Labor Mobility ruling the entry and residence of citizens of

	countries outside the EU on the territory of the for the purposes of highly qualified employment. The main change concerns the expansion of the range of persons entitled to apply for an EU Blue Card. The option to prove higher professional skills relevant to the position has been added, as an alternative to the requirement of acquired higher education. Other easing measures concern the possibility to submit application electronically, the shortening of deadlines in the course of the procedure, the simplification of the procedure to change employer. In addition, the conditions for holders of a Blue Card issued in another EU country to move to Bulgaria has been also streamlined and the validity of the Blue Card was extended from 4 to 5 years. **Permit as an employed worker** To work as an employed worker in Bulgaria as a non-EU citizen applicants must obtain: • a single/work permit • a visa "type D" issued to foreigners who wish to settle for a long term or permanently • a residence permit (not applicable in case of a single permit). **Quotas:** the number of non-EU citizens cannot exceed 20% of the average number of Bulgarian/EEA/Swiss citizens in the previous 12 months and those non-EU citizens already residing in Bulgaria on a long-term basis and who are hired by the employer during the previous 12 months. **Procedure:** First the employer must apply for a single permit through the Employment Agency's relevant local Directorate "Employment Office". This permit gives the right to reside in Bulgaria and work (labour market is limited to the job through which the permit is granted). **Duration:** valid for a maximum of one year, renewable for a maximum of up to three years. **Single residence and work permit:** An electronic process has been set in place for coordinating the applications for residence and work permits. • **Intra-corporate transferees:** for employees (managers, specialists or trainee) working at a company outside the EU who are being transferred to a branch in Bulgaria. To qualify for this permit the employee must have been working at the company for a certain time period: managers and specialists – 12 months; trainees – 6 months. **Duration:** 3 years for managers and specialists and 1 year for trainees. • **Seasonal employment** – up to 90 days No need for work permit. • **Seasonal employment** – 90 days to maximum 9 months **Procedure:** first the employer applies for an approval at the central

	administration of the employment agency. The permit is specific to the economic sector: HORECA and Agriculture. If necessary, applicant must also apply to a visa "type D' to enter Bulgaria. Once in Bulgaria, worker must obtain a residence permit from the Migration Directorate. **Conditions:** Employer must pay for the travel cost from country of origin to Bulgaria and the return trip. Furthermore, the employer has the obligation of providing housing through the duration of the contract. **Rights:** A seasonal worker can apply for a permission to change employer at the Employment Agency without having to leave Bulgaria. • **<u>Self-employed worker</u>** **Procedure:** First, applicant must apply for a self-employment permit. To obtain this permit the applicant must submit to the employment Agency a detailed plan of activities for the term of the permit. This plan should assess economic and social impact of the activity. Second, once the self-employment permit is approved, applicant must apply for a visa "type D" to enter Bulgaria. Third, once in Bulgaria worker must apply for a residence permit from the Migration Directorate.
Labour market test	**Responsible body:** Employment Agency (Migration Directorate of MoI) The LMT is mandatory for the permit as an employed worker The employer must show that: • he/she has actively searched for a suitable candidate for the past 15 days • there are no Bulgarian/EEA/Swiss nationals or long-term residing in Bulgaria non-EU workers matching the required profile • there is no possibility of training existing personnel. Exempted from a labour market test are the cases where the worker is: • hired under the terms of an international agreement, to which Bulgaria is a party • a guest-professor, lector or teacher in Bulgarian higher or secondary education entity, approved by the relevant academic boards or Regional Inspectorates of the Ministry of Education and Science • a professional sportsman or trainer, approved by the relevant Bulgarian sports federations or unions • an actor-performer, approved by the Ministry of Culture

References	http://workinbulgaria.net/work-in-bulgaria/non-eu-citizen/blue-card/ Bulgaria - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/bulgaria-employed-worker_en Bulgaria - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/bulgaria-highly-qualified-worker_en#:~:text=You%20may%20also%20come%20to,one%20month%20of%20your%20arrival. Bulgaria - Seasonal worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/bulgaria-seasonal-worker_en Bulgaria - Self-employed worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/bulgaria-self-employed-worker_en EMN National Report 2017 https://ceelegalmatters.com/bulgaria/22528-changes-in-the-regime-for-admission-of-citizens-of-third-countries-for-the-purposes-of-highly-qualified-employment-in-bulgaria
CROATIA	
Key measures and schemes	**Employed worker** Non-EU citizens may work as an employed worker in Croatia on the basis of a residence and work permit or a work registration certificate. The permit is limited to the work through which the permit was obtained. **Procedure:** the application can be done by the employer when a labour market test or an opinion from the Croatian Employment Service is required for the permit. For a work permit that does not need a labour market test or an opinion from the Croatian Employment service, the application can be done by either the employer or the applicant (with an employment contract). Since 2020 annual quotas have been abolished. Now this permit is granted based on a labor market test. **Highly qualified worker – EU Blue Card** Duration**:** duration of the contract plus 3 months with a maximum duration of two years. It is possible to prolong the permit. **Seasonal worker** **Procedure:** Application can be made by applicant or employer Duration**:** maximum 6 months within a period of 1 year.
Labour Market Test	**Responsible body**: Croatian Employment Service **Procedure**: The LMT is mandatory for the Employed worker permit. The Croatian Employment Service analyses if in the register of unemployed persons in the Republic of Croatia there are people who meet the requirement of the employer. If no available person in the register, then the employer may request the opinion regional employment office on "the

CROATIA	
	employment possibilities of third-country nationals". An employer may receive a favourable opinion if: • They carry out an economic activity registered in the Republic of Croatia • They have no income tax debt or debt for mandatory insurance contributions. • In the last six months, they have had at least one full-time employee who is a national of the Republic of Croatia, EEA or Swiss Confederation employed for an indefinite period of time in the Republic of Croatia. Furthermore, the total number of employees who are citizens of the Republic of Croatia or citizens o EEA member states or the Swiss confederation at the place of employment should be at least ¼ of the total number of employees. They have not been finally convicted of criminal offences in the field of labour relations and social insurance. **Exemptions:** high demand professions that are published on the website of the Croatian Employment Service.
References	Government of the Republic of Croatia. (n.d.). Work of foreign nationals - gov.hr. e-Citizens. Retrieved June 7, 2023, from https://gov.hr/en/work-of-foreign-nationals/1214 Croatia - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/croatia-employed-worker_en Croatia - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/croatia-highly-qualified-worker_en Croatia - Seasonal worker. (n.d.). EU Immigration Portal. Retrieved June 7, 2023, from https://immigration-portal.ec.europa.eu/croatia-seasonal-worker_en EMN National Report 2020

CYPRUS	
Key measures and schemes	**Employed worker** **Requisites:** entry permit for the purpose of employment and a temporary residence and employment permit. **Conditions:** Permit is tied to the employer through which the permit is granted. The employee has the right to change up to 3 employers within the same sector and occupation (except for domestic workers who can transfer to farming and agriculture). For this change, the former employer must issue a release agreement and hold an approval from the Labour Department. **Procedure:** The employer first applies to the District Labour Offices of the Ministry of Labour and Social Insurance with a job vacancy. A labour market test is carried and if the vacancy is not filled by a local or European worker, the

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	employer may apply for an entry and resident permit for a non-EU national. **Employer obligations:** The employer must provide accommodation and a bank guarantee in case the employee is repatriated. **Duration:** maximum 4 years. There are sectors excepted from this time limitation: farming and agriculture, domestic work, specialty cooks and chefs, priests, and tourists' representatives. **<u>Highly qualified worker</u>** **Requisites:** residence and employment permit. Highly skilled workers can be employed under the following categories: • Executive directors: minimum salary for this category is around *$3,872*. The maximum employees under this category in an eligible company is *5* (unless otherwise justified). • Middle-management staff, executive staff and other key personnel: minimum salary for this category is around *$1,936*. Maximum employees under this category in an eligible company is *10* (unless otherwise justified). **Conditions:** Permit is tied to a specific employer but changes of employer are possible with a release paper or termination letter. **Procedure:** an application for the residence and employment permit must be submitted to the Civil Registry and Migration Department. A contract of employment is required for the application. The decision to grant the permit is taken by the Director of this department after consultation with other authorities. **Duration:** Permits are issued for maximum 2 years but there is no restriction for the total residence period for highly skilled employees. **<u>Seasonal workers</u>** **Requisites:** an entry permit for the purpose of employment and a temporary residence and employment permit. **Conditions:** Permit is tied to a specific employer but changes of employer are possible with a release paper or according to a decision after investigation of a labour dispute. **Duration:** permits granted for up to four months, extendable by a further four months. **Procedure:** employer applies to the District Labour Offices of the Ministry of Labour and Social insurance with a job vacancy and a labour market test is carried. If the vacancy is not filled after the labour market test, employer may apply for an entry permit. **Employer obligations:** The employer must provide accommodation and a bank

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	guarantee in case the employee is repatriated.
Labor market test	**Responsible body:** Employment Services of District Labour Offices Mandatory for the employed worker permit. **Procedure:** the interested company/employer needs to publish in the daily newspapers the available position via the Employment Services of District Labour Offices. In case where there are no Cypriot or European citizens available and capable to fill the specific positions, the employer submits the special application form for employment of foreign workers duly completed together with any other necessary documents.
References	Civil Registry and Migration Department web site: http://www.moi.gov.cy/moi/crmd/crmd.nsf/home_en/home_en?openform# Cyprus - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 14, 2023, from https://immigration-portal.ec.europa.eu/cyprus-employed-worker_en Cyprus - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 14, 2023, from https://immigration-portal.ec.europa.eu/cyprus-highly-qualified-worker_en Cyprus - Intra-corporate transferee (ICT). (n.d.). EU Immigration Portal. Retrieved June 14, 2023, from https://immigration-portal.ec.europa.eu/cyprus-intra-corporate-transferee-ict_en Cyprus - Seasonal worker. (n.d.). EU Immigration Portal. Retrieved June 14, 2023, from https://immigration-portal.ec.europa.eu/cyprus-seasonal-worker_en EMN National Report 2017

CZECHIA	
Key measures and schemes	**The Highly Skilled Employee Programme:** Designed for companies employing highly skilled workers from third countries. Occupations included: professions in the main classes 1 through 3 in the CZ-ISCO job classification. These include managers, specialists, and technical and expert workers. In 2021, applications mainly came from nationals of Ukraine, Russian Federation, China and India. **The Simplified Employee Card** It aims to expedite the process of hiring highly skilled foreign workers in occupations experiencing severe labor shortages. Professions where the simplified process is applicable are IT specialists, healthcare workers (doctors, nurses), engineers, and other fields where there is a significant

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	shortage of qualified employees in the Czech labor market **The Skilled Employee Programme:** Designed fo**r** companies employing medium-skilled to low-skilled employees from third countries. Occupations included: professions in the main classes 4 through 8 in the CZ-ISCO job classification, such as drivers, welders, seamstresses, butchers, assembly workers, workers in automotive and chemical industries, etc. Agencies responsible: Business representation in the CR and the CzechInvest agency. Main source countries (selected): Ukraine, the Philippines, Belarus, Serbia, Montenegro, Moldova, Mongolia, India, and Kazakhstan. Annual capacity: 50,000 persons (with quotas set by country). **The Special Work Visa for Citizens of Ukraine Working in Agriculture, Food Industry or Forestry Programme** Designed for employers seeking low-skilled and non-skilled workers from Ukraine. Occupations included: Professions in the main classes 4 through 9 in the CZ-ISCO job classification) in the sectors stated in the name of the Programme. Annual capacity: 1,500 persons *Program set to end at the end of 2022 **Internship:** Designed fo**r** third-country nationals who are sent by foreign employers to Czech legal entities (typically manufacturing corporations) or natural persons with the aim of improving their skills and qualifications Time of the visa: Maximum 6 months
Labour market test	**Responsible body:** Regional Employment offices **Procedure**: as job vacancies are announced to the Employment Office, if a suitable candidate (within CZ or from other EU member states) cannot be found within thirty days, the position is entered into the Central Records of Vacant Employment Positions where the position can be offered to TCNs. **Exemptions**: There are no exception categories
References	Ministry of Industry and trade website: https://www.mpo.cz/en/

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	EMN National Report 2021 EMN Country Factsheet 2021 Summary of European Migration Network Ad-Hoc Query No. 2021.17 https://bnt.eu/wp-content/uploads/2021/03/flyer_cizinci_en.pdf

DENMARK	
Key measures and schemes	**Fast-track scheme** For individuals who already have a job offer from a Danish company certified by the Danish Agency for International Recruitment and Integration. This is a scheme for certified companies that makes the process of recruiting third-country nationals faster and more flexible. The permit is linked to the job through which the permit is granted. When losing this job it is possible to apply for a job-seeking permit under certain conditions. When changing the job, the applicant must submit a new application for a residence and work permit. **Procedure:** the employer (with a power of attorney granted by the employee) takes care of the application. To be eligible for this procedure, the employee must meet the conditions for one of the tracks. **Pay limit track.** A dedicated track to apply for a residence and work permit for individuals with offers for jobs with an income of at least 465,000 DKK per year. **Duration:** Maximum 4 years or for the duration of employment. The applicant also receives a 6-month job seeking a permit to look for a new job. **Supplementary pay Limit track** A dedicated track to apply for a residence and work permit for individuals with offers for jobs with an income of at least 375,000 DKK per year. **Duration:** Maximum 5 years or for the duration of employment **Positive Lists Scheme** Targets highly educated and highly skilled workers in sectors with labour shortages. The list is created based on labour market monitoring and it is updated twice a year. **Procedure:** Part of the application is filled by the employer and another by the employee. **Duration:** for the period of employment, maximum 4 years with the

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	possibility of renewing if the contract is longer. **<u>Special individual qualifications scheme</u>** For applicants with special qualifications specifically linked to the applicant. Applicants can fall under the categories of 1) performer or artist, 2) athlete or coach, or 3) specialised chef. There are some specific requirements for the different categories. **Procedure:** Part of the application is filled by the employer and another by the employee. **Duration:** Permit is given for a validity of 1 year at a time for the first 2 years (limited by the length of the contract). After, the permit can be granted a maximum of 2 years and after 4 years, valid for a maximum of 3 years at a time. **<u>Herdsmen and farm managers</u>** For applicants who have been offered an employment in Denmark as a herdsman or farm manager in agriculture. This permit cannot be granted for work as a farm worker or mink farm hand nor for managing within horticulture or forestry. **Condition:** Residence permit is linked to the job through which permit was granted. Applicant must not work in other positions than the one stated I the permit. **Procedure:** Part of the application is filled by the employer and another by the employee. **Duration:** residence and work permit valid for a maximum of 4 years at a time. **<u>Other schemes for specific situations/professions</u>** • Trainees • Researchers/Employed PhDs • Workers on drilling rigs or ships • Sideline employment (for applicants with a residence permit based on a job that wish to take a sideline job)
Job portals	Workindenmark (<u>https://www.workindenmark.dk/about</u>) - National employment service connecting international job seekers with Danish companies. They provide information and digital self-service tools to facilitate the hiring process for both parties.
Labor Market Test	NA

DENMARK	
References	You want to apply for a work permit. (n.d.). New to Denmark. Retrieved June 14, 2023, from https://nyidanmark.dk/en-GB/You-want-to-apply/Work https://visaguide.world/europe/denmark-visa/long-stay/work-visa/

ESTONIA	
Key measures and schemes	**Employed worker** **Requisites:** a temporary residence permit for employment or registering for short-term employment. **Procedures:** Applicants can request a residence permit, and this must be in person at a foreign representation of the Republic of Estonia. The employer has the obligation to contact the Estonian Unemployment Insurance Fund to obtain permission and consent; except for certain work categories (see below). **Conditions:** the temporary residence permit can be refused if the annual immigration quotas are filled. It is also a condition that the salary is at least equal to the most recent annual average gross monthly salary. The permit for employment sets out the conditions under which the employee is allowed to work, and any changes should be reported to the Police and Border Guard Board. **Duration:** granted for a maximum of 2 years and renewable for a five-year period. There is a 90-day period given when the carrier of this permit becomes unemployed (except if the reason for the termination of the contract is economic). **Highly qualified worker** – Top specialist Third country nationals with an appropriate professional training or experience for employment **Requisites:** Residence permit for employment **Procedures:** As an employer worker, but the permission of the Estonian Unemployment Insurance Fund is not necessary. **Conditions:** Salary for this category should be at least 50% higher than the latest annual average wages in Estonia. There are also a number of requirements the company should comply with to employ a Top specialist (e.g. 65,000 euros of equity capital, minimal sales revenue of 200,000 euros per year, etc…). A new action plan for Work in Estonia was approved by the government in February 2022 to attract skilled workers in the field of ICT and natural

ESTONIA	
	sciences. The plan was developed by Enterprise Estonia, the Estonian national foundation (sihtasutus) which aims to develop economy of Estonia. The plan set a goal of 3000 of skilled workers by 2025. **<u>Seasonal workers</u>** **Requisites:** being registered for short-term employment and obtaining a short-term or long-term (D) visa. **Procedures:** Employer needs to submit the registration for the short-term employment for seasonal work to the Police and Border Guard. Application is made at the Police and Border Guard services if applicant has legal grounds to arrive to Estonia or at the Estonian embassy or consulate if applicant needs a visa to enter Estonia. **Duration:** maximum 270 days withing 365 consecutive days. Permit cannot be extended If the maximum period is reached. **Conditions:** Salary must ensure subsistence. The work activity must be listed as an activity dependent upon season by the Government of Estonia: • Crop and animal production, hunting and related service activities • Fishing and aquaculture • Forestry and logging • Accommodation service activities • Food and beverage service activities • Food production • Manufacture of soft drinks **Quotas for work-related residence permits by industries for the year 2022:** 300 in manufacturing industry 200 in construction sector 100 in transport and storage sector 20 for entrepreneurship 23 for employment in creative activities 26 for employment in the professional activities related to sports 5 residence permits on the basis of a treaty 637 residence permits on general grounds for employment and entrepreneurship.

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	*Quota is subject to exemptions in some industries (e.g., ICT specialists).
Labor Market Test	**Responsible body:** Estonian Unemployment Insurance Fund **Procedure:** • The employer is required to advertise the job position in the Estonian Unemployment Insurance Fund (EUIF) job portal for at least 30 calendar days. The job advertisement should be in the Estonian language and meet specific requirements set by the EUIF. • Once the application period ends, the employer evaluates the received applications and determines whether there are suitable local candidates available for the job position. If there are no qualified local candidates, the employer may proceed with the labor market test. • The EUIF reviews takes a decision on whether to grant a labor market test permit. This permit allows the employer to proceed with hiring a foreign worker. • After obtaining the labor market test permit, the employer prepares and applies for a residence permit on behalf of the foreign worker. This application is processed by the Police and Border Guard Board (PPA) in Estonia. **Exemptions:** Religious workers, accredited journalists, teachers, academic staff, artists, sportsmen, coaches, referees, sports officials, posted workers, people performing managerial or supervisory functions of a legal person registered in Estonia, people with higher education acquired in Estonia, and employment with a start-up.
References	EMN National Report 2021 Estonia - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/estonia-employed-worker_en Estonia - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/estonia-highly-qualified-worker_en Estonia - Seasonal worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/estonia-seasonal-worker_en Important information for registering short-term employment. (n.d.). Retrieved June 15, 2023, from https://www2.politsei.ee/en/teenused/working-in-estonia/registration-of-short-term-employment/oluline-info-luhiajalise-tootamise-

ESTONIA	
	registreerijale.dot#hooajatoo Temporary residence permit for employment. (n.d.). Retrieved June 15, 2023, from https://www2.politsei.ee/en/teenused/residence-permit/tahtajaline-elamisluba/tootamiseks/index.dot https://www.njordlaw.com/njord-estonia-new-immigration-quota-has-been-introduced-apply-residence-permits https://estonianworld.com/business/the-estonian-government-sets-the-2023-immigration-quota-at-1307/

FINLAND	
Key measures and schemes	There are different residence permit applications for different types of work. If there is no specific residence permit application the scheme to use is the one for employed workers. There is also a **fast-track service** to get a residence permit in two weeks. Applicants can use this scheme if moving to Finland to work: • As specialists • As a specialist or manager with an Internal transfer within a company residence permit • In top or middle management of a company • With and EU Blue Card • As a start-up entrepreneur. **Employed worker** **Requisites:** residence permit for employed person. **Procedures:** The application is done by the employee. First, the applicant applies for a permit through the e-service "Enter Finland". After, the application continues at a Finnish diplomatic mission or consulate. Granting of the permit is subjected to a labour market test and analysis of workforce needs. **Duration:** normally granted for one year. **Conditions:** In general**,** Permit is granted for a particular professional sector, and it is possible to change jobs within this sector. There are some cases in which the permit may be limited to a particular employer. **Work categories that do not need a residence permit:**

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	The following employees will not need a residence permit: • Interpreters, teachers, experts or sports working in Finland for less than 3 months. • Artists or sports professionals or their assistants who working in Finland for less than 3 months. • Sailors working on a vessel operating in international waters or sailing mainly between foreign ports. • Permanent employees of a company based in another EU/EEA country who perform temporary procurement or subcontract work in Finland as long as they have valid permits in the other country. • Forest berry pickers working in Finland for a maximum period of 90 days. **Highly qualified worker** **Requisites:** residence permit for specialists (or an Eu Blue Card). **Procedures:** The application is done by the employee. First, the applicant applies for a permit through the e-service "Enter Finland". After, the application continues at a Finnish diplomatic mission or consulate. Granting of the permit is based on an evaluation of 1) the requirements of the work, 2) means of support, and 3) other grounds for rejection (e.g. threat to public policy, public security, etc…). **Duration:** (For a specialist) permit first issued for two years and when renewed for maximum four years. **Conditions:** In general**,** Permit is granted for a particular professional sector, and it is possible to change jobs within this sector. There are some cases in which the permit may be limited to a particular employer. **International service provider** For a stay of 3 months or less. Under certain conditions, the employee might need to apply for a residence permit even for a stay of 90 days or less. **Categories:** Business visitors for the establishment, Short-term business visitors, Contractual service suppliers, independent professionals. ***Investors:** There not a specific visa scheme for investment activity. Investors must apply for a residence permit according to their field of business. **Seasonal worker**

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	Permit intended for work in certain areas of agriculture and tourism that is done at certain times of the year. Employees with this permit are mostly employed in gardens, greenhouses, berry farms and forest berry-picking companies. A recent change in this work category is that employers can now notify the Finnish Immigration Service of more than one seasonal employee at a time. **Requisites:** *For less than 3 months:* **For applicants that need a visa to enter Finland:** *seasonal work visa* (to submit by applicant at the Finnish diplomatic mission or consulate in country of origin). **For applicants that do not need a visa to enter Finland:** *seasonal work certificate* (to submit by applicant at the Finnish Immigration Service). *For 3 to 9 months:* Applicants must apply for a *seasonal work permit* (to submit by applicant via the e-service "Enter Finland" and finalize it at the Finnish diplomatic mission or consulate in the country of origin). *For 6-9 months:* Permit processed in two stages: • The Employment and Economic Development Office makes a preliminary decision considering the labour force availability in Finland or withing the EU/EEA **(labour market test)** and conditions of employer and employee. • Final decision is taken by the Finnish Immigration Service. **Duration:** maximum 9 months Conditions: permit is tied to the employer referred in the certificate or residence permit. **<u>Other work visa categories</u>** **Categories exempted from applying for a residence permit for an employed person or for the entrepreneur permit:** • **Research work completed in Finland:** specific scheme for people that completed research work in Finland and have a job, pursue a trade or engage in business activities in Finland. • **Degree completed in Finland:** specific scheme for people that have studied a degree in Finland and have a job, pursue a trade or engage

FINLAND	
	in business activities in Finland. **Job Seeking permit:** Scheme for applicants that had a residence permit for studies or research within the last 5 years and want to look for work or start a business in Finland. The maximum duration of this permit is 2 years. **Sector specific visa schemes:** • Employee of a religious community • Work in the field of culture or arts • Work in the field of mass media • Athlete, coach or trainer • Consultant • Visiting teacher, lecturer or instructor • Delivery of a machine or a system **Other categories:** • Working holiday • Au pair • Volunteering visa • Internship visa • Intra/inter corporate transfer • Preparation of a company's arrival in Finland and supervision of orders • Top and middle management • International organisations and cooperation between states • Intergovernmental agreement **<u>Projects related to work migration</u>** **Research on labour migration by the government** • The government published a report on a fast-acting measure to ensure the availability of skilled labour where they analysed causes of labour shortage and outline potential solutions. • In 2021 the Ministry of Economic Affairs and Employment started its participation in a research project to find out how to make Finland

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	more attractive among international experts. **Talent Boost Project:** National project to attract international talent and increase labour migration to Finland. **Roadmap for education-based and work-based migration 2035:** a long-term action plan to double the number of specialists, entrepreneurs, researchers, and triple the number of students migrating to Finland. Some of the measures in this plan include making the immigration process easy. **Project to speed up and streamline the processing of work-based and residence permits.** The goal by 2023 is to issue these permits for students within a month and for specialists, and start-up entrepreneurs (and their families) within two weeks.
Labor Market Test	**Responsible body:** Immigration Service **Exemptions** : occupations in shortage
References	About the service. (2023, February 6). Job Market Finland. Retrieved June 15, 2023, from https://tyomarkkinatori.fi/en/info/about-the-service About us - Work in Finland. (n.d.). Retrieved June 15, 2023, from https://www.workinfinland.com/en/about-us/ EMN National Report 2021 Finland - Employed worker. (n.d.). EU Immigration Portal. https://immigration-portal.ec.europa.eu/finland-employed-worker_en Finland - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/finland-highly-qualified-worker_en Finland - International service provider. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/finland-international-service-provider_en Finland - Seasonal worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/finland-seasonal-worker_en Finland - Self-employed worker. (n.d.). EU Immigration Portal. Retrieved June 15, 2023, from https://immigration-portal.ec.europa.eu/finland-self-employed-worker_en Open jobs - Work in Finland. (n.d.). Retrieved June 15, 2023, from https://www.workinfinland.com/en/open-jobs/ Residence permits on the basis of work. (n.d.). Website of the Finnish Immigration Service. Retrieved June 15, 2023, from

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	https://migri.fi/en/coming-to-finland-for-work/applications

FRANCE	
Key measures and schemes	**Employed workers** **Requisites:** Work permit and residence permit **Procedure:** Candidates with a permanent contract (CDI) and a fixed-term contract (CDD) must have their contract approved by the competent department for foreign labour. It is the employer that applies for the work permit. Once approved they can apply for a residence permit in the French consulate in their country of origin. If the employment contract does not exceed or is equal to 90 days and is related to a list of activities[378], applicant may be exempted from requesting an authorization to work. **Duration** depends on the duration of the employment contract: • A short-stay visa with a maximum validity of 90 days in a period of 180 days. • A long stay visa equivalent to 12 months maximum with the statement "salarié" for permanent employment contracts and "travailleur temporaire" for fixed-term contracts. **Conditions:** The employment situation (based on a labour market test) may be invoked to refuse issuance of a work permit, except for **jobs in high demand** included in the list of the shortage occupation issued at the national level by the French authorities. There are also bilateral agreements (e.g. with Benin, Congo, Gabon, etc..) that modify the list of jobs that can be filled by nationals from these countries. **Talented workers** **Categories:** qualified or highly qualified worker, innovative employer, researcher or responsible for a higher education organization, intra-corporate transferee, performer, artist, author, and worker with a national or international reputation. **Requisites:** a **"passport talent"** residence permit (with the mention "EU Blue Card" for highly qualified employees). **Procedure:** If legally residing in France applicants can apply two months before their permit expires. If the applicant resides outside France, they must apply for a long-stay visa in a French consulate in

378 https://france-visas.gouv.fr/en/salaried-employment

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	their country of origin. Application for a "Talent passport" is initiated on the official France-visas website. Applicant must certify their qualifications. Documents required for the applicant may vary depending on the category of the area of talent. **Duration**: minimum stay o 3 months and granted for up to 4 years and it is renewable. **Conditions:** Third-country nationals can be issued a "passport talent" if: 1) They are a highly qualified employee in an innovative enterprise being transferred to a branch in France. 2) They are nationally or internationally recognised in an activity they are engaged in France. 3) If they are engaged in creative or artistic work. *This type of permit is not subjected to a labour market test. **<u>Seasonal workers</u>** Granted for seasonal workers in the areas such as agriculture and tourism. **Requisites:** seasonal worker permit, a multi-year residence permit bearing the statement "seasonal worker" and a long-stay visa with the statement "seasonal worker". **Procedure**: Employer applies for a work permit to the French authority responsible for foreign labour. This permit is subjected to a **Labour market test.** **Duration:** Issued for a period of 3 years and it is renewable. Workers cannot work for more than 6 months within a consecutive 12-month period. They must maintain their habitual residence outside France. **Conditions:** Workers may take different successive contracts provided they do not exceed the limit of 6 months worked within a 12-month period. However, all employers will have to request a work permit. **Exceptions:** There are certain exceptions to the requirements for this permit stablished by bilateral agreements signed between France and some non-EU countries (e.g. the Franco-Algerian Agreement). These agreements simplify the recruitment procedure. **<u>International service providers</u>** **Requisites** depend on the duration of the stay: • For stays of 90 or less days within a 6-month period: a short stay

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	visa is necessary but not a residence permit. • For stays over 90 days: a long-term visa. *Depending on the category, other required documentation may vary. **Categories:** Business visitors for establishment purposes, Short-term business visitors (period of 90 days or less in 6 months), Contractual service suppliers **Categories exempted from applying for a work permit:** Business visitors for establishment purposes (BVEPs), Short-term business visitors, **Young workers** There are special and more favourable provisions for young employees from countries with a bilateral agreement with France. **Requisites**: Work permit and a long-stay visa **Procedure:** Employer starts a work permit application and applicant continues it at the delegation of the "Direction de l'Office Français de l'Immigration et de l'Intégration" in their country of origin. **Conditions:** to be eligible for this permit the country of origin of the applicant must have a signed agreement with France. Applicant must also have already work experience and meet the age conditions indicated in the agreement. **Other visa schemes with specific conditions according to professions** Language assistant Foreign language reader/ teacher / repeater Modelling Medical profession Airline crew Professional internships (paid) Associate intern doctor or pharmacist Nursing internship Observer internship **Updates on key measures and migration schemes (2021)** The government is taking a general strategy to simplify and reform the employment of foreign workers. Some of the changes implemented in

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	2021 are:
	• Work permit requests are now only done online.
	• The list of jobs and employment open to third-country nationals was updated.
	• The situation of employment or the absence of prior job search of candidates already present in the employment market is not anymore, an obstacle to request a work permit for a third-country national in an occupation included in the list of jobs facing recruitment difficulties.
	Work permits
	• There are 20 categories of foreign nationals exempted from work permits.
	• Procedure: request is made by the employer to recruit the employee under one of the contract categories.
	• Type of permit and associated type of contract:
	  o Employee residence permit: Permanent contract (CDI)
	  o Temporary worker residence permit: Fixed-term contract (CDD)
	  o Seasonal residence permit: Seasonal contract
	Bilateral labour migration agreements
	• A bilateral agreement with India for migration and mobility between the two countries. The purpose is to develop cooperation and fight illegal immigration.
	• A bilateral agreement with Peru and Ecuador to implement a "working holiday" programme. This is a programme designed for people between 18 and 30 for a maximum stay of 122 months to be in France for a holiday with the possibility of working. France has this type of programme with around 15 countries.
	A bilateral agreement with Kenya to promote mobility and exchange of skills and talents.

Labour Market Test	**Responsible body:** Pole Emploi Required for employed workers permit and for seasonal workers. **Exemptions**: applicants of passport talent; categories exempted under international agreements

FRANCE	
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GERMANY	
Key measures and schemes	**Efforts to facilitate work immigration.** **Skilled migration** Since 2012, there have been efforts to facilitate immigration for academic highly skilled workers. In 2013 these efforts were extended to include non-academic workers with professional qualifications in understaffed occupations. Some elements of this strategy are: • **Recognition legislation:** Legislation to improve the assessment and recognition of professional qualifications obtained abroad entered into effect in 2012. These changes in legislation have had a positive effect on the employment and income rate of immigrants. However, further improvement is needed. The new skilled labour strategy of the federal government points out that, compared to the overall population, immigrants are more likely to have jobs below their skill level. • **The Skilled Immigration Act:** One of the most important changes introduced by this act is the concept of "skilled worker" which unifies under one category applicants with vocational training and university graduates. This also includes changes to reduce the administrative procedure before the arrival of skilled workers to Germany as well as for trainees and those wishing to complete a

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	qualification. This act also eliminated shortages as a determinant for the entry of skilled workers. **<u>Immigration of low-qualified workers</u>** There are still limited opportunities for low-qualified workers to immigrate to Germany. Some of the instruments recently introduced are: • **Western Balkans Regulations:** Introduced in 2016, new regulations opened a migration channel to Germany for people from the Western Balkans (i.e. Albania, Bosnia and Herzegovina, Kosovo, North Macedonia, Montenegro and Serbia). This regulation also makes it possible for people in these countries to migrate with a job offer and without the need to prove their qualification or language skills. Until 2023, there is an annual quota of 25,000 workers. According to the government's coalition agreement and new skilled labour strategy, the Regulation is to be made permanent. Although this policy seems to have positive outcomes, the long wait for visas is criticised. • **Bilateral recruitment agreements for seasonal workers:** Germany has this type of agreement with Georgia and Moldova. The agreement with Georgia is in place since 2020 Georgia for seasonal migrants in the agricultural sector to stay for 90 days within a 180-day period. The number of permits granted under this scheme is 5,000 (as of 2023), but far fewer seasonal workers migrated to Germany. The agreement with Moldova was concluded in 2021 for the harvest season of 2022. **<u>Recent Development and Reform efforts</u>** In 2021, Germany's coalition government announces a shift in German migration and integration policy. Some of the intended key shifts are: • Introducing an **"opportunity card"** based on points to facilitate access to the German labour market for skilled workers even without a job offer. This would introduce a supply-oriented pillar to the mainly demand-oriented labour migration system. • Expanding the EU Blue Card to non-academic occupations • Removing time limits in existing labour migration. • Speeding up visa processes • Lowering obstacles to recognition of qualifications. Some of the advances on these objectives are for example **the new white papers on skilled labour immigration** that stipulates legislative changes to simplify recruitment and entry of workers from third countries.

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	General information for visa schemes • **Procedure for visa application:** First, the applicant applies for a visa to enter Germany (except for nationals from some countries), upon arrival, the applicant applies for the relevant residence permit based on the type of work they intend to pursue. • **Approval from the German Federal Employment Agency** is a process where this agency evaluates if the employment conditions such as salary and working hours are comparable to those of domestic employees. **Visa schemes** **Qualified professionals** **Requirements:** Residence permit for taking up qualified employment. **Conditions**: Applicants must have a job offer in Germany or an employment contract according to their qualifications. Approval for employment by the Federal Employment Agency is required. Any job changes during the first two years of employment must be approved by the German Foreigner Authority **Duration:** issued for a maximum of 4 years. For shorter working periods the permit is issued for the duration of the contract. After 4 years applicants may be entitled to a **settlement permit** (permanent residence title). **Highly skilled worker** **Requirements:** EU Blue Card **Conditions:** Applicant must have a job offer in Germany or an employment contract with a minimum salary of at least EUR 58,400 or EUR 45,552 for STEM professions (as of 2023). Applicant must have a recognize/comparable academic degree. Approval for employment by the Federal Employment Agency is required. **Duration:** issued for the duration of the work contract and an additional 3 months (maximum 4 years). Extending the validity of the EU Card is possible. After 33 months (or 21 moths with proof of minimum level of German language skills) applicants may be entitled to a **settlement permit** (permanent residence title). **IT Professionals** Scheme to facilitate work visa applications for IT professionals with a job offer. **Possible residence permits:** Residence permit for qualified employment, Blue Card EU, Residence permit for other employment

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	(for applicants with at least 3 years of work experience). **<u>Jobseekers</u>** For jobseekers with vocational or academic training recognised in Germany. Holders of this permit may work on trial for up to 10 hours per week. **Requirements:** visa for the purpose of looking for a job **Conditions:** For applicants with vocational training proof of German language skills is a requisite (at least level B1). Applicants must show proof of being able to cover costs of living. **Duration:** may be issued for up to 6 months without the possibility of extension. It is possible to re-apply for this permit once applicant has spent an equal duration abroad as the time spent in Germany while seeking employment. **<u>Recognition of qualification</u>** Scheme for applicants with qualifications not fully recognised by the competent authorities due to some qualifications missing. Third country nationals registered in a qualification programme in Germany to acquire the missing skills may apply for this permit. For applicants in unregulated professions, it is also possible to acquire the missing skills by working as a skilled worker in the intended profession (no time restriction); a job offer and training plan is needed. **Requirements:** Residence permit for the purpose of recognition of foreign professional qualifications. **Conditions:** To apply, applicants need a recognition certificate, A2 level of German language skills, proof of enrolment in a qualifying training program, and proof of financial means. It is possible to work while completing the qualification programme (for up to 10 hours). **Duration:** issued for up to 18 months. Under certain conditions it is possible to extend the permit for 6 more months (e.g. to retake an exam). **<u>Seasonal workers</u>** Most seasonal workers in Germany are from EU countries, thus there is little need for workers from third counties. There are some agreements with specific conditions for seasonal migration for workers from Georgia and Moldova. **<u>Other schemes by profession:</u>** • Professional drivers • Artists

GERMANY	
	• Language teachers • Athletes and coaches
Labor market test	**Responsible body:** Federal Employment Agency (Bundesagentur für Arbeit) **Procedure**: Germany generally required a labor market test, known as Vorrangprüfung, for non-EU workers applying for work permits. • The employer must advertise the job vacancy in Germany's public job portal and/or other suitable platforms for a specific duration. The advertisement should provide sufficient details about the position and its requirements • After the job advertisement, a waiting period of usually four weeks is observed to allow local or EU candidates to apply for the position. During this time, the Federal Employment Agency (Bundesagentur für Arbeit) assesses whether there are suitable local or EU candidates available for the job. • The Employment Agency evaluates the applications received during the waiting period. They assess whether there are any local or EU candidates who meet the job requirements and could potentially fill the position. If suitable candidates are found, the labor market test may result in the rejection of the non-EU worker's application. • The Employment Agency informs the employer of the outcome of the labor market test. If no suitable local or EU candidates are found, the employer can proceed with the employment of the non-EU worker. **Exemptions:** • Highly skilled workers with recognised qualifications, such as professionals in the fields of science, technology, engineering, and mathematics (STEM). • Individuals with specific job offers meeting certain salary thresholds. • Individuals applying for the EU Blue Card, which is a work and residence permit for highly qualified professionals.
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GREECE	
Key measures and schemes	**General procedure** In general, to start the visa procedure, the applicant must find an employer who contacts the competent agency to invite the employee to the country. Procedures based on invitation are dependent on the quotas set every two years by region and specialty jobs. These quotas may increase up to 10% to meet any contingencies. **Legal documents allowing work migration:** a) Visa with the right to work b) Residence permits with right to work. c) Certificate of submission of supporting documents for the issue of a residence permit with the right to work. **Employed worker** **Requisites:** a national visa for employment and a residence permit for employment. **Procedure:** employers apply to the Decentralised Administration of their place of residence. Remuneration in the contract must amount to at least that of an unskilled worker and a tax certificate as proof of ability to pay this salary. This permit may only be granted if the specialization is included in the quotas list and the number of allowed permits has not yet been covered. Application of the permit is then continued by the employee. **Duration:** minimum one year, first granted permit is valid for two years and can be renewed for three years. **Conditions:** It is possible to change employment during the validity of the initial residence permit as long as work remains in the same specialization for which the permit was issued. An employment contract is not necessary or the renewal of a residence permit. For permit renewal, the applicant must have completed all the tax obligations, to have a minimum number of wages at the relevant

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	insurance organization and to have a valid health insurance certificate. **<u>Highly qualified worker</u>** **Requisites:** EU blue card **Procedure:** same procedure of volumes of admission as for employed workers. **Duration:** valid for 2 years. For shorter contracts, the EU Blue Card corresponds to the duration of the contract plus three months. A new application for an EU blue card is necessary for renewal. **Conditions:** duration of the contract must be for at least a year; remuneration should be 50% higher than the average cross annual remuneration in Greece. For regulated professions all relevant prerequisites must be fulfilled. For unregulated professions, applicant must prove high-specialised professional qualifications. Quotas for this permit also apply. Unemployment is not a reason for withdrawing the EU Blue Card except if the period of unemployment exceeds three months. **<u>Seasonal worker</u>** **General procedure:** the employer must start the application with the Residence Permit Offices of the Decentralised Administration with the territorial jurisdiction of the place of work. If the employer does not fulfil all their legal obligations (e.g. social security, taxation, labour rights, employment conditions, etc..) seasonal work visa may not be granted or revoked. There is a maximum number of permits for third-country nationals issued every year. **Seasonal work in the agricultural and livestock sector.** **Duration:** can be issued for working up to 9 months in a period of 12 months. Can be extended for up to 5 years. **Conditions:** The employer must provide the employee with a suitable accommodation that satisfies the health and safety standards. If rent must be paid by the employee, the employer should provide a rental agreement. The amount of rent is proportional to the worker's salary and quality of accommodation. If seasonal worker has their own accommodation, employer must provide the agency of Decentralised Administration proof of this **Seasonal work for fishermen** **Duration:** This permit may be issued for a maximum of 11 months, limited exclusively to the specific employment through which the permit is granted.

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	Other cases Visas to work for a short period of time may also be issued to third-country nationals providing a service, leaders of organised tourism groups (tour leaders), athletes, coaches, and others. **Self-employment worker** Work permits for applicants wanting to invest in Greece or for the purpose of independent activities. **Requirements:** a visa **Conditions:** among other documents, applicants must include in their application a business plan and proof of financial resources of at least 250,000 euros in capital. **Duration**: for independent economic activities it is granted for 2 years. For investment activities it is granted for three years.
Labor Market test	**Responsible body:** Greek Manpower Employment Organization (OAED) Requested for employed worker permit **Exemptions:** - High-demand professions or occupations where there is a shortage of qualified local or EU candidates (healthcare, information technology, engineering, construction, hospitality and tourism, agriculture, and other sectors of strategic importance to the Greek economy).
References	EMN National Report 2019 Greece - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 21, 2023, from https://immigration-portal.ec.europa.eu/greece-employed-worker_en Greece - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 21, 2023, from https://immigration-portal.ec.europa.eu/greece-highly-qualified-worker_en Greece - Self-employed worker. (n.d.). EU Immigration Portal. Retrieved June 21, 2023, from https://immigration-portal.ec.europa.eu/greece-self-employed-worker_en Ministry of Labour and Social Affairs. (n.d.). Legislative framework for the access of third-country nationals to the labour market for seasonal work. Retrieved June 21, 2023, from https://ypergasias.gov.gr/en/brexit-2/legislative-framework-for-the-access-of-third-country-nationals-to-the-labour-market-for-seasonal-

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HUNGARY	
Key measures and schemes	**General terms and procedures** **General single application procedure** This procedure applies if the purpose of stay is: • Pursuing gainful employment • Being employed as a highly skilled worker holding EU Blue Card • Being employed while staying in Hungary as a family member of a non-EU national • Being employed while holding a residence permit issued for humanitarian reasons Application for a single permit can be done at the Hungarian embassy or consulate in country of origin or from Hungary in case applicant is legally residing in Hungary. The regional directorate of the immigration authority in Hungary assesses the application considering the opinion the competent employment centre. A labour market test is conducted (unless exceptions apply) by the competent branch office of the employment centre. **General work permit procedure** When a single application does not apply, the employer has to submit a work permit application to the competent employment centre through a standardised form. Unless exceptions apply, issuing this permit depends on a labour market test. Once the work permit has been obtained, the applicant needs a residence permit and a visa to enter to Hungary (unless exempt from this requirement). In the case of a preferred employer, application to the residence permit may be done by the employer as well. **Duration**: issued for maximum 2 years, renewable for the same period

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	occasionally. *There are some exemptions from work permit obligations (e.g. directors of a branch office, diplomatic staff, employees in an international organization established under an international convention, etc..[379]) **Preferred employer** Preferred employers are defined as follows: • An employer has signed a strategic partnership agreement with the Government • Any employer that plans to employ in Hungary a third-country national from a country neighbouring Hungary in any of the professions provided for in a communication by the Hungarian Minister responsible for employment • Any employer listed in the register of qualified employment agencies • Any employer who implements an investment project of preferential status for national economy considerations Preferred employers may initiate (with the consent of the employee) the following procedures: • Residence permit for the purpose of employment, • EU Blue Card • The issue or extension of a residence permit for the purpose of intra-corporate transfer, • Application for residence permit for the family members of these foreign nationals **Visa schemes** **Job search** Applicants of this permit are eligible if a) they have completed research activity in Hungary or b) if they have successfully completed their studies in Hungary. They can use this permit to search for a job or to set up a business, these activities must correspond to the level of studies completed. **Requirement:** job-searching permit **Procedure:** the applicant can initiate the procedure online through the electronic platform of the immigration authority.

379 Full list is set out in Government Decree No. 445/2013. (XI. 28.).

HUNGARY	
	Duration: may be issued for up to 9 months and may not be extended. **<u>Employment</u>** Applicants of this permit are eligible if a) their purpose of residence is to perform work for or under the direction and/or supervision of others, for remuneration, under an employment relationship; or b) they perform work as the owner or executive officer of a for-profit business association, co-operative society or some other legal entity, in addition to the work actually performed in that capacity. **Requirement:** a single permit or if single application procedure does not apply, a work permit (unless exempt) and a residence permit or long-stay visa. **Single application procedure or work permit procedure** **Duration:** issued for maximum 2 years and may be extended for an additional two years at a time. **Conditions:** Permit is tied to the specific employer through which permit is granted. In case of unemployment a new application for a residence permit has to be introduced. **<u>EU Blue Card</u>** **Requirements:** EU Blue Card **Single application procedure or work permit procedure** **Conditions:** The government is entitled to set the maximum number of non-EU citizens who can be employed with an EU Blue Card in Hungary at any one time. Permit is tied to the specific employer through which permit is granted. In case of unemployment a new application for a residence permit has to be introduced. **Duration:** issued for at least one year and four years maximum. For shorter contracts, the EU Blue Card corresponds to the duration of the contract plus three months. A new application for an EU blue card is necessary for renewal. Permit may be extended by four additional years at a time. **<u>Seasonal employment</u>** In Hungary seasonal employment covers work in cultivation of plants, animal husbandry and fishing, **Requirements:** seasonal work permit and a seasonal employment long-stay visa. **Single application procedure** **Conditions:** Permit is tied to the specific employer through which permit is granted. In case of unemployment a new application for a residence permit has

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	to be introduced. **Duration:** issued for maximum 6 months and may be extended by maximum 6 additional months within a 12-month period.
Labor market Test	**Responsible body:** Hungarian Labor Office (Munkaügyi Központ) Employers carry out a labour market test, advertising the position with the Hungarian labour office for 15 to 60 days.
References	Hungary - Employed worker. (n.d.). EU Immigration Portal. Retrieved June 22, 2023, from https://immigration-portal.ec.europa.eu/hungary-employed-worker_en Hungary - Highly-qualified worker. (n.d.). EU Immigration Portal. Retrieved June 22, 2023, from https://immigration-portal.ec.europa.eu/hungary-highly-qualified-worker_en Hungary - Seasonal worker. (n.d.). EU Immigration Portal. https://immigration-portal.ec.europa.eu/hungary-seasonal-worker_en National Directorate-General for Aliens Policing. (2022, December 30). Information for preferred employers. Retrieved June 22, 2023, from http://oif.gov.hu/index.php?option=com_k2&view=item&layout=item&id=1245&Itemid=1808&lang=en National Directorate-General for Aliens Policing. (2023, February 17). Residence Permit for the Purpose of Job-searching or Entrepreneurship. Retrieved June 21, 2023, from http://oif.gov.hu/index.php?option=com_k2&view=item&layout=item&id=1232&Itemid=1798&lang=en National Directorate-General for Aliens Policing. (2023a, January 17). Residence Permit for the Purpose of Employment. Retrieved June 22, 2023, from http://oif.gov.hu/index.php?option=com_k2&view=item&layout=item&id=62&Itemid=816&lang=en National Directorate-General for Aliens Policing. (2023a, January 4). EU Blue Card. Retrieved June 22, 2023, from http://oif.gov.hu/index.php?option=com_k2&view=item&layout=item&id=58&Itemid=812&lang=en National Directorate-General for Aliens Policing. (2023c, January 17). Residence Permit for the Purpose of Seasonal Employment. Retrieved June 22, 2023, from http://oif.gov.hu/index.php?option=com_k2&view=item&layout=item&id=69&Itemid=823&lang=en

IRELAND	
Key measures and schemes	Ireland has nine employment permit types that cover a wide variety of labour migrants. **Critical Skills Employment Permit (CSEP):** an employment permit aimed at attracting highly skilled workers critical to growing Ireland's economy as determined by high demand, high skill, and significant shortage of supply in the Irish labour market • Eligible occupations are determined by analysis by the Expert Group on Future Skills Needs and are published to the Critical Skills Occupations List • Some professions within the Critical Skills Occupations List have quotas • No Labour Market Needs Test needed for these occupations • Dependants, recognised partners, or spouses of Critical Skills Employment Permits are allowed to also apply for an employment permit through the **Dependant/Partner/Spouse Employment Permit (DPS EP)** **General Employment Permit (GEP):** intended for all other occupations that are not covered in the Critical Skills Employment Permit (CSEP) • In most cases requires a Labour Market Needs Test on the Irish and EEA labour market • Further criteria exist on annual remuneration and the prospective employees' qualifications. **The Ineligible Occupations List (IOL):** There also exists an occupation list for which employment permits are not granted. These are generally lower skilled occupations for which there are sufficient resources within Ireland or the European Economic Area (EEA). **Intra-Company Transfer Employment Permit (Intra-CT EP):** aimed at facilitating the mobility of staff of international companies • The following types of employees are allowed to apply senior management, key personnel, and personnel participating in a training programme **Contract for Services Employment Permit:** a scheme for non-EEA employees to work for a foreign firm which has won a contract to provide services to an Irish entity • At least 50% of the employees of the foreign firm must be EEA

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	nationals • In most cases requires a Labour Market Needs Test on the Irish and EEA labour market **Reactivation Employment Permit:** for foreign nationals who have had their employment permit taken away from them through no fault of their own (for workers who have received difficult or abusive work circumstances, or their employer has ceased operations) **Sport and Cultural Employment Permit (S&C EP):** aimed at foreign nationals with specialised skills in sports and culture **Internship Employment Permit:** allows for students of foreign institutions to work under an internship in Ireland • The internship must be in respect to an occupation on the Critical Skills Occupations List and the course of study must be concerned with the skills shortages identified • The internship must be a requirement for the completion of that course of study **Exchange Agreement Employment Permit (EAEP):** aimed at facilitating the employment of foreign nationals in accordance to prescribed agreements or other international agreements to which Ireland is a party • The agreements are: AIESEC, IAESTE, Fulbright Programme, Exchange between St Josephs' University Philadelphia and University College Cork in conjunction with Bord Bia, and the Vulcanus in Europe Programme Further, a supplementary labour migration scheme was introduced by the Department of Justice and the Department of Enterprise, Trade and Employment to cater to specific situations that are not supported by the current employment permit legislation **Atypical Working Scheme (AWS):** a short-term working permit (15 to 90 days) for highly skilled employment, mostly granted in the medical sector, pharma, and biomedical manufacturing. • Can be applied to situations of greater than 90 days for certain occupations Finally, Ireland does not participate in the **EU Blue Card** program.
Labor Market Needs Test	• Required for the General Employment Permit and the Contract for Services Employment Permit • The vacancy is advertised on the Department of Social Protection

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	Employment Services and the EURES portal for 4 weeks • Exemptions: applicants for the Critical Skills Employment Permit **50:50 Rule:** requires employers to have sourced at least 50% of their staff from Ireland or the EEA • Applies in all situations except for start-up companies with recommendations from either IDA Ireland or Enterprise Ireland or if the prospective employee will be the sole employee of the employer
References	https://enterprise.gov.ie/en/what-we-do/workplace-and-skills/employment-permits/permit-types/ 2020 EMN National Report https://www.irishimmigration.ie/coming-to-work-in-ireland/what-are-my-work-visa-options/applying-for-a-long-stay-employment-visa/atypical-working-scheme/ https://enterprise.gov.ie/en/publications/publication-files/review-of-economic-migration-policy.pdf https://www.qqi.ie/what-we-do/the-qualifications-system/national-academic-recognition-information-centre https://home-affairs.ec.europa.eu/system/files/2021-09/202117_ad-hoc_query_on_labour_market_test.pdf

ITALY	
Key measures and schemes	The entry for non-EU workers into Italy is subject to quotas (Article 21 of the Consolidated Law) established in the periodic decrees (usually annual), the so-called 'decreto flussi'. The quota system is not targeted with regards the skills **Entry for non-seasonal employment and for self-employment** Quota (20 000 according to the Decree 2021) are reserved for employment in the following **sectors**: road haulage, construction and tourism sectors for citizens of countries that have signed or are about to sign cooperation agreements on migration matters. Of which: • Around 85% of these are reserved to citizens of the following **countries**: Albania, Algeria, Bangladesh, Bosnia - Herzegovina, Korea (Albania, Algeria, Bangladesh, Bosnia - Herzegovina, Korea (Republic of Korea), Ivory Coast, Egypt, El Salvador, Ethiopia, Philippines, Gambia, Ghana, Japan, Guatemala, India, Kosovo, Mali, Morocco, Mauritius, Moldova, Montenegro,

ITALY	

	Niger, Nigeria, Pakistan, Republic of North Macedonia, Senegal, Serbia, Sri Lanka, Sudan, Tunisia, Ukraine.
	• Around 15% remains available for the hiring of citizens of other countries with which cooperation agreements on migration will enter into force in the coming year.
	• N=100 quotas are reserved for foreign workers who have completed training and education programs in their countries of origin
	• N=100 quotas reserved for foreign workers of Italian origin on the part of at least one of the parents up to the third degree of direct line of ancestry, residing in Venezuela.
	• N=500 quotas reserved for self-employed workers belonging to the following categories:
	  o entrepreneurs who carry out activities of interest to the Italian economy which involve the use of own resources of no less than 500,000 euros, as well as the creation of at least three new jobs
	  o freelancers attributable to supervised or unregulated professions but representative at national level and included in the lists of y the Public Administration
	  o holders of company shares or with control positions
	  o artists with high and well-known professional qualifications, engaged by public or private bodies
	  o foreign citizens for the establishment of "innovative start-up" companies pursuant to law 221/2012, in favour of which an employment relationship of an independent nature with the company is attributable.
	Entry for seasonal employment
	Quotas (N=42 000 according to the last decree) for seasonal work are reserved for the following nationalities: Albania, Algeria, Bangladesh, Bosnia-Herzegovina, Korea (Republic of Korea), Ivory Coast, Egypt, El Salvador, Ethiopia, Philippines, Gambia, Ghana, Japan, Guatemala, India, Kosovo, Mali, Morocco, Mauritius, Moldova, Montenegro, Niger, Nigeria, Pakistan, Republic of North Macedonia, Senegal, Serbia, Sri Lanka, Sudan, Tunisia, Ukraine.
	Of these, around 33% are reserved to agriculture sector where the application for the work permit is done by organisations representing employers in the agricultural sector.

ITALY	
	Categories of workers excluded from the cap are: • Posted workers: a work visa can be issued when a worker is assigned to work at an Italian company for a fixed period of time (maximum of five years), but remains on the payroll of the foreign company (e.g. INTRA COMPANY TRANSFERS or workers assigned pursuant to a service agreement) • **Highly skilled workers**: those who have a three-year University diploma, are offered a minimum one-year contract and a salary of not less €25,000/year can be hired directly in Italy and obtain the Blue Card permit. Employers must present a proposal for a residence contract to the One-Stop-Shop-for-Immigration. When the employer's proposal is accepted, the One-Stop-Shop For Immigration will communicate the decision to the Italian embassy in the applicant's country of origin and the visa will be issued.
Labour Market Test	**Responsible body:** Commission for Employment **Procedure:** • The employer must demonstrate that no suitable candidates from the EU or EEA are available to fill the position. This is usually done through advertising the job vacancy on national job boards and in newspapers. • Once it is established that no suitable EU/EEA candidates are available, the employer must apply for the release of a "Nulla Osta" (authorization) from the Immigration Office ("Sportello Unico per l'Immigrazione") or relevant regional office. • Documentation: Employers are required to submit various documents along with the application, including the employment contract, proof of advertising efforts, and company information. • The "Commission for Employment" reviews the application and assesses whether the employer has met the required conditions. If the Commission believes the job can be filled by an EU/EEA candidate, the application may be rejected. • If the Nulla Osta is granted, the non-EU citizen can apply for a work visa at the Italian Embassy or Consulate in their home country. **Exemptions:** • Researchers, scientists, professors • Intra-corporate transferees

ITALY	
	• Seasonal workers • Candidates covered by international agreements
References	https://immigration-portal.ec.europa.eu/italy-highly-qualified-worker_en https://www.lavoro.gov.it/temi-e-priorita/immigrazione/focus-on/ingresso-e-soggiorno-per-lavoro-in-italia/pagine/ingresso-e-soggiorno-per-lavoro-in-italia https://link.springer.com/chapter/10.1007/978-3-031-26002-5_10

LATVIA	

Key measures and schemes	**Work Permits**: TCNs generally need a work permit to work in Latvia. The work permit is issued by the Office of Citizenship and Migration Affairs (OCMA) and is granted based on the employer's application and labour market considerations.
	• Residence permit with the right to work – Applies to most jobseekers
	  ○ Length: 5 years
	  ○ Criteria:
	  ▪ Contract from a Latvian employer
	  ▪ Invitation submitted by the employer to OCMA
	  ▪ 3 years of work or education experience
	• Long term D visa for work – No residence permit, can be applied for later
	  ○ Length: 1 year
	  ○ Criteria:
	  ▪ Contract from a Latvian employer
	  ▪ Invitation submitted by the employer to OCMA
	  ▪ 3 years of work experience in the profession you have a contract in
	European Blue Card: The European Blue Card is a work and residence permit issued to highly skilled non-EU nationals. It is intended to facilitate the migration of professionals to the EU, including Latvia. To be eligible, applicants must meet specific criteria, such as having a valid employment contract and meeting certain salary thresholds.
	• Length: 5 years

LATVIA	

	• Criteria:
	  ○ Contract from a Latvian employer
	  ○ Invitation submitted by the employer to OCMA
	  ○ 5 years of work experience in the industry or 3 years of academic experience in the industry
	
	Highly Qualified Specialists: To attract skilled professionals from outside the EU, Latvia has implemented a scheme for Highly Qualified Specialists. This scheme allows employers to hire non-EU nationals in certain fields, such as IT, engineering, and research, under simplified procedures. These professions are chosen based on shortages in the labour force.
	
	Seasonal Workers: A seasonal work permit scheme exists for non-EU nationals who wish to work in seasonal industries, such as agriculture, horticulture, and tourism. These permits are usually granted for a limited duration (6 months).
	
	Intra-Corporate Transfers: Latvia, like other EU member states, allows for intra-corporate transfers within multinational companies. This scheme enables employees to be transferred from a company's non-EU branch to its branch in Latvia without the need for a separate work permit.

Labor Market Test	**Responsible body:** State Employment Agency (SEA) **Procedure:** The employer has to register the vacancy with the State Employment Agency (SEA); The recruitment procedure can be initiated if the vacancy has not been filled within 10 working days. **Exemptions:** artists, composers, sportsmen/coaches, teachers and university professors, potential EU Blue Card holders
References	https://www.lm.gov.lv/en/employers?utm_source=https%3A%2F%2Fwww.google.com%2F https://investinlatvia.org/assets/upload/Relocation%20Guide-web.pdf https://www.em.gov.lv/en/article/government-supports-application-simplified-conditions-attraction-highly-qualified-foreign-professionals?utm_source=https%3A%2F%2Fwww.google.com%2F https://www.pmlp.gov.lv/sites/pmlp/files/pmlp2_eng_11.pdf

LITHUANIA	
Key measures	**National Visa (D):** granted usually for foreigners who arrive to work,

LITHUANIA	
and schemes	study conduct scientific research or to engage in legal activities • Maximum duration of 1 year and the worker cannot be self-employed or change employers **Residence permit in Lithuania:** granted for longer-stay foreigners on the basis of employment • Issued for 1-3 years and the employee can be self-employed Not only is a foreigner required to obtain a work permit, but also a decision on the compliance of foreign work with labour market needs, and a monthly salary not less than the last published average monthly gross salary in the national economy. The decision on compliance requires the vacancy to be given first priority to Lithuanian and EU citizens or foreigners with a permanent residence in Lithuania. If there are no applicants, compliance is given. The decision of compliance or work permit is not required in specific instances: • If the profession is included in the list of professions for which there is a shortage of workers. These professions include quotas. Once the quota has been depleted the foreigner must obtain a work permit. • If the salary is three times the average monthly gross wages • Trainees and interns • Remote work in Lithuania for a company operating in Lithuania There exist several other labour migration scenarios for which there are specialised permit requirements: • High skilled workers – EU Blue Card: Lithuania introduces no additional specific rules except for the period of validity which is 3 years • Permanent employee of an EU company conducting temporary work in Lithuania • Students who have completed their studies in Lithuania and intend to begin working in Lithuania • Intra-corporate transferees • Teachers • Researchers

LITHUANIA	
Job platform:	Work in Lithuania[380] – Initiative aimed at encouraging highly-skilled professionals from abroad to establish their professional lives in Lithuania. It is a job platform that provides guidance to employers and future employees.
Labor Market Test:	**Responsible body:** Lithuanian Labor Exchange (Lietuvos darbo birža) The Labour Market Test does exist but only for non-highly skilled vacancies and vacancies not on the list of professions for which there is a shortage of workers. • All such vacancies must first be registered with the Employment Service • If after 5 days no suitable applicant is found within the EEA, the employer may apply for a decision from the Employment Service on whether a foreign national would correspond to the labour market needs. The Employment Service posts all job vacancies on the EURES portal unless explicitly asked not to by the employer Exemptions: • Highly Skilled Workers • Intra-Corporate Transferees • Researchers and Scientists • International Agreements
References	https://home-affairs.ec.europa.eu/system/files/2021-09/202117_ad-hoc_query_on_labour_market_test.pdf https://www.startuplithuania.com/entry-to-lithuania/ https://www.renkuosilietuva.lt/en/work-in-lithuania/ https://www.migracija.lt/noriu-gauti/pakeisti-leidima-laikinai-gyventi https://www.renkuosilietuva.lt/en/permanent-residence-permit/ https://immigration-portal.ec.europa.eu/blue-card/lithuania_en

380 https://workinlithuania.com/about-us/

LUXEMBOURG	

Key measures and schemes	TCNs who would like to work in Luxembourg are required to apply for a long stay (D) visa on the basis of their planned activity. These are detailed below with the specific criteria for each scenario when relevant.
	• Salaried worker
	• Self-employed worker
	  ○ Proof of required qualifications
	  ○ Proof of sufficient resources
	  ○ Proof that the activity serves the interest of Luxembourg in terms of social, cultural, or economic benefit
	• Highly qualified worker (EU Blue Card)
	  ○ Employment contract for at least a year in a highly qualified profession
	  ○ Salary of more than 1.5 times the national average (1.2 for certain professions)
	  ○ Proof of qualifications for the profession
	• Researcher
	  ○ Hosting agreement with an approved institution
	  ○ Higher education diploma for doctorate programmes
	• Athlete
	  ○ Employment contract with an approved federation of club
	  ○ Salary of at least the minimum wage
	• Au pair
	  ○ Written approval from the Ministry of Youth
	  ○ Signed au pair hosting agreement with the hosting family
	• Salaried worker posted by a company established outside the EU
	  ○ TCN who usually works abroad, but on a contract to work in Luxembourg for a fixed period of time
	• Transferred salaried worker
	  ○ Employment contract with the transferring company during their stay in Luxembourg
	• Seasonal worker
	  ○ Regards harvesting, leisure, holiday, aviation, and other activities

Labor Market test	**Responsible body:** National Employment Agency (Agence pour le développement de l'emploi - ADEM) Requested for work permit

LUXEMBOURG	
	Exemptions: highly qualified workers (EU Blue Card)
References	https://guichet.public.lu/en/citoyens/immigration/cas-specifiques/travailleur-frontalier-tiers/frontalier.html https://guichet.public.lu/en/citoyens/immigration/plus-3-mois.html https://guichet.public.lu/en/citoyens/immigration/plus-3-mois/ressortissant-tiers/demarches-communes/entree-visa.html#bloub-6 https://guichet.public.lu/en/entreprises/ressources-humaines/recrutement/ressortissant-pays-tiers/raison-privees.html

MALTA	
Key measures and schemes	**Standard work permit (Single permit)** Non-EU Nationals require a residence permit to be employed in Malta. The first step in qualifying for employment is to have an employment offer from an employer in Malta. A residence permit on the basis of employment is issued and remains valid if the main criteria upon which it was acceded to, continue to be met, that is, the specific designation, employer and duration. This information is also printed on the residence card issued and held by the third-country national. **Procedure**: Single Permit applications may only be submitted by the employer through the Single Permit Online Portal. Once the employer applies, the third-country national receives a link to confirm the application and validate the data submitted. Once confirmation is submitted, the employer will receive a notification for final submission of application **Key Employee Initiative** Specific scheme for highly skilled workers and includes a fast procedure. • Eligibility: The program is open to highly skilled individuals who possess specialised knowledge, expertise, or qualifications that are deemed essential to the Maltese economy. • Application Process: Employers in Malta who wish to hire non-EU key employees must apply to Jobsplus, which is the government entity responsible for labor and employment matters. • Job Offer and Contract: The employer must provide a valid job offer to the key employee, outlining the terms and conditions of

MALTA	
	employment. • Minimum Salary: The Key Employee Initiative requires that the key employee receives a salary >30,000 EUR • Residence Permit: Once the application is approved, the key employee is issued a residence permit, allowing them to legally reside and work in Malta. The residence permit is typically tied to the specific employment with the sponsoring employer **EU Blue Card** A secondary scheme for highly skilled workers exists through the EU Blue Card system. Requirements include: • Qualified for the position • Annual salary >1.5 times of the Maltese average **Digital Nomad Visa** Designed for freelancers or for employees of companies outside of Malta, to work remotely from Malta. Required monthly income of >2,700 EUR.
Job platform	Job Malta[381] – managed by Malta's Public Employment Service, this website functions as a job platform and offers support for job searchers and employers.
Labor market test	**Responsible body:** Jobsplus (the national employment agency) Mandatory for Single Permit Applications **Exemptions**: health related professionals; technical and building professionals, IT, finance, gaming and education professionals
References	https://www.identitymalta.com/unit/non-eu-nationals/?ver=1.01#1672848459556-10e93d82-413a https://visaguide.world/europe/malta-visa/long-stay/work-visa/

NETHERLANDS	
Key measures and schemes	**Highly skilled migrant program** For employees with a job offer for which a high level of education is needed. A salary requirement applies. The employer must be recognised by the IND to start

381 https://jobsplus.gov.mt/

NETHERLANDS	
	the visa procedure. **Requirements:** A valid provisional residence permit **(MVV)** except for some nationalities and a residence permit. **Income conditions:** Income requirements apply and there are different income categories (gross per month as of 2023): • Highly skilled migrants reduced salary criterion: € 2,631.00 • Highly skilled migrants younger than 30 years: € 3,672.00 • Highly skilled migrants 30 years or older: € 5,008.00 • Researcher (without holiday allowance): € 2,321.28 • A medical doctor in training: at least equal to the minimum salary. **Conditions:** This residence permit allows the holder to work as a highly skilled migrant or as a self-employed individual, while for other types of work, the employer would need to apply for a separate work permit **(TWV).** **Procedure:** Application is submitted by employer (online or by post). **Duration:** Determined by the employment contract and can last for a maximum of 5 years. It is possible to extend this residence permit. There is a "search period" of 3 months after the contract has ended **<u>European Blue card</u>** For employees with a job offer (contract duration of at least 12 months) for which a high level of education is needed. A *higher* salary requirement applies (€ 5,867.00). Recognition by the IND of the employer is not a requirement for this permit, but it is faster and easier for a recognised sponsor to apply for a residence permit for employees and their families. **Requirements:** A valid provisional residence permit **(MVV)** except for some nationalities and a European Blue card. **Advantages:** Moving to another EU/EEA country is easier, and in some cases, the applicant may apply for a permanent residence permit after less than 5 years. A European Blue Card applicant, in addition, may work on a self-employed basis. **Conditions:** This residence permit allows the holder to work as a self-employed individual in addition to the work for the employer, while for other types of work, the employer would need to apply for a separate work permit **(TWV).** **Procedure:** The application is submitted by the employer by post from the Netherlands. **Duration:** Permit is given for at least 12 months and for maximum 4 years. There is a "search period" of 3 months after the contract has ended. An extension

NETHERLANDS	
	of the permit is possible. **<u>Residence permit for work in paid employment</u>** For employees who are going to work in paid employment. The employer's company or organization must be registered in the Commercial Register of the Chamber of Commerce (some exceptions apply). The employer also must arrange right housing for the employee. **Requirements:** single permit (combines residence and work permits), also referred to as the **GVVA**. Applying for a single permit for certain jobs or conditions is impossible. Then the applicant must apply for a residence permit for paid employment in the Netherlands (**UWV**) and then for a work permit (**TWV**). Issuance of this permit depends on a labour market test. **Employers' obligations:** arranging housing. **Procedure:** usually the employer applies for a single permit. If the applicant does not require a single permit (e.g. employee has a valid residence permit), they are free on the labor market. **Conditions:** Holders of this permit are only allowed to work for the employer through which they got the permit. **Special requirements apply for the following work categories:** spiritual counsellors, employees working in the supply of goods by foreign companies, employees of international non-profit organizations, employees in art and culture, and intra-company transferees. **Duration:** In general, the single permit is issued for a maximum of 3 years. For workers that have had a residence permit for work for 5 years the single permit may be issued for a maximum of 5 years. There are some exceptions for employees of an international organisation (issued for maximum 1 year) and for employees in the Asian catering industry (issued for maximum 2 years). It is possible to extend this residence permit. **<u>Seasonal work</u>** For seasonal work (up to 24 weeks) in the agricultural or horticulture sector. **Requirements:** A valid provisional residence permit (**MVV**) except for some nationalities and a residence permit for seasonal work. The permit is a single permit for both residency and work (**GVVA**). This means that the Immigration and Naturalisation Service must always ask the Employee Insurance Agency **(UWV)** for a recommendation. Recognition by the IND of the employer as a sponsor is not a requirement for this permit. The employer's company or organization must be registered in the Commercial Register of the Chamber of Commerce (some exceptions apply). Issuance of this permit depends on a labour market test.

NETHERLANDS	
	Employers' obligations: arranging housing. **Procedure:** The application is submitted by the employer by post from the Netherlands. **Conditions:** Holders of this permit are only allowed to work for the employer through which they got the permit. **Duration:** valid for up to 24 weeks **Other residence permits for work** • Residence permit for trainees or students on work placement • Residence permit to gain work experience via an EU programme • Residence permit for cross-board service providers • Working holiday program (WHP): designed for people between 18 and 30 years or people from countries the Netherlands has an agreement with. This permits only enables holders to do "occasional work" (term sassed on a case-by-case basis). **Other key information** **Free-to-work status** After having worked for 5 years in the Netherlands it is possible to apply for the free-to-work status that allows the holder to work without requiring a work permit (**TWV**). Furthermore, if the residence permit is valid for at least 4 months it is possible to replace the residence document with a document with the work status "free to work". **Exceptions** • Different rules apply to Turkish citizens applying for a residence permit. Because of the association law between the EU and Turkey, requirements tend to be less strict for these applicants.
Job platform	**"welcome-to-nl"**[382] was commissioned by the Dutch Ministry of Economic Affairs and Climate Policy, in collaboration with other partners.
Labor market test	Responsible body: The Dutch labor authorities (UWV) Requested for the work permit. It is up to the applying company to show that a real effort has been made to find these priority-enjoying employees. If such candidates are not considered available, the company can hire an employee from outside the EU.

[382] https://www.welcome-to-nl.nl/

NETHERLANDS	
	Exemptions: teachers at international schools, religious leaders and artists
References	Immigration and Naturalisation Service. (2022, May 25). Employing a foreign national. IND. Retrieved June 22, 2023, from https://ind.nl/en/residence-permits/work/employing-a-foreign-national#employee-visa-or-residence-permit Immigration and Naturalisation Service. (2023, January 12). Turkish citizens and living in the Netherlands. IND. Retrieved June 28, 2023, from https://ind.nl/en/turkish-citizens-and-living-in-the-netherlands https://www.gatewaytoholland.com/corporate/work-permits/#:~:text=Labour%20market%20test,find%20these%20priority%2Denjoying%20employees. Netherlands, W. T. T. (2022). Working in the Netherlands. Welcome to the Netherlands. https://www.welcome-to-nl.nl/

POLAND	
Key measures and schemes	1. Schengen Visa (Type C): This visa allows entry into Poland and other Schengen Area countries for short-term stays of up to 90 days within a 180-day period. 2. Airport Transit Visa (Type A): This visa is required for transiting through the international zone of Polish airports without entering the Schengen Area. 3. Transit Visa (Type B): This visa allows entry into Poland for transit purposes, such as traveling to another country, and is valid for a maximum of 5 days. 4. National Visa (Type D): This visa is for long-term stays in Poland and allows the holder to enter and stay in the country for a period exceeding 90 days. It is typically issued for purposes such as work, study, family reunification, or residency. Under this visa: • **EU Blue Card**: This visa is available for highly skilled workers with a university degree or five years of professional experience. It requires a job offer with a minimum salary threshold and sponsorship from an employer. The EU Blue Card is valid for up to four years and allows for free movement within the EU. • **Work Permit:** For professions in demand or those requiring specific qualifications, a work permit is required. The employer must obtain a work permit on behalf of the foreign worker from the local Labor Office. The worker can then apply for a National Visa for the Purpose of Work (Type D) at the Polish consulate in

POLAND	
	their home country. • **Seasonal Work**: Seasonal workers in sectors like agriculture, tourism, or hospitality can apply for a seasonal work visa. The employer must obtain permission from the local Labor Office, and the worker can apply for a seasonal work permit via the consulate. • **Sponsorship**: In general, work visas require sponsorship from an employer in Poland. The employer must prove that efforts to find a suitable Polish or EU candidate were unsuccessful, justifying the need to employ a third-country national
Labor Market Test	**Responsible body:** Voivodeship Office Requested for applicants to work permit. **Exemptions**: highly qualified workers applying for work permit, occupations in great demand, candidates covered by international agreements **Procedure:** • The employer must publish a job offer in Poland's National Employment Agency (PUP) for a specified period. The job offer should outline the job requirements, including the skills, qualifications, and experience needed for the position. • If no suitable candidates from the local or EU labor market are found, the employer can apply for a work permit for a non-EU citizen. The employer must provide evidence, such as recruitment records and documentation on unsuccessful attempts to find suitable candidates, to confirm the unavailability of local and EU workers. • The employer should submit a work permit application to the appropriate regional office of the Voivodeship Office. The application should include relevant documents, such as the job offer publication proof, the employment contract, and supporting documentation for the intended employee.
References	https://www.gov.pl/web/usa-en/d-type-national-visa https://www.migrant.info.pl/id-21-labour-market-test.html

PORTUGAL	
Key measures and schemes	**Employed workers** For applicants with a job offer.

PORTUGAL	
	Procedure: Application can be made at any SEF's directorate or regional delegation. **Key conditions:** Work contract, work promise or demonstration of interest/ **Duration:** valid for 2 years it is renewable for successive periods of three years **<u>Seasonal work</u>** Temporary stay visa for seasonal work for a duration of over 90 days. As of 2023, seasonal work is allowed in the following sectors: • Agriculture, livestock, hunting, forestry and fishing • Hospitality, restaurants and similar • Food industry, liquor and tobacco industries • Gross and Retail commerce • Construction • Land transport. **Duration:** May be issued for maximum 9 months **Conditions:** The employment relationship may involve more than one company provided it is for seasonal work **<u>Residence permit for highly qualified activity</u>** **Requirements:** EU blue card **Needed documentation:** • Work contract invitation letter or similar. Proof of salary requirements: • Wage of >1.5 times the national average • Wage of >1.2 times the national average for professions designated as particularly deprived occupations as defined in the International Standard Classification **Procedure:** Application can be made at any SEF's directorate or regional delegation. **Duration:** valid for 2 years it is renewable for successive periods of three years **<u>Higher education teaching / Professorial activity</u>**

PORTUGAL	
	Requirements: EU blue card **Procedure:** Application can be made at any SEF's directorate or regional delegation. **Duration:** valid for 2 years it is renewable for successive periods of three years **<u>Sports activity</u>** Temporary stay visa for amateur sports purposes. **<u>Transfer of workers or service providers when the applicant has been working for over one year</u>** Temporary stay visa for transfer of workers purposes for state parties to the WTO, for provision of services or professional training. **<u>Job seeker visa</u>** Entitles the holder to enter and stay in Portugal exclusively for the purpose of job hunting. It allows them to engage in subordinate work activities until the visa expires or a residence permit is granted. **Duration:** 120 days. Reapplication for this permit is only possible after one year of expiration of the previous visa. **<u>Cultural activity</u>** Recognised as of interest to the country by the member of the Government responsible for the area of culture. **Needed documentation:** work contract invitation letter or similar. **Duration:** valid for 2 years it is renewable for successive periods of three years **<u>Highly qualified activity in certified companies (Tech Visa)</u>** A program to make the process of qualified immigrants working in Portugal more efficient in the technology, innovation, or other sector as defined by the Portuguese Agency for Competitiveness and Innovation. *If the qualified activity is not carried out for a certified company, the person concerned may always apply for a **residence permit for highly qualified work** or a "**EU Blue Card".** **Key requirements:** ▪ Certain qualifications as defined by ISCED 2011 ▪ Wage of >2.5 times the Index of Social Support ▪ Fluent in Portuguese, Spanish, French, or English

PORTUGAL	
	Procedure: Application can be made at any SEF's directorate or regional delegation **Duration:** valid for 2 years it is renewable for successive periods of three years **Other schemes:** • Workers of foreign employers establishing an office in Portugal • Intra-corporate transferees
Job portals	"Eportugal"[383] is a portal that aims at facilitating interactions between citizens, companies and the state. It includes a job search platform (in Portuguese) and information on moving to Portugal for work purposes.
Labor Market Test	Not required
References	Portuguese Ministry of foreign Affairs. (n.d.). Type of Visa. Retrieved June 28, 2023, from https://vistos.mne.gov.pt/en/national-visas/general-information/type-of-visa#work https://www.migrant.info.pl/id-21-labour-market-test.html Portuguese Ministry of foreign Affairs. (n.d.-a). Residency. https://vistos.mne.gov.pt/en/national-visas/necessary-documentation/residency#for-the-exercise-of-a-professional-activity-done-remotely-digital-nomads Working in Portugal – The Official Website of Portuguese Immigration. (n.d.). Retrieved June 28, 2023, from https://imigrante.sef.pt/en/solicitar/trabalhar/

ROMANIA	
Key measures and Schemes	**Standard work permit** Must be approved by the Romanian Inspectorate General for Immigration. Eligibility is contingent upon either: • Educational work at a Romanian institution • Highly skilled work • Work through a bilateral agreement

383 https://eportugal.gov.pt

	• As instructed by the Minister of National Education or Minister of Culture • Work in a ministry • Head of the Romanian branch of a company headquartered abroad **<u>Employment categories</u>** • **Permanent employee:** foreigner employed in Romania with individual contract of indefinite duration or fixed term concluded with an employer based on the work permit. • **Trainee worker:** foreigner participating on an internship program of a duration with a view to improving vocational training or obtaining a vocational qualification as well as improving language and cultural knowledge. • **Seasonal worker:** foreigner who maintains his main residence in a third country, but legally and temporarily lives in Romania, being employed in seasonal activity. • **Cross-border worker:** the foreigner, citizen of a state which has a common border with Romania and lives in the border area of the respective State, employed in a border town on the Romanian territory. • **Highly qualified worker:** foreigner employed in Romania on a highly skilled job, with individual contract of at least one year. • **Deployed worker:** the qualified foreigner temporarily deployed from a company established in a third country. • **ICT worker:** person transferred within the same company. • **Au pair worker:** foreigner temporarily employed by a host family on the territory of Romania to improve their language skills and competences in exchange for easy domestic and childcare. **<u>Long stay visa for employment</u>** For applicants with a job offer that can demonstrate professional training or experience **Requirements:** work permit issued by the General Inspectorate for Immigration (or documents that demonstrate you fall into the categories of foreigners who are exempt from requiring a work permit) and a single permit. *Certain categories of foreigners may work in Romania without a work permit. **Procedure:** employers apply first applies for a notice of employment from the General inspector for immigration. Employees follow up the procedure in the diplomatic mission of Romania. Once arriving to Romania the employee

	obtains the residence permit from the General inspector for immigration. **Duration:** The temporary residence permit for employment purposes can be extended for a period equal to the validity of the employment contract, up to a maximum of 1 year. **Conditions:** Worker may only be employed by a single employer. **EU Blue Card – Highly skilled workers** For highly qualified applicants with a job offer. **Requirements:** work permit issued by the General Inspectorate for Immigration (or documents that demonstrate you fall into the categories of foreigners who are exempt from requiring a work permit) and an EU Blue card. **Procedure:** employers apply first applies for a notice of employment from the General inspector for immigration. Employees follow up the procedure in the diplomatic mission of Romania. Once arriving to Romania the employee obtains the EU Blue card from the General inspector for immigration. **Duration:** may be issued for a period equal to the validity of the work contract plus an additional 3 months, with a maximum total duration of 2 years. **Conditions:** Worker may only be employed by a single employer. **Seasonal work** For applicants conducting seasonal work with a registered employer (at the trade register office). **Requirements**: Work authorisation for seasonal workers, a visa for work purposes and a temporary residence permit. It is required to show a basic knowledge of Romanian. **Conditions:** Permit issued based on quotas established by the Romanian government. **Specific conditions** apply for nationals of Canada, Japan and the United States of America based on bilateral agreements. **Procedure:** Employer applies through the General inspectorate for Immigration for work authorisation. Authorizations granted based on quotas and a labour market test. Once the authorization is granted, applicant may apply for a visa for work purposes and the residence permit. **Duration:** valid for maximum 6 months within a 12-month period, under an individual labour contract and in a specific seasonal sector.
Labor market Test	Not required
References	https://visaguide.world/europe/romania-visa/long-stay/

	Inspectorate General for Immigration. (n.d.). Frequent questions. Retrieved June 28, 2023, from https://igi.mai.gov.ro/en/category/frequent-questions/ Inspectorate General for Immigration. (n.d.-b). Migration. Retrieved June 28, 2023, from https://igi.mai.gov.ro/en/category/diverseen/migration/ Inspectorate General for Immigration. (n.d.-b). Long stay visa for employment purposes. Retrieved June 28, 2023, from https://igi.mai.gov.ro/en/long-stay-visa-for-employment-purposes/ Inspectorate General for Immigration. (n.d.-a). Employment and posting. Retrieved June 28, 2023, from https://igi.mai.gov.ro/en/employment-and-posting/

SLOVAKIA	
Key measures and schemes	**Temporary residence for employment** **Requirements:** a single permit (temporary residence for the purpose of employment) For candidates with a job offer. **Duration:** May be issued for the duration of employment, maximum 5 years. Renewal is possible for a maximum period of 5 years. **Procedure:** application may be submitted at a diplomatic mission of Slovakia or the Foreign Police Department competent for the applicant's place of residence. The application must be submitted in person on the official form and in the Slovak language. **Conditions:** A person with a temporary residence can perform only activities for which the residence was granted or which the given type of residence allows. **Seasonal employment** Seasonal employment for a maximum of 90 days For applicants with a job offer **Requirements:** work permit and Schengen visa for the purpose of seasonal employment (only if subject to the visa requirements to enter Slovakia). There are specific requirements for the employer (e.g. having fulfilled all the tax obligations). Granting of this permit depends on a labour market test (also for the extension). **Duration:** issued for a maximum of 90 days during 12 consecutive months. Extension of the permit is possible. **Procedure:** Application may be submitted by the employer or the employee.

SLOVAKIA	
	Seasonal employment for more than 90 days **Requirements:** temporary residence for the purpose of seasonal employment. There are specific requirements for the employer (e.g., having fulfilled all the tax obligations). Granting of this permit depends on a labour market test (also for the extension). **Conditions for the exception of a labour market test:** • If the type of work is included in the shortage professions category in a district with an unemployment rate lower than 5% • and the employer does not employ more than 30% of non-EU nationals from the entire number of employees. **Duration:** issued for a maximum of 180 days during 12 consecutive months. Extension of the permit is possible. **Temporary residence – Special activity** **Granted for:** Lecturing activity; Artistic activity; Sports activity; Internship during university studies outside Slovakia, or within two years from completing university studies outside Slovakia; Activity resulting from Slovak Government or EU programs; Fulfilling a commitment of Slovakia arising from an International Treaty; Provision of health care, or accompanying of a person who is being provided health care, if necessary; Volunteering activity; Activity of a journalist accredited in Slovakia. (different documentation may be needed for each activity) **Procedure:** application may be submitted at a diplomatic mission of Slovakia or the Foreign Police Department competent for the applicant's place of residence. The application must be submitted in person on the official form and in the Slovak language. **Conditions:** A person with a temporary residence for the purpose of special activity is entitled to study, however not entitled to work or do business. Duration: May be granted for a maximum period of 3 years. **Temporary residence – Eu blue card** For highly qualified employment. A key requirement is that applicant has a job offer for at least 1 year and a salary offer of at least 50% more than the wage in the Slovak economy in the relevant field. Granting of this permit depends on a labour market test (also for renewal). **Duration:** Issued for the duration of the contract plus 90 days, for maximum 4 years.

SLOVAKIA	
	Procedure: application may be submitted at a diplomatic mission of Slovakia or the Foreign Police Department competent for the applicant's place of residence. The application must be submitted in person on the official form and in the Slovak language. **Other initiatives in place for work migration** (Based on EMN report 2021) **Recovery and Resilience Plan of the SR: Attracting and Retaining Talent** A scheme that focuses on meeting labour market needs by highly qualified workers in specific fields, such as health care, education, and IT. Simplified access is granted to highly qualified university-educated workers. The scheme will allow graduates from the top 500 universities in the world and highly qualified experts in professions with a shortage of labour to apply. The maximum quota is 3,000. **Labour Mobility Scheme** Designed to target professions with a shortage of labour. It aims to aid and accelerate acceptance of TCN workers, but it has yet to be implemented legislatively. **Other developments** Additionally, medical practitioners, teachers, researchers, and artists have all had legislative changes to ease the process of gaining access to work in Slovakia.
Labor market test	Responsible body: Central Office of Labor, Social Affairs and Family (Ústredie práce, sociálnych vecí a rodiny). Requested for single permit. Although the Labour Office may issue a Confirmation on the Possibility to Fill a Vacancy without assessing the situation in the labour market (mainly in the case of shortage professions).
References	EMN National Report 2021 IOM Migration information centre. (n.d.). Temporary residence. Retrieved June 28, 2023, from https://www.mic.iom.sk/en/download/info-cards/itemlist/category/73-temporary-residence.html

SLOVENIA	
Key measures	**Schemes according to purposes of residence**

SLOVENIA	
and schemes	**<u>Employment or work</u>** **Requirements:** single residence and work permit **Procedure:** Application may be submitted by employer or employee in a diplomatic mission or in Slovenia. **Duration:** Can be renewed for a maximum of two years **Key conditions:** During the validity of the permit, holder of this permit can change workplace with the same employer, change employers, or be employed by two or more employers without having to change the permit. The only requirement is that the employer files an application at the administrative unit. **<u>Seasonal work</u>** For applicants with a job offer in seasonal work for more than 90 days. It is possible to extend the permit with the same or another employer or contracting authority, but the total duration must not exceed six months or seven months in exceptional cases. **<u>Cross-border worker</u>** Cross-border workers may obtain a single permit. **<u>Posting</u>** Single permit for employers sent to work or for training in a company in Slovenia. **Key conditions:** applicant must have social security in the country from which they are sent, and this must also include health insurance. **Duration:** The first permit is issued for the period specified in the posting document, but not for more than one year. If the posting could not be fully realised for justified reasons, the permit may be extended until the deadline for the completion of the work or training Transfer withing a company. **<u>Transfer within a company</u>** For workers being transferred to a branch in Slovenia from a company they work in another country. **<u>EU blue card</u>** For highly qualified employment. **Duration:** issued for three months more than the validity of the employment contract, but for a maximum of two years. It may be extended for a maximum of three years. **Some conditions:** During the initial two years of legal employment, the permit holder has the option to select a new employer or a different workplace within the same employer. In order to proceed with the change, an application must be

SLOVENIA	
	submitted to the administrative unit. However, once the initial two-year period has elapsed, the permit holder is no longer required to apply to switch employers. Instead, they are obligated to inform the administrative unit of their decision to change employers. **Seeking employment or self-employment after completed studies in Slovenia** Single permit for foreigners looking for employment or self-employment in Slovenia and that have completed their studies at a higher vocational college or higher education institution in the last two years and have obtained at least an associate degree or bachelor's degree in the Republic of Slovenia **Duration:** Nine months. **Seeking employment or self-employment as a researcher** Single permit for foreigners looking for employment or self-employment in Slovenia and that has completed your research work in the Republic of Slovenia. **Duration:** Nine months.
Labor Market Test	Not required
References	EMN National Report 2020 Office of the Government of the Republic of Slovenia for the Support and Integration of Migrants. (n.d.). Purposes of residence. InfoTujci. Retrieved June 29, 2023, from https://infotujci.si/en/third-country-nationals/purposes-of-residence/

SPAIN	
Key measures and schemes	**Study and Internship Visa:** for studies, training, internships, voluntary work, au pair programmes, and conversation class assistants lasting longer than 90 days **Researcher Visa:** a visa for research, scientific, and technical staff carrying out research, development, or technological innovation, or researchers and teaching staff hired or hosted by public or private research bodies or universities **Residence and employment work visa:** this visa scheme covers most general applications for work for Spanish employers. This visa scheme also covers seasonal work activities. The employment permit can be exempted for specific cases including technicians, scientists, teachers, researchers,

SPAIN	
	managerial staff, civil or military officials, correspondents of foreign media, and religious ministers. In order to hire a highly skilled professional, the company must be within one of the following situations: • Be a large company • Being a company within a group of companies • Being an SME within a strategic sector for Spain • To be a company that develops a project of general interest for the Spanish economy **Visa for highly qualified workers and for intra-company transfers:** this visa scheme addresses two types of labour migrants: highly qualified workers and intra-company transferees. Highly qualified workers are defined as highly qualified professionals or members of senior management personnel or as a graduate or post-graduate of a prestigious university as set forth by certain criteria. Intra-company transfers are defined as work activity as an employee in Spain as a member of senior management personal, specialist or a trainee, when a transfer is made within the same company. Highly qualified workers may also apply for a residence and work permit through the **EU Blue Card** scheme which does not impose any additional requirements than the standard requirements. **Working visa for professionals in the audio-visual sector:** Spain also has a specialised visa for actors, musicians, dancers, and other audio-visual technicians
Labor Market Test	Not required
References	https://www.immigrationspain.es/en/highly-qualified-work-permit/ EMN National Report 2020 & EMN National Report 2021 https://www.exteriores.gob.es/Consulados/londres/en/ServiciosConsulares/Paginas/inicio.aspx https://home-affairs.ec.europa.eu/system/files/2021-09/202117_ad-hoc_query_on_labour_market_test.pdf

SWEDEN	
Key measures	The new model for legal work migration has been introduced in May

SWEDEN	
and schemes	2023. A new international recruitment unit will be established with the goal of providing better services to employers willing to recruit skilled foreign nationals. The new work permits are divided into 4 categories of professions and occupations: **Category A** Category A covers highly skilled occupations as defined by the Swedish Standard Classification of Occupations. This will include managerial occupations and occupations with requirements for advanced university or higher education competence. **Category B** Category B covers occupations with specific rules such as: • Seasonal occupations and berry pickers • Intra-corporate transferees • EU Blue Card permits • Artists/athletes/coaches • Researchers • Au-pairs • Trainees • Applications to start business activities **Category C** Category C covers occupations that do not require a high level of academic competence/non-highly qualified occupations that constitute an important social benefit and applications for major new establishments in growth areas. **Category D** Category D covers applications in industries that are demanding in terms of case investigation. This includes cleaning, construction, personal assistance, hotels, and restaurants.
Labor Market Test	According to the EMN National Report of 2017, Sweden reformed its labour migration policy in 2008, doing away with a previous agency-based labour market test. However, there have been new calls to reintroduce the labour market test and a current inquiry has been commissioned by the migration minister.

SWEDEN	
	Recognition of academic and professional qualifications The Swedish Council for Higher Education evaluates foreign qualifications for third country nationals looking to work in Sweden and provides a Qualification Assessment Tool through the Department of Qualifications Recognition. Professional qualifications are addressed by the relevant authority for the profession. In some instances, this is the Swedish Council for Higher Education, but other authorities that can provide professional qualification recognition are: • Financial Supervisory Authority • Legal, Financial and Administrative Services Agency • National Board of Health and Welfare • National Board of Housing, Building and Planning • National Electrical Safety Board • Public Health Agency of Sweden • Stockholm's County Administrative Board • Swedish Bar Association • Swedish Board of Agriculture • Swedish Civil Contingencies Agency • Swedish Estate Agents Inspectorate • Swedish Inspectorate of Auditors • Swedish National Agency for Education • Swedish Patent Attorneys Board • Swedish Transport Agency • Swedish Work Environment Authority **National arrangements for the validation of skills** As of 2014, the Swedish National Agency for Higher Vocational Education along with concerned national agencies have developed criteria for validation of prior learning for both educational and labour market-oriented validation. The framework of qualifications is the Swedish National Qualifications Framework which can then be translated to European reference frameworks. Further, vocational assessments and professional skills for a multitude of skills and professions can be validated and obtained at the Swedish Public Employment Service.

SWEDEN	
References	https://www.migrationsverket.se/English/About-the-Migration-Agency/For-press/News-archive/News-archive-2023/2023-05-12-Highly-qualified-workers-will-be-able-to-come-to-Sweden-more-quickly.html EMN National Report 2017 EMN Country Fact Sheet 2021 EURES Report on Labour Shortages and Surpluses 2022 https://www.enic-naric.net/page-Sweden https://www.cedefop.europa.eu/en/tools/european-database-on-validation-of-non-formal-and-informal-learning https://www.thelocal.se/20220629/sweden-calls-for-return-of-labour-market-testing-for-work-permits https://www.myh.se/validering-och-seqf

ANNEX 9
ANALYTICAL DESCRIPTION OF THE POLICY OPTIONS

1. ANALYTICAL METHODS

This Annex provides an overview of the **analytical methods used to design and assess the policy options**.

1.1 Identification of the possible Policy Options

The following process was applied to determine the policy measures and the policy options formed on the basis of these measures.

The full spectrum of possible EU intervention was considered: no action, non-legislative action and legislative action. The POs range from non-legislative (PO1) to legislative actions (PO2 and PO3) either partially based on existing frameworks or envisaging stand-alone legislative solutions.

With regard to the **methodology** used, the design of the policy options was determined following a differed degree of intensity and ambition. In particular, the POs were designed to cover the full spectrum of possible EU intervention while ensuring a balance between the need to attract third country nationals to address labour shortages and the quality of these job matches.

For this purpose, the rationale underlying the construction of the POs lays on two **criteria**:

1) The **intensity of the intervention** with regard to the available tools to facilitate the recruitment: The POs were designed with a growing degree of intensity with regard to the IT tools and other supporting measures available to third country nationals and employers such as the pool of CVs and job vacancies, searching functionalities and matching tools, personalised support and guidance, online information provision on recruitment and immigration processes. While PO2 and PO3 have same functionalities, a higher degree of ambition is foreseen under PO3 where the IT platform and related tools are developed with sophisticated IT solutions. (PO1 with limited functionalities, PO2 with higher functionalities but limited in terms of IT solution, PO3 with same functionalities than in PO2 and sophisticated IT solution).

2) The **scale of the intervention** ranging from a more targeted/focused approach to the labour market needs to an open and wider (or demand-driven) action on the labour market: Under these criteria, the POs were designed with a view to addressing labour and skills shortages in the EU labour market to a different extent. While POs having an open approach would allow international recruitment of third country nationals in all sectors and occupations, the PO with a more focused scope would imply targeting those sectors and occupations which are suffering of particular shortages that cannot be addressed by domestic workforce and are strategic for the future prosperity of the EU and its Member States.

1.2 Design and description of the Policy measures

A wide range of **policy measures** were identified and grouped under each policy option. To ensure a comprehensive assessment of all the possible scenarios, a number of **alternative policy measures** were also identified.

To ensure more clarity in the construction of the legislative policy options, a number of **building blocks** have been identified to group the relevant policy measures (e.g. scope of application, governance, user journey, IT platform, additional components).

The table below provides an overview of the main building blocks identified.

Policy options blocks
Legal instrument
Scope of application
Governance
IT platform
Interoperability
User-journey
Registration
Automatic pre-screening
Quality assurance checks employers
Search and matching
Validation of candidates' profiles
Additional components
Online information Personalised support Facilitation measures (e.g. fast-track immigration and recognition procedures and exclusion from LMT)

1.3 First stage assessment (legal and political feasibility): POs discarded at an early stage

The mapping stage included a first filter to identify the policy options to discard at an early stage for legal and pollical feasibility considerations (Section 5.3 of the main report and Annex 9).

This preliminary assessment was based on current legal constraints limiting the viability of certain solutions as well as the outcome of the extensive targeted consultation conducted with regard to political considerations.

1.4 Description of policy measures retained in the mapping stage

The outcome of this preliminary assessment was a set of policy options and policy measures retained for further elaboration and analysis (see section 5.4 of the main report and Annex 9).

1.5 Second stage assessment: Policy measure discarded, and mapping of the policy measures retained for further assessment

This stage included a second filter to identify the policy measures to be discard due to political and feasibility consideration. Only one policy measure alternative was discarded under PO2 (see section 5.4 of the main report).

All the other policy measures retained are therefore those that provide the alternatives that are most feasible (legally, technically, and politically).

The outcome of this stage was the final set of policy measures under each PO as set out in the table of section 5.4. of the main report.

1.6 . Assessment of the retained policy options

The retained POs and alternative policy measures are analysed in Section 6 the main report.

The assessment of the POs is based on a number of key assumptions that are explained in detailed in Annex 10.

The POs retained for in depth analysis were assessed against a series of assessment criteria covering specifically **effectiveness**, **efficiency** and **coherence**. A wide range of **impact categories** was then screened in order to identify the key impact categories (e.g. economic, social and fundamental rights, etc).

1.7 . The preferred option

The preferred was identified on the bases of the assessment above. Only those policy measures having the higher positive impacts in terms of effectiveness and efficiency were retained for the preferred PO. Therefore, a number of alternative policy measures were discarded for effectiveness and efficiency considerations.

2 POLICY OPTIONS DISCARDED AT AN EARLY STAGE

As described above, certain POs were not retained for further in-depth assessment due to legal and political feasibility considerations (see also Section 5.3 of the Report). These POs were discarded at an early stage and are not described below in further detail. In addition, no detailed assessment of their impacts is conducted in Annex 10.

2.1 Developing an EU Talent Pool by fully extending the existing EURES network for international recruitment purposes

The EURES network/platform[384] is the existing tool/system aimed at supporting the recruitment of jobseekers within the EU for cross-border mobility, in particular by matching the EU mobile workers interested in working in another Member States with job offers of the EU employers. Given the similar objectives of the EU Talent Pool initiative, this option considered the possibility to use **the EURES network/platform** to also facilitate the recruitment of TCNs by EU employers. However, EURES is specifically conceived to facilitate intra-EU mobility of workers and it does not cover situations of TCNs residing

[384] EURES is based on Regulation No. 2016/589, amended by Regulation 2019/1149 setting up the European Labour Authority (ELA).

abroad nor is devised as an international recruitment/legal migration tool. [385] Therefore, under this option, the EURES scope of application should be **extended to TCNs residing abroad**.[386]

The option is discarded at an early stage since extending EURES beyond its objectives and scope in order to cater for international recruitment of TCNs from outside the EU is not legally feasible due to the **non-compatibility of the two legal bases** (Articles 79 and 46 TFEU) which fall under two different Titles of the TFEU[387] and cannot be combined.

2.2 Developing an EU Talent Pool open to third-country nationals already residing in the Member States

The option of developing an EU Talent Pool open to TCNs already residing in the Member States was discarded as it goes beyond the objective of this initiative which aims at designing an international recruitment tool specifically conceived to improve legal migration by making the EU more attractive for TCNs from abroad. Recruitment of TCNs already residing in the EU falls under domestic or, in some specific cases, intra-EU recruitment. TCNs legally residing in the EU can either rely on the support of the public employment services in the Member State in finding a job locally or rely on EURES, in case they enjoy intra-EU mobility. In addition, according to the EU legal migration directives and the majority of national work permits, a person needs to reside outside the EU to be able to obtain a work permit on the basis of a job offer.

2.3 Developing a mandatory EU Talent Pool for all Member States

This option was not retained for further in-depth/quality assessment due to political feasibility considerations. The extensive consultations conducted with the Member States and other relevant stakeholders, including economic and social partners, clearly shown the very low political acceptance of this alternative as it would impose on Member States the use of the EU Talent Pool platform to support international recruitment[388]. While developing a mandatory tool would still allow Member States to use their national international recruitment tools and policies, employers established in each Member State would be able to register job vacancies on the platform. This would have resource implications on the national authorities as Member States would be required to designate National Contact Points responsible for the practical implementation at national level. This initiative is conceived as a tool to provide support to employers and Member States in attracting TCNs workers according to the labour market needs rather than introduce a new legal pathway. Therefore, Member States consulted on the initiative during the Labour Migration Platform were unanimously against the development of a mandatory platform. Social and economic partners consulted, pointed out the need of

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385 *"The European Parliament and the Council shall, acting in accordance with the ordinary legislative procedure and after consulting the Economic and Social Committee, issue directives or make regulations setting out the measures required to bring about freedom of movement for workers, as defined in Article 45 […]".*

386 EURES is in fact based on Regulation No. 2016/589386 establishing the framework for cooperation to facilitate the exercise of freedom of movement for workers and it is complemented by six Commission implementing Decisions covering governance and matching related aspects.

387 Title IV (Freedom of persons, services and capital) and V (Area of Freedom, Security and Justice) and title xx

388 [add information from consultation. Waiting for contractor synopsis report].

ensuring a flexible tool available to support international recruitment when considered necessary and advantageous.

3 DETAILED DESCRIPTION OF THE POLICY OPTIONS

The policy options described in detailed below were retained in the mapping stage. wide range of policy measures were identified and grouped under each policy option to ensure a comprehensive assessment of all the possible alternative scenarios. Alternative policy measures are also described below. A second stage assessment of the political and practical feasibility of the policy measures was conducted (see discarded policy measure under PO2).

3.1 Option 1: Soft measures aiming at improving information provision and facilitating identification and matching (non-legislative option)

This option would involve **non-legislative actions** aimed at **enhancing information provision** on immigration procedures, the **identification** of candidates from third countries available for the recruitment and **partially support the matching** between employers and TCNs. This option partially builds on existing EU tools, and it would be open to all employers and TCNs regardless their occupations.

Scope of application

This PO would be open to all TCNs and employers regardless their occupations as it would not be targeting specific occupations of EU and national relevance. No specific measures incentivising cooperation management with third countries, including in the context of the Talent Partnerships

Governance

As described in more detail below the National Contact Points would be designated at national level to implement this initiative. In particular, for the purpose of implementing the online portal with a catalogue of profiles, the role of the National Coordinators would be to facilitate the contact between employers and registered candidates (e.g. no registration of employers, and personalised support).

Key policy measures

1. Improving the EU Immigration Portal

The **EU Immigration Portal** is hosted by the European Commission. It was launched in November 2011 to provide hands-on information for TCNs interested in moving to the EU. The website is also directed at migrants who are already in the EU and would like to move from one Member State to another. It offers a general overview of immigration policy in the EU and gives specific practical information about national procedures and migration profiles. Currently information on the portal is translated in five languages (English, Spanish, French, Portuguese, Arabic) and it is provided by the national authorities in the framework of the European Migration Network (EMN). The information is periodically revised (every 6-7 months) by the Member States and the European Commission.

While the EU Immigration Portal represents a useful tool to support TCNs and employers in understanding existing immigration procedures, it could be subject to further improvement. The number of visits on the website shows that it reaches only a limited part of potential

interested TCNs. This might be linked to the fact that, i) the website is not sufficiently known by TCNs willing to find job opportunities in the EU, ii) it is not sufficiently user-friendly, iii) information on immigration procedures at national level is not always updated, and iv) translation is provided only in five languages. Therefore, employers and TCNs willing to move to work in the EU might face difficulties in easily understanding and navigated the information provided.

In order to ensure better information provision and access to immigration procedures, the EU Immigration Portal website could be modernised and upgraded by:

- Ensuring **more precise, clear and up-to-date information on immigration procedures** by making the updates more frequent;
- **Transforming the website in a customised tool** enabling TNCs and employers to navigate towards the appropriate type of visa and work permit and related procedures on the basis of their specific profiles. This could be achieved via a questionnaire guiding the user in the identification of the relevant migration scheme;
- **Adding additional information** beyond immigration procedures (e.g. living and working conditions, language classes, available trainings, resources on family integration, relevant national platforms with job vacancies, as well as and information on the recognition of qualifications)
- **Translating the website in more languages**;
- Making the website **overall more user-friendly** via IT developments to upgrade the user experience (this would require redesigning the user interface, optimising navigation, and enhancing usability through intuitive layouts and interactive elements)

The European Commission will continue hosting the tool (with the possibility to rely on an external service provider for IT maintenance, information updates and translations) and national authorities will provide regular updates existing procedures in the Member States.

While modernising and updating the EU Immigration Portal would ensure better information provision and facilitate access to procedures, it would not have a direct impact on facilitating the identification and matching between candidates from third countries and EU employers.

2. Organising job-matching events

This option could also include the **organisation of job-matching events, to be advertised and made accessible on the EU Immigration Portal website**. These events could be organised online or in presence and would facilitate the matching between TCNs workers and employers as they would be able to get in contact, conduct interviews, assess candidates' skills and language knowledge as well as providing clear and precise information of working conditions and salary levels. In addition, targeted events linked to particular shortage occupations, or a specific Talent Partnership could be organised.

These events could be organised following the model of the **European Job Days** - an initiative run by the European Labour Authority within the EURES framework. The European Job Days cannot be extended as such to include TCNs workers due to legal limitations arising from the EURES Regulation being the legal basis for these events.

The job-matching events would be organised by the European Commission. **National Coordinators** would be designated in the Member States to support the organisation of the events in terms of technical and logistical assistance. The National Coordinators would also be

responsible to reach out employers at national level and conducting communication campaigns.

3. Setting up an online portal with a catalogue of profiles

An EU Talent Pool would be developed via a non-legislative instrument. The catalogue would be set up via a Commission Recommendation followed by intensive discussion and cooperation between Member States for the operational development of the online catalogue. The necessary arrangements, including for theprotection of personal data, would need to be provided at national level by interested Member States in compliance with the EU data protection *acquis.*

From a technical point of view, this option would envisage the **development of an online portal** where TCNs residing abroad would be able to **register their profiles**. Profiles could be created via a standardised format. However, some adaptations would have to be introduced to ensure that candidates' profiles are subject to **pseudonymisation of personal data**. Their personal data would only be visible to the **National Coordinators** which would be established in the interested Member States to facilitate the connection between interested employers and candidates. The National Coordinators would also be responsible for outreach to employers at national and local level.

The catalogue of registered profiles would be available to employers participating in the EU Talent Pool. A **search function** would enable employers to search for candidates' profiles via filters.

Job vacancies would not be included in the pool and only employers would be able to research relevant candidates' profiles.

Quality assurances checks on employers would not be conducted prior to the matching with interested TCNs.

3.2 Option 2: Developing an EU Talent Pool targeted to address labour market needs in key occupations (legislative option)

This legislative option would envisage the adoption of a **new legislative act** (based on Article 79(2)(a) TFEU) regulating the scope of application, access criteria, governance, specific features/components and functioning of the EU Talent Pool. The key policy measures would include:

<u>Scope of application</u>

The EU Talent Pool would be a **voluntary system** in which only interested Member States can decide to participate. Member States would notify the European Commission their interest to take part to the EU Talent Pool. As a voluntary tool to facilitate international recruitment, the EU Talent Pool would offer additional support at EU level. Hence, Member States would be able to maintain their tools in place and complement them with the new platform. Similarly, employers and third country nationals residing abroad remain free to decide whether to use this tool for international recruitment (using this tool would not be a pre-requisite to obtain a work permit as the EU Talent Pool does not constitute a new legal pathway). Only employers established in the participating Member States would be able to register their job vacancies on the portal and search for candidates. Conversely, TCNs registered would be able to search for job vacancies only in the participating Member States.

The EU Talent Pool would **target occupations of EU and national relevance**. For this purpose, the European Commission would prepare a list of occupations of EU and national relevance. The list would cover shortage occupations that are strategic for achieving EU goals and objectives, mainly linked to promoting economic growth, innovation, sustainability, and competitiveness. The identification of the targeted occupations would be based on a list of occupations of EU and national relevance prepared by the Commission. In preparing the list **Member States' labour needs** at national and regional level will be taken into account. In particular, the National Contact Points will share a list of national and/or, where relevant, regional shortage occupations with the Commission. The shortage occupations which are widespread in a significant number of Member States will be included in the list consolidated by the Commission. Reports and data available at EU level on labour shortages in the Member States will be taken into account when consolidating the list (e.g. the EURES Report on labour shortages and Eurofound annual report). Once the most relevant shortage occupations in the Member States have been identified, additional **shortages occupations of EU relevance** would be integrated in the consolidated list (for instance, shortage occupations foreseen in the long run and linked to the green and digital transition which are not already identified by the Member States). These shortage occupations of EU strategic relevance would be linked to economic growth, innovation, and sustainability considerations as well as strategic migration management objectives (e.g. the occupations identified in the context of the Talent Partnerships with third countries would be taken into account). The list would be constructed in a **flexible way** to ensure that all Member States needs are adequately covered. Hence, the final consolidated list might cover a wide range of shortage occupations. In addition, the list would be subject to periodic revision to reflect evolving labour market needs. Relevant stakeholders and industry representatives will also be consulted in the preparation of the consolidated list.

Therefore, the EU Talent Pool would not be open to all job vacancies, but it would rather be limited to those falling within the selected occupations. Only candidates having the right skills and qualifications to perform a job in the targeted occupation would be admitted in the EU Talent Pool following an automated pre-screening. Under this option, the alternative of targeting the EU Talent Pool to only highly skilled related professions would also be assessed. Under this alternative only highly skilled jobseekers would be allowed to register in the platform. Highly skilled workers would be identified according to the criteria defined in the EU Blue Card Directive and relevant national schemes for the highly skilled.

The EU Talent Pool would be a **tool to facilitate the implementation of the Talent Partnerships** becoming the vehicle through which TCNs from the identified partner countries are channelled to a job placement in the participating Member State. Talent Partnerships have a targeted nature and relevant sectors are identified by common understanding between the partner countries and the participating Member States. Hence, they follow a similar logic as set out in this PO. In practice, the occupations identified as of relevance in the context of the Talent Partnerships would largely overlap with the shortage occupations identified in the list of shortage occupations relevant for the EU Talent Pool. Therefore, the EU Talent Pool would offer an effective tool to also support the implementation of Talent Partnerships. All TCNs who participated in activities in the context of a Talent Partnership would be registered on the EU Talent Pool - with the support of **liaison officers** in the partner countries. This would allow employers in the relevant Member State to identify, and recruit interested candidates.

Third country nationals participating in the Talent Partnerships receive support for skills development and skills validation in a framework agreed between participating Member States and partner countries. This framework allows for an enhanced level of trust from the EU

employers in the skills of these third country nationals. Therefore, the skills developed or validated in the framework of a Talent Partnership should be visible in the context of the EU Talent Pool in the form of an 'EU Talent Partnership pass'. For this purpose, a **Talent Partnership pass** would be issued to certify that the third country national benefitted from a training organised or supported by the Talent Partnership or had his/her skills and competencies verified in this context. Once registered in the EU Talent Pool, the profiles holding a Talent Partnership certificate would be **flagged as certified** (.

These profiles would be accessible, for a certain period of time (e.g. 1 year) to employers established in a Member State participating in a Talent Partnership. This would allow employers in the relevant Member State to identify, and recruit interested candidates who participated in a Talent Partnership. Therefore, the EU Talent Pool would become the tool to ensure job placements in the context of a Talent Partnerships. If third country nationals holding the Talent Partnership pass are not recruited by employers established in a Member State participating in the Talent Partnership after a certain period of time, all employers having a registered job vacancy in the EU Talent Pool would be able to search, contact and recruit them.

Third country nationals having obtained an 'EU Talent Partnership pass' would have a simplified access to the EU Talent Pool. In particular, they would be **exempted from the automated screening** carried out in the context of the EU Talent Pool IT platform, as the '**EU Talent Partnership pass' already guarantees the relevance of their profile for the EU job market**.

While the EU Talent Pool would represent a tool to support job placements in the context of the Talent Partnerships, it does not constitute the only way to implement those partnerships. As the two initiatives remain separate, Member States participating in a Talent Partnership would not be obliged to participate in the EU Talent Pool and vice versa. As the EU Talent Pool would be a voluntary tool aimed at supporting Member States international recruitment without replacing existing national tools or talent attraction policies, Member States remain free to decide whether they want to participate. This also applies to Member States participating in a Talent Partnerships.

On the other hand, third country nationals who received support under a Talent Partnership should always have the possibility to register in the EU Talent Pool as any other third country national. In such case, the third country national would register without a Talent Partnership pass and would be visible to employers established in all Member States participating in the EU Talent Pool.

Governance

Under this PO, the following actors would be responsible for the EU Talent Pool governance:

i) The **EU Talent Pool Secretariat** within the European Commission would be responsible for the overall management of the EU Talent Pool. In particular, it would be setting up and managing the common IT platform and overseeing the overall implementation of the tool.

ii) The **EU Talent Pool Steering Group** composed by Member States representatives from the immigration and employment authorities would be responsible for discussing strategic orientations relevant for the EU Talent Pool implementation and providing support to the EU Talent Pool Secretariat on a number of aspects such as the definition of the list of EU and national relevance and the annual work programme.

iii) The **EU Talent Pool National Contact Points** (NCPs) would be designated by each participating Member State and would be responsible for the practical implementation of the EU Talent Pool at national level, including the coordination with relevant national authorities and the promotion of the EU Talent Pool in the Member States. In particular, it would be responsible for registering job vacancies of employers in the EU Talent Pool, and providing personalised assistance throughout the recruitment process as described below. A greater involvement of the national authorities is expected due to the targeted nature of this PO. In particular, NCPs would be required to contribute in the identification of the targeted occupations by providing a list of shortage occupations at national and regional level (where applicable). The NCPs would also be responsible for checking whether the job vacancy fall within the list of relevant occupations (specific tools would be envisaged to support in this process: see below under registration). In addition, NCPs would provide tailored support to users when online information and standard guidance are not sufficient. (See below for more information on the role of NCPs).

iv) The **Talent Partnerships liaison offices** may be established in third countries with which the Commission has launched a Talent Partnership. The liaison offices would be responsible for supporting the access of TCNs to the EU Talent Pool, delivering the 'EU Talent Partnership pass' and ensuring the observance of fair recruitment practices.

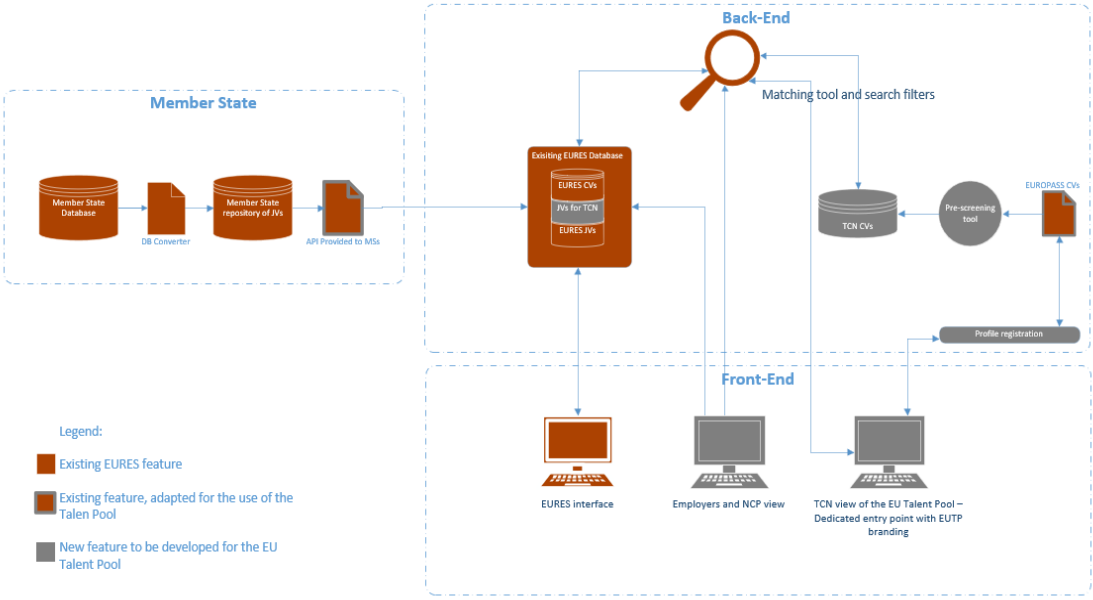
IT Platform

This PO would require the development of an IT platform. The platform would bring together profiles registered by job seekers from outside the Union and job vacancies of employers established in the Member States in the Member States participating in the EU Talent Pool and falling within the shortage occupations identified in the list of Eu and national relevance. The platform would integrate specific features to facilitate the identification and matching as well as the provision of online information and personalised support throughout the recruitment process before starting the immigration procedures.

The **EURES IT solution** would be partially re-used (e.g. job vacancies database, single coordinated channel, search engine, automatic matching tool). Those components that cannot be re-used from EURES would be developed from scratch (e.g. interface, CVs database).

As certain elements of the EURES IT solution would be re-used, the EU Talent Pool would automatically be interoperable with **EURES and the national platforms**. Member States having in place national recruitment platforms or other online tools specifically targeted to international recruitment would be able to complement them with the EU Talent Pool as technical interoperability with the national systems would be ensured via an application programming interface (API). Therefore, the competent authorities in the Member States (such as the Public Employment Services) would be able to access in one go job vacancies and jobseekers' profiles registered in the national and EU databases. This would ensure access to a wider pool of profiles while avoiding duplication and proliferation of platforms. The partial re-use of the EURES IT solution under this PO would allow to re-use the already existing interoperability structure and only small adaptations would be required.

The visual and the table below provide an overview of the EU Talent Pool platform functioning from an IT point of view highlighting which IT elements from EURES would be re-used.



Feature	Application of the feature	Existing or new
Dedicated entry point with EU Talent Pool branding	A single-entry point for TCNs using the EU Talent Pool should be created, using the EU Talent Pool branding.	New development
Dedicated entry point with the EU Talent Pool branding	A single-entry point for employers using the EU Talent Pool should be created, using the EU Talent Pool branding.	New development
Profile registration	Profile registration should be created to allow TCNs to create their profile in the tool	New development
Europass CVs	Europass should be adapted in order to allow for TCNs to create and manage their CVs in Europass.	Adaption from existing feature
Automated pre-screening tool	The pre-screening tool would verify a number of standard information for each TCN registering in the EU Talent Pool. Some of the standard information to be checked would be, identity, sector of occupation, education level, completed application and others to be specified at a later stage.	New development
CVs TCNs	A database should be created to store the CVs of TCNs registered in the EU Talent Pool.	New development
Search Engine	The existing search engine for EURES should be adapted to be re-used for searches within the EU Talent Pool.	Adaption from existing feature
Job Vacancies	The existing EURES database with job vacancies should be adapted in order to allow for the addition of a "flag" indicating that a job vacancy is open to TCNs. The job vacancies database should be modified, no new job vacancies database should be created for the EU Talent Pool	Adaption from existing feature
Interoperability with national platforms	The currently existing application programming interface (API) that allows NCPs to upload job vacancies to EURES should be adapted to allow the registration of job vacancies accessible to TCNs on the EU Talent Pool	Adaption from existing feature

User journey

1) Registration of job vacancies and TCNs profiles:

- **TCNs would be able to directly register their profile** on the EU Talent Pool. Profiles would be created using the **EUROPASS profile builder** tool and would include relevant information such as personal details, academic and professional qualifications, work experience, micro credential, and language knowledge. TCNs registering their profiles would also have the possibility to **upload documents** certifying the declared skills and qualifications. The possibility of exporting job vacancies from existing national job portals as well as other IT support tools would be envisaged to support in this process. Only job vacancies falling within the targeted occupations and open for the recruitment of TCNs following the labour market test would be made available on the EU Talent Pool platform.

- **Job vacancies** of employers would be registered by NCPs.

  The format of jobseekers' profiles and job vacancies would be built using the existing European classification of occupations, skills, competencies and qualifications (ESCO), which stands as the basis for further matching via the EU Talent Pool IT platform.

  2) Pre-screening of TCNs:

  As this PO would target certain occupations, an **automated pre-screening of TCNs** would allow to check whether the skills and qualifications declared in the profile correspond to those normally required to work in one of the targeted occupations. An IT automated tool would be developed for this purpose. These checks would **not** entail an assessment of the quality and authenticity of the declared skills and qualifications. The pre-screening would be based on the qualifications and skills declared by the applicant at the moment of the profile registration. Only profiles successfully pre-screened against the job vacancies available in the platfom would be visible to employers.

  The possibility to also conduct ID security checks on TCNs profiles prior the admission into the EU Talent Pool would also be assessed.

  3) Safeguards for fair recruitment: Employers using the EU Talent Pool would be required to comply with the relevant European legislation and national labour standards to third-country nationals' protection against unfair recruitment and inadequate working conditions. Employers' access to the platform would be suspended and their job vacancies removed by the EU Talent Pool National Contact Poinsin case a breach is notified by the relevant national authorities._NPCs conduct such monitoring activities in accordance with their national rules and practices. Therefore, checks on additional aspects going beyond the provisions of the Charter may be conducted in case more protective rules are foreseen in the national legislation.

  4) Search and matching: Once admitted in the EU Talent Pool employers will be able to search and contact candidates. Candidates will be able to search for job vacancies. A **search functionality via filters** and a **semi-automatic matching tool** would facilitate the identification of candidates and job vacancies. The semi-automatic matching tool would show the list of candidates who better match with the job vacancy requirements by providing a rating for each profile. In addition, personalised support would be provided by NCPs throughout the entire recruitment process including with regard to the identification of suitable candidates and job vacancies.

  5) Validation of candidates' profiles: Third-country nationals skills and qualifications obtained in third countries could be validated under this option. Two alternatives would be assessed:

i) The **validation of candidates' profiles is conducted at national level** by the relevant actors (e.g. NARICs centres at national level) when considered necessary by the TCN or the employer. While information and guidance would be provided in the platform on existing validation procedures in the Member States, the individual skills would not be validated by the EU Talent Pool platform itself. However, by facilitating third country nationals' access to information on the relevant recognition and validation procedures at national level they would have more clarity on the different requirements, hence making their access to this process easier and faster. In particular, the targeted nature this PO2 would allow to ensure more specific guidance on validation of skills required in the relevant occupations;

ii) The alternative of developing a mandatory **validation process of all TCNs profiles conducted at EU level** prior the admission to the EU Talent Pool would also be assessed. Under this option, an EU level validation procedure for skills and qualifications obtained in third countries should be developed by harmonising existing divergent practices in the Member States. This alternative would also entail the identification of the relevant actor to conduct the validation of skills and qualifications. This could be done by entrusting existing EU agencies or establishing an external third-party validator. The third-party assessment could involve private recruitment agencies offering candidates the validation of the self-declared information and issuing an assessment. The option of multiple accredited trusted parties depending on the specific occupation related credentials could also be explored.

Additional components

1) Provision of online information

Provision of online information on recruitment, immigration procedures and validation/recognition of qualifications and skills obtained in third countries as well as living and working conditions would be available on the EU Talent Pool. This would facilitate the understanding of existing rules in the different Member States and facilitate access to procedures. To avoid excessive burden on the national authorities, standard guidance and FAQs would be developed.

For this purpose, the online information already available on the EURES portal would be re-used, in particular with regard to **living and working** conditions in each Member State.

Similarly, information on **immigration procedures** provided on the EU Immigration Portal would be embedded in the EU Talent Pool platform or a link to the relevant website would be provided.

In addition, specific information on **recognition and validation procedures** in the Member States would be accessible on the platform. The EU Talent Pool platform would also provide links with relevant transparency and comparability tools developed at EU level, therefore improving their visibility.

Information available at national level to **facilitate TCNs' integration** in the host Member Sate such as language courses, vocational training and support with integration would also be provided as well as specific guidance on **family reunification procedures** and family members' rights.

2) Personalised support and guidance

Upon request from TCNs and employers participating in the EU Talent Pool**,** the NCPs would provide **personalised support and post-selection assistance** in particular with regard to information on family reunification procedures and family members' rights; information

available at national level to facilitate third-country nationals' integration in the host Member State such as language courses, vocational training and other integration measures; and where available, the contact details of organisations which offer post-recruitment assistance for third country nationals.

3) Measures facilitating the recruitment process

The possibility for Member States to **introduce facilitation measures** aimed at making the recruitment process easier and faster would also be envisaged. In particular, facilitation measure may include the possibility to set up **fast-track immigration procedures** to obtain visa and work permits as well as **accelerated procedures for the recognition** of qualifications obtained in third countries. In addition, **exclusions from the labour market test** could be foreseen for job vacancies falling within the list of occupations of EU and national relevance targeted by the EU Talent Pool.

Policy measure discarded at an early stage

Mandatory pre-admission validation of all TCNs at EU level by a third-party validator

This policy measure implies that a profile of a TCN cannot be visible for employers in the EU Talent Pool, until his/her skills and qualifications are validated by an EU validator. This would require the development at EU level of a harmonised procedure to validate skills and qualifications obtained in third countries which is recognised in all Member States. While the validation of all candidates' profiles prior the admission would ensure the development of a highly trusted pool of candidates, hence, improving the quality of matches, this option appeared problematic for the following reasons:

- First, validation procedures are currently conducted at national level and widely differ from one Member State to another (see Section 2.2.2). At this moment in time it is not practically and politically feasible to harmonise such processes. In addition, it would require the identification of a responsible actor at EU level to conduct such validation. Existing EU agencies could not be tasked with this new responsibility without requiring an extension of their current mandate. Tasking an EU agency with this responsibility or establishing a new entity in charge of validation of skills and qualifications at EU level would require extensive resources.

- Imposing the validation of all profiles prior the admission into the pool would appear disproportionate and counterproductive as it would create bottlenecks, high costs and long waiting times for TCNs to access the tool. As validation is not always a mandatory requirement to obtain a work permit and it is not considered necessary by all employers, this solution would run against the need of ensuring a flexible tool making easier and faster to recruit internationally. In addition, only a limited number of candidates who have been successfully validated would be admitted to the platform entailing a smaller pool of candidates to which employers can rely on.

Option 2: Developing an EU Talent Pool targeted to address labour market needs in key occupations (legislative option)		
Scope of application		
• **Voluntary system** (only interested Member States decide to participate and notify to the European Commission their interest); or • **Mandatory system** for all Member States *[discarded alternative]*		
• Targeted to **occupations of EU and national relevance** (all skills levels); or • Targeted only to **highly skilled occupations** *[alternative]*		
Tool to facilitate the implementation of Talent Partnerships (vehicle through which TCNs from the identified partner countries are channelled to a job placement in the participating Member State). Specific rules on registration, participation and validation [additional facilitations]		
Governance		
i) **Secretariat** within the European Commission; ii) **Steering Group** (Member States representatives from the immigration and employment authorities)**;** iii) **National Contact Points** (NCPs) designated by each participating Member State; iv) Talent Partnerships **liaison officers** in partner countries.		
IT platform		
IT solution	EURES IT solution partially re-used	
Interoperability	Automatically interoperable with EURES platform and national system since same IT solution (only small adaptations required)	
User journey		
	Third-country nationals	**Employers**
Registration	**Direct registration** of the profile on the EU Talent Pool	Registration of job vacancies by NCPs
Pre-screening and Safeguards for fair recruitment:	**Automated pre-screening** via-à-vis list of relevant occupations	Employers'compliance with European legislation and national labour standards
Search and matching	Candidates can search for job vacancies via filters	Employers can search (via filters) and contact candidates
	Semi-automatic matching tool facilitating the matching (re-using EURES tool) + **personalised support** by NCPs	
Validation of candidates' profiles	TCNs' profiles validation (either upon request at national level or mandatory for all at EU level)	
Additional components		
Online information	Online information on recruitment, immigration procedures and validation/recognition etc.	
Personalised support and guidance	Personalised assistance by NCPs to TCNs and employers (information on recruitment, immigration procedures and validation/recognition of qualifications and skills, working and living conditions as well as tailored assistance on matching process)	
Facilitation measures	**Option** for Member States to introduce fast-track immigration and recognition procedures and exclusion from LMT	

3.3 Option 3: Developing an EU Talent Pool as a fully demand-driven tool (legislative option)

This option envisages the adoption of a **new legislative act** (based on Article 79(2)(a) TFEU) regulating the scope of application, access criteria, governance and functioning of the EU Talent Pool.

Scope of application

As a voluntary tool to facilitate international recruitment, the EU Talent Pool would offer additional support at EU level. Similarly, employers and third country nationals residing abroad remain free to decide whether to use this tool for international recruitment (using this tool would not be a pre-requisite to obtain a work permit as the EU Talent Pool does not constitute a new legal pathway).

The EU Talent Pool **would not be targeting certain shortages occupations**. Thus, EU employers would be able to register their job vacancies on the platform regardless of their specific sector or occupations. Conversely, all TCNs would be able to register on the EU Talent Pool without any limitation in terms of specific skills or qualifications required.[389]

While TCNs and employers from partner countries and Member States participating in a Talent Partnership would be allowed to register in the EU Talent Pool as any other users, this PO **would not foresee the platform as a tool to specifically implement the Talent Partnerships**. Therefore, additional facilitations would not be included, and the EU Talent Pool would not be the channel for job placements in this context.

Governance: Whilst not necessarily building on the EURES governance model, PO3 would still require the running of the platform at EU level by the EU Talent Pool Secretariat. The Steering Group composed by Member States' representatives from the immigration and employment authorities would define operational objectives at higher political level. As per PO2, National Contact Points (NCPs) would be designated in the Member States. However, while the involvement of the Member State would be lower due to its open and fully demand-driven nature (e.g. no list of shortage occupations at national level, no registration of employers), a greater involvement of the National Contact Points would result from the higher number of users potentially requiring their support. This could also result in increased efforts linked to the monitoring activities.. However, as no special link with Talent Partnerships would be included, this PO would not envisage the establishment of Liaison offices in partner countries.

IT platform

As per PO2, this PO would require the development of an IT platform bringing together profiles registered by jobseekers from outside the Union and job vacancies of employers established in the Member States participating in the EU Talent Pool.

Under this PO, a completely **new IT solution** would be developed via a **job-matching system** that it is fully based on AI-based algorithms inspired by existing private sector platforms. A completely new IT solution is envisaged due to the wider scope of this PO which would cover all range of possible occupations, and therefore would require cutting-edge technologies

[389] Leaving the EU Talent Pool open would imply a more demand-based approach able to better address the actual recruitment needs of EU employers.

allowing to better identify and match job vacancies and profiles (e.g. such as advanced language programs, and AI driven algorithms) (see Annex 9 for a more detailed description of the IT solution). Under Option 3, there is an intention to incorporate cutting-edge technologies, including advanced language programs, AI-driven algorithms, and an enhanced user experience. The development of a new IT architecture would require the design of the relevant functionalities in order to allow the effective functioning of the EU Talent Pool and make it fit to its purpose. While the IT components and functionalities would be similar to those described under PO2, this PO would not foresee the re-use of certain EURES elements. Unlike PO2, where the use of existing EURES resources could potentially limit the inclusion of state-of-the-art solutions, PO3 is strategically positioned to maximize the benefits of the latest technology available. PO3 would not use the pre-existing infrastructure and EURES components. This opens the way to innovation but requires greater development and maintenance efforts. It also guarantees the assimilation of the most advanced technological tools available.

Advanced programming languages enhance the capabilities of programming features (e.g., object-oriented programming (OOP)[390], event-driven programming[391], multithreaded programming[392]) that enable developers to create highly efficient code compared to lower-level programming languages, on which the platform would partly depend in the case of PO2.

These capabilities can enhance the development process, potentially enabling the creation of a very user-friendly interface, optimising the platform for high performance, and ensuring code modularity and maintainability over time.

The incorporation of AI-driven algorithms significantly amplifies the platform's capabilities. This includes the integration of an AI-driven matching tool for enhanced accuracy, the inclusion of analytics for data-driven insights, the provision of personalised recommendations for a tailored user experience, and the utilisation of chatbots for efficient information sharing and counselling.

The use of AI-driven algorithms in the process of job search and matching offers the possibility to use data with greater efficiency and expediency. They can continuously learn and refine their capabilities thanks to ongoing interactions with users and the assimilation of new data, mainly through dynamic functions, including machine learning techniques to perform more precise matching.

Advanced algorithms have the capacity to operate across a broader spectrum of data used during the matching process. In contrast to traditional algorithms, which demand structured data (standardised data formats for instance jobseeker data gathered via online forms), AI algorithms can process unstructured data[393], such as the free-textual content or images within a job seeker's CV (that is not in the Europass format) or a job vacancy's description. The key principle here is the analysis of unstructured data and its transformation into a structured format. This again enables a more precise matching.

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390 A programming model that organises related data variables and functions into single units, known as objects, to reduce source-code complexity and increase its reusability.

391 This feature allows events, such as a user's mouse click, to determine a program's actions.

392 This feature llows central processing units (CPUs) to execute multiple sets of instructions concurrently as part of a single process.

393 Structured data is information that is organised and formatted in a consistent, predefined manner. It follows a specific data model or schema, which means that data elements are clearly defined, labelled, and arranged in a predictable format. Unstructured data, in contrast, does not follow a specific format or data model.

In addition, advanced algorithms can analyse the behaviour of jobseekers when they are searching for a job. For instance, they can analyse users' browsing habits to identify offers similar to those they have already consulted.

Advanced algorithms employed by job search and matching platforms can delve into the behaviour of both jobseekers and employers. When it comes to jobseekers, these algorithms can analyse their browsing habits, tracking the job listings they explore and engage with, and the specific search criteria they employ. This behavioural analysis allows the algorithms to gain valuable insights into jobseeker preferences and interests. An application of this analysis is the delivery of highly personalised job recommendations. When a jobseeker interacts with a particular job listing, the algorithm can identify similar opportunities based on diverse criteria, such as job title, skills, and location. This not only widens the jobseeker's search but also enhances user engagement and job matching precision, benefiting jobseekers. Simultaneously, from the employer's perspective, this means better connections with candidates who are genuinely interested and well-suited for their job listings. It streamlines the recruitment process, improves the quality of applicants, and reduces time-to-hire.

In addition, an AI algorithm might analyse data on job vacancies and hiring trends over time to identify patterns in the types of skills that are in demand. It could then use these patterns to predict future trends, such as which skills are likely to be in high demand in the future.

Moreover, AI algorithms can model various scenarios based on this analysis. For example, it could simulate the impact of a new technology on the labour market, predicting how it might change the demand for certain skills.

In this way, AI can provide valuable insights into labour market dynamics. It can help anticipate labour shortages and skill requirements arising from the integration of emerging technologies. This information can be used by policymakers, educators, and businesses to make informed decisions about education and training programs, recruitment strategies, and other initiatives.

Furthermore, leveraging advanced techniques and methodologies (including deep learning), AI can provide personalised training and skills development recommendations.

A detailed comparison between advanced algorithms functionalities and traditional ones is provided in the table below:

	Traditional algorithms	**Advanced algorithms**
Data type used for matching	Primarily use structured data (e.g., location, skills, and experience) to match CVs with job vacancies	Process both structured and unstructured data, such as free text in CVs or job descriptions, and analyse user behaviour to identify similar job offers
Learning	Static, based on predefined rules and parameters	Dynamic, capable of continuous learning and refinement through ongoing interactions with users and assimilation of new data
Analytics:	Limited capability, if any, for	Leverage advanced optimisation

predictive inferences	predictive inferences	techniques to make predictive inferences with implications for labour market dynamics
Analytics: training and skills development recommendations	Limited capability, if any (based on predefined rules)	Can provide personalised and dynamic training and skills development recommendations tailored to the individual's specific needs and preferences
Information sharing	Limited rule-based chatbots	Intelligent chatbots (conversational chatbots)

As a completely new IT solution would be developed, **interoperability with EURES and the national platform**s should be created from scratch via the development of dedicated application programming interfaces (APIs). As under this PO a completely new IT solution would be developed, interoperability with the national platforms would be created from scratch via the development of dedicated application programming interfaces (APIs). As per PO2, interoperability with national systems would allow the competent authorities in the Member States (such as the Public Employment Services) to accessjob vacancies and jobseekers' profiles registered in the national and EU databases in one go.

In addition, **interoperability with private platforms** (e.g. LinkedIn) would also be ensured. In practice, , this would entail:

- Application Programming Interfaces (APIs) integration: LinkedIn, like many other online platforms, shall offer APIs that allow external systems to interact with its data and services.

- Data mapping: data mapping involves defining how data fields in the EU Talent Pool align with those in LinkedIn. For example, mapping the "Skills" section in a LinkedIn profile to the "Skills and Qualifications" section in the EU Talent Pool. This ensures that the imported data is structured correctly.

- Data synchronisation: the systems would need to periodically synchronise data to ensure that profiles on both platforms remain up to date. For example, changes made to a job vacancy on LinkedIn should be reflected in the EU Talent Pool, and vice versa.

- User experience: from a user perspective, this interoperability would mean that TCNs can seamlessly register and update their profiles on the EU Talent Pool using data from their LinkedIn profiles. It simplifies the registration process and reduces redundancy.

User journey

1) Registration of job vacancies and TCNs profiles:

- **TCNs would be able to directly register their profiles** on the EU Talent Pool under the same conditions and requirements described under PO2.

- By contrast to PO2, employers would be allowed to directly register their vacancies on the platform without any involvement of the national authorities as it would be open to all occupations and, hence all type of job vacancies. Under this PO, an online registration form would be developed. The job vacancies format would be built using the existing European classification of occupations, skills, competencies and qualifications (ESCO).

2) There would not be any pre-screening of TCNs profiles.

3) Safeguards for fair recruitment*:* Under this PO three alternatives would be considered:

i. No quality assurance checks on employers would be conducted following their direct registration on the platform;
ii. Same as per PO2*;*
iii. A new tool allowing the automated pre-screening of employers' profiles and job vacancies would be developed. Use of advanced matching algorithms would be considered under this PO. A semi-automatic matching tool would assist in the matching process, with personalised support provided by NCPs.

Employers would adhere to the Chart for Fair Recruitment defined by the participating Member States on the basis of EU and international standards.

4) Search and matching: Same as PO2. By contrast to PO2, a new search by filters functionality and semi-automatic matching tool would be developed as the existing EURES components would not be re-used.

<u>Additional components</u>

Same as PO2 but Member States would be **obliged to introduce facilitation measures** aimed at making the recruitment process easier and faster.

Option 3: Developing an EU Talent Pool as a fully demand-driven tool (legislative option)		
Scope of application		
• **Voluntary system** (only interested Member States decide to participate and notify to the European Commission their interest); or • **Mandatory system** for all Member States *[alternative]*		
Open to all sectors/occupations		
No specific rules on Talent Partnerships supporting their implementation		
Governance		
Similar to PO2 (but no EURES model and greater involvement of NCPs)		
IT platform		
IT solution	New IT solution (no re-use of EURES)	
Interoperability	Interoperable with EURES, national and private platforms (newly developed)	
User journey		
	Third-country nationals	**Employers**
Registration	**Direct registration** of the profile on the EU Talent Pool	**Direct registration** of job vacancies
Pre-screening and safeguards for fair recruitment	No pre-screening of TCNs	• No checks on employers • Same as PO2 *[alternative]* • Automated checks on employers *[alternative]*
Validation of candidates' profiles	No validation of TCNs' profiles	
Search and matching	Candidates can search for job vacancies via filters	Employers can search (via filters) and contact candidates
Semi-automatic matching tool	**Semi-automatic matching tool** facilitating the matching (newly developed) + **personalised support** by NCPs	
Additional components		
Online information	Same as PO2	
personalised support and guidance	Same as PO2	
Facilitation measures	Obligation for Member States to introduce fast-track immigration and recognition procedures and exclusion from LMT	

ANNEX 10
ASSESMENT OF COST AND BENEFITS OF THE POLICY OPTIONS[394]

The key assumptions underlying the assessment of costs and benefits are described in detail in Annex 4. As different scenarios of the initiative uptake by the Member States are envisaged (11 Member States participating or 20 Member States participating), the costs and benefits described below are indicated in ranges depending on the number of Member States participating.

1. ASSESSMENT OF THE COSTS AND BENEFITS

Each policy option is expected to generate **costs** and **cost-savings**.

The **costs** are related to the **development and implementation of the EU Talent Pool** and are primarily borne by the European Commission and Member States authorities[395]. These costs fall into several categories, such as governance, IT platform, user journey, and additional components, which are further detailed below. The costs associated with the different options vary according to the number of potential users and Member States participating in the Talent Pool (as described above in Annex 4).[396]

IT costs associated with each policy option were determined using a parametric estimation approach. This methodology relied on several key proxies, including historical cost breakdown data from existing platforms like EURES, full-time equivalent (FTE) costs based on eu-LISA's Maintenance Working Order (MWO) contracts and projections for the quantity of job offers and CVs. Additionally, considerations regarding the number of participating Member States and development efforts estimated in collaboration with relevant stakeholders, including private IT service providers and local public employment services (PES), as well as the size of the development team, were taken into account to estimate IT costs.

Non-IT costs (e.g. governance costs) associated with each policy options were calculated on the basis of a number of sources. Overall, the governance costs were estimated by considering the current costs associated with the EURES network governance and adjusting these figures (i.e., staff costs and budget for activities) on the basis of the expected successful matches under each policy option. In particular, costs for the governance at EU level was based on the experiences of the European Coordination Office within the European Labour Authority which is in charge of managing EURES[397]. Similarly, with regard to the costs associated with the governance at national level, the experience of the National Coordination Offices implementing EURES at

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394 Costs in this Annex that refer to the period after 2027 are indicative and do not prejudge the available budget under the next MFF.

395 Costs for EU employers and jobseekers are minimal (e.g., costs of registering the vacancy or creating the profile) and not significant enough to require estimation. Additionally, there are also costs for employers that do not require estimation because not directly impacted by the Talent Pool initiative. For instance, the administrative preparation of the vacancy notices is considered as baseline as it is a recurrent cost for employers also in current employment practices (i.e., without the Talent Pool initiative).

396 The cost estimates have been adjusted by using the expected numbers of profiles admitted to the Talent Pool and of successful matches under the different policy options, as well as the estimated number of job openings.

397 Figures on this are taken from ELA's Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

national level was used as a proxy[398]. More details on the sources and methodologies to calculate the costs are explained under each policy option.

On the other hand, the **cost-savings** for TCNs and employers arise from streamlining the standard steps of international recruitment.

Cost-savings should be assessed against a baseline. The latter is given by the **current costs and length of a standard international recruitment** process. Costs depend on a number of factors, including different national contexts (e.g. national labour laws), the sectors/occupations involved (e.g. whether they are in shortage, if they are regulated or non-regulated professions), type of TCN (e.g. seasonal worker, highly-qualified worker, researcher), the worker's level of education, the worker's country of origin and whether bilateral partnerships exist with the EU Member State, the size of the hiring firm (e.g. SMEs, multinational). Given the large number of variables that can affect cost estimates, the recruitment process for an average employed worker was considered as a baseline[399].

Therefore, to estimate the savings, the **monetary and time costs associated with the standard international recruitment process were analysed and compared with the ones expected by using the EU Talent Pool**.

These cost-savings are grouped into **three categories**: **employment**-related steps, **immigration**-related steps, and **opportunity costs**. The latter category evaluates the potential gains in wages and revenues that jobseekers and employers can achieve by utilising the Talent Pool instead of following standard procedures. In the context of the EU Talent Pool initiative, **opportunity costs** are particularly relevant when comparing the benefits of using the Talent Pool for international recruitment against the traditional recruitment procedures (i.e., business as usual). For employers, the opportunity cost lies in the potential gain in turnover (or productivity), while for TCNs it relates to the potential gain in wages, that could be achieved when going through a more expedient process via the Talent Pool, rather than following normal procedures.[400]

The main categories used for this assessment are outlined in the table below:

Category	Subcategory	Type of cost/cost-savings	Stakeholders bearing the cost/ benefitting from cost-savings

398 Estimates on the costs of the NCOs come from the ad-hoc survey to NCOs conducted by the contractor, triangulated with ex-post EURES evaluation.

399 The average time needed for international recruitment ranges between 2-3 months for employers and TCNs. To this, additional 2-3 months should be added for immigration procedures (i.e. LMT and obtaining and visa/work permit), bringing the total duration of international recruitment to around 4-6 months on average. The costs associated with international recruitment are normally borne by employers. The average cost to employers of recruiting a third country national can be between EUR 1 500 and EUR 2 500 per candidate (excluding relocation costs). This cost can rise to EUR 8 500-10 000 when adding services of international recruitment agencies. However, these represent very specific cases (e.g. highly specialised or technical skills needed, high level positions) and have therefore not been included in the calculation of cost-savings.

400 Opportunity costs are the potential benefits or gains that are forgone or sacrificed when choosing one course of action over another. In the context of the EU Talent Pool initiative, opportunity costs become particularly relevant when comparing the benefits of using the Talent Pool for international recruitment against the traditional steps. The time used by employers in looking for candidates, and by TCNs in looking for a job, entails losses in turnover (for employers) and wages (for TCNs). By accessing the Talent Pool, employers and TCNs will cut the time needed to recruit or find a job, thereby reducing their losses in turnover and wages.

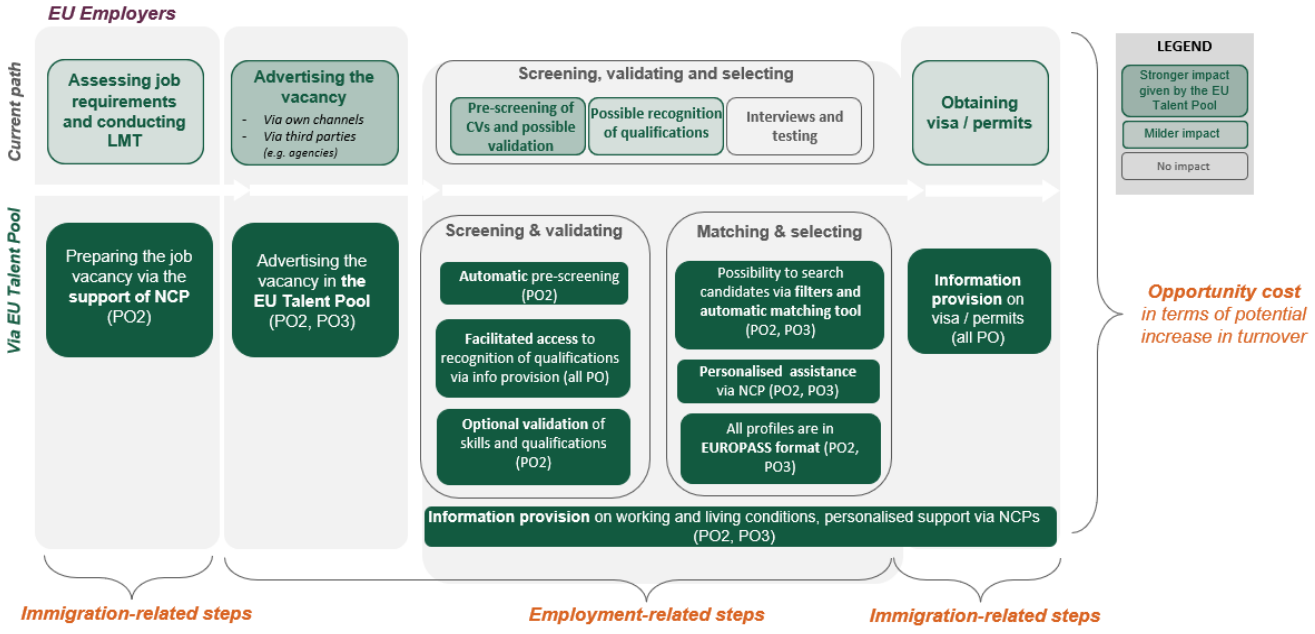
Costs associated with the implementation of the EU Talent Pool			
Governance	EU and national level	One-off and recurrent	EU Commission, National authorities
IT platform	Development and maintenance	One-off and recurrent	
User journey	• Profile registration • Quality assurance employers • TCNs pre-screening • Validation (optional) • Search and matching	One-off and recurrent	
Additional components	• Information provision • Targeted support by NCPs • Facilitation measures	Recurrent	
Cost-savings stemming from streamlining current steps of international recruitment			
Employment-related steps	• Advertising the vacancy • Screening and interview • Validation (optional) • Matching and selecting	Recurrent	Employers
	• Creating a CV • Finding opportunities • Compiling information • Selection and matching process	Recurrent	TCNs jobseekers
Immigration-related steps	• Conducting labour market test • Obtaining visa / permits	Recurrent	Employers and TCNs jobseekers
Opportunity cost	Gain in turnover	Recurrent	Employers
	Gain in wages	Recurrent	TCNs jobseekers

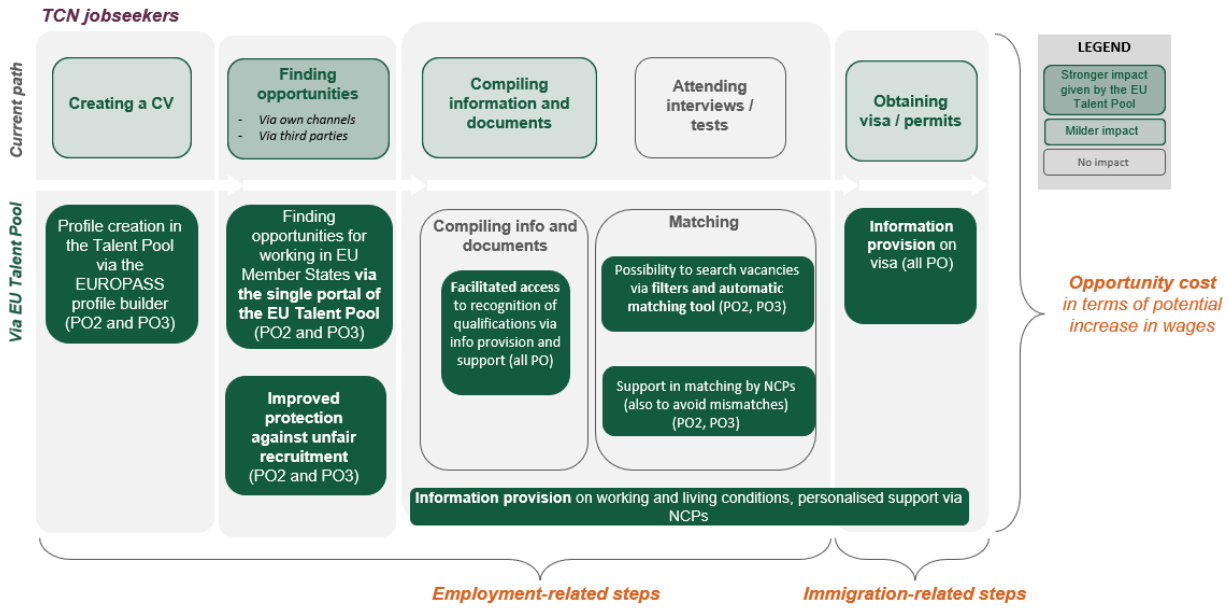
The advantages for employers will be particularly **significant during the candidate identification and selection phases**, as the EU Talent Pool would **offer a large pool** of candidates interested in working in the EU and potentially suitable for the job requirements.

Additionally, PO2 and PO3 would provide for **additional IT tools** (e.g. automatic matching tool) and **support services** further facilitating international recruitment. For TCNs, one of the main benefits offered by the implementation of the Talent Pool is the convenience of having a single portal to access job opportunities in the Member States. Under PO1 job vacancies will not be included in the platform, however, the organisation of job-matching events and the support of National Contact Points ('NCPs') in matching employers and jobseekers will provide similar added value. Therefore, the development of an EU-wide platform avoids the need to rely on multiple platforms and streamlines the job search process. In addition, by providing online information and personalise guidance on immigration and recruitment procedures, the initiative offers further support to users to better understanding the job matching processes. Moreover, under PO2 and PO3 the EU Talent Pool ensures protection against unfair recruitment, enhancing the overall job-seeking experience for TCNs. A detailed explanation is provided below under each PO.

It is important to consider that the benefits stemming from the initiative are **difficult to quantify** and they are **mainly considered qualitatively** in the comparison of the POs (e.g. personalised support provided by NCPs and information provision).

The visual below provides an overview of the main benefits and their different degree of intensity of the initiative throughout the recruitment process.





In addition, indirect benefits are foreseen under each option. These benefits include the increase GDP resulting from an additional number of TCNs working in the EU. This would also result in additional fiscal contributions as well as in increased remittances for third countries.

The increase in the GDP was calculated by following an income-based approach: the additional wages that would result from the arrival of new migrants workers via the Talent Pool was taken into account *[Median wage of TCNs in EU] * [Number of expected successful matches]*. Statistics concerning the median income of TCNs in the EU were extrapolated from the Eurostat survey of income and living conditions (EU-SILC), on the basis of a customized extraction, and entails the median equivalised net income for the working-age population (20-64 years) by group of citizenship (PPS adjusted) for 2022. As the additional GDP increase would vary depending on the number of participating Member States (11 or 20), indicative brackets of EU GDP increase were identified taking into account the potentially different expected possible results of the initiative.

The additional **fiscal contributions** were calculated on the basis of the following formula: *[percentage of taxes paid on gross income] * [EU-average gross wages and salaries] * [Number of expected successful matches]*. This calculation is based on the assumption that TCNs workers matched by the EU Talent Pool would be regularly employed and will pay taxes on their gross income. As these job vacancies may remain unfilled without the intervention of the EU Talent Pool, and hence additional to the existing resident workforce, it is assumed that tax revenues would increase proportionally to their earned wages following the tax rates structure. The share of taxes paid on gross wages and salaries is based on Eurostat experimental statistics (ICW_TAX_01) modelled following the distribution of VAT paid by households as a percentage of their gross income. The average at EU level was calculated by using available statistics

provided by Eurostat. For approximating the gross wages and salaries to be taxed in 2030, the EU labour costs (TPS00173) for 2022 were considered.[401]

With regard to the estimation of **additional remittances to third countries** the following formula was used: *[proportion of income sent as remittances]*[EU-average annual median income]*[Number of expected successful matches]*. The average share of income which third-country nationals send home is estimated at 15% following UN online publication[402.] This represents a global, not EU-specific share, in absence of a EU-specific estimate .[403] The median income of TCNs in the EU was derived by Eurostat survey of income and living conditions (EU-SILC404), which was the object of an ad-hoc extraction made by Eurostat tailor-made for this impact assessment, in relation to the median equivalent net income for the working-age population (20-64 years) by group of citizenship (PPS adjusted) for 2022.

A detailed assessment of the costs and benefits under each PO is described below.

2.1 Option 1: Soft measures aiming at improving information provision and facilitating identification and matching (non-legislative option)

Governance costs

The different soft measures within PO1 will require some level of horizontal coordination and management at the EU level, operational contact points at national level.

Governance costs are linked to the new responsibilities and tasks stemming from the envisaged policy measures which are detailed in the table below:

Policy measure	Responsibilities at EU level	Responsibilities at national level
Improving the EU Immigration Portal	**Coordination** with the National Coordinators in the Member States; **Review the content** provided by national authorities; **Maintenance and update of the portal** on the IT-side.	**Gathering and providing information** on procedures at national level;
Organising job-matching events	**Management and coordination** for the organisation of job-matching events.	N/A
Setting up an online portal with a catalogue of profiles	Coordination with the National Coordinators; **Maintenance of the web-portal** on the	**Reach out to employers** to facilitate the matching with interested candidates.

401 We considered only wages and salaries of the labour cost structure and multiplied the hourly gross wage to the estimated number of hours a person works over the year. The latter is taken from European Commission (2019), H2020 Programme User's Guide for the Personnel Costs Wizard, p. 13.

402 UN, Remittances matter, Remittances matter: 8 facts you don't know about the money migrants send back home | UN DESA | United Nations Department of Economic and Social Affairs

403 This estimate should be taken with caution because it is based on a world-wide sample and the patterns of remittances may vary markedly across continents and type of migrants.

404 EU-SILC EU statistics on income and living conditions - Microdata - Eurostat (europa.eu)

	IT side.	

On the basis of the abovementioned tasks to be performed by EU and national staff, the table below provides an overview of the estimated governance costs.

The aggregated governance costs at national level depend on the uptake of the initiative by the Member States. The average cost per National Contact Point is EUR 153 000, this entails a total budget at national level of EUR 1 683 000 when 11 Member States participate in the initiative, and of 3 060 000 when 20 Member States participate in the initiative.

Costs at EU level do not depend on the number of Member States participating in the initiative; therefore no range is provided.

Governance costs (staff and other costs)		
Policy measure	**Costs at EU level**	**Costs at national level**
Improving the EU Immigration Portal	11 FTEs[405]: EUR 707 000 Organisation of the job-matching events: EUR 1 362 000[406]	1 FTE per Member State (10 – 20 FTE for 11 – 20 Member States participating): EUR 683 000 – 3 060 000[407] (to be covered by AMIF)
Organising job-matching events		
Setting up an online portal with a catalogue of profiles		
Total governance costs (recurrent)	EUR 2 069 000	EUR 1 683 000 – 3 060 000

Improving the EU Immigration Portal entails a fully-fledged revamp and update of the existing portal. Therefore, additional resources at EU level would be required for this purpose. In particular, under the current management of the EU Immigration Portal, a coordination manager is allocated for on average around 30% per week. Improving the portal would require a coordination manager working full time (100%) to cover the additional work linked to more frequent updates that would take on an annual basis instead of every 3-4 years as under the current portal. In addition, six additional FTEs (experts on migration) are currently supporting the management of the portal by providing expertise on immigration aspects to review the content provided by the

405 One coordination manager and 6 administrators (10% of their time) for improving the portal, 2 staff members for organising job-matching events and 1 staff member for managing the online catalogue (one business manager dealing with the IT portal).

406 This is the average cost for 60 events per year. Costs associated to each event have been estimated according to the current costs incurred by the European Coordination Office (ECO) of the EURES network within ELA for the European (Online) Job Matching events. Information comes from the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

407 Estimates are based on the costs associated with the current EURES NCOs (for activities related to matching and information provision) and adjusted by the expected number successful matches associated with PO1. Estimates on costs associated with current EURES structure come from the ad-hoc survey to NCOs conducted by the contractor, triangulated with ex-post EURES evaluation. In particular, EURES NCOs allocate around 35% of their budget to matching and recruitment. A similar share can be foreseen in case of Talent Pool contact points as the outreach to employers and matching with candidates is expected to be time consuming (especially considering that processes will not be automatised as in the case of the two legislative options).

national authorities. Under the improved Immigration Portal six experts on migration would be involved 10% of their weekly time for six months every year. For the remaining six months of the year (when work on updates is more limited and it is merely a matter of maintenance), the workload of the experts is assumed to decrease to around 2-3% of their time (or 1 hour per week).[408] Based on these considerations, the total staff incremental staff cost at the EU level is estimated to be approximately EUR 183 000 per year[409].

With regard to the **organisation of job-matching events**, two FTEs at EU level (for a total of staff costs of EUR 182 000) are envisaged for the organisation and management of the events, including administrative and logistic tasks such as the preparation of the agenda, promotion activities, cooperation with stakeholders[410]. Additional costs for the organisation of the events are foreseen for the promotion material, relevant equipments, translation and venues' logistic. To estimate the budget required for the organisation of the event, the European (Online) job days organised in the framework of EURES have been taken as a model. In 2022, a total of 44 events across the EU/EFTA were organised, with each job matching event including an average of 52 employers and 163 total positions advertised. The average number of jobseekers was around 276. The total budget for the European Coordination Office (ECO) within ELA for European (Online) Job Days was of approximately EUR 1 000 000 EUR, i.e. EUR 22 700 per event in 2022.[411] Using these figures as a proxy for the organisation of job-matching events in the context of the EU Talent Pool and assuming an average of 60 events per year, the average budget required would be EUR 1 362 000.

Setting up an online portal with a catalogue of profiles would require two additional FTEs working within the Commission to manage the web portal with the catalogue of profiles and coordinate with the National Coordinators in the Member States (for a total staff costs of around 342 000 per year).

At national level, the overall governance foresees the appointment of one National Coordinator per Member State (EUR 153 000 for staff costs and related activities).[412]

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408 Currently, the time invested by the subject matter expert is very low over the span of the year; therefore, costs associated with the time needed from them under PO1A will be assumed to be incremental costs.

409 This is the incremental cost of increasing the time allocated to the coordination manager (i.e., EUR 119 700) plus the incremental cost of the 6 subject matter experts, working 10% on the portfolio for the 6 months of the update and 2/3% for the remaninig 6 months (i.e, EUR 63 300).

410 Two contract agents (for a total staff cost of EUR 182 000).

411 Based on ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

412 Those figures were estimated by taking the number of National Coodinator Offices in the context of EURES (i.e., 3-5 people on average across NCOs), and budget (i.e., EUR 1 200 000 on average across NCOs) and adjusting them to the context of PO1 according to:(i) the number of potentially interested jobseekers (i.e., 3 305 500 – 3 468 366) and expected vacancies (i.e., 3 830 000 – 5 100 000) under this policy option relative to the same figures within EURES (i.e., 1 000 000 CVs online and 5 000 000 posts), and (ii) the specific activities envisaged under this PO in comparison with those of the NCOs in the context of EURES. The number of National Coordinators was reduced as less activities would be conducted in comparison with NCOs under EURES (no specific guidance and post-recruitment assistance (, network management (e.g., of EURES Members and Partners), reporting and communication). Under this option the National Coordinators' activities would be limited to support the matching between employers and TCNs and providing information for the EU Immigration Portal. With regard to the estimation of costs linked to each National Coordinator, the budget used for NCOs under EURES was taken as a proxy (EUR 1 200 000 covering staff costs and activities for 3-5 FTEs). This would entail a budget of around EUR 300 000 to cover staff costs and activities for 1 FTE under PO1. However, considering that range of activities conducted by NCOs under EURES, this budget was reduced considering

Additional costs linked to the IT development are explained below.

IT costs

Under this PO, a number of costs linked to IT developments are foreseen. In particular, IT costs are linked with the improvement of the EU Immigration Portal, the IT developments required for advertising the job-matching events, and the development of an online portal with a catalogue of profiles.

An overview of the estimated IT costs it provided below. As one-off costs (development and infrastructure for Y1 and Y2) and recurrent costs (maintenance, infrastructure onwards Y3 and additional features for the implementation) are foreseen, the estimation of costs is provided over a 10 year period.

PO 1	**Total over 10 years**	***Y1-Y2***	***Y3***	***Y4***	***Y5***	***Y6***	***Y7***	***Y8***	***Y9***	***Y10***
Development	**3,749,988€**	3,749,988€								
Development for improving the EU Immigration Portal	645,829€	645,829€								
Development for organising job-matching events	41,666€	41,666€								
Development of an EU Talent Pool through non-legislative instruments	3,062,493€	3,062,493€								
Operations[413] (maintenance)	**3,937,488€**	0€	562,498€	562,498€	468,749€	468,749€	468,749€	468,749€	468,749€	468,749€
Infrastructure	**1,599,472–1,678,280€**	€319,894 - €335,656	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828	€159,947 - €167,828
Additional features	**2,860,000€**	0€	715,000€	715,000€	238,333€	238,333€	238,333€	238,333€	238,333€	238,333€

the limited activities of the National Coordinators under this PO (50% of the total budget estimated above (EUR 300 000).

413 Maintenance costs encompass ongoing activities including bug fixes, updates, security enhancements, and system support. In initial stages, these costs can be higher due to bug fixing and system stabilisation. However, as the system matures, maintenance costs become more predictable and stable, with routine maintenance activities decreasing over time.

implementation [414]										
Total Cost	**€12,146,948-€12,225,756**	**€4,069,883 - €4,085,644**	**€1,437,445 - €1,445,326**	**€1,437,445 - €1,445,326**	**€867,029 - €874,910**	**€867,029 - €874,910**	**€867,029 - €874,910**	**€867,029 - €874,910**	**€867,029 - €874,910**	**€867,029 - €874,910**

Infrastructure costs have been estimated according to the take up of the initiative across Member States. Ranges are provided according to whether 11 or 20 Member States are assumed to participate in the initiative. All associated costs will be at the EU-level, and there will be no expenses incurred at the Member States' level. Those costs were a range is not provided do not depend on the take up of the initiative among Member States.

Total costs

Category	**Sub-category**	**Type of cost**	**Stakeholders bearing the cost**	**Associated costs (EUR)** *[for 11 – 20 Member States participating]*		
				Y1	***Y2***	***Each subsequent year***
Governance	EU level	Recurrent	EU Commission	EUR 2 069 000	EUR 2 069 000	EUR 2 069 000
	National level	Recurrent	National public authorities (from AMIF)	EUR 1 683 000 – 3 060 0004	EUR 1 683 000 – 3 060 000	EUR 1 683 000 – 3 060 000
IT platform and other IT-related costs	EU level	Recurrent/One-off	EU Commission	EUR 4 779 986 – 4 814 767		EUR 1 542 789 – 1 550 179
	National level	Recurrent/One-off	National public authorities	EUR 0		EUR 0
Total costs						
For EU Commission:				EUR 4 103 941 – 4 111 822	EUR 4 103 941 – 4 111 822	EUR 3 078 633 – 53 086 514
For 11 – 20 Member States national public authorities:				EUR 1 683 000 – 3 060 000	EUR 1,683,000 – 3 060 000	EUR 1 683 000 – 3 060 000

414 It covers the development of new functionalities or features for the system. These costs can vary based on the complexity of the additions and are typically higher during the early stages when new features are being integrated. As the system evolves, these costs might stabilise, with a more predictable budget for incorporating new functionalities. The implementation of additional features involves various activities, which are planned to be outsourced to a contractor. Typically, these activities would require a total of 5 full-time equivalents (FTEs) encompassing different roles. This distribution would include 1.0 FTE for Business Analysis, 1.0 FTE for project management, 1.0 FTE for development, 0.5 FTE for quality assurance, 1.0 FTE for technical experts, and 0.5 FTE for testing.

Benefits

- **Direct benefits**

The benefits associated with PO1 are **predominantly qualitative and they cannot be easily quantified**. These savings arise primarily from the **time saved** by both employers and TCNs at various steps of the international recruitment process and are summarised in the table below:

Steps	Qualitative benefits
Identifying candidates and finding job opportunities	The **catalogue of TCNs CVs** would provide with a **wider pool of candidates** from all third countries by creating a **centralised platform** for employers (rather than having to access several portals and platforms). This would **facilitate the identification** of potential candidates, reducing the need for extensive search and screening. The implementation of **job-matching events** and the involvement of NCPs in facilitating the matching process will increase the chances of TCNs finding suitable job opportunities.
Matching vacancies and candidates	The **organisation of job-matching events** would enable **employers** from EU Member States to **make direct contact** with jobseekers from third countries, thus **streamlining the recruitment process and saving on related costs**. This aspect is particularly beneficial for **SMEs**, which may have limited resources compared to multinational companies when it comes to engaging with TCNs. For **TCNs**, job-matching events provide a **direct opportunity to interact** with potential employers from EU Member States, making **job opportunities more accessible** and **reducing the financial burden** associated with seeking employment abroad. Similarly, the **catalogue of TCNs CVs,** would allow employers to access a pool of jobseekers and match those with available vacancies, **saving them the time and costs** associated with traditional recruitment processes (e.g. advertising vacancies, conducting extensive screening, and handling numerous applications)
Immigration procedures	Updated and clear information provision on immigration procedures on the improved **EU Immigration Portal** will save employers and TCNs time otherwise spent searching for relevant details online or seeking assistance from third-party services. Additionally, the inclusion of additional languages will greatly facilitate the understanding of the information for TCNs.
Recognition of skills and qualifications	The inclusion of information on recognition procedures in the Member States would allow employers and TCNs to save time by reducing the efforts of having to retrieve this information independently

Although the soft measures mentioned above could support and facilitate several steps of the international recruitment process, their impact in terms of time- and cost-savings is expected to be **relatively smaller compared to the two legislative policy options**, described below. For instance, PO2 and PO3 envisage more advanced IT solutions that automate some of the manual processes foreseen for PO1 (e.g search and matching tools, which will streamline identification and selection phase). The two legislative options also include more targeted and personalised support, which will further cut down on time and costs.

Due to the fact that only qualitative benefits were identified for PO1, **no opportunity costs** can be estimated for this policy option.

- **Indirect benefits**

As mentioned above the following indirect benefits are estimated under this PO. A range of benefits is provided depending on the number of Member States participating (11 or 20).

Indirect benefit	Estimated value
Increase in GDP (benefit for EU)	EUR 235-260 million
Increase in fiscal contribution (benefit for EU)	EUR 56-59 million
Increase in remittances (benefit for third countries)	EUR 44-46 million

Cost-benefits comparison[415]

	EU / EU Commission		**National Authorities**		**Employers**		**TCNs / third countries**	
	Estimate	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*
Direct costs	R: EUR 3 078 633 – 3 086 514 O: EUR 4 799 986 – 4 814 767	R: includes staff costs and budget for operational activities; and IT costs for maintenance, infrastructure O: includes IT development costs	R: EUR 1 683 000 – 3 060 000	R: includes staff costs (to be covered by AMIF) and budget for operational activities	n/a	No significant costs were identified.	n/a	No significant costs were identified.
Indirect costs	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.
Direct benefits	n/a	No direct benefits are identified for EU Commission. Benefits for the EU are described below.	n/a	No direct benefits are identified for National Authorities.	n/a	Employers would benefit from the wider pool of candidates accessible via a centralised platform. Additionally,	n/a	TCNs will have the opportunity to make direct interactions with employers, making job opportunities more accessible and saving time

415 *"R" refers to recurrent, while "O" refers to one-off costs."n/a" indicates that the cost or benefit for that stakeholder group could not be quantified and is only assessed qualitatively or that no significant costs/benefits were identified.*

						the identification of potentially suitable candidates will be simplified via the implementation of job-matching events and the intermediary role of contact points at national level. Information provision will further reduce the time needed to look for information online.		and costs associated with seeking employment abroad. Information provision will further reduce the time needed to look for information online.
Indirect benefits	R: EUR 235-260 million (increase in GDP); R: EUR 56-59 million (increase in fiscal contribution);	Benefits for the EU as a whole entail an increase in GDP and in fiscal contribution.	n/a	No indirect benefits were identified for National Authorities	n/a	No indirect benefits were identified for employers.	R: EUR 44-46 million (increase in remittances)	Benefits for third countries entail an increase in remittances.

2.2 Option *2:* Developing an EU Talent Pool targeted to address labour market needs in key occupations (legislative option)

Governance costs

Under PO2 the establishment of an EU Talent Pool Secretariat within the European Commission is foreseen. In addition, under this PO a Steering Group composed of national representatives from participating Member States (including immigration and employment authorities) to take high-level decisions would be set up together with National Contact Points in the Member States. As **PO2** also includes the links with Talent Partnerships, the governance foresees the establishment of Liaison Offices in third countries participating in Talent Partnerships.

The table below provides an overview of governance costs and the related assumption. The costs have been estimated according to the uptake of the initiative across Member States. At the national level, ranges are provided for aggregated staff FTEs and budget according to whether 11 or 20 Member States are assumed to participate in the initiative. For EU level costs, a similar range is provided for horizontal coordination and training budgets as those depend on the number of Member States participating. Those costs where a range is not provided do not depend on the take up of the initiative among Member States.

Governance costs (staff and other costs)		
Type of costs	**Costs at EU level**	**Costs at national level**
Staff	EU Talent Pool Secretariat (13 FTEs including one business manager responsible for the IT platform coordination) EUR 1 903 000	**National Contact Points**[416] (33 – 60 FTEs per 11 – 20 Member States participating: EUR 8 000 000 – 14 600 000 (to be covered by AMIF) **Liaison Offices** in partner countries (2 FTEs for each partner country, hence, 20 FTEsin case of 10 Talent Partnerships) (to be covered by AMIF) EUR 1 440 000
Other activities	Horizontal coordination[417] EUR 97 000 – 176 000	
	Training[418]	

416 Estimates are based on the costs associated with current EURES National Coordination Offices (NCOs) and adjusted by the expected number of successful matches under this policy option. Information on current EURES NCOs costs and FTEs was collected via an ad-hoc survey to NCOs conducted by the external contractor, triangulated with the EURES ex-post evaluation.

417 The costs associated to horizontal coordination depend on the number of NCPs. Therefore, a range is provided depending on the Member States participating 11 or 20. The base to calculate these costs is provided by the number of NCOs within the EURES network (i.e., 34 NCOs) and related budget for horizontal coordination accrued by the European Coordination Office (ECO) within the ELA. The latter has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

418 The cost on training depends on the aggregated number of FTEs in the NCPs (i.e., 33 FTEs per 11 NCPs and 60 FTEs per 20 NCPs), therefore a range is provided according to weather participating Member States are assumed to be 11 or 20 by 2030. The base to calculate the budget is given by the training budget of the European Coordination Office (ECO)

	EUR 582 000 – 1 060 000 Communication[419] EUR 487 500 Translation[420] EUR 1 300 000	
Online information provision	EUR 1 057 000[421]	
Optional facilitation measures		Additional costs for national authorities if fast-track procedures are set up by MS Fast-track immigration procedures: EUR 46 000 000 – 48 000 000 Fast-track recognition procedures: EUR 16 000 000 – 17 000 000
Annual total governance costs (recurrent)	EUR 5 426 500 – 6 000 000	EUR 9 440 000 – 16 040 000 [additional costs for facilitation measures not included as optional for MS]

At the EU level, the overall governance structure foresees: 7 administrators, 4 contract agents and 2 secretaries. The staff costs were calculated based on average personnel costs: EUR 171 000 per year for administrators and secretaries and EUR 91 000 per year for contractual agents. When it comes to the Secretariat within the Commission, this is expected to consist of 13 staff members. Roles and responsibilities are outlined in the table below.

Staff members	Tasks
Administrators	- Support to negotiations - Preparation ahead of entry into force - Drafting delegated and implementing acts + negotiations over years 2026 - 2027 - Setting up governance structure and comitology - Annual Work Programme - Data protection (including drafting and finalising controllership agreements) - Contract management of service providers and IT coordination (internal IT Steering Group and submission to IT board) - National Contact Points related activities (operating procedures, charter, funding support, set up of the NCPs Network, training and capacity building activities) - Coordination with Talent Partnerships Liaison Officers - Support to Member States participating in Talent Partnerships

within ELA. The latter has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

419 This budget depends on the number of occupations envisaged by the policy option (i.e., 13 under PO2) and was estimated by considering the communication budget of the ECO within ELA. The latter has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from ELA and the European Commission conducted by the contractor.

420 This cost is estimated on the base of the translation budget of the ECO within ELA. The latter has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from ELA and the European Commission.

421 Estimates of this budget were based on the estimation of the option envisaging the improvement of the EU Immigration Portal.

	- Specific regime for Talent Partnership (pass requirements, information campaign)
Contract Agents	- Support to negotiations + preparation ahead entry into force - Preparation of training needs and capacity building modules - Indicators framework, monitoring and evaluation - Communication strategy and organisation of events, networking
Secretaries	- Administrative support (coordination and organisation of meetings)

The budget at EU level for operational activities covers horizontal coordination, training, communication and translation. Estimations of the budget for each activity depend on a number of factors:

- *Horizontal coordination* entails the management of the overall EU Talent Pool structure at national level. Therefore, costs of horizontal coordination depend on the number of NCPs foreseen. To estimate budget was based on the allocated budget for horizontal coordination activities of the European Coordination Office (ECO) within the EURES structure under ELA, which amounts to around EUR 300 000 per year,[422] for 34 NCOs across Member States. Considering that under the Talent Pool, we envisage between 11 and 20 NCPs, the total budget ranges between **EUR 97 000– 176 000**.[423]

- *Training* entails the organisation of trainings session for NCP personnel across all participating Member States. As above, to estimate the required budged, we looked at the allocated budget for training activities of ECO within ELA, which accounts for around EUR 3 000 000.[424] Considering that under PO2, we envisage 3 FTEs per NCP (for a total of 33-60 FTEs across 11-20 NCPs), the total budget ranges between **EUR 582 000– 1 060 000.**

- *Communication* entails activities to promote the initiative and enhance its visibility. As communication campaigns will be targeted to the occupations included in the initiative, this budget depends on the number of occupations envisaged under the policy option. The EURES ECO budget for communication amounts to EUR 1 500 000 and the EURES system includes all occupations across the EU.[425] Under PO2, the scope will be targeted to those occupations of strategic relevance (i.e., 13 occupations at ISCO 2-digit level). Therefore, the final budget amounts to **EUR 487 500**.

- *Translation* entails not only translation services related to the IT platform but also translation of information materials and campaigns or interpretation services when it comes to communications with third countries' authorities or cross-border initiatives.

422 This has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

423 This is the result of the following : 300 000*11/34 and 300 000*20/34. The same approach was used to calculate the budget for the other operational activities.

424 This has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

425 This has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

- This budget was kept the same as it currently is under the ECO within ELA, as the types of services will be very similar. The budget is thus **EUR 1 300 000.** [426]

Member States participating might also envisage the creation of **Liaison Offices** in third countries to facilitate the implementation of Talent Partnerships (ten Talent Partnerships are assumed to be operational 10 Talent Partnerships by 2030). Two staff members per Liaison Office would be required to support the registration of TCNs participating in a Talent Partnership and the delivery the 'EU Talent Partnership pass'. Salaries were estimated at around EUR 72 000 per year, approximating to the average salary of embassy staffin third countries. The total therefore accounts to **EUR 1 440 000** per 10 Talent Partnerships.

The **National Contact Points** would be responsible for the practical implementation of the initiative at the national and local level (for a detailed description of the NCPs tasks see Annex 9 on the description of the policy options).[427] Activities of the NCPs will be related to the management of the IT platform, the registration of employers' vacancies on the IT platform, provision of information and personalised support and, when a breach is reported, the monitoring of the employers' compliance with the Chater for Fair Recruitment.

With regard to the **online information provision**, the costs associated with the gathering and provision of information online ware based on the assusment provided under PO1 with regard to the improvement of the EU Immigration Portal. It is reasonable to assume similar costs as a similar process would be followed: the involvement of NCPs to gather information and a similar manual process.Therefore, the total cost associated with this measure amounts to around EUR 1 057 000 per year.

Facilitation measures foresee the possibility for Member States to waive the labour market test or to use fast-track immigration and recognition procedures.[428] These would result in time-savings which are included in the cost-savings section described below. However, fast track procedures entail also higher monetary costs for the Member States. It is estimated that the difference in fees between a normal and a fast-track procedure is of around EUR 60 per application for recognition procedures[429] and EUR 170 per application for immigration procedures.[430] It was assumed that the

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426 This has been estimated by considering the ELA Single Programming Document 2023 – 2025 and inputs from interviews with ELA and the European Commission conducted by the contractor.

427 At the national level, NCPs entail 3 FTEs per Member States, for a total of 33-60 FTEs per 11-20 Member States. The budget is estimated to be around EUR 727 000 per NCP, for a total of EUR 8 000 000 – 14 600 000 across 11-20 NCPs. As under PO1, those figures were estimated based on the number of NCOs staff and budget under the EURES network adjusted by the number of potentially interested jobseekers and expected vacancies under PO2, relative to the same figures within EURES. As activities foreseen for NCPs will be relatively more similar to those of NCOs, compared to those under PO1, no specific adjustment was made on the estimates, as it was instead necessary for PO1 estimations.

428 In both cases, estimations of fast-track procedures were taken from current practices in Member States that implement them. Although it may slightly differ based on the context, a fast-track procedure is a streamlined and expedited process that can involve reduced processing times, simplified documentation requirements and fewer bureaucratic steps compared to the standard procedures. Fast-track processes generally entail higher costs to cater for these benefits.

429 Information on fast-track procedures for recognition of qualifications is scant. To estimate the costs and duration of a potential fast track procedure we considered cases of urgency. In Italy for instance, urgent applications follow a faster process (normally 1 month faster than the normal procedure) and imply higher costs (around EUR 100 more than for a normal procedure).

430 Fast-track for immigration procedures is in place in a number of Member States. To estimate the difference in costs and duration between a fast track and a normal procedure we considered Finland, Germany, Latvia and Lithuania. The average cost for a normal procedure in those countries is of around EUR 200 for employers and average duration is of

fees paid to public authorities for the recognition/validation of qualifications and for visas and work permits correspond to the cost of the time spent by public authorities on these procedures, provided that the fees charged by them do not exceed the recovery costs of providing these services. In other words, it was assumed that public authorities do not derive any benefit from these services. In this sense, the extra fees can be considered as additional costs on public authorities. To get the aggregated final amount, the extra fees were multiplied by the expected number of successful matches under this PO, resulting in **EUR 46 000 000 – 48 000 000** for fast-track immigration procedures and **EUR 16 000 000 – 17 000 000** for fast-track recognition procedures.

IT costs

This option forsees the partial re-use of the EURES IT solution and the use of EUROPASS[431].

Following consultation with relevant stakeholders including the European Labour Authority and the Public Employment Services (PES), the four main adaptations envisaged would include:

1. The **modification of EUROPASS** to enable TCNs to create and manage their CVs in the EUROPASS system, which will then be reflected in the TCN CV database,
2. The **adjustment of the existing search and matching engine** to ensure that, when searches are carried out in the EU Talent Pool, only job offers available to TCNs are displayed from the jobseeker's point of view,
3. The **adaption to the existing EURES job vacancy database** to include an additional "flag" that employers can use to indicate whether a vacancy is open to TCNs or not,
4. The **adaptation of the currently existing exchange systems at national level** that allows National Contact Points to upload job vacancies to EURES to transfer job vacancies accessible to TCNs.

The reuse of the above listed components would minimise costs and technical impact as it would:

- **Avoid the proliferation of IT systems** and hence **minimise the costs (development, maintenance, infrastructure)** in comparing with the option of developing a new code/stand-alone IT systems,
- **Avoid double registration of job vacancies** also open to third-country nationals,
- **Avoid double registration of third-country nationals** by transferring profiles from EUROPASS to the portal,
- Ensure **interoperability** with national systems.

An overview of the estimated IT costs provided below. As one-off costs (development and infrastructure for Y1 and Y2) and recurrent costs (maintenance, infrastructure onwards Y3 and additional features for the implementation) are foreseen, the estimation of costs is provided for a ten year-period.

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around 2.5 months. With fast-track, the costs increase to approximately EUR 370 (around EUR 170 extra) and average duration drops to around 1 month.

431 The estimated cost of adapting and integrating EURES components, including the adaptation of national exchange systems (depending on the number of participating Member States) and EUROPASS, could vary from €1.4 to €1.6 M. This estimate was made using a parametric approach and estimates of T-shirt sizing effort, carried out in consultation with the relevant stakeholders.

A few cost elements will depend on the number of participating Member States:

- At EU level, the infrastructure costs associated with higher numbers of CVs and job offers;
- At national level, the development costs required to integrate national systems into the EUTP (exchange system), as well as the costs associated with its maintenance.

PO 2	**Total over 10 years**	*Y1-Y2*	*Y3*	*Y4*	*Y5*	*Y6*	*Y7*	*Y8*	*Y9*	*Y10*
Development	**€8,847,377 - €10,350,602**	€8,847,377 - €10,35,602								
EUROPASS adaptation and integration	174,999€	174,999€								
Pre- screening tool creation	224,999€	224,999€								
TCN CVs' DB creation	224,999€	224,999€								
EURES job vacancies' DB adaptation and integration	599,999€	599,999€								
EURES search/matching engine adaptation and integration	449,999€	449,999€								
Core system	4,349,984€	4,349,984€								
Integration of EU Talent Platform with other systems	149,998€	149,998€								
Member States integration	€2,672,400 - €4,175,625	€2,672,400 - €4,175,625	-	-	-	-	-	-	-	-
Operations (maintenance)	**9,268,326 – 10,834,663 €**	0€	1,324,047 - €1,547,809	1,324,047 - €1,547,809	1,103,372- €1,289,841	1,103,372- €1,289,841	1,103,372- €1,289,841	1,103,372- €1,289,841	1,103,372- €1,289,841	1,103,372- €1,289,841
Contractor operations for baseline	6,483,726€	0 €	€926,247	€926,247	€771,872	€771,872	€771,872	€771,872	€771,872	€771,872
Member States integration operations	€2,784,600 - €4,350,938	0 €	€397,800 - €621,563	€397,800 - €621,563	€331,500 - €517,969	€331,500 - €517,969	€331,500 - €517,969	€331,500 - €517,969	€331,500 - €517,969	€331,500 - €517,969
Infrastructure	**2,735,**	547,07	273,53	273,53	273,53	273,53	273,53	273,53	273,53	273,53

	394 – 3 147 812 €	9 – 629 562€	9 – 314 781€	9 -314 781€	9 - -314 781€	9-314 781€	9-314 781€	9-314 781€	9-314 781€	9-314 781€
Additional features implementation [432]	**€6,578, 000**	**€0**	**€1,644, 500**	**€1,644, 500**	**€548,16 7**	**€548,16 7**	**€548,16 7**	**€548,16 7**	**€548,16 7**	**€548,16 7**
Total Cost for EU Talent Pool	**€27,429 ,097-€30,911 ,078**	**€9,394, 456 - €10,980 ,164**	**€3,242, 086-€3,507, 090**	**€3,242, 086-€3,507, 090**	**€1,925, 078-€2,152, 789**	**€1,925, 078-€2,152, 789**	**€1,925, 078-€2,152, 789**	**€1,925, 078-€2,152, 789**	**€1,925, 078-€2,152, 789**	**€1,925, 078-€2,152, 789**

Total estimation of costs

Category	**Sub-category**	**Type of cost**	**Stakeholders bearing the cost**	**Associated costs (EUR)** [for 11 – 20 Member States participating]		
				Y1	***Y2***	***Each subsequent year***
Governance and other non-IT related costs	EU level	Recurrent	EU Commission	EUR 5 426 500 – 6 000 000	EUR 5 426 500 – 6 000 000	EUR 5 426 500 – 6 000 000
	National level	Recurrent	National public authorities (from AMIF)	EUR 9 440 000 – 16 040 000	EUR 9 440 000 – 16 040 000	EUR 9 440 000 – 16 040 000
IT platform and other IT-related costs	EU level	Recurrent/One-off	EU Commission	EUR 6 722 056 – 6 804 539		EUR 1 906 255 – 1 947 497
	National level	Recurrent/	National public authorities (for maintenance of interoperability of their systems)	EUR 2 672 400 – 4 175 625		EUR 348 075 – 543 867
Total costs*						
For EU Commission:				EUR 8 787 528 – 9 402 269	EUR 8 787 528 – 9 402 269	EUR 7 332 755 – 7 947 497
For 11 - 20 Member States participating:				EUR 10 776 200 – 18 127 812	EUR 10 776 200 – 18 127 812	EUR 9 788 075 – 16 583 867

* *The Total costs estimation does not include additional costs on national authorities to set up facilitation measures as it is an optional component.*

[432] These activities would typically involve a total of 11.5 full-time equivalents (FTEs) across various roles. The allocation includes 2.0 FTEs for Business Analysis, 1.0 FTE for project management, 2.5 FTEs for development, 0.5 FTE for quality assurance, 3.5 FTEs for technical experts, and 2.0 FTEs for testing.

Benefits

- **Direct benefits**

(1) The implementation of PO2 can lead to a number of benefits for both employers and TCNs. As per PO1, the benefits associated with PO2 are **predominantly qualitative and they cannot be easily quantified**. These savings arise **primarily from the time saved** by both employers and TCNs at various steps of the international recruitment process. Those time savings can stem from the **provision of information and personalised support** offered that can speed up the process by centralising information, **matching and searching tools** that can fasten the identification and selection of potentially suitable candidate. The table below provides an overview of these benefits at each step of the recruitment process:

Steps	Qualitative benefits
Employers	
Publishing the vacancy and identifying candidates	Employers would have access to a single platform with a wider pool of candidates from all third countries. The search and matching tools would **significantly reduce the time required to find potential candidates** by allowing employers to search based on specific criteria and being matched accordingly. This feature will be **especially beneficial for SMEs** as they often lack resources to go through a recruitment process involving a high number of applicants. In addition, **personalised support** will be available to employers during the matching process, further reducing time and resources needed.
Screening candidates	The standardised use of EUROPASS format by candidates when registering their profiles would streamline the information presented in CVs, making it **easier for employers to scan relevant profiles and identify the right skills**, thereby saving time. **Pre-screening** for profile completeness and for profiles relevant to the sectors/occupations of strategic importance will reduce the time needed for employers to screen applications and would ensure better quality of available candidates' profiles.
Validating and recognition of skills and qualifications	The integration of **information on recognition procedures** as well the **personalised support** provided by the NCPs, would improve the **understanding** of candidates' skills and qualifications as well as **facilitate access** to validation and recognition procedures (thereby saving additional time). This is particularly advantageous for **SMEs**, which may not have in-house departments to assess and verify credentials.
Obtaining visa/permits	The integration of **information on immigration procedures** would save employers time otherwise spent searching for relevant details online or seeking assistance from third-party services.
TCNs	
Finding opportunities	TCNs will have access to a single platform that provides comprehensive job opportunities in EU Member States, significantly **reducing the time required for job searching**. The standardised use of EUROPASS format together with search and matching tools and personalised support would **reduce the time required to TCNs for identifying suitable job opportunities**. In addition, it would avoid the risk of **mismatches and overqualification**.
Recognition and validation procedures	Same as for employers.
Obtaining visa/permits	Same as for employers.
Completing post-	Information provision on work and living conditions in EU Member States, coupled with the support provided by NCPs, will facilitate the integration of TCNs into the local labour

arrival process	market and society. Moreover, specific support will be available to ensure the integration and well-being of the migrant worker's family.

With regards to **cost savings** resulting from this PO, employers would benefit from costs savings linked to the publication of job vacancies via social media and job boards. Therefore, employers could **save up to EUR 150-400 per vacancy**[433], reducing the cost of recruiting international workers from an upper-bound of EUR 2 500 to around EUR 2 100-2 350 per vacancy, by lowering costs associated with the publishing of vacancies. This would result in around **EUR 74 500 000 – 77 700 000 total savings across EU employers**[434].

Additional time savings are envisaged in case **facilitation measures** aimed at streamlining the immigration and recruitment procedures are put in place by the Member States (e.g. fast-track immigration and recruitment procedure, exclusion from the labour market test (LMT), etc.). However, under PO2 the possibility to introduce such measures is left to the Member States discretion. The table below shows the **additional potential time savings** for employers and TCNs deriving from the introduction of facilitation measures by the participating Member States:

Steps	**Current costs**		**Relevant measure(s) of PO2**	**Cost-savings**
	Monetary	***Time***		
Conducting labour market tests (employers)	n/a	3-4 weeks on average per vacancy	Possibility to skip the LMT as part of facilitation measures	3-4 weeks when deciding to skip LMT, otherwise no impact.
Recognition of skills and qualifications (employers and TCNs)	n/a	Normal procedure: 52 days per application Fast track procedure: 26 days per application	Possibility to activate fast-track procedures as part of facilitation measures	26 days for recognition procedures per application
Obtaining visa/permits (employers and TCNs)	n/a	Normal procedures: 9 weeks Fast track procedures: 3 weeks	Possibility to activate fast track procedures as part of facilitation measures	6 weeks for immigration procedures per application
Total time saving: 2-3 months for each recruitment process				

433 This estimation is based on the average cost of job boards and social media. The cost of publishing a job on recruitment platforms can vary depending on the platform and the specific features and options chosen. Most platforms offer the possibility to publish the job post for free, while allowing employers to pay a fee for broader visibility or additional promotional features. Fees are normally on a pay-per-click basis, meaning that employers pay each time a job seeker clicks on their job post. A daily budget is normally set by the employer, after which the platform will stop displaying the listing. This implies that costs vary depending on wide range of variables including e.g. the size and turnover of the company, the level of the position being advertised, the industry in which the company operates in, the general recruitment strategy of the employer. However, assuming a daily budget of EUR 5-13, and considering that job advertisements typically stay active for 30 days, the total estimated cost ranges between EUR 150-400 per vacancy. The assumption of a EUR 5-13 daily budget will result in around 115 clicks (as the average cost per click is around EUR 1.3) after 30 days. Assuming that only half of those will actually submit the application, a receipt of 50-60 CVs is in line with inputs provided by recruitment agencies and employers during consultation activities.

434 As per above, this range is estimated according to whether 11 or 20 Member States are joining the initiative.

Qualitative benefits. Besides quantifiable cost-savings, the measures associated with PO2 can also result in a number of qualitative benefits. Those are described in the table below. While difficult to quantify, those qualitative benefit can also result in additional savings for employers and TCNs.

Opportunity costs

While accounting cost-savings may be limited as only linked with employers' savings from avoiding to the publication of job vacancies via social media and job boards (EUR 150-400 per vacancy), the EU Talent Pool could have relatively **stronger financial impact in terms of opportunity costs**.

As mentioned above, the standard international recruitment process typically takes around 6 months. However, the process via the Talent Pool could cut down time to 3,5 months.[435] In this context, opportunity costs can be calculated for **TCNs (in terms of lost wages) and employers (in terms of lost revenue)** when conducting international recruitment with and without the use of the Talent Pool. The difference between the two will give the cost-savings associated with using the Talent Pool.

For TCNs, the average wage in Europe is estimated to be around EUR 1 500 per month.[436] Under the standard recruitment process, TCNs would experience a loss in wages of approximately EUR 9 000 during the 6-month period. In contrast, by using the Talent Pool and opting for facilitation procedures, the loss in wages would decrease to around 5 250 EUR. The difference of EUR 3 750 per TCN represented the cost-savings associated with using the Talent Pool instead of standard procedures. Considering that 271 000 – 282 500 successful matches are expected under this PO, the maximum total gain in wages would reach around EUR 1 044 065 000 – 1 088 370 000.

The same reasoning can be applied to **EU employers** in terms of lost revenue. To estimate the average revenue per worker for employers, we take the average wage and multiply it by three, following the standard approaches to measuring the cost of a vacancy.[437] The total revenue loss for international recruitment without the Talent Pool is around EUR 28 000 per employer. However, when using the Talent Pool, this amount is reduced to around EUR 16 000, resulting in a turnover gain of EUR 11 500 per employer. Considering the expected number of vacancies that will be filled, the total revenue gain from **PO2** is of around EUR 3 132 195 000 – 3 265 111 000 across all employers.

- **Indirect benefits**

As mentioned above the following indirect benefits are estimated under this PO. A range of benefits is provided depending on the number of Member States participating (11 or 20).

Indirect benefit	Estimated value
Increase in GDP (benefit for EU)	EUR 3.855-4.255 billion

[435] The time needed to recruit could be even smaller if considering qualitative benefits, however the latter cannot be quantified.

[436] Eurostat, survey of income and living conditions (SILC), Median equivalised net income in purchasing power parity, customised extraction.

[437] DJS, Cost of Vacancy Formulas for Recruiting and Retention Managers, available at: https://drjohnsullivan.com/uncategorized/cost-of-vacancy-formulas-for-recruiting-and-retention-managers/

Increase in fiscal contribution (benefit for EU)	EUR 918-957 million
Increase in remittances (benefit for third countries)	EUR 712-748 million

Cost-benefits comparison[438]

	EU / EU Commission		**National Authorities**		**Employers**		**TCNs / third countries**	
	Estimate	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*
Direct costs	R: EUR 7 332 755 – 7 947 497 O: EUR 6 722 056 – 6 804 539	R: includes staff costs and budget for operational activities, and IT costs for maintenance, and additional features implementation costs O: includes IT development costs	R: EUR 9 788 075 – 16 583 867 O: EUR 2 672 400 – 4 175 625	R: includes staff costs (to be covered by AMIF) and budget for operational activities and maintenance costs related to Member States' integration O: includes IT development costs	n/a	No significant costs were identified.	n/a	No significant costs were identified.
Indirect costs	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.
Direct	n/a	No direct	n/a	No direct	R: EUR 3 206	Cost-savings	R: EUR 1 044	Opportunity

[438] *"R" refers to recurrent, while "O" refers to one-off costs."n/a" indicates that the cost or benefit for that stakeholder group could not be quantified and is only assessed qualitatively or that no significant costs/benefits were identified.*

benefits		benefits are identified for EU Commission. Benefits for the EU as a whole are indirect.		benefits are identified for National Authorities.	695 000 – 3 342 811 000	on publishing the vacancy for all employers plus opportunity cost savings. The latter refers to the additional turnover thanks to the time saved when recruiting via the Talent Pool.	065 000 – 1 088 370 000	cost savings in terms of additional wages thanks to the time saved when finding a job via the Talent Pool.
					n/a	Employers would benefit from the wider pool of candidates accessible via a centralised platform. The search and matching tool, pre-screening, information provision, standardisatio	n/a	TCNs would benefit from having access to a single platform reducing the time needed to identify suitable job opportunities. Additional time savings will come from search and matching

						n of templates (e.g., EUROPASS CV) and personalised support will all reduce the time required to find a suitable candidate abroad and ensure a best match between job requirements and candidate profile.		tools, information provision and personalised support available. Those features will also smooth post-arrival integration.
Indirect benefits	R: EUR 3.855-4.255 billion (increase in GDP); R: EUR 918-957 million (increase in fiscal contribution);	Benefits for the EU as a whole entail an increase in GDP and in fiscal contribution.	n/a	No indirect benefits were identified for National Authorities	n/a	No indirect benefits were identified for employers.	R: EUR 712-748 million (increase in remittances)	Benefits for third countries entail an increase in remittances.

2.3 Developing an EU Talent Pool as a fully demand-driven tool (legislative option)

The governance at EU level envisaged under PO3 is equivalent to PO2. Therefore, for a detailed description of the assessment of these costs see Section 2.2. above.

With regard to the national governance additional National Contact Points (in comparison with PO2) are foreseen due to its open nature and, hence, the expected higher number of employers and TCNs using the platform. As no specific link with Talent Partnerships is foreseen under this PO, the setting up of Liaison Officers is not included in the assessment below. (For more details see Annex 9).

The table below provides an overview of the associated costs. As before, costs have been estimated according to the take up of the initiative across Member States. At the national level, ranges are provided for aggregated staff FTEs and budget according to whether 11 or 20 Member States are assumed to participate in the initiative by 2030. For EU level costs, a similar range is provided for horizontal coordination and training budgets as those depend on the number of NCPs assumed. Those costs where a range is not provided do not depend on the take up of the initiative among Member States.

Governance costs

Governance costs (staff and other costs)		
Type of costs	**Costs at EU level**	**Costs at national level**
Staff	EU Talent Pool Secretariat (13 FTEs, including one business manager responsible for the IT platform coordination) EUR 1 903 000	National Contact Points[439] (5 FTEs per Member State: 55 – 100 FTEs per 11 – 20 Member States assumed participating) (to be covered by AMIF) EUR 17 600 000 – 32 000 000
Other activities	Horizontal coordination EUR 97 000 - 176 000	
	Training EUR 970 600 – 1 765 000	
	Communication EUR 1 500 000	
	Translation EUR 1 300 000	
Online information provision	EUR 1 057 000	

[439] Estimates are based on the costs associated with current EURES NCPs and adjusted by the expected number of expected successful matches under the policy option. Information on current EURES NCPs costs and FTEs come from the ad-hoc survey to NCOs conducted by the contractor, triangulated with the EURES ex-post evaluation.

Mandatory facilitation measures		Additional costs for Member States to set up facilitation measures Fast-track immigration procedures: EUR 47 430 000 – 50 320 000 Fast-track recognition procedures: EUR 16 740 000 – 17 760 000
Annual total governance costs (recurrent)	EUR 6 827 600 – 7 700 000	EUR 81 770 000 – 100 000 000 [additional costs for facilitation measures included as mandatory for MS]

The roles and responsibilities evisaged for the governance at EU and national level as well as other costs mentioned in the table above, including online information provision and facilitation measures are explained in detailed under Section 2.2. While under PO2 the facilitation measures are foreseen as optional, those facilitation measures are mandatory for the Member States participating and therefore, they are included in the total governance costs at national level.

IT costs

Under this option, the IT platform and functioning of the EU Talent Pool would involve the development of a completely new IT solution with relevant functionalities tailored to its purpose. This option includes creating a new automatic matching tool without reusing components from EURES.

PO3 envisages higher development costs compared to PO2 as the re-use of EURES IT components is not foreseen (therefore, the new development of off all IT components is would be required) and more advanced functionalities are foreseen (See Annex 9 for a detailed description).[440]

Administration costs encompass activities directly related to managing and maintaining the IT systems and infrastructure supporting the EU Talent Pool. These costs primarily consist of recurring development expenses, including the need IT staff to implement additional features that may be necessary in the years following the initial development phase. Consequently, administration costs are estimated to be higher for PO3.

An overview of the estimated IT costs it provided below. As one-off costs (development and infrastructure for Y1 and Y2) and recurrent costs (maintenance, infrastructure onwards Y3 and additional features implementation) are foreseen, the estimation of costs is provided over a 10 year period.

Similar to PO2, several cost elements will depend on the participation of Member States:

[440] In addition to development and maintenance costs, PO3 also entails higher infrastructure costs because it lacks mutualisation with EURES. Hosting costs rise as well, owing to the increased number of CVs and job vacancies.

- At national level, the development costs required to integrate national systems into the EU Talent Pool (exchange system), as well as the costs associated with its maintenance,
- At EU level, the infrastructure costs associated with fluctuating numbers of CVs and job offers.

PO 3	**Total 0ver ten years**	*Y1-Y2*	*Y3*	*Y4*	*Y5*	*Y6*	*Y7*	*Y8*	*Y9*	*Y10*
Development	**€15,897,975 - €20,256,225**	**€15,897,975 - €20,256,225**								
EUROPASS adaptation and integration	€224,999	€224,999								
TCN CVs' DB creation	€374,999	€374,999								
Job vacancies' DB creation	€899,999	€899,999								
Search/matching engine integration	€749,999	€749,999								
Employer registration – Direct registration without screening	€449,999	€449,999								
Core system	€5,249,983	€5,249,983								
Integration of EU Talent Platform with other systems	€199,997	€199,997								
Member States integration	€7,748,000 - €12,106,250	€7,748,000 - €12,106,250	-	-	-	-	-	-	-	-
Operations (maintenance)	**€16,692,874 - €21,269,036**	€0	€2,384,696 - €3,038,434	€2,384,696 - €3,038,434	€1,987,247 - €2,532,028	€1,987,247 - €2,532,028	€1,987,247 - €2,532,028	€1,987,247 - €2,532,028	€1,987,247 - €2,532,028	€1,987,247 - €2,532,028
Contractor operations for baseline	€8,557,474	€0	€1,222,496	€1,222,496	€1,018,747	€1,018,747	€1,018,747	€1,018,747	€1,018,747	€1,018,747
Member States integration operations	€8,135,400 - €12,711,563	€0	€1,162,200 - €1,815,938	€1,162,200 - €1,815,938	€968,500 - €1,513,281	€968,500 - €1,513,281	€968,500 - €1,513,281	€968,500 - €1,513,281	€968,500 - €1,513,281	€968,500 - €1,513,281
Infrastructure	**€10,627,171 - €12,486**	€2,125,434 - €2,497,	€1,062,717 - €1,248,	€1,062,717 - €1,248,	€1,062,717- €1,248,	€1,062,717- €1,248,	€1,062,717- €1,248,	€1,062,717- €1,248,	€1,062,717- €1,248,	€1,062,717- €1,248,

	,341	268	634	634	634	634	634	634	634	634
Additional features implementation[441]	**€11,440,000**	**€0**	**€2,860,000**	**€2,860,000**	**€953,333**	**€953,333**	**€953,333**	**€953,333**	**€953,333**	**€953,333**
Total Cost for EU Talent Pool	**€54,658,020-€65,451,602**	**€18,023,409 - €22,753,493**	**€6,307,413 - €7,147,068**	**€6,307,413 - €7,147,068**	**€4,003,297 - €4,733,996**	**€4,003,297 - €4,733,996**	**€4,003,297 - €4,733,996**	**€4,003,297 - €4,733,996**	**€4,003,297 - €4,733,996**	**€4,003,297 - €4,733,996**

Total estimation of costs

Category	**Sub category**	**Type of cost**	**Stakeholders bearing the cost**	**Associated costs (EUR)** *[For 11 – 20 Member States participating]*		
				Y1	***Y2***	***Each subsequent year***
Governance and other non-IT-related costs	EU level	Recurrent	EU Commission	€6,827,600 – €7,700,000	€6,827,600 – €7,700,000	€6,827,600 – €7,700,000
	National level	Recurrent	National public authorities (from AMIF)	€81,770,000 – €100,000,000	€81,770,000 – €100,000,000	€81,770,000 – €100,000,000
IT platform and other IT-related costs	EU Level	Recurrent/ One-off	EU Commission	€10,275,409 – €10,647,243		€3,562,401 – €3,748,318
	National level	Recurrent/	National public authorities (for maintenance of the interoparability of their systems)	€7,748,000 – €12,106,250		1,016,925€ - 1,588,945€
Total costs*						
For EU Commission:				€11,965,304 – €13,023,621	€11 965 304 – €13 023 621	€10,390,001 – €11,448,318
For 11-20 Member States participating:				€85,644,000 – €106,053,125	€85,644,000 – €106,053,125	€82,786,925 – €101,588,945

[441] These activities would typically involve a total of 20 full-time equivalents (FTEs) across various roles. The allocation includes 4.0 FTEs for Business Analysis, 1.0 FTE for project management, 4.0 FTEs for development, 1.0 FTE for quality assurance, 6.0 FTEs for technical experts, and 4.0 FTEs for testing.

Benefits

- **Direct benefits**

PO3 would lead to the **same qualitative benefits of PO2** (see table above). Similarly, **cost saving for employers** would be the same as those foreseen under PO2 (EUR 150-400 per vacancy) reducing the cost of recruiting international workers from an upper-bound of EUR 2 500 to around EUR 2 100-2 350 per vacancy. This results in around EUR 76 725 000 – 81 400 000 total savings across EU employers[442].

However, under this PO Member States would be **mandatorily required to introduce measures** aimed at fastening immigration and recognition procedures (e.g. fast-track immigration and recruitment procedure, exclusion from the labour market test (LMT), etc.). Therefore, while under PO2 time savings resulting from such measures would depend on whether Member States decide to set up faster procedures, under this PO **all job placements** taking place in the EU Talent Pool would benefit from these facilitation measures, therefore, entailing a **reduction of 2-3 months** for each recruitment process.

Opportunity costs

As per PO2, opportunity costs can be calculated in the context of PO3, assuming that the standard international recruitment process typically lasts around 6 months and the process via the Talent Pool approximately 3.5 months.

For TCNs, the average wage in Europe is estimated to be around EUR 1 500 per month.[443] Under the standard recruitment process, TCNs would experience a loss in wages of approximately EUR 9 000 during the 6-month period. In contrast, by using the Talent Pool and opting for facilitation procedures, the loss in wages would decrease to around 5 250 EUR. The difference of EUR 3 750 per TCN represented the cost-savings associated with using the Talent Pool instead of standard procedures. Considering that 279 000 – 296 000 successful matches are expected under this PO, the maximum total gain in wages would reach around EUR 1 074 886 000 – 1 140 380 000.

The same reasoning can be applied to **EU employers** in terms of lost revenue. To estimate the average revenue per worker for employers, we take the average wage and multiply it by three, following the standard approaches to measuring the cost of a vacancy.[444] The total revenue loss for international recruitment without the Talent Pool is around EUR 28 000 per employer. However, when using the Talent Pool, this amount is reduced to around EUR 16 000, resulting in a turnover gain of EUR 11 500 per employer. Considering the expected number of vacancies that will be filled, the total revenue gain is of around EUR 3 224 658 000 – 3 421 143 000.

- **Indirect benefits**

As mentioned above the following indirect benefits are estimated under this PO. A range of benefits is provided depending on the number of Member States participating (11 or 20).

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442 As per above, this range is estimated according to whether 11 or 20 Member States are joining the initiative.

443 Eurostat, survey of income and living conditions (SILC), Median equivalised net income in purchasing power parity, customised extraction.

444 DJS, Cost of Vacancy Formular for Recruiting and Retention Managers, available at: https://drjohnsullivan.com/uncategorized/cost-of-vacancy-formulas-for-recruiting-and-retention-managers/

Indirect benefit	Estimated value
Increase in GDP (benefit for EU)	EUR 3.968-4.458 billion
Increase in fiscal contribution (benefit for EU)	EUR 945 million – 1 billion
Increase in remittances (benefit for third countries)	EUR 739-784 million

Cost-benefits comparison[445]

	EU / EU Commission		National Authorities		Employers		TCNs / third countries	
	Estimate	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*	*Estimate*	*Comment*
Direct costs	R: EUR 10 390 001 – 11 448 318 O: EUR 10 275 409 – 10 647 243	R: includes staff costs and budget for operational activities and IT maintenance, infrastructure and additional features implementation costs O: includes IT development costs	R: EUR 81 876 178 O: EUR 7 748 000 – 12 106 250	R: includes staff costs (to be covered by AMIF) and budget for operational activities O: includes IT development costs	n/a	No significant costs were identified.	n/a	No significant costs were identified.
Indirect costs	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.	n/a	No significant indirect costs were identified.
Direct benefits	n/a	No direct benefits are identified for EU Commission. Benefits for EU as a whole are indirect.	n/a	No direct benefits are identified for National Authorities.	R: EUR 3 301 383 000 – 3 502 543 000	Cost-savings on publishing the vacancy for all employers plus opportunity cost savings. The latter refers to the additional turnover thanks to the time saved when recruiting via the Talent	R: EUR 1 074 886 000 – 1 140 380 000	Opportunity cost savings in terms of additional wages thanks to the time saved when finding a job via the Talent Pool.

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						Pool.		
					n/a	Qualitative benefits under PO2 apply.	n/a	Qualitative benefits under PO2 apply.
Indirect benefits	R: EUR 3.968-4.458 billion (increase in GDP); R: EUR 945 million – 1 billion (increase in fiscal contribution);	Benefits for the EU as a whole entail an increase in GDP and in fiscal contribution.	n/a	No indirect benefits were identified for National Authorities	n/a	No indirect benefits were identified for employers.	R: EUR 739-784 million (increase in remittances)	Benefits for third countries entail an increase in remittances.

ANNEX 11
SME TEST

The EU Talent Pool is highly relevant for SMEs, as the "availability of skilled staff or experienced managers" was the most important issue faced by SMEs in 2022[446]. An initiative such as the EU Talent Pool, helping EU employers to identify much needed talent and skills for their business from outside the EU, is going to benefit SMEs much more than large companies, who can resort to international recruitment independently either with their own Human Resource Department or using an external agency to proceed to identify and hire TCN workers. Moreover, SMEs are also less able, in general, to compare and evaluate foreign country diplomas and qualifications of candidates from outside the EU and to assess opportunities beyond their immediate circle or contacts, to find new employees or to replace old workers who leave. This is particularly relevant for start-ups who are growing fast and need to expand their workforce. SMEs are also less likely to post an on-line vacancy for international recruitment without help or assistance from a service provider.

1. Identification of affected businesses

SMEs are the backbone of the EU economy. In 2022, there were approximately 24.300.000 companies in the EU. Only 0,2% of them - 43112, had more than 250 employees. Always in 2022, 99,8% of companies were SMEs, accounting approximately for two thirds of employment in the EU: 84.9 million of employees[447]. In terms of employment, micro enterprises account for a greater share of total SME employment than small SMEs (30%), and small SMEs account for more employment than medium-sized SMEs (24%). Since early 2020, due to the Covid-19 pandemic, the 24 million EU-27 SMEs have faced unprecedented economic uncertainty and turmoil. Moreover, through part of 2021 and 2022, SMEs experienced difficulties in hiring new staff to meet an unexpectedly strong rebound in demand[448].

The different Policy options under the EU Talent Pool, therefore, are likely to benefit more SMES than large companies, to provide a helpful assistance and structured platform for recruiting skilled staff at all levels.

2. Consultation of SME stakeholders

2.1 SME stakeholders provided feedback to the Impact Assessment and participated in the open public consultation through EU-level organisation such as SMEunited;

2.2 And direct consultation of individual enterprises: 3 companies out of 82 business involved in stakeholders' consultation.

3. Measurement of the impact on SMEs

The different measures have been found to have the following impacts on SMEs:

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446 Annual Report on European SMEs, 2022/2023, SAFE Survey conducted in the period of 7 September to 26 October 2022, p. 30.

447 SME performance Report 2023, SME Performance Review (europa.eu) Calculations of the JRC based on Eurostat Structural Business Statistics, Short-Term Business Statistics and National Accounts Database.

448 Annual Report on European SMEs, 2022/2023, pp. 13.

Baseline Scenario

The baseline scenario is not conducive to improving the conditions for international recruitment from EU SMEs. The projections for 2023 paint a challenging picture for SMEs in the EU. It is expected that inflation-adjusted SME value added in the NFBS will decrease by 1.2%, while SME employment is projected to fall by 0.2%. These forecasts reflect a difficult environment for SMEs in the near future[449].

Non Legislative measures

Given that the practical measures are largely raising from the current situation, SMEs could participate where they deem the measures to be cost-effective in view of their individual business model, economic conditions specific to their sector and other factors. The economic impact of the practical measures contained in **PO1**, however, is likely to be negligible for SMEs, as there is no dedicated and specialized support and assistance for the recruitment needs of SMEs.

Legislative measures

All the legislative options (**PO2** and **PO3**) would have a positive impact on SMEs. SMEs are likely to benefit disproportionately more than larger companies from standardised processes, improved feedback mechanisms and dedicated communication channels as well as practical support in the form of assistance and support for international recruitment.

Legislative measures (**PO2** and **PO3**) would provide greater legal certainty for SMEs in terms of data protection who wish to engage through the EU Talent Pool.

PO2 and **PO3** are both contributing to ensure a level-playing field with larger companies as many measures will alleviate some costs associated to international recruitment for SMEs. Indeed, the two legislative options are expected to have stronger positive impacts on SMEs, in respect of **PO1**. However, **PO2** with its targeted and focused approach is going to have a more concentrated sectoral impact, benefitting SMEs in occupations of EU and national relevance.

This is mainly due to the higher added value of the search and matching tools offered, as substantiated by the figure below. In particular, for SMEs the value of automatic (under **PO3**) and semi-automatic (under **PO2**) tools is greater relative to large firms. Similarly, a greater benefit for SMEs is that only candidates with relevant profiles can apply to the vacancy. Searching for and screening candidates from third countries typically involve significant costs, which are often difficult for SMEs to bear. The ability to access a list of profiles, especially if they have been pre-screened under **PO2**, would be of great benefit to SMEs, by reducing the search costs and providing a streamlined and efficient process for identifying suitable candidates. In general, SMEs more likely to lack the in-house expertise and resources required to compare and assess applications from third country nationals, and resources, which are more commonly available to multinational corporations. However, the importance of supporting procedures is high among both clusters of firms, thereby leaning towards stronger preference for **PO2**.

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449 Annual Report on European SMEs, 2022/2023, pp. 50-53.

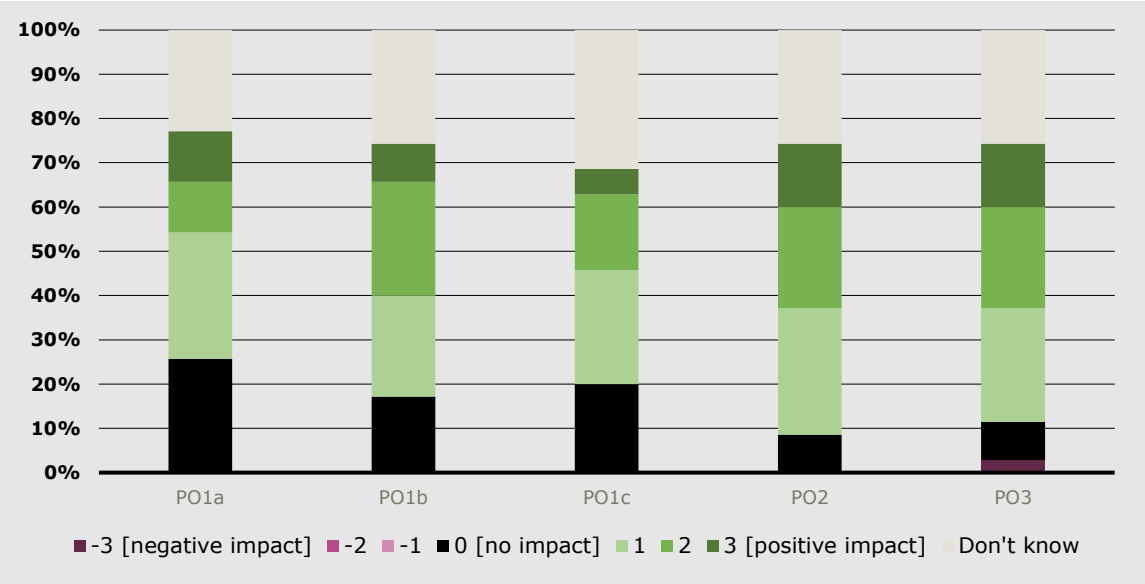
Figure 1: Extent to which following features would change the likelihood of registering on the platform, mean by firm size

Source: Contractor survey on EU employers.

Note: Range goes from 1 [strongly decrease it] to 7 [strongly increase it] with 4 being representing no effect.

The results from the employers' survey are also reflected in the outcomes of the broader stakeholders' survey results (see figure below).

Figure 2: Impact of the different policy options on SMEs in EU Member States according to survey respondents



Source: Contractor survey on a broad range of stakeholder groups.

The implementation of the EU Talent Pool is expected to benefit hiring practices of SMEs by giving them access to a wider pool of jobseekers and creating a critical mass of employees. Large companies already enjoy relatively easier access to international talent due to their well-developed human resources departments and subsidiaries and branches in third countries. Conversely, SMEs

often face higher barriers to entry due to the increased transaction costs and risks associated with international recruitment. It is not possible to quantify further these perceived benefits since they would depend on the level and intensity of international recruitment to which the SMEs would engage into. This depends on the sector as well as their business model and the size of the company. Given that the success of SMEs as companies is often strongly related to their degree of legitimacy as perceived by their local community, the acceptance of migrant workers by SMEs is found to be driven by owner-managerial values, as well as the perceived skill level and necessity of migrant labour.[450] Similarly, research shows that the career experience of migrant SME owner-managers influence their behaviour in recruiting and retaining international staff: a more positive experience is likely to encourage foreign-born SME owners to also recruit internationally.[451]

By 2023, SMEs are expected to have recovered to their 2019 employment level, or to have surpassed it in six industries: 'water supply, sewerage, waste management, remediation sctivities', 'electricity, gas, steam, air conditioning supply', 'construction, informationa and communication', 'real estate activities' and 'professional, scientific and technical activities'. It is important to note that, because SME value added is measured in current prices, the sharp increases in commodity and raw materials prices in 2022 are projected to boost the growth of value added in the mining sector from 2019 to 2023, even if employment in the industry is expected to remain slightly lower in 2023 than in 2019. The largest increases in SME employment are expected in two industries which are also forecast to experience strong information and communication (111%) and construction (107%) of its 2019 level. The number of SMEs is expected to be lower in 2023 than in 2019 in only one industry electricity, gas, steam and air condition supply 98% of its 2019 level). Among all the remaining industries in which the number of SMEs is expected to be greater in 2023 than in 2019, the increase in SMEs is expected to be 115%).[452]

However, it appears from the literature that while facilitated access to a TCNs labour pool may be expected to allow SMEs to recruit workers at a lower cost, the literature suggests several additional benefits of attracting TCNs as migrant workers and possibly becoming self-employed themselves later on. For instance, employed third-country migrants are on average more likely to start a new business than natives, creating between 1.4 and 2.1 additional jobs in OECD countries (slightly less than their native counterparts, who create 1-8-2.8).[453] This is a growing trend: figures for 2020 show that around 11% of the self-employed people in the EU are TCNs, an increase of 5% increase from 2011.[454]

Small and medium-sized enterprises (SMEs) within the European Union are encountering significant challenges in recruiting and retaining skilled staff. A recently released Flash Eurobarometer[455] sheds light on the demands and obstacles faced by SMEs in relation to their

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450 Lähdesmäki, Merja and Suutari, Timo, 'Good workers, good firms? Rural SMEs legitimising immigrant workforce', *Journal of Rural Studies*, Vol. 77, 2020, pp. 1-10.

451 Crowley-Henry, Marian, O'Connor, Edward P and Suarez-Bilbao, Blanca, 'What goes around comes around. Exploring how skilled migrant founder–managers of SMEs recruit and retain international talent', *Journal of Global Mobility: The Home of Expatriate Management Research*, Vol. 9, 2, 2021, pp. 145-165.

452 SME Performance Review 2022/2023, p. 40.

453 OECD, *Migrant Entrepreneurship in OECD Countries*, International Migration Outlook, 2011.

454 OECD, *The Missing Entrepreneurs 2021 : Policies for Inclusive Entrepreneurship and Self-Employment*, 2021.

455 European Commission, Flash Eurobarometer 529: European Year of Skills: Skills shortages, recruitment and retention strategies in small and medium-sized enterprises, 2023. The number of SMEs respondents is around 13 000 SMEs.

recruitment and retention efforts. The survey underscores the crucial role skilled workers play in the success of SMEs in Europe, with a staggering 95% of all SMEs expressing that having employees with the appropriate skills is of paramount importance to their business model. Specifically, 82% find it "very important," while 13% consider it "moderately important."

However, three-quarters (74%) of SMEs in Europe currently struggle with concrete skills shortages for at least one job role within their organisation. This pressing issue was also acknowledged by President Von Der Leyen in her 2023 State of the Union Address, where she highlighted examples such as hospitals delaying treatments due to a shortage of nurses and two-thirds of European companies desperately seeking IT specialists without success.[456] This situation hampers the overall business activities of nearly two thirds (63%) of companies. Furthermore, nearly half of them (45%) also report hindrances in their efforts to embrace or use digital technologies, and four in ten (39%) face challenges in transitioning to more environmentally sustainable business practices.

Facilitating access to a larger pool of jobseekers is likely to alleviate the challenges faced by SMEs when it comes to international recruitment and identifying suitable candidates, thereby allowing SMEs to broader their search for skilled professionals beyond local borders. As reported by the European Commission's Joint Research Centre (JRC) in its latest Annual Report on European SMEs, hiring new skilled staff is one of the four major obstacles for SME employers.[457] Research shows that the more difficult it is for enterprises to find skilled labour, the more often SME employers recruit skilled workers from abroad: a 2017 study from Germany shows that while only 11% of SMEs targeted their hiring efforts at third-country nationals in the past five years, that proportion was expected to more than double (24%) over the following five years.[458]

Research however indicates that SME employers may lack awareness and training in managing diversity. This may lead to the (unintentional) adoption of practices and policies which make it more difficult for foreign workers to integrate into the workforce; this is particularly the case for employees who originate from countries outside the EU and whose cultural distance is higher.[459] Moreover, from a practical perspective, SMEs may face difficulty in accommodating workers who speak their language poorly, especially in countries with limited or no recruitment basin outside their territory of candidates mastering the official language of the concerned country.[460]

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456 The speech can be consulted here : https://ec.europa.eu/commission/presscorner/detail/ov/speech_23_4426

457 Di Bella, L., Katsinis, A., Lagüera-González, J., SME Performance Review 2022/2023, 2023, ISBN 978-92-9469-591-8, doi: 10.2826/69827.

458 Arne Leifels and Michael Schwartz (2017). Foreign workers in German SMEs: Focus on Economics, a strong plea for free labour markets. KfW Research, No. 154 https://www.kfw.de/About-KfW/Newsroom/Latest-News/News-Details_394113.html

459 Suban, R., & Zammit, D. E. (2019). Promoting the integration of third-country nationals through the labour market : combating discrimination in employment : the case of third-country nationals in Malta. Mediterranean Human Rights Review, 1, 98-117.

460 Ramasamy, S. (2016), "The Role of Employers and Employer Engagement in Labour Migration from Third Countries to the EU", OECD Social, Employment and Migration Working Papers, No. 178, OECD Publishing, Paris. http://dx.doi.org/10.1787/5jlwxc0366xr-en