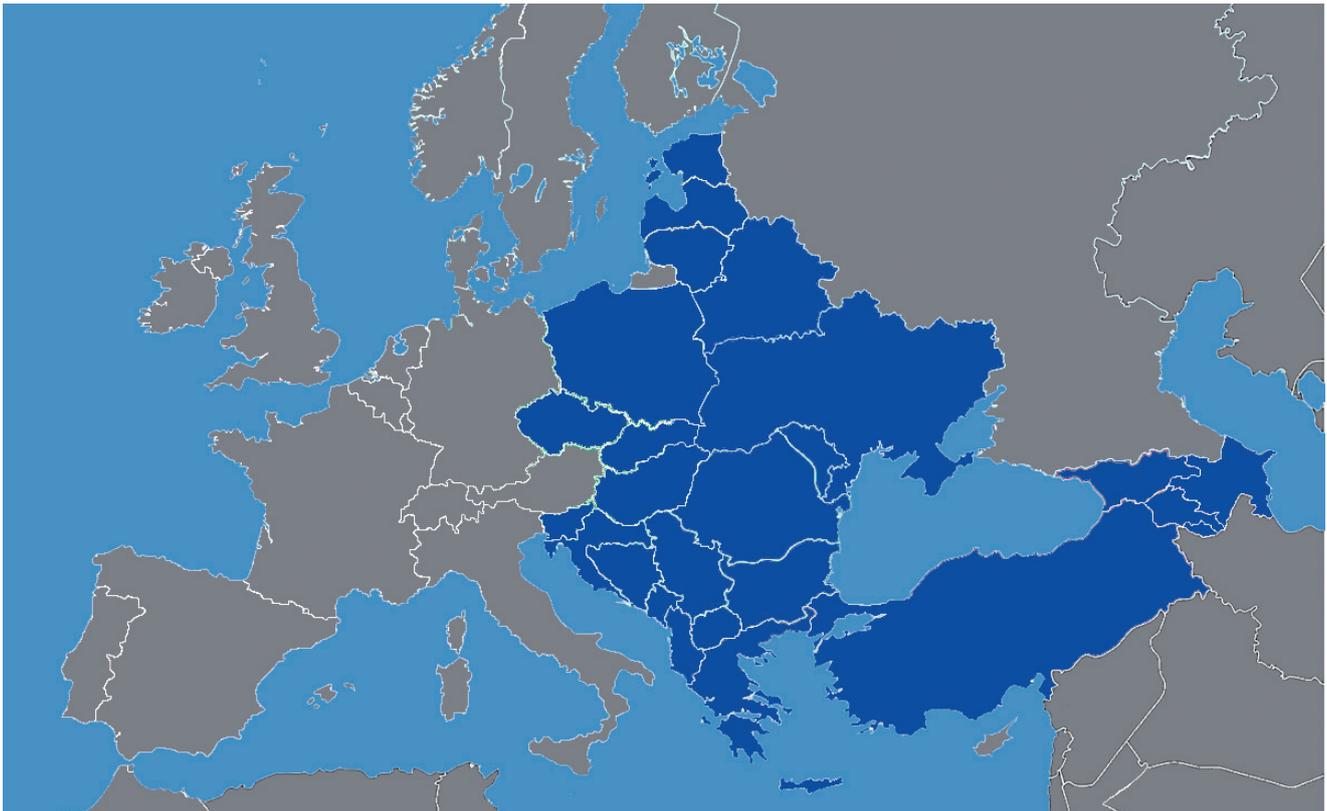


# Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe (VT/2010/001)



**Policy Brief**



On behalf of the  
European Commission  
DG Employment,  
Social Affairs and Inclusion

Gesellschaft für  
Versicherungswissenschaft  
und -gestaltung e.V.



## Policy Challenges and Directions

This policy brief is based on the findings from the study “Social Impact of Emigration and Rural-Urban Migration in Central and Eastern Europe” which draws on 25 country reports and a synthesis report. These findings allow the development of tailor-made policy directions to mitigate the adverse effects of migration on the migrants and the social development in the sending countries and to strengthen the positive effects. This policy brief will support the countries and European institutions to decide on priorities, funding and partners in addressing the challenges described in the study. It is without saying that policies should be balanced between internal reforms in the country – improving living conditions for all people and thus discouraging emigration – and policies with the explicit aim to make migration as beneficial as possible. In this context it is important to strengthen the transnational policy nexus between sending and receiving countries.

As in the synthesis report, the policy recommendations are grouped along three regions taking into account the EU policy approach towards these countries and the different financial instruments of the EU. It is clear that some of the policy responses for one region might be also applicable in another region.

### EU Member States (EU-8+2)<sup>1</sup>

The regime of free movement of workers within the EU has contributed to a considerable increase of labour mobility in most of the EU-8+2 countries, leading to significant outflows of the population in some countries. While labour mobility within the EU may contribute to equilibrating labour market imbalances across the EU, it also involves specific challenges for the sending countries and the migrants themselves. The study has shown that the predominantly circular migration in a free mobility regime has not only positive effects, but also negative social impacts for the migrants and the sending countries. Policy measures to address these effects are largely missing or not adequately targeted.

#### Develop mobility-supporting labour market policies

Despite increased intra-EU mobility, skill shortages coexist with high rates of unemployment within a single country and across Europe. Skill mismatches in the countries themselves, but also between the migrants’ qualification and the jobs they take abroad and low transferability of skills upon return are important barriers to intra-EU mobility beneficial for both destination and sending countries.

- ▶ The EU-8+2 countries are recommended to develop further their mobility-supporting active labour market policies in order to combat regional imbalances and to increase employability of the unemployed and those threatened by unemployment. These measures may include mobility allowances for internal and international mobility or in-

centives for language courses for future migrants (e.g. in border regions). Furthermore, the role of the provision of accessible and affordable housing and childcare facilities to improve labour mobility should be assessed.

- ▶ In order to promote skills matching and the comprehensive preparation of prospective migrants, there is a need to strengthen the provision of information on international employment opportunities, on living and working conditions and cultural environment in the receiving countries. It is therefore recommended to further develop the EURES activities and render services more efficient in view of recruitment, information and guidance. Also, it is recommended to further strengthen the network of EURES advisors, in particular in areas with high out-migration. The instalment or increase of additional mobility advisors (e.g. in other institutions such as trade unions, local authorities etc.) should be considered.
- ▶ In order to support the employment of migrants according to their qualifications, further efforts in international recognition of formal and informal skills should be undertaken. This can be done by either reconsidering formal qualification requirements for certain occupations or by extending the list of professions which are subject to immediate recognition of qualifications and diplomas. Social partners should take an active role in preventing downskilling and in promoting cross-border skill matching. This might also include providing for greater awareness on recognition procedures among employers in receiving coun-

<sup>1</sup> EU-8+2 includes the 10 countries of Central and Eastern Europe which joined the EU in 2004 (EU-8: Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovak Republic, Slovenia) and 2007 (EU-2: Bulgaria, Romania). Greece is also included in this group as reference country (see page 15).

tries. In addition, employers should support the preparation of migrants to be recruited by investing in language courses and in upgrading the migrants' professional skills in line with national standards.

- ▶ It is further recommended to create a group of supporting measures for the successful re-integration of the migrant upon his/her return. Special guidance and counselling at the public employment services should be introduced or strengthened where it already exists, in order to inform the migrant on the relevant vacancies, to provide guidance on recognition procedures, and to support entrepreneurship among returnees.
- ▶ In order to support labour mobility attention is to be paid to the social security of mobile workers. The question arises whether the current EU regulations do still respond to changing patterns of mobility involving increasingly temporary and short-term migration periods and growing transnational mobility outside the scope of the concept of "frontier workers". Further, the increasing development of pension systems towards multi-pillar pension schemes and growing coverage by supplementary (non-statutory) schemes which currently do not fall under the scope of the EU coordination regulations bear the risk of generating new gaps in social protection coverage of migrants and of creating new barriers to mobility. Therefore, it is recommended that the EU considers adapting current regulations in order to take into account changing mobility patterns and pursues its work towards improving the coordination of supplementary pension entitlements.
- ▶ There is a lot of information material available at EU level and in the Member States as regards issues of social protection coordination and social security rights addressed at the wider public and persons who (wish to) move to foreign EU countries. The information available, however, seems to rather focus on situations of migrants settling in the destination country and less on situations of return to the home country. It might be worth for the EU to promote information targeting more specifically (potential) returnees.

### Address health professional shortages

Health professional mobility involving medical doctors, nurses and dentists from the EU-8+2 to the remaining EU Member States considerably increased shortly after enlargement, but seemingly dropped again afterwards and did not lead to a massive brain drain, at least in the EU-8. Nevertheless, intention-to-leave data based on the numbers of issued certifi-

cates on diploma recognition remain high, particularly in Romania, and it is most probable that the outflow of nurses in some countries is highly underestimated due to the lack of data. It is clear that the impact of health professional mobility in the countries of origin depends considerably on workforce policies in general including territorial distribution, attrition/fluctuation of staff and graduate numbers. Nevertheless, findings from the country reports suggest that health professional mobility has an impact on domestic health system performance which is mainly concentrated on specific health professions and regional shortages.

- ▶ With a view to health professional mobility within the EU, there is a clear need to improve health workforce policies in both sending and receiving countries. Sending countries should make further efforts to improve the working conditions and environment for their health professionals including wage increases and the improvement of the infrastructure and investments into new technologies. But also those countries which are predominantly receiving countries are recommended to improve workforce planning and forecasting, to assess the working conditions of their health workforce and introduce measures to make specific professions (i.e. nurses, carers) more attractive for the national workforce. Further, in those (receiving and sending) countries facing severe shortages of health workforce, it is recommended to invest in the capacities of faculties and vocational training schools, thereby focussing on those specialisations and regions mostly affected.
- ▶ Destination and source countries might seek to develop bilateral agreements aiming at a balanced recruitment of specific health professionals incorporating either compensatory measures for the sending country or supporting the development potential of the sending country. These may include transnational staff exchange programmes between health care providers and teaching hospitals, investments in education or the take-over of costs for training additional staff or staff recruitment for a fixed period combined with staff training prior to the return to the source country. The EU should consider setting up an EU-wide framework for cross-border collaboration between receiving and sending countries.
- ▶ Destination countries should effectively apply international and flexible rules of ethical recruitment of health professionals (such as the WHO Code of Practice on the international recruitment of health personnel) in order to cushion adverse effects of the drain of health professionals from source countries. Responsible recruitment poli-

cies should include a discussion of active recruitment strategies with national health authorities. Hospitals recruiting a higher number of staff from specific regions should be encouraged to build up bilateral cooperation with hospitals in the sending regions.

#### Address the development of disadvantaged (rural) areas

Some areas are suffering above average out-migration; these are either remote and/or rural areas or deindustrialised regions which were formerly strongly subsidised by the government. They all lack an attractive growth pole and consequently suffer structural underdevelopment and lack of employment opportunities. Due to the out-migration of predominantly young people of working age, the ageing process in these regions is being accelerated. Usually, the educational attainments of the resident population are below the average level in the country and unemployment and poverty rates are higher.

- ▶ What is, above all, necessary is long-term integrated strategic planning which aims at achieving a sustainable population and economic development level of the region. While the identification of growth potentials should be prioritised, some regions may need support in times of downsizing, whereby the need for targeted social policies might increase in spite of declining populations, particularly for elderly persons.
- ▶ Bottlenecks in the education system may lead to educationally motivated migration. The dispersed delivery of education at all levels starting from the pre-primary level up to lifelong learning facilities is crucial to realise the development potential in rural areas. Consideration should be given to use Structural Funds for investments in the creation of higher education facilities and vocational training schools in those areas which are structurally underdeveloped in order to prevent the young population to move to the capitals. Another way to attract highly skilled people to disadvantaged regions might be stronger investments in R&D linked with the establishment of future viable 'industries' such as technology parks etc.
- ▶ In order to provide the local labour market with the skills needed, it is important to design active labour market measures in accordance with the local economy. The provision of tailor-made vocational (re-)training measures for the local workforce, the provision of local employment initiatives and social enterprises are considered important policy interventions in disadvantaged areas. In order to target the interventions in accordance to regional/local

needs, local or regional partnerships for employment involving public and private stakeholders, the training sector and social partners proved to be a successful approach if funds are made available.

- ▶ Due to the fact that remote/rural areas often suffer from limited accessibility, the improvement of transportation infrastructure to ensure access to regional economic centres (employment), to schools and other educational facilities (education) and to social and health services (social inclusion) should be supported by national and regional governments.
- ▶ It is necessary to strengthen the social dimension in rural and regional development programmes. At the very least, this should involve the integration of social planning and social needs assessment, including health, education, and social services, into regional development planning processes. A thorough analysis, and clear targeting, of those at risk of social exclusion in disadvantaged areas should be made an obligatory part of the planning process. The networks of social services may need to be complemented through social enterprises, non-governmental organisations, the private sector and, above all, by programmes of volunteering.
- ▶ The bottom-up approach, as exemplified by the Local Action Groups in the frame of the Leader initiative (Axis 4 of the Rural Development Programme), has proved to be a useful approach to mobilise disadvantaged areas. It is therefore recommended to strengthen integrated and multi-sectoral community-led initiatives and to increase the funds allocated to this axis. At the same time, there is a need to facilitate the access to funding and to invest in capacity building of local stakeholders in disadvantaged communities in order to promote their use of the Leader programme.
- ▶ Those communities which are particularly affected by high out-migration are recommended to establish and maintain strong links to the Diaspora. These contacts may also promote a more targeted use of remittances for local development projects or other productive investments. This is of specific relevance for countries receiving a high volume of remittances like Bulgaria and Romania.

#### Support family members affected by migration

Increasingly, women migrate to work in other countries or regions, leaving children in the care of their fathers, grandmothers and other family members. While the emergence of

new transnational family structures does not as such endanger the development of children, the emergence of family structures with repeatedly absent mothers poses challenges for the family members looking after the children. As women have traditionally shouldered the main burden of care for children and older family members, new forms of burden-sharing induced by migration have to be seen in the context of more general developments in family practices, including the educational and care-giving challenges arising from marriage breakdown and internal migration and therefore call for a comprehensive policy approach at community level:

- ▶ In order to raise awareness and target support measures properly, local authorities should develop their information base and identify single parents, elderly living alone and those children living without one or both parents.
- ▶ The issue of children 'left behind' has become a subject of public concern in particular in those countries most affected by out-migration. While it is important to raise awareness of the needs of children with migrating parents, support policies should avoid stigmatising absent mothers and strengthen the capacities of transnational and blended families. One instrument might be to lower the legal and administrative barriers for the payment of child benefits and child raising allowances to those persons who de facto care for the children in case both parents are absent.
- ▶ In order to meet the children's need for informational and emotional support, teachers in those areas with above average number of children left behind should receive specific training. Besides, it is recommended to establish psychological and counselling services at schools that take care of children with temporarily absent mothers or fathers and their caregivers. Communities should also provide opportunities for involvement of children left behind in out-of-school activities and leisure activities in accordance to their needs and interests. These activities should be accompanied and led by competent staff responsible for the work with children and youth.
- ▶ When it comes to the support of children migrating with their parents, education programmes (e.g. language courses, cultural education) are important to prepare the children for migration and also for return. This may include the development of internet-based long-distance e-learning programmes as already implemented in some countries or targeted return school curricula. Sending and receiving countries may seek co-operation in this field, for example by supporting partnerships between schools.
- ▶ Elderly people living without their children often lack adequate support which leads to their isolation and social exclusion, in particular in remote regions. It is therefore recommended to further invest in long-term care services in view of ensuring adequate access to services and overcoming regional disparities in the provision of these services. This also includes the strengthening of community-based social services like home-based care or day care centres and to encourage volunteering at community level. Besides, incentives to encourage informal support mechanisms provided by relatives, friends or neighbours should be taken into consideration. The establishment of more mobile social work services, as well as social work services in hospitals to plan for re-integration into the community of vulnerable older people may also be needed.

#### Promote the inclusion of Roma and other vulnerable religious and ethnic communities

Contemporary migration patterns of the Roma and other vulnerable religious and ethnic communities are closely related to their social and economic position in the EU-8+2. Roma migration stems from deep social problems including discrimination and marginalisation, unemployment, limited access to social services and poverty. Their situation is even worse when their migration is unsuccessful and leads to return to their original locality, where they deal with multiple problems including housing, employment and re-integration of children into the educational system.

- ▶ All general recommendations to promote Roma inclusion deriving from National Roma Integration Strategies, relating to citizenship, anti-discrimination, income maintenance, employment, education, health, housing, and personal social services are also relevant and important for Roma migrants and returnees. Additionally, there is a clear need for National Roma Integration Strategies to address, more specifically, the needs of Roma migrants and Roma returnees. In order to achieve this, there is a need for improved quantitative and qualitative data on Roma and migration.
- ▶ The provision of information regarding the opportunities for migration, rights and responsibilities in the receiving country and accurate information about return options, which are all of importance for migrants in general, are even more important with regard to Roma, who may be increasingly vulnerable to social exclusion within the migration process.
- ▶ There is a need for speedy, non-stigmatising community work services to ensure that Roma are registered and made

- aware of available resources. Onsite support, for example in language classes, should be provided. Wherever possible, measures to integrate Roma children into education will be needed. This should be in integrated classes with special assistance provided, for example in language, where needed.
- ▶ Given the tendency for Roma migration to be 'chain migration' i.e. significant numbers of Roma may migrate to one location over a relatively short period of time, often setting up home in informal settlements or on public or disputed land, there is a need for a degree of 'cost sharing' between municipalities where Roma settle and the respective national authorities.
  - ▶ There may be a need for mediation and dispute resolution services to be made available in cases where conflicts arise between newly migrating Roma and local populations. Also, access to free, accessible and quality legal aid services should be made available to Roma communities whenever needed.
  - ▶ The practice of 'humanitarian repatriation' of Roma and the provision of financial inducements to return should be avoided.

## In brief: Recommendations for the use of EU Structural Funds in the upcoming Programming Period 2014 – 2020

The Structural Funds represent important financing instruments for EU Member States to boost employment and social inclusion and to contribute to social and territorial cohesion. The findings of the present study provide relevant directions for the use of the EU Structural Funds in the upcoming programming period contributing to the achievement of the goals of Europe 2020. In general, EU Structural Funds shall increasingly support labour mobility and benefit labour migrants and their families including those left behind. In detail, the following directions should be pursued:

- ▶ The ESF should be increasingly used to support geographical national and transnational labour mobility. Measures may include mobility allowances, pre-departure information and guidance of migrants, language courses, but also specific measures to support the labour market re-integration of the migrants upon return. In this context, it is recommended to use the ESF to strengthen the role of EURES and expand its services in view of recruitment, information and guidance to potential migrants and employers. In view of health workforce mobility, the use of ESF to promote balanced recruitment through bilateral agreements or staff exchange programmes between health care service providers and teaching hospitals may be considered.
- ▶ Structural Funds should increasingly invest in education and training facilities in disadvantaged areas in order to ensure a territorially dispersed availability of education for all age groups including pre-school education and lifelong learning.
- ▶ In view of social cohesion, an integrated approach to regional development should be strengthened. It is recommended to include social needs assessment including health, long-term care and social services in regional planning processes. Structural Funds should increasingly support the establishment and accessibility of community-based services, in particular in disadvantaged areas in order to support those left behind.
- ▶ Given that the Leader approach of the Rural Development Programme proved successful in mobilising disadvantaged areas, it is recommended to strengthen integrated and multi-sectoral community-led initiatives and to increase the funds allocated to this axis.
- ▶ Furthermore it is strongly recommended strengthening the services and investments aimed at social inclusion of those groups particularly vulnerable due to migration. Besides strengthening health, social and long-term care services, the ESF should increasingly support services aimed at combating discrimination against Roma and other disadvantaged religious and ethnic communities, encouraging education and promoting labour market integration.

## Candidate Countries and Potential Candidates<sup>2</sup>

The challenges which result from external and internal migration in the candidate countries and potential candidates in parts differ from those in the EU-8+2 due to different trends and patterns resulting from the armed conflicts in the region, a different legal framework for (labour) migration and a lower socio-economic development level. Several waves of mass forced migration involving both large refugee streams and internally displaced persons were followed by large-scale forced return. However, return to the place of origin was often not possible which created a new vulnerable group of internally displaced persons, in particular in Bosnia and Herzegovina and Kosovo\*. In the context of the creation of new states, many persons, mainly Roma, remained stateless and continue struggling to exercise even their basic rights. Along with forced migration, labour migration, which already had a tradition in the Yugoslav Federation, led to a substantial loss of population of mainly young and qualified people seeking better employment opportunities and living standards in Western Europe.

### Further develop human capital and foster regular labour migration

Poor employment and job growth, high unemployment rates, in particular among the youth, and significant regional disparities are the main drivers for international and internal migration in the Western Balkans. Against this background, it is clear that policy interventions targeted at the reform of the national education systems and labour markets remain priorities and should continue to be a main focus of the IPA (Instrument for Pre-Accession Assistance) programmes funded by the EU. The improvement of labour market information systems, including skill needs analysis, along with a better adjustment of labour market policies to regional and local needs, the promotion of the employability of the labour force and an increase and better targeting of active labour market policies to the most vulnerable groups (youth, IDPs, etc.) are only some of the key areas. At the same time, the EU and national policy makers should integrate the migration dimension into their programmes for human resource development. In particular, the following policy interventions are recommended:

- ▶ The migration information centres set up by the International Organisation of Migration (IOM) and handed over

to the public employment services are a useful approach to support potential migrants and returnees by providing information on the labour market and skill needs in the receiving countries and on reintegration measures in the countries of origin. It is recommended to scale them up both in the sense of geographical distribution, size and responsibilities including investment in staff capacities. For example, they should play a stronger role in evaluating the skills and qualifications of the migrant and in providing advice on how to document informal learning in order to be recognised later upon return in the national qualification system. Further, there is a clear need to increase awareness about their existence and tasks among the public.

- ▶ In order to promote the recognition of skills and qualifications before departure and upon return, it is recommended to support social partners in the sending countries in defining national sector skill standards taking into consideration international standards. Also sending countries should align their qualification frameworks with EU countries so that migrants who acquire licences, qualifications and vocational training abroad can formally utilise their skills in the countries of origin. Furthermore, bilateral pilot actions to upgrade skills in those sectors where migrants dominate (i.e. nurses, construction) should be promoted.
- ▶ Returning migrants should become a specific target group in active labour market policies in order to provide targeted support for their re-integration into the labour market. In general, it is recommended to increase active labour market measures including business start-ups, training in entrepreneurship skills or re-training measures for this group.
- ▶ In support of regional labour migration between the Western Balkan countries, the potential role of a platform similar to the EURES platform should be explored. In particular, agreements on seasonal migration between the countries should be envisaged in relation to tourism, agriculture, and other seasonally variable jobs. Furthermore, cooperation and exchange with and between the countries in the field of social security reforms and social security coordination should be further pursued and supported by the EU.

<sup>2</sup> Albania, Bosnia and Herzegovina, Croatia, former Yugoslav Republic of Macedonia, Kosovo\* (\*this designation is without prejudice to positions on status, and is in line with UNSCR 1244/99 and the ICJ Opinion on the Kosovo declaration of Independence), Montenegro, Serbia. Turkey is also included in this group as reference country (see page 15).

### Turning brain drain into brain gain

All countries of the region experienced a considerable loss of persons with tertiary education and, in addition, face increasing numbers of students choosing to study abroad. No significant return of both the qualified professionals and the students has been observed. While emigration of brains may avoid unemployment of the highly educated, it involves a significant loss of human capital across sectors depriving the sending countries of their development potential. Efforts to encourage return and link emigrated professionals to national (university or scientific) institutions may turn brain drain into brain gain.

- ▶ As it became clear in the country reports, along with low income, large wage differences, decreasing expenditure on R&D and worsening working conditions have been determinant factors for the emigration of lecturers and research staff at universities and research institutions. Against this background it is highly recommended to strengthen link EU support to investments in R&D, i.e. by supporting regional development hubs or exchange programmes.
- ▶ Networks of scientific communities involving continuous co-operation in terms of guest lectures and joint projects ensure brain circulation and support the scientific communities in the source countries to keep up with recent developments. Examples to draw on lessons learnt exist already in Turkey and several Western Balkan countries.
- ▶ Experiences in the EU-8+2 alert to the danger that EU accession may lead to rapidly increasing health professional mobility. Temporary mobility programmes in the process of EU accession may be considered in order to buy time for adjustment. It should be considered to develop 'stay-to-go'-programmes: Doctors and nurses committing themselves to work for at least three years in their countries of origin after accession could be offered support, such as language and training courses and granting of leave for a temporary employment abroad, so that they consider postponing migration decisions and plan them as temporary leaves.

### Making remittances beneficial for the development of the sending country

In the last years, the Western Balkan countries have experienced large-scale remittance inflows, which considerably fuelled households' consumption levels and boosted certain sectors of economy such as construction. They considerably contributed to raise the living standards of migrants' house-

holds and to reduce poverty. However, despite the fact that there is a high propensity to make savings among migrants, investments are low in numbers and remain non-productive and small-scale. Consequently, sustainable development effects are lacking so far.

- ▶ While it is commonly acknowledged that remittances are first of all private transfers, policies and measures should directly address the concerns of migrants and promote the transfer or investment of a part of their financial resources into saving products or productive investments. At the same time, savings and investments need to be placed in an appropriate macro-economic framework that includes a business-friendly environment, good governance and transparency.
- ▶ National and regional governments of both sending and destination countries are recommended to join and strengthen their efforts in establishing close links with the Diaspora communities. Programmes to provide the Diaspora with financial literacy training and information on savings and investment opportunities in the countries of origin should be jointly developed.
- ▶ National governments should further strengthen their catalytic and regulatory role for making investments of the Diaspora more attractive. Measures to encourage the Diaspora to invest in the development of their home country might include the provision of tax incentives and loan subsidies for investments into business and development projects.
- ▶ Further, regional authorities should develop stronger linkages between the Diaspora and the regional development agencies in order to explore ways of channelling remittances and savings of migrants for development. Community-based development funds managed by banks or non-commercial companies and guaranteed by the government are one possible instrument. These funds should be earmarked for projects supporting the local infrastructure, the creation of jobs and the provision of social services, among others.
- ▶ Financial institutions play an important role in supporting economic development. Migrants from Western Balkan countries still send a considerable part of remittances via informal channels due to a lack of trust and high transaction costs. It is, therefore, a first step to take a closer look at banking regulations to find out whether they hinder easy money transfer and savings options. To increase the

share of remittances sent through formal channels, new and efficient financial products and cross-border services should be introduced by banks and other financial institutions. Furthermore, governments are recommended to create necessary conditions to guarantee savings in the countries of origin.

### Foster sustainable integration of IDPs and (forced) returnees

It is now over fifteen years since the resolution of conflicts in Bosnia and Herzegovina and Croatia and over ten years since the effective ending of hostilities in Serbia and Kosovo. There are, however, still a significant number of refugees and internally displaced persons (RDPs) lacking sustainable solutions<sup>3</sup>. Given that most of these are now unlikely to return in the medium term, it is important to both regulate their status and facilitate opportunities for employment and access to services, in ways which do not in any way pre-judge political resolution of their status or of borders. To this end, a number of policy initiatives could help, including:

- ▶ Sustainable return of RDPs in the region can only be achieved through a continuous dialogue and close cooperation between the countries. In this context, the conclusion of bilateral and multilateral agreements which eliminate any remaining obstacles to sustainable return should be promoted.
- ▶ Since RDPs are often deprived of social and health services due to an undefined status or lacking documents, it is crucial to ensure that entitlements to social, educational and health services, and the right to social assistance are provided to all RDPs based on residence not citizenship criteria.
- ▶ In view of a sustainable solution for RDPs, it is recommended to use international donor funds to close remaining collective centres in the region and to find sustainable housing solutions for those who currently live in them.
- ▶ In view of high unemployment and poverty rates among RDPs, there is a need to offer targeted support for re-integration in the labour market, including reskilling and business start-ups for this population group. Within this, women, particularly those women with limited labour market experience, should be specifically targeted. Flexible schemes in terms of education and employment opportunities should be offered to enable RDPs to access liveli-

hood opportunities in ways which do not alienate other members of the community.

- ▶ The support for return and (re-)integration of minority RDPs should be increased by providing conflict resolution, mediation, and reconciliation support in divided communities.

### Roma and other vulnerable religious and ethnic communities

The challenges faced by Roma in the Candidate Countries and Potential Candidates are largely similar to those faced by Roma within the European Union, combined with the increased risk of deportation or even imprisonment in the context of irregular migration. In addition, the issue of statelessness in the aftermath of the break-up of Yugoslavia is a real issue for a significant number of Roma in the region. Over and above the recommendations regarding Roma from the EU-8+2, the following is suggested:

- ▶ Repatriation should, whenever possible, involve support for livelihood opportunities upon return, through enrolment in training programmes, cash grants for small businesses, and so on. Programmes targeting Roma women should be developed.
- ▶ There is a need to establish a close co-operation between institutions of sending and receiving countries regarding the educational needs of Roma children, particularly in cases of multiple moves.
- ▶ Governments should ensure that National Roma Action Plans are fully in line with EU strategies and include elements on Roma migration. In this context, continued consultations with Roma organisations on the issues concerning migration-linked vulnerability should be sought.

### Combat rural poverty

Some regions in the Western Balkans are characterised by long-standing problems of rural decline, inaccessibility and unfavourable geography, which led to a considerable population loss in rural areas. A considerable share of the rural population is living on (semi-) subsistence agriculture due to high land fragmentation, limited use of modern technologies, poor infrastructure and low market access. Furthermore, the rural areas face accelerated ageing, high rates of (hidden) unemployment and disappearing services.

<sup>3</sup> Some displaced persons may not show up in official statistics as they got citizenship in the place they moved to. This, however, does not necessarily guarantee equal rights or access to sustainable livelihoods, goods and services.

- ▶ EU-funded rural and regional development programmes (IPA components III and V) need to integrate the social dimension and to target those areas which are particularly disadvantaged. There is a need to increase investments in rural areas and to target those most at risk of leaving. The improvement of the educational structure of the rural labour force is a precondition to diversify rural economy and to develop employment opportunities outside the agricultural sector. It is therefore important to ensure that there are schools at every level within reach of disadvantaged areas. Programmes promoting entrepreneurship and managerial skills, vocational (re-)training and lifelong learning are particularly important.
- ▶ There is a need for a clear focus on those people left behind in regions particularly affected by out-migration who might be at a greater risk of social exclusion (single parents, the elderly, children, minorities). Investments in rural infrastructure targeting increasing mobility and access to social, health and educational services should be strengthened. Furthermore, a closer co-ordination of employment, social services and educational services at community level is needed to develop appropriate measures for aforementioned vulnerable groups.
- ▶ It might be necessary to establish mobile teams and more flexible services in disadvantaged, war-affected and remote areas (including islands and mountainous areas). In particular, there may be a need to provide free or cheap, and accessible transportation services for older people with limited mobility in order to access health and social services.
- ▶ Schemes which offer incentives (including subsidised housing, tax breaks, enhanced salaries, etc.) for skilled and trained professionals (including doctors, nurses and social workers) to settle in disadvantaged areas should be evaluated in terms of their effectiveness. The most effective schemes should be scaled up and implemented elsewhere in the region.
- ▶ Agricultural reform programmes need to have a much greater social component in order to minimise the divide between more productive and unproductive agriculture. In particular, support needs to be offered, through e.g. low interest loans, credit unions, etc. to enhance market opportunities for small-scale producers, including those working primarily in subsistence agriculture. Retraining programmes, including new service skills, rural tourism, and small craftworks, should be supported as much as possible in disadvantaged areas.

## In brief:

### Recommendations for the use of IPA funds in the upcoming Programming Period 2014 – 2020

Technical and financial assistance to support Candidate Countries and Potential Candidates in their preparations for EU membership is currently provided through IPA. A proposal for IPA II covering the next programming period has been elaborated by the EU Commission in December 2011. The findings of the present study provide important directions for the use of IPA in the next programming period to support the economic and social development of the countries and to promote minority rights, non-discrimination and reconciliation. In this context, it is recommended to review the old component structure of IPA and to allow an undifferentiated access to all policy components for both candidate countries and potential candidates. In particular, following directions should be pursued:

- ▶ IPA should be increasingly used to reform national education systems and labour markets in order to align skills and qualifications to the labour market needs and to promote the employability of the labour force. This will also include the further development and better targeting of active labour market policies in order to support the labour market (re-) integration of the most vulnerable groups such as youth, women, disabled persons and IDPs.
- ▶ In view of supporting transnational labour migration and to prevent irregular migration, IPA funds should be invested in counselling and guidance of potential migrants prior to their departure and in labour market re-integration upon return. It is to be considered to use IPA funds to scale the migration information centres of the public employment services up both in the sense of geographical distribution, size and responsibilities including investments in staff capacities. In this context, in view of facilitating skill matching, it is recommended to use IPA funds also to support the sending countries in aligning their qualification frameworks to the EU.

- ▶ IPA funds should be increasingly used to support the social inclusion of the most vulnerable groups including youth, women, the elderly, RDPs, Roma and other religious and ethnic vulnerable communities. As regards RDPs, IPA should invest in promoting sustainable solutions for these population groups, including sustainable housing, labour market integration and access to education.
- ▶ IPA funds should target rural areas and thereby follow an integrated multisectoral approach including the promotion of education and (re-)training of the rural workforce along with a diversification of the labour market in these areas, investments in rural infrastructure and in the provision of accessible health, long-term care, social and educational services.

## Eastern Partnership Countries (EaP)<sup>4</sup>

Similar to Western Balkan countries, state-building after the dissolution of the Soviet Union increased the salience of ethnic divisions in most of the EaP countries, in particular in the context of armed conflicts over contested areas. Armenia, Azerbaijan, and Georgia in particular are still struggling with high rates of IDPs. Challenges related to external migration arise due to high shares of irregular migration along with the lack of or inefficient implementation of bilateral and multi-lateral labour and social security agreements. Russia as main destination country for all EaP countries is a key player here. Beyond these commonalities, EaP policies have to acknowledge that the countries have highly diverging conditions in terms of demography, political stability, and relations with immediate neighbouring countries.

### Foster regular labour migration

Migrants from the EaP countries are especially vulnerable, due to the fact that many of them are irregular and not protected by any bi- or multilateral labour and social security agreements. The lack of agreements and of mechanisms for mutual recognition of qualifications further entails a considerable mismatch between the skill level of the migrants and the jobs they end up doing abroad and hinders the transfer of knowledge and skills upon return. This is in particular acute in the case of migration to the EU.

- ▶ There is a need to expand temporary work programmes for low-to-medium skilled workers in order to increase the legality of migration. These can typically be based on bilateral agreements or on Mobility Partnerships with the EU.
- ▶ It is recommended to expand Mobility Partnerships, both in terms of scope and coverage. The EU should put a stronger focus on the integration of social security provisions, temporary labour agreements and reintegration mechanisms for returnees into the partnerships. Skill matching is an important prerequisite for successful labour mobility programs. Temporary labour mobility arrangements should therefore include a clear assessment of the migrants' skills and comprehensive information on the labour market needs in the receiving country. These agreements should entail provisions for protection from exploitation and mechanisms for the effective enforcement of migrants' (labour) rights.

- ▶ The EU should further enhance its co-operation with the EaP countries towards the set-up and implementation of a better framework for co-ordination of social security between EU Member States and the EaP countries. In this respect, it is important that the EU pursues the development of a common EU approach for all countries in the region. In parallel it should continue to support the countries in enhancing their institutional capacities for the negotiation, conclusion and implementation of social security agreements. As it has been the case for Moldova, such support might be embedded into the implementation of Mobility Partnerships. At the same time, however, it is even more crucial to invest in the further advancement of the social protection systems of the EaP countries, which are still characterised by underdevelopment, low welfare levels, and weak governance.

- ▶ The establishment or further development of voluntary insurance schemes to cover those lacking any social insurance because of informal employment and/or migration might be investigated, based on the experiences already made with such schemes in some countries (Moldova, Ukraine) of the region. For this purpose it is necessary to review and assess the existing schemes.

### Invest in human capital

Similar to the Western Balkan countries, the transition in the EaP countries has not yet led to the creation of sufficient decent jobs in their economies. Unemployment and underemployment are persistent problems in all countries (with the possible exception of Belarus) and the employed population is highly vulnerable due to high shares of agricultural (self-)employment and small-scale informal activities. Further, there exists a considerable mismatch between the skills provided by the education systems and those needed on the labour market and this gap will become even more apparent with advancing restructuring. It is therefore crucial that the EU further supports the governments in reforming the educational systems and labour market policies, in particular:

- ▶ There is a need to further strengthen the institutional capacities of the labour ministries and public employment services in terms of employment policy development and implementation. This involves, in particular, an increase of capacities in labour market and skill needs analysis, the design and better targeting of active employment policies and in monitoring and evaluation of employment policies.

<sup>4</sup> Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine.

The number of staff related to labour market issues and the share of funding for active employment policies is to be raised.

- ▶ There is a need to continue the reform of education systems and to strengthen the secondary education, including vocational education, and also adult education. In particular, the adjustment of skills and competences to the needs on the labour market remains a high priority.
- ▶ Job creation and in particular the development of the SME sector should be enhanced by removing institutional and legal barriers, facilitating access to credits and providing entrepreneurship training. Returning migrants should be specifically targeted in the provision of information and advice on business opportunities and entrepreneurship education.
- ▶ National governments should establish mechanisms to recognise and validate formal and non-formal (on-the-job training) qualifications and skills that migrants acquired abroad.

### **Making remittances beneficial for the development of the sending country**

Most of the EaP countries have experienced in the last years large-scale remittance inflows which constitute a stable income for many households in the region and considerably boosted consumption levels. In Armenia and Moldova, in particular, remittances largely contributed to reducing (extreme) poverty. In Moldova, and to a lesser extent also in Armenia, the large inflows substantially exceed the expenditure on social welfare and might possibly absolve the governments from their responsibility to develop long-term economic and social policies to address poverty which is the main cause for emigration. Similar to the Western Balkans, only a negligible amount is invested into business and predominantly in the informal sector. Policy suggestions provided in the case of Western Balkans, therefore, also apply to the EaP region. Furthermore:

- ▶ The governments in those countries with high inflows of remittances should seek to break through the cycle of remittance dependency by ensuring adequate welfare coverage and a secure investment climate.
- ▶ As in the Western Balkans, it is necessary to broaden and develop the channels and ways of money transfers and to lower transaction costs, so that remittances are increasingly transferred through formal channels. Campaigns to

increase awareness and information on financial products and services of banks and non-bank financial institutions should be conducted in order to convert remittances into savings and encourage their use also for development financing.

- ▶ Communities which are severely affected by out-migration should be encouraged to establish close contacts to the Diaspora and to create community-based social development funds and economic development co-operative companies in order to attract remittances and savings from migrant households to invest in social and economic development projects.

### **Combat poverty and support social inclusion**

Whilst reducing poverty and social exclusion is important in all of the sub-regions of this study, it takes on a particular importance in the poorest countries of the Eastern Partnership region. Very limited social protection systems and the absence of viable and meaningful social security agreements mean that there are gaps in safety nets whenever migrants may want to transfer entitlements or seek support as a result of risk of poverty and social exclusion. In this context, the most important policy suggestions are those which, whilst having a general value, will also benefit migrants. These include:

- ▶ There is a need to overall increase public spending on social protection and social assistance. Due to the fact that low benefits and low coverage of social assistance and social protection schemes could not eradicate extreme poverty, it should be considered to combine them with minimum income schemes. This might also encompass the inclusion of minimum provisions in pension schemes, since pensioners living alone in households are particularly affected by poverty.
- ▶ In all EaP countries, poverty alleviation programmes need to integrate a broader social inclusion perspective. This also implies the need to combine measures in different policy fields such as economy, employment, education, social protection and encompass income with non-income related measures.
- ▶ There is a need to strengthen community-based social and health services and hereby to increasingly involve non-governmental institutions as service providers. This, in particular, is needed in rural areas, where infrastructure is weak and accessibility to the bigger cities limited. In this context it is also recommended to provide sustainable

funding for NGOs working on providing advice and support to migrants.

- ▶ There is the need to increase the support for children and families of migrants 'left behind', including social work support and educational support.

#### **Foster sustainable integration of IDPs, (forced) returnees and ethnic and religious minorities**

In the Southern Caucasus region, IDPs constitute a considerable part of the population, as a consequence of the Nagorno-Karabakh conflict and the conflicts around South Ossetia and Abkhazia. Despite the fact that the governments consider this population group as vulnerable and provide them with support, the latter is mainly limited to cash and in-kind benefits such as social assistance, free usage of health care or free provision of electricity, gas and water. One of the main reasons of high poverty rates and social exclusion of IDPs, how-

ever, seems to be their limited access to the labour market and the fact that many of them still live in collective settlements.

- ▶ There is a need to find sustainable solutions for the IDPs who do not seem to have a perspective to return to their original place of living (this, above all, applies to the IDPs from Nagorno-Karabakh), but also for ethnic and religious minorities such as the Crimean Tartars. This above all requires sustainable housing solutions for those still living in collective centres.
- ▶ In order to decrease high poverty rates, it is urgently needed to include IDPs and ethnic and religious minorities in employment and educational programmes and get them involved in already partly existing measures, such as support for small business and professional retraining measures, education vouchers, etc.

### **Improving the information base on migration**

Targeted policy making requires the availability of reliable migration data and on-going and ex-post evaluation of the impact of policy measures and programmes. In all countries, gaps in data availability and programme evaluation have been recognised. The governments of the countries should therefore increasingly invest in data gathering and analysis of migration trends and their impact, possibly with further support of the EU. For those countries with high out-migration rates it is recommended to include the migration dimension into the Labour Force Survey, so as to update quantitative and qualitative data on related issues in a regular and timely manner. In order to learn from experience and render programmes more efficient and targeted, every programme or project should be monitored and evaluated by external evaluators during and after its finalisation and results should be made publicly available.

**This policy brief was prepared by:**

**Gesellschaft für Versicherungswissenschaft und -gestaltung e.V. (GVG)**

[www.gvg.org](http://www.gvg.org)

Contact person: Birgit Garbe-Emden, [b.garbe-emen@gvg.org](mailto:b.garbe-emen@gvg.org)

This Policy Brief is based on 25 country reports elaborated by national expert teams and a synthesis report prepared by GVG e.V.. The countries covered are those 23 countries of Central, Eastern and South-Eastern Europe mentioned above under the three country groups. This analysis of the social impacts of international and internal migration from the perspective of the sending countries covers a period of 20 years of migration which started with the fall of the iron curtain in Europe and the transition to market-type economies as from 1990. For the purpose of the analysis Greece and Turkey which experienced large migration waves in previous periods have also been included into the study as "reference cases" in order to facilitate the identification of causal effects, similar experiences and policy examples.

The country studies and the synthesis report are available on the website of the Directorate General for Employment, Social Affairs and Inclusion of the European Commission

<http://ec.europa.eu/social/main.jsp?langId=en&catId=89&newsId=1642&furtherNews=yes>

*Neither the European Commission nor any person acting on behalf of the Commission may be held responsible for the use that may be made of the information contained in this publication.*

© European Union, 2012

Reproduction is authorised provided the source is acknowledged.