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EU high-skilled migration policy: a market of many markets

In a time of increasing rage against migrants, we are often told that European ports are closed to migrants.

Matteo Salvini, Italy's interior minister, has called on the European Union to defend its borders against migrants arriving from Africa. Over the past few years, tough migration policies have been central to electoral campaigns across Europe. "Migration," as the refrain says, "makes you win/lose elections".

For the majority of migrants, it is increasingly hard to enter regularly EU countries. Meanwhile, once the status has been regularized, there is also a long and demanding process toward the acquisition of the full array of political and social rights.

This is the way a paper on migration would begin (and finish), if the object of analysis were low-skilled and generally "poor" migrants. **The picture radically changes if we turn our attention to "the best and the brightest".**

Attracting talented and wealthy migrants has been a priority issue [for many advanced industrial countries](#) over the past ten years or so. In the European Union, raising demand for high-skill occupations [has pushed actors in the public and private sectors to engage in a growing global hunt](#)

[for talents](#). High skilled migration policy are, therefore, the object of this brief.

Despite widespread narratives about "brain drain" and monodirectional South-North migration, high skilled migration policies are not a prerogative of the Western world.

Now, advanced economies in the Western world intend their policies to attract the best and the brightest as measure addressing foreign nationals with sought-for skills. Emerging economies (especially, China and India), which has been sending countries for long time, encourage incoming of highly qualified migrants in two ways. First, they incentivize the return to the mainland (China, India). This line of policies is particularly appealing because it can draw upon large basins of highly skilled workers, who can adapt with customs, norms and values more easily. Second, alike their counterparts in the Western world, emerging economies adopt policy measures that favor the arrival of foreigners with skills and knowledge (China, Singapore).

Against this backdrop, this policy brief shall first provide an overview of major high skilled migration policy systems. In section 3, it shall sketch the EU Blue Card System, as a supranational effort to

harmonize the admission of foreign highly skilled workers. Section 4 offers lessons from member states. Overall, alike other EU migration policy areas, high skilled migration policy is fragmented with different and competing interests across EU member states.

Demand-driven vs supply-driven

There are two fundamental ways to attract highly skilled workers from abroad: demand-driven policies; supply-driven policies.

The first strategy is demand-driven: that is, the employer has a need for a worker with a particular skill who does not have a right to residence. The employer, then, makes a request to the immigration authorities for a work and residence permit for the future worker. Usually, authorities subject these requests to certain conditions, such as qualification, wage, working conditions levels, and, in some cases, and labor-market test, which ensures that no resident worker is available to fill the job vacancy adequately. Demand-driven ways to attract talents may help to satisfy current needs, which also means to moderate wage demands in the shortage areas. By doing so, according to the OECD, [it may slow the salary adjustment process that would help generate a domestically developed supply of workers in the shortage occupations.](#)

The second policy strategy to attract talents from abroad is supply-driven: would-be migrants apply for a permit, and the receiving country select their candidacies on the basis of certain characteristics, age, educational attainment, language proficiency and occupation, for which points are assigned. In this case, the population of eligible candidates is in principle very large, so receiving countries tend to adopt numerical limits, and candidates are

assessed on the basis of characteristics deemed to facilitate quick labor market integration, language skills, educational attainment, work experience and, in many cases, the presence of a job offer in shortage occupations functions as an additional qualifier or a precondition for the application. In the paradigmatic regimes of this kind (Australia and Canada), successful applicants are given the right of permanent residence upon entry into the country and are allowed to come with their families with, it is expected, a settlement intention.

A points-based system is a way to apply weighted criteria, and is not a guarantee of selecting or favoring the most promising candidates. Sometimes, highly-skilled migrants arriving without a job have hard time finding employment because employers do not recognize their qualifications. In other cases, the point-system may lead to the creation of large backlogs in the application process. For this reason, the threshold needs to set high enough so that the number of potential candidates is not too large. As table 2 shows, points-based system tend to give stronger consideration to prior achievements, language ability and job offers.

EU Blue Card

EU labour migration policy is composed of the policies of individual Member States. However, the EU Blue Card is one of the two policies (together with a scheme targeting seasonal workers) that try to harmonize the admission of foreign workers at the supranational level.

EU Blue Card gives highly-qualified workers from outside the EU the right to live and work in an EU country, provided they have higher professional qualifications, such as a university degree (or five years of relevant professional experience), and an employment contract

or a binding job offer with a high salary compared to the average in the EU country where the job is. The scheme applies in 25 of the 28 EU countries.

EU Blue Card holders can apply for an EU long-term residence permit after five years of uninterrupted stay in the EU, provided they have resided continuously in the EU country where they applied (France) for the last two years.

Some countries specify that the salary must be at least 1.5 higher than the average yearly income of full time workers, other countries set the bar at 1.2. In Cyprus, Czech Republic, Estonia, Greece, Hungary, Lithuania, Poland, Slovenia, Spain and Slovenia, the EU Blue Card is conditional to a labour-market test. Fees also vary from one country to another, from Euro 60 in Hungary to Euro 881 in the Netherlands, with a mean of Euro 210,17 among all those countries that launched the scheme in 2011. The validity of the EU Blue Card also varies from one country to another.

EU Blue Card in Context

In 2012, **Germany** implemented the EU Blue Card. EU Blue Card holders can apply for a permanent settlement permit after 33 months (rather than the typical five years), and that period is reduced to 21 months, if the migrant has sufficient command of the German language. Family members of Blue Card holders can legally enter the country and seek employment.

To apply for a Blue Card, non-EU highly-qualified talents must have a university or college degree and a 1-year employment contract with a German company that pays a salary of Euro 50800 (at least) or Euro 39624, for shortage occupations such as engineers, qualified communications and technology experts, medical doctors. In Germany, application of the Blue Card has been particularly generous, especially towards students and academics applying

for entry under the Blue Card scheme. For example, upon graduating from a German university, international students can stay in Germany for 18 months under the Blue Card system to search for employment. Moreover, advance approval from the Federal Employment Agency is not required for Blue Card applicants who are students and academics. Additionally, like other graduates from German universities, graduates with Blue Cards can still avail themselves of the two-year fast track to a settlement permit.

Finland has a scheme very similar to the EU Blue Card, which allows for a one-year permit that can be extended no more than four years at a time.

Austria has the Red-White-Red Card (RWRC). Its points-based system that entitle highly-qualified talents in shortage occupation, with a binding job offer, to fix-term settlement and employment by a specific employer. **Czech Republic** has adopted a Green Card system, which is primarily based on the needs of business undertakings. It is a long-term residence permit (3 years) with an option for further extension.

In parallel to the EU Blue Card, **Estonia** has two schemes that targets non-EU entrepreneurs. The Employment as a Top Specialist scheme entitles to a residence work permit for at least 12 months. To be eligible, the company must have at least Euro 65000 of equity capital, which has been used for purchasing in the country and classing as fixed assets immovable property. Moreover, the sales revenue of the company must be at least 200000 Euro per year. Analogously, Estonia runs also a scheme for start-uppers. In this case, eligibility depends on the judgment of an expert committee.

Recently, **France** has inaugurated the so-called Passeport Talent to attract highly-qualified individuals from outside the EU.

The program is all-encompassing. It includes high-skilled workers, entrepreneurs who want to invest in France, artists, , writers, intellectuals with a renown international or national standing, who come to France to work in fields such as science, literature, arts, “intellectual”, education, sport. It requires at course degree at the level of a master’s and a job contract longer than 3 months and as worthy as 35526,40 (at least). The program also aims to attract young start-uppers. Young applicants are entitled to a *Passeport Talent-Enterprise Innovante* when they are hired by a young start-up, which invests in research and development, and the applicant’s functions are closely connected with the research and development of the start-up.

The *Passeport Talent* also applies to non-EU individuals invest personally in a business activity, with a durable interest. It can be a business the applicant heads personally, it can be a business in which you have at least 30% of the capital, or it can be a business in which you generate or protect jobs for the first four years following the investment.

Highly skilled workers can also be admitted into France as Employees on Assignment. This category concerns intra-company transfers of non-EU citizens. To be eligible, employees must earn a gross salary equivalent to or higher than 1.5 the minimum French wage; and bring a specific expertise.

The Netherlands also have a rich platform of policy measures to attract highly-qualified talents from outside the EU. Very similar to the EU Blue Card Scheme, the High Skilled Permit is a maximum 5-year residence permit, which, if the permit-holder becomes unemployed, entitles to a search period of up to 3 months.

To attract non-EU talents, the Netherlands run The Orientation Year for Highly

Educated program. This scheme applies to individuals who obtained their master’s degree or PhD from a Dutch university or a university that is included in the top-200 of any of the three university rankings of world universities (Times Higher Education, QS, or Shanghai Ranking). This residence permit is issued for a maximum of one year. It entitles the permit-holder to seek suitable employment in the Netherlands and to change status upon finding such employment.

The Netherlands offer a program for Intra Corporate Transfer, which entitles managers and specialists to have a 3-year single permit. Managers and Specialists, who hold an assignment letter, have to be transferred from a company outside the EU to a branch in the Netherlands. Prior to being transferred you were employed with the company outside the EU. Moreover, the Netherlands has a Start-up program. It grants 1-year residence permit to individuals who cooperate with a reliable and experienced facilitator. The product of the service must be innovative, and the start-up entrepreneur must have a plan to move from idea to business. The start-up entrepreneur and the facilitator are both registered in the Trade Register of the Chamber of Commerce.

Conclusion: a market of many markets

Despite efforts of harmonisation and the widespread interest in attracting highly qualified labour force, there is significant policy fragmentation across Europe.

The following figure compares the number of EU Blue Card issued by selected member states and the number of work permit for highly qualified workers in 2015. Numbers demonstrate that a low number of EU Blue Card does not pair with a low number of work permits for high-skilled migrants. Belgium issued 2679 permits for highly-skilled workers and just 61 EU Blue Card. The Netherlands issued twenty EU Blue

Cards against 7909 work permits for highly-skilled migrants. France issued 657 EU Blue Cards, still a high number if compared with other member states, and 2551 work permits for highly qualified workers.

High-skilled work permits and EU Blue Cards in selected member states (2015)

Country	EU Blue Card	Work Permits for highly skilled workers
Austria	140	1173
Belgium	61	2679
Finland	15	959
France	657	2551
Greece	0	0
Italy	237	1006
Netherlands	20	7909
Spain	4	2547

Source Eurostat 2017.

If Germany issued 14620 EU Blue Cards in 2015, countries like Austria, Belgium, France, Italy and the Netherlands issued 140, 61, 657, 237 and 20 EU Blue Cards respectively. Foreign talents may use other kinds of work permit, or, as seen, some countries may have alternative programs to attract talents.

Such a fragmentation creates internal competition and the dissolution of EU labour market into 28 different markets, perhaps in competition with one another.