How Can Labour Migration Policies Help Tackle Europe's Looming Skills Crisis?

Kate Hooper
Tesseltje de Lange
Jasmijn Slootjes

MIGRATION POLICY INSTITUTE
mpi
EUROPE

Funded by
the European Union

How Can Labour Migration Policies Help Tackle Europe's Looming Skills Crisis?

Kate Hooper
Tesseltje de Lange
Jasmijn Slootjes

June 2025

MIGRATION POLICY INSTITUTE
mpi
EUROPE

Funded by
the European Union

Contents

Executive Summary

Europe faces a looming skills crisis. Three-quarters of employers report difficulties hiring workers with the right skills, and as European populations age, workforces shrink, and the digital and green transitions transform what skills are most valued, these hiring challenges are likely to worsen. The skills crisis threatens not only Europe's economic growth but also its ability to make progress on major policy priorities such as building enough housing to satisfy demand, meeting carbon emissions reduction targets, building a sufficient care workforce for fast-aging populations, and keeping up with digital innovation in areas including cybersecurity.

The skills crisis threatens not only Europe's economic growth but also its ability to make progress on major policy priorities.

Responding to this skills crisis will require a multipronged approach. Reforming and expanding training opportunities, including for groups underrepresented in the workforce (such as refugees), will be critical to bridging the gap between the skills workers have and the skills employers are looking for. For example, just over half of EU residents have basic digital skills at a time when these and more advanced skills are highly sought after. Furthermore, policymakers should scrutinise why certain jobs are proving so hard to fill and what steps could be taken to make them more attractive to local workers. But it is also clear that immigrant admissions will need to be part of the response. As populations age, immigrants will make up a growing share of European workforces. Labour migration can not only help bridge the gap between supply and demand for qualified workers, but it can help meet time-sensitive gaps (whereas training pipelines take time to deliver) and it can enable talented individuals from around the world to contribute their specialised skills and creativity to European economies.

Yet, EU policies on labour migration remain highly fragmented. EU directives such as the Blue Card Directive for highly qualified workers offer national authorities significant discretion to shape their implementation—meaning admissions requirements vary between Member States—and they operate alongside national-level entry policies that in some cases offer similar or more favourable conditions. This creates a maze for prospective employers and workers to navigate, especially when policies keep changing. This complexity, when coupled with bureaucratic hurdles, inefficient visa processing, lengthy qualification recognition procedures, and differing rules around long-term residence, can hinder EU Member States' ability to attract and retain skilled workers. And as competition for talent heats up, Europe cannot assume it will automatically be the top destination for workers with sought-after skills.

While there is a compelling case for greater coordination and streamlining, EU leaders have struggled to persuade Member States of this. All too often, EU initiatives have overpromised and underdelivered, or ended up duplicating or overlapping with national efforts. And as politics around immigration harden, the prospects of introducing further directives (e.g., on the admission of low- and middle-skilled workers) or significantly simplifying existing immigration routes seem out of reach for now. But there are nonetheless

important steps the bloc could take that can help address skills shortages and demonstrate the added value of a coordinated approach to Member States, including:

- Exploring the potential of a 'skills and migration omnibus' that would, in a consolidated way, tackle issues employers and would-be immigrants commonly face in accessing labour migration pathways by improving procedures and rights across several directives simultaneously. For example, this omnibus could focus on addressing slow visa processing, burdensome documentation requirements, inefficient qualification recognition procedures, ineffective protections for migrant workers, and unnecessary restrictions on intra-EU mobility.
- Refocusing EU-backed mobility schemes (which offer temporary placements in Europe for work or training) to gather insights into barriers that prevent uptake of mobility opportunities, such as challenges applying for visas or inefficient matching between employers and workers. Such programmes also offer an opportunity to explore and test out possible policy responses through already-funded EU instruments.
- Promoting greater policy coherence between this work on labour migration and other skills investments, both as a way to tackle inefficiencies and to ground labour migration discussions within a broader policy context. This could include developing more unified sectoral strategies in health care, construction, information and communications technology, and other high-priority sectors, which could bring together different policy responses to skills shortages and incorporate sector-specific hiring and workforce development dynamics.

Sequencing and messaging also matter. In the short term, EU policymakers should look to low-hanging fruit that can help showcase the added value of a coordinated EU approach, while responding to criticisms of the European Union's track record by demonstrating a commitment to consultations, a greater focus on user experience, and where possible, seeking to improve and simplify instead of starting afresh. These steps can lay the groundwork for longer-term reforms that tackle barriers to mobility as part of a joined-up response to Europe's skills crisis.

1 Introduction

Across Europe, skills shortages risk stymying the bloc's economic growth. In 2023, 78 per cent of small and medium-sized enterprises in Europe reported difficulties finding workers with the right skills and experience in sectors ranging from health care to construction.[1] And as European societies age and workforces shrink, these difficulties are poised to become even more acute.

Reforming and expanding training opportunities and improving working conditions will need to be at the heart of a policy response to this looming skills crisis. These actions include tackling skills gaps and promoting routes into work for local populations, both the native born and immigrants already present in European communities. But it is also clear that immigrant admissions will play an important role in addressing labour market needs where local candidates are unavailable, as well as in contributing to

1 European Commission, *European Year of Skills: Skills Shortages, Recruitment and Retention Strategies in Small and Medium-Sized Enterprises* (Luxembourg: Publications Office of the European Union, 2023).

economic growth through the innovation and additional spending power they bring.[2] Thus, alongside exploring investments in building skills and improving productivity, the European Union and its Member States should be thinking about how to adapt immigration policies and related immigrant integration policies to meet current and emerging needs. Worker attraction and retention will be key considerations: as demand for talent grows, Europe is not and cannot assume it will be top of the pile when it comes to attracting foreign-trained workers with sought-after skills.

Greater coordination at the EU level offers many potential benefits, such as reducing the duplication and inefficiencies that can happen at the Member State level, providing smaller Member States with access to infrastructure that is otherwise beyond their reach, and improving and streamlining the immigration experience for employers and migrants. While decisions about who to admit ultimately rest with individual Member States, the European Union can encourage coordination and provide funding for new initiatives and capacity-building in ways that could help achieve economies of scale.

To date, however, efforts to better coordinate the bloc's immigration policies have produced mixed results. An inability to reach consensus on a general approach to labour migration at the EU level has led to a patchwork of EU directives that apply to different groups of non-EU workers, while national schemes often operate in parallel.[3] Meanwhile, there has often been a gap between the ambitions and the results of EU policy initiatives on legal migration, such as the Talent Partnerships and the pilot phase of the Talent Pool, reflecting the difficulties of securing buy-in from Member States, the private sector, and third-country governments and nationals alike. Finally, decision-making about immigration and skills development still tends to happen on parallel tracks, making it difficult in practice to connect discussions about immigrant admissions with investments in skills development and labour market integration.

Decision-making about immigration and skills development still tends to happen on parallel tracks.

There is a compelling case for swift action and greater coordination around addressing skills shortages, both to support Europe's economic growth and to meet other policy priorities, including delivering sufficient and affordable housing, meeting green transition commitments, and keeping up with the demands of the digital transition. But there is less consensus about what to prioritise when it comes to coordinating immigrant admission policies. For example, a notable gap in the EU immigration directives is the admission of low- and middle-skilled workers, with the exception of seasonal workers. Despite growing demand for these workers in sectors such as construction, hospitality, and elder care, making the case for low- and middle-skilled migration pathways can be politically fraught, especially given the connection between shortages and poor job quality in some cases.[4] An EU-level approach on labour migration can also be difficult to sell to Member States contending with public backlash around immigration issues or Euroscepticism, or to larger Member States that already

2 Konrad B. Burchardi et al., 'Immigration, Innovation, and Growth' (working paper 27075, National Bureau of Economic Research, Cambridge, MA, revised November 2021).

3 Steve Peers, 'Migration for Labour Purposes: The EU's Piecemeal Approach', in *Research Handbook on EU Migration and Asylum Law*, eds. Evangelia Tsourdi and Philippe De Bruycker (Cheltenham, UK: Edward Elgar Publishing Limited, 2022).

4 For example, Eurofound's job quality index records issues with poor working conditions and pay for sectors such as health care and long-term care that are experiencing significant shortages. See Tina Weber et al., *Measures to Tackle Labour Shortages: Lessons for Future Policy* (Luxembourg: Publications Office of the European Union, 2023).

have robust admissions infrastructure and bilateral relationships with key third countries and that may thus see EU efforts as potentially duplicative.

This report explores the case for greater EU coordination on labour migration as part of the response to emerging skills shortages, and which actions should be top of the European Union's to-do list. It examines why Europe is at a crossroads when it comes to addressing skills shortages and where EU-level coordination could have the most meaningful impact, before exploring what tools EU policymakers could leverage and how to make the case for action to different stakeholders.[5]

2 European Workforces at a Crossroads

Like other advanced economies, European countries are entering a period of profound economic change. Below-replacement birth rates mean that workforces are ageing rapidly, with growing shares nearing retirement age. European Commission projections from 2023 reckoned that by 2050, the old-age dependency ratio (which measures the share of working-age people to elderly people) will be above 50 per cent in 13 EU Member States, and above 60 per cent in 3 Member States.[6] Assuming that medical needs remain consistent, this ageing population would require the number of doctors to grow by 30 per cent and the number of nurses by 33 per cent by 2071.[7] This workforce ageing will affect labour sectors unevenly. For example, compared to workers in other sectors, a greater share of doctors and construction workers are nearing retirement age, adding to the pressure on these workforces.[8]

The demographic realities are stark: in many Member States, even optimistic projections from the World Bank about boosting labour market participation among groups with higher rates of inactivity (such as women and the elderly) fall short of meeting the needs of rapidly ageing economies.[9] The European Commission concludes that simply activating inactive populations will therefore not be enough, and that the European Union must become a 'global magnet for talent', bringing labour migration policies into the picture.[10]

This demographic shift comes at a time when the digital and green transitions are transforming demand for skills in Europe. These transitions are both driving job creation and reshaping the tasks and responsibilities of many existing jobs, but they may also displace some workers, whether due to automation

5 This report is part of the Horizon Europe project Global Strategy for Skills, Migration, and Development (GS4S) and builds on analysis from two earlier working papers developed by the Migration Policy Institute Europe (MPI Europe) and authored by Abigail Goldfarb, Kate Hooper, Jasmijn Slootjes, and María Belén Zanzuchi under this project.

6 Eurostat, 'Population Projections in the EU', updated March 2023.

7 Alba Bernini, Rossella Icardi, Fabrizio Natale, and Astrid Nédée, *Healthcare Workforce Demand and Supply in the EU27: Projections for the Period 2021-2071* (Luxembourg: Publications Office of the European Union, 2024).

8 As of 2021, one-third of the construction workforce in the European Union was ages 50–64. See European Centre for the Development of Vocational Training (Cedefop), 'Construction Workers: Skills Opportunities and Challenges (2023 Update)', updated 19 December 2023. As of 2024, one-third of doctors in the European Union were above age 55 and expected to retire soon. See Organisation for Economic Cooperation and Development (OECD) and European Commission, *Health at a Glance: Europe 2024—State of Health in the EU Cycle* (Paris: OECD Publishing, 2024).

9 Pablo Acosta et al., *Global Skill Partnerships for Migration: Preparing Tomorrow's Workers for Home and Abroad* (Washington, DC: World Bank Group, 2025).

10 European Commission, 'The Union of Skills - Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions' (COM [2025] 90 final, Brussels, 5 March 2025).

or mechanisation reducing the need for manual labour or due to government commitments to phase out highly polluting activities as part of carbon emissions targets. The result is a growing demand for certain skillsets in Europe, such as digital skills, environmental and climate assessment skills, and technical skills in engineering and other green-adjacent sectors.[11] But there are worrying signs that labour supply cannot keep up with demand. As of 2024, only 56 per cent of the EU population had basic digital skills, and based on current training trends, the European Union projects a gap of 8 million information and communications technology (ICT) specialists by 2030.[12] In turn, the economic literature suggests that EU plans to ramp up defence spending could boost economic activity and drive job creation, at least in the short-to-medium term, further fuelling demand for workers.[13]

Many of these workforce needs will be addressed by interventions outside of the immigration policy portfolio. Investments in training, including upskilling and reskilling for current workers, will be critical for meeting emerging skills gaps in digital and green-adjacent sectors and in other high-demand sectors such as health care. Meanwhile, investments in automation and productivity could help lessen pressures on some—but not all—low-wage sectors struggling to attract and retain workers. Investments in mechanisation, automation, and artificial intelligence are poised to boost productivity and reduce reliance on labour-intensive practices in agriculture, for example, provided there is scope to help small and medium-sized producers access the necessary capital investments, given the industry's low profit margins.[14] But automation is much harder in jobs that rely on a human touch, such as nursing or elder-care roles. Japan had invested more than USD 300 million of government funds by 2018 into research and development of care robots, for example, yet uptake of such robots in care facilities has been low, reportedly because facilities found the robots did little to reduce labour needs in a sector where human interactions are central.[15] And in Austria, a recent study found that robot adoption in firms actually led to higher employment of low- and middle-skilled migrants from outside the European Economic Area, suggesting that automation may complement and augment rather than eliminate some jobs.[16]

Many of these workforce needs will be addressed by interventions outside of the immigration policy portfolio.

Governments will also need to confront an uncomfortable truth about why some employers are experiencing labour shortages, namely the low wages and unappealing working conditions on offer in some of the hardest-hit sectors. These dynamics are playing out in the care sector, for example, where workers across Europe earn well below the average wage while navigating challenging working conditions, leading to high turnover rates and difficulties attracting workers into the profession even as demand for

11 European Commission, *Employment and Social Developments in Europe, 2023 Annual Review: Addressing Labour Shortages and Skills Gaps in the EU* (Brussels: European Commission, 2023).
12 European Commission, 'State of the Digital Decade 2024 - Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions' (COM [2024] 260 final, Brussels, 2 July 2024).
13 European Commission, 'The Economic Impact of Higher Defence Spending', *Spring 2025 Economic Forecast*, 19 May 2025.
14 For a discussion of digital technology and artificial intelligence's potential in agriculture, see A. Subeesh and C.R. Mehta, 'Automation and Digitization of Agriculture Using Artificial Intelligence and Internet of Things', *Artificial Intelligence in Agriculture* 5 (2021): 278–91.
15 James Wright, 'Inside Japan's Long Experiment in Automating Elder Care', *MIT Technology Review*, 9 January 2023.
16 Maryna Tverdostrup, Mahdi Ghodsi, and Sandra M. Leitner, 'Migration vs. Automation as an Answer to Labour Shortages: Firm-Level Analysis for Austria' (GS4S working paper no. 7, 2025).

care services grows.[17] Immigrants are taking on more of these hard-to-fill jobs, including in the informal economy,[18] but it is far from clear that this will resolve the worker retention challenge; after immigrants qualify for long-term residence, and thus are no longer beholden to an employer-sponsored visa for their ability to live and work in a country, some workers move on to better-paid and more appealing jobs. Beyond retention, relying on migrant workers to fill gaps caused by poor working conditions may reduce the incentives for employers and policymakers to improve job quality. This, in turn, can deter local workers, especially younger generations, from pursuing careers in these fields, thereby reinforcing the cycle of dependency on international recruitment over the long term.[19]

Broadly, however, labour migration will take on a growing importance in meeting skills and labour needs for a few reasons:

- **Speed:** where qualified workers are needed to fill time-sensitive workforce gaps, for example to meet pressing green transition goals. Governments may wish to pursue a dual approach of expanding training opportunities for locals while also admitting immigrants to meet short-term, time-sensitive needs or resolve bottlenecks.
- **Scale:** where demand outstrips the supply of available or qualified workers. Growing the supply of local workers may take time (for example, when it takes years to reap the benefits of investments in training pipelines) and/or require politically or economically difficult decisions around raising pay and thus the cost of services or goods. And by sustaining workforces, labour migration can help slow (but not fully alleviate) the pace of demographic change, although as discussed below, this comes with trade-offs.
- **Specialisation:** where the specialised skills and creativity of immigrants can address specific skills gaps in Europe. Immigrant workers with specialised skills can also help spark economic growth through innovation or entrepreneurship.

But governments should also be clear about the limitations of migration as a tool to address these labour needs. Migration can slow but not halt the rate of demographic decline. Given that immigrants also age and retire, using migration to maintain workforce sizes in the medium to long term would require growing populations at a rate that publics are unlikely to tolerate.[20] And while immigrants already make up a growing share of European workforces, especially in northern and western Europe, their economic contributions hinge on their successful labour market integration, which has lagged behind for those from

17 Hans Dubois, Tadas Leončikas, Daniel Molinuevo, and Mathijn Wilkens, *Long-Term Care Workforce: Employment and Working Conditions* (Luxembourg: Publications Office of the European Union, 2020).
18 Dubois, Leončikas, Molinuevo, and Wilkens, *Long-Term Care Workforce*.
19 Adviesraad Migratie, *Arbeidsmigratie: Oplossing voor economie en demografie* (The Hague: Adviesraad Migratie, 2023); Adviesraad Migratie, 'Labour Migration: Solution for Economy and Demographics?' (summary, Adviesraad Migratie, The Hague, January 2024).
20 For example, a 2025 research study with population projections for Canada found that the only way to stabilise the old-age dependency ratio over the next four to five decades would be to continuously increase the scale of immigration. Even the most ambitious scenario explored in the study—annual permanent immigration at 1.8 per cent of the national population—resulted in the old-age dependency ratio rising from 295 people of retirement age (65+) per 1,000 working-age people to 395 per 1,000 by 2071, and this scenario would see Canada's population more than double. See Daniel Hiebert, *Understanding the Impact of Immigration on Demography: A Canadian Case Study* (Washington, DC: MPI, 2025).

non-EU countries in particular.[21] One 2019 study described increasing the labour market participation of all residents (native and foreign born) as 'the most feasible and effective remedy to negative consequences of population ageing', and noted that a scenario of high immigration coupled with poor labour market integration would actually lead to higher dependency ratios and greater pressures on social systems.[22] Europe will need to reconcile itself with a future in which its populations are older and workforces smaller, underscoring the importance of boosting productivity through coordinated upskilling, immigrant admission, and integration strategies.

The debate about how and where migration could help address Europe's skills and labour needs is taking place against a backdrop of tectonic shifts in geopolitics and economic relationships. On the one hand, securing workers to power the bloc's economic growth and resilience is taking on increased urgency. But on the other hand, Member States have differences of opinion on the importance of labour migration from third countries in addressing current and emerging skills needs, especially compared with other investments such as upskilling.[23] There are also important political constraints at play. Efforts to promote selected migration from third countries are occurring at a time when unselected migration (such as humanitarian arrivals) has increased concerns about pressure on housing and infrastructure and, in some cases, frayed public support for migration in general. EU and Member State governments will need to navigate these complex dynamics when considering possible immigration policy reforms.

3 The EU Track Record on Labour Migration

Legal migration is a policy area in which the European Union and its Member States share powers. The Treaty on the Functioning of the European Union both enshrines the right of Member States to determine the volume of people they admit from third countries for work purposes (whether employed or self-employed) and empowers the European Union to develop a common immigration policy that can ensure the efficient management of migration flows and fair treatment of third-country nationals residing legally in Member States.[24] In practice, finding the right balance between these two imperatives has proved difficult.

Member States have closely guarded their prerogative to choose who they admit, with limited enthusiasm for an EU approach that curbs these rights. Efforts to negotiate a comprehensive EU labour migration policy failed back in 2001,[25] replaced by a patchwork of legislative tools and policy instruments that deal with admissions of different categories of migrants, including labour migrants.[26] Notably, this collection of

21 As of 2023, the average employment rate for non-EU citizens was 63.2 per cent, compared with 76.8 per cent for EU citizens. This covers non-EU citizens admitted to the European Union through all entry categories. Non-EU citizens were more likely to work in certain sectors than their EU-citizen peers, such as accommodation and food services, construction, and domestic work. See European Commission, 'Statistics on Migration to Europe', updated 28 May 2025.

22 Wolfgang Lutz et al., *Demographic Scenarios for the EU: Migration, Population and Education* (Luxembourg: Publications Office of the European Union, 2019).

23 Anna Knoll, *Rethinking Approaches to Labour Migration: Potentials and Gaps in EU Member States' Migration Infrastructures* (Brussels: Migration Partnership Facility, 2024).

24 'Treaty on the Functioning of the European Union', *Official Journal of the European Union* C202, 6 July 2016, Article 79, Points 1 and 5.

25 'Proposal for a Council Directive on the Conditions of Entry and Residence of Third-Country Nationals for the Purpose of Paid Employment and Self-Employed Economic Activities', *Official Journal of the European Union* C332 E/248, 27 November 2001.

26 Tesseltje de Lange and Kees Groenendijk, *The EU's Legal Migration Acquis: Patching up the Patchwork* (Brussels: European Policy Centre, 2021).

legislative tools, which is often referred to as the legal migration acquis, largely excludes low- and middle-skilled workers.

EU actions on labour migration have to date fallen into a few different categories:

- **Legislation**, which makes up the legal migration acquis. This covers several directives, including those outlining general conditions for third-country nationals' admission and stay (the Single Permit Directive, the Long-Term Residents Directive, and the Family Reunification Directive) and the admission of specific categories of workers, such as highly skilled workers (the Blue Card Directive), intra-corporate transferees (the Intra-Corporate Transfers Directive), seasonal workers (the Seasonal Workers Directive), and more indirectly, people admitted for research and training placements (Students and Researchers Directive). The European Union is also negotiating the Talent Pool Regulation, which if it passes would help connect EU employers that have job vacancies with available workers in third countries.[27]
- **Policy framing** that sets out common priorities, principles, and best practices in nonbinding ways. This includes, for example, the Skills and Talent Mobility Package (from November 2023) and the Union of Skills (from March 2025), which both make the case for attracting skilled workers from third countries and set out a range of current and proposed actions at the EU level.[28]
- **Coordination** on labour migration topics, such as via the European Migration Network, whose national focal points provide regular and ad hoc updates on migration and asylum issues, and the Labour Migration Platform founded in 2023, which brings together EU agencies, representatives from Member State migration and employment ministries, and selected private-sector and civil-society representatives for discussions on specific topics.[29] Through its funding, the European Union also more indirectly supports other coordination efforts, including the EU Labour Mobility Practitioners' Network organised by International Centre for Migration Policy Development's Migration Partnership Facility, which is primarily comprised of nongovernmental experts and stakeholders (such as employers, trade unions, and migrant and diaspora organisations).[30]
- **Funding** for activities related to labour migration governance, whether to support coordination, capacity-building, or mobility schemes. For example, the European Union funds the Migration Partnership Facility to strengthen the external dimension of EU migration policy, including through dialogues, capacity-building, and efforts to build robust migration and mobility governance in partner countries. The European Union also supports a growing number of mobility schemes, primarily through the Migration Partnership Facility.[31]

27 European Parliament, 'Legislative Train Schedule—Proposal for a Regulation Establishing an EU Talent Pool', updated 21 May 2025.
28 European Commission, 'Commission Proposes New Measures on Skills and Talent to Help Address Critical Labour Shortages' (press release, 14 November 2023); European Commission, 'A Union of Skills to Equip People for a Competitive Europe' (press release, 4 March 2025).
29 Meetings take place every few months, with past topics including labour market tests, undeclared work and labour market exploitation, third-country nationals' role in the care sector, seasonal workers, tackling illegal employment and human trafficking, responding to labour shortages, and the design of the Talent Pool. See European Commission, 'Labour Migration Platform', updated 17 January 2025.
30 Migration Partnership Facility (MPF), 'EU Labour Mobility Practitioners' Network', accessed 20 May 2025.
31 This work is awarded through a competitive call for proposals.

The case for better coordination among EU Member States is compelling. Employers and prospective workers from third countries currently have to navigate a complicated web of labour migration policies to figure out their eligibility. A 2024 mapping found there were nearly 300 different labour migration pathways to Europe across the 27 Member States, each with different rules and requirements.[32] And even where there is an EU directive to set the basic framework for admissions, Member State leeway around implementation means that the rules for who qualifies can vary significantly by country.[33] In many cases, the admissions process is inefficient, with delays in visa processing posing a significant challenge—and potentially a deterrent—for employers and workers alike.[34] A 2023 Eurobarometer survey found that half of small and medium-sized enterprises that had recruited someone from outside the European Union described the experience as moderately or very difficult, while those that had not recruited someone from outside the European Union cited the complexity of recruitment and migration procedures, a lack of support, and uncertainty about how to verify and compare foreign qualifications as barriers.[35] Similarly, procedures for gaining recognition of foreign educational and professional credentials can be slow, cumbersome, and expensive, and some workers may opt not to pursue recognition and instead take up work below their skill level, resulting in underemployment. Greater cooperation between Member States, in addition to streamlining how would-be immigrants access labour migration opportunities and addressing some of these long-standing challenges, could help to build the appeal of Europe as a regional destination, especially as other key immigrant destinations introduce more restrictive policies.[36]

In many cases, the admissions process is inefficient, with delays in visa processing posing a significant challenge—and potentially a deterrent—for employers and workers alike.

At the same time, it is important to acknowledge and address the criticisms that have been levelled at the European Union's record on labour migration. One criticism is that EU initiatives have tended to overpromise and underdeliver, taking more time than expected to launch and ultimately failing to meet lofty ambitions. In the case of EU-backed mobility schemes, for example, there are numerous examples of projects that have failed to achieve the promised scale, disappointing partner countries that had invested their own human resources into delivering a pilot and resulting in significant costs per participant.[37] Another criticism is that the European Union has a tendency to launch initiatives that end up duplicating or overlapping with national or regional efforts. The Blue Card Directive, for example, has created a pathway that has significant overlap with many national visas for high-skilled migrants, and some of those visas offer more attractive

32 Knoll, *Rethinking Approaches to Labour Migration*.
33 For example, Blue Card rules around salary thresholds, their links to shortage occupations, and how to prove qualifications and experience differ greatly by Member State.
34 Knoll, *Rethinking Approaches to Labour Migration.*
35 European Commission, *European Year of Skills.*
36 See, for example, EU statements about attracting international students and researchers from the United States, anticipating a chilling effect from recent immigration enforcement measures and proposed cuts to funding for a number of major universities. However, as some sceptics have noted, this also requires stemming the departure of researchers for other major hubs outside of Europe. See Emma Pirnay, 'Europe Needs to Fix Its Own Exodus before Attracting US Researchers', Euractiv, updated 13 May 2025.
37 For example, the Pilot Project Addressing Labour Shortages through Innovative Labour Migration Models (PALIM) had a budget of slightly more than 1.2 million euros and ended up serving 120 people, while the project Enhancing Tunisian Youth Employability through Professional Internships in Belgian Companies had a budget of 350,000 euros and served 31 people. This comes out to an investment of about 10,000–11,500 euros per participant. See MPF, 'Pilot Project Addressing Labour Shortages through Innovative Labour Migration Models (PALIM)', accessed 13 May 2025; Mattia di Salvo and Nelson Mallè Ndoye, *Paving the Way for Future Labour Migration: A Belgian-Tunisian Skills Mobility Partnership* (Brussels: Centre for European Policy Studies, 2020).

terms, which has resulted in uneven use of the Blue Card across Member States.[38] Similarly, the proposed EU Talent Pool risks overlap with numerous existing job portals (both private and government run or supported), raising questions about whether designing such tools from scratch represents the most efficient use of EU resources and how the Talent Pool would fare in a highly fragmented market. One important takeaway from these criticisms is that simplification should be a guiding principle for EU action, looking at where there is scope to cut red tape and to improve existing processes or architecture. This may point to fewer new EU-branded initiatives and more behind-the-scenes fixes, which could help to build trust among Member States in the merits of a coordinated EU-level approach.

4 Making Better Use of EU Labour Migration Tools

The challenge ahead for the European Union is less about the tools at its disposal than it is about convincing sceptical Member States of the merits of working together on labour migration issues at the European level. The political climate in Europe is such that ambitious reforms on labour migration are likely out of reach for now, and these same political constraints may even curb the potential of policy initiatives already in the works. But at this moment of upheaval, there are still ways the European Union could deploy its labour migration tools to address current and emerging skills shortages in a more coordinated way, as part of a cross-cutting policy agenda.

A. Legislative action

Legislation has not yet succeeded in properly addressing EU labour and skills shortages, due to its limited usage and restricted scope. Revisions could help address some of these gaps. For example, concerns about admissions procedures and safeguards for students and researchers led to the creation of a new and combined Students and Researchers Directive in 2016, which includes people working on research and training placements. And beginning in 2016, the European Union embarked on a 'legal migration fitness check' to explore gaps in and avenues to reform the legal migration framework. The goal of this review was 'simplifying and streamlining the current [EU] framework', with the European Union drawing an explicit link between more effective migration policies and the bloc's ability to address shortages.[39]

But while the legal migration fitness check identified plenty to work on, revising the European Union's legal migration directives has not been straightforward. Navigating Member State preferences around national discretion on implementation and, in some cases, maintaining parallel national legislation has stymied and delayed reforms. Meanwhile, Member States have not supported EU efforts to expand the legal migration acquis' reach, either through revising existing directives or introducing new ones. Understanding how efforts to revise or 'recast' directives have played out can shed light both on the gaps that remain in current legislation (for example, relating to admissions procedures and worker protections) and on areas where it has been especially challenging to reach agreement.

38 For example, in 2023, Germany granted 69,353 Blue Cards, while seven other Member States issued fewer than 40 Blue Cards each. See Eurostat, 'EU Blue Cards by Type of Decision, Occupation and Citizenship [migr_resbc1]', updated 20 November 2024.

39 European Commission, 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on the Delivery of the European Agenda on Migration' (COM [2017] 558 final, Brussels, 27 September 2017).

Lessons from recasting directives

Since 2016, the European Union has recast several of its legal migration directives to address low uptake and other identified gaps or issues. This includes the Blue Card Directive, which covers highly qualified workers, and the Single Permit Directive, which applies to most non-EU workers moving to Europe for work. The European Union has also tried and, thus far, failed to revise the Long-Term Residents Directive, due to difficulties reaching agreement on scope with Member States.

Recasting the Blue Card Directive

The original Blue Card Directive came into force in 2009, defining the conditions of entry and residence and the rights of third-country nationals in highly qualified employment as well as their intra-EU mobility rights. But it failed to live up to the Commission's hopes that it would help attract international talent to Europe.[40] Prior to the start of reforms in 2016, the Blue Card was only used in a few countries.[41]

Revising the Blue Card Directive took five years of negotiations between the Commission, the European Parliament, and EU Member States. The main point of contention concerned the Commission's proposal to abolish parallel national schemes for highly qualified migrants, which had thus far operated alongside the Blue Card and likely explained the limited uptake of the Blue Card in many Member States. Such a move would have made the Blue Card Directive the sole legal instrument for defining the entry conditions for highly qualified third-country nationals across all Member States, in effect curbing competition between Member States on admissions. Member States did not want this and, after halting the negotiations for years, won this battle. Another point of contention was the Commission's proposal to lower both the salary threshold and experience requirements for would-be immigrants, which would have facilitated access to the European Union for medium-skilled workers. Here, too, the Commission had to give in to the Member States' wishes, diminishing the value of the Blue Card Directive as an instrument to meet labour market needs. Finally, efforts to fast-track access to long-term residence status for Blue Card recipients (reducing the residence requirement from five to three years) were set aside during negotiations.

The Blue Card Directive reforms, which were agreed upon in 2021, include some improvements to the directive's functioning and its ability to address skills shortages.

The Blue Card Directive reforms, which were agreed upon in 2021, include some improvements to the directive's functioning and its ability to address skills shortages.[42] These include improvements to the entry

40 Tesseltje de Lange and Zvezda Vankova, 'The Recast EU Blue Card Directive: Towards a Level Playing Field to Attract Highly Qualified Migrant Talent to Work in the EU?', *European Journal of Migration and Law* 24, no. 4 (9 December 2022): 489–515.

41 The transposition of the Blue Card Directive stretched into 2012 for some Member States, but the first implementation report produced by the Commission in 2014 demonstrated the uneven usage of the Blue Card by Member States. For example, in 2013, Germany issued 93 per cent of all Blue Cards, followed by Luxembourg and France (at 2 per cent each). It was clear that some countries opted for national schemes instead of the Blue Card; for example, the Commission's report noted that the Netherlands issued just one Blue Card in 2012 but 5,514 national permits for highly qualified workers. See European Commission, 'Communication from the Commission to the European Parliament and the Council on the Implementation of Directive 2009/50/EC on the Conditions of Entry and Residence of Third-Country Nationals for the Purpose of Highly Qualified Employment ("EU Blue Card")' (COM [2014] 287 final, Brussels, 22 May 2014).

42 de Lange and Vankova, 'The Recast EU Blue Card Directive'.

and residence conditions for Blue Card holders' accompanying family members, greater access to intra-EU mobility, and making it possible for beneficiaries of international protection to apply for and access Blue Cards. Two particularly relevant reforms for addressing labour shortages include:

- **New sectors were given priority, with plans for future updates.** ICT managers and professionals can now qualify for a Blue Card with three years of professional experience, rather than five. Every two years, the Commission will assess labour shortages and review whether to adjust this threshold, though given how quickly labour market needs can change, two years is a long time. The Commission also wanted to include care workers on this priority list but had to withdraw this idea due to a lack of Member State support. In practice, the Blue Card's emphases on formal qualifications and high salary made it a poor fit for admitting care workers in any case.
- **The salary threshold is now more flexible.** While the original Blue Card Directive set the threshold at 1.5 times the average gross annual salary in the applicable Member State, this was replaced with a rule that allows Member States to set the salary threshold at or no more than 1.6 times their average gross annual salary. This threshold can be reduced (to 80 per cent of the salary threshold set by the Member State) for shortage occupations or recent graduates.[43] The logic of the margin is simple: if there is a shortage of skilled labour in a Member State, the salary threshold can be lowered to promote the granting of Blue Cards, but if unemployment is high, the Member State can set a higher threshold to protect workers already in the country. Member States can also turn to other measures to protect their local labour market, such as the proposed reforms introduced by the Netherlands in Summer 2025 that would see Blue Cards only issued to skilled workers in shortage occupations.[44]

The arduousness of the drafting process and Member States' reluctant implementation of the recast directive's optional clauses illustrate the challenges of reaching consensus on EU labour migration directives. The proposals set aside during the negotiations point to a fundamental reluctance on the part of Member States to agree to terms that could outcompete national entry policies. But as shortages grow, there is a risk of growing competition between Member States to attract and admit third-country nationals with sought-after skills, using national policies or the discretionary measures included in EU directives to make themselves more attractive destinations. Looking ahead, EU policymakers should reflect on how to make a more compelling argument for cooperation—not competition.

Recasting the Single Permit Directive

The Single Permit Directive came into force in 2011, seeking to streamline admissions procedures and promoting equal rights for workers coming from third countries. The 'single permit' in question combines work and residence permits for most workers (with the exceptions of posted workers, seasonal workers, and intra-corporate transferees). But it does not address decision-making around the issuance or refusal to issue

43 As of June 2025, Estonia, Germany, Hungary, Lithuania, and Spain had implemented a lower threshold for shortage occupations, while Belgium (Wallonia), France, Germany, and the Netherlands had implemented a lower threshold for recent graduates. See Fragomen, 'Minimum Salary Changes Announced', updated 10 June 2025.

44 House of Representatives of the Netherlands, 'Gewijzigde motie van het lid Saris c.s. over de Europese blauwe kaart uitsluitend verlenen voor functies waarvoor een structureel arbeidstekort is in Nederland (t.v.v. 36332-45)', updated 27 May 2025.

or renew single permits, which remains with Member States; instead, the directive focuses on application procedures and workers' rights once admitted.[45]

Efforts to recast the Single Permit Directive began in 2022 and focused on addressing its low uptake, but the Commission also included more ambitious proposals for reform. One proposal put forward would have addressed admission conditions for low- and middle-skilled workers, but this was set aside after Member State pushback.[46] Another Commission proposal that was set aside during the negotiations aimed to speed up application procedures and included the recognition of applicants' qualifications within the same 90-day period.[47] But Member States did not agree on this, leaving qualification recognition as a separate and time-consuming procedure that can stymy entry into jobs appropriate to workers' skills and into regulated professions, even delaying the issuance of visas to Europe.

The revisions process took two years, with the eventual agreement inspired in part by the looming deadline of European Parliament elections in Summer 2024. The results included several important reforms, including requirements that Member States accept single permit applications from non-EU citizens already legally present in Europe without requiring them to leave the country (such as recent graduates), which is a win for talent retention, and steps to improve on the rights of workers to change employers, which aims to avoid situations of abuse.[48] However, the decision to set aside the issue of entry conditions for low- and middle-skilled workers leaves an important gap in the EU legal migration acquis at a time when demand for workers across the skills spectrum is growing.

Recasting the Long-Term Residents Directive

Finally, the unsuccessful efforts to recast the Long-Term Residents Directive illustrate the changing political winds around the rights of long-term residence permit holders and their integration. In 2022, the Commission proposed reforming this directive, which dates back to 2003, due to its poor uptake and unclear added value vis-à-vis national long-term residence schemes, which often offer more favourable terms.[49] The Commission's proposals to make the directive more attractive included giving applicants greater flexibility to qualify for long-term residence by combining all periods of legal residence in different Member States and easing intra-EU mobility, which could help workers, once they hold a long-term residence permit, move to where skills shortages are most acute.[50]

Negotiations formally ceased in early 2024, following opposition from France and Belgium, which held the presidency of the Council of the European Union the first half of 2024.[51] This illustrates the role individual Member States can play in setting the migration policy agenda when they hold the Council presidency, and

45 Tesseltje de Lange, 'The Recast Single Permit Directive: Moving Forward, but Not on More Legal Migration Pathways – EU Immigration and Asylum Law and Policy', EU Immigration and Asylum Law and Policy (blog), 12 September 2024.
46 Pauline Melin, 'The Recast Single Permit Directive: An Assessment of Its Changes for the Rights of Third-Country Nationals', *ERA Forum* 25 (2024): 543–557.
47 de Lange, 'The Recast Single Permit Directive'.
48 Tesseltje de Lange and Mariella Falkenhain, 'Precarity Prevented or Reinforced? Migrants' Right to Change Employers in the Recast of the EU Single Permit Directive', *Frontiers in Sociology* 8 (2024).
49 Jean-Baptiste Farcy, 'The Recast of the Long-Term Resident and Single Permit Directives: Towards Added Value at Last?', EU Immigration and Asylum Law and Policy (blog), 7 October 2022.
50 European Commission, 'Proposal for a Directive of the European Parliament and of the Council Concerning the Status of Third-Country Nationals Who Are Long-Term Residents (Recast)' (COM [2022] 650 final, Brussels, 27 April 2022).
51 Claudia Delpero, '"Huge Setback for Non-EU Workers": Plan to Make It Easier to Move around Europe Fails', The Local, 8 March 2024.

suggests that the timing of future reform efforts can be important to their outcome. More broadly, however, it once again demonstrates the need for a winning argument around the merits of greater alignment on labour migration issues.

Future priorities

Efforts to improve the legal migration acquis have led to a standoff between the European Union and Member States hesitant to use these tools to address labour shortages. Until this tension is resolved, the prospects are dim for new labour migration directives responding to particular gaps, such as the admission of low- and middle-skilled workers (e.g., a Skilled Trades Directive) or the streamlining of admissions for sought-after workers in sectors such as health care and clean energy. This standoff is also likely to shape the uptake and ultimate impact of EU initiatives such as the Talent Pool Regulation that is under negotiation at time of writing, the Talent Partnerships (discussed below in Section 4.B.), and the European Union's proposed Multipurpose Legal Gateway Offices that are set to be piloted for high-skilled ICT professionals, students, and researchers in late 2025.[52] Plans for the pilot Multipurpose Legal Gateway Offices were announced as one of several measures in the European Commission's Blue Carpet initiative, aimed at attracting and retaining high-skilled talent from within and outside the European Union. Forming part of the EU Startup and Scaleup Strategy, the Blue Carpet initiative also includes plans to promote the Blue Card and EURAXESS portal for research job opportunities in Europe, and in 2026, to introduce an EU Visa Strategy, a Skills Portability Initiative, and a Fair Labour Mobility Package (on portability of social benefits for cross-border remote workers).

As skills shortages become more acute, and the urgency of attracting talented third-country nationals grows, EU policymakers will need to make a more compelling case for tackling the fragmented labour migration policy landscape. Putting a price tag on the waste associated with inefficient procedures or the risks associated with losing top-tier talent to other, more attractive destinations could help bolster these negotiations, for example, as could drawing greater attention to the downsides of Member States opting to go it alone. But advancing this conversation will also hinge on understanding and responding to Member State reservations about the European Union's role, especially at a time when politics around immigration are hardening.

Advancing this conversation will also hinge on understanding and responding to Member State reservations about the European Union's role, especially at a time when politics around immigration are hardening.

To thread this needle, the European Union could demonstrate its added value by tackling common problems that crop up across the directives, with a particular focus on low-hanging fruit that can yield visible results for Member States. Recasting directives can be a slow and painstaking process; instead,

52 The European Commission included a pledge to pilot the Multipurpose Legal Gateway Offices for high-skilled ICT workers, students, and researchers in the fourth quarter of 2025, describing these offices as 'a one-stop-shop for information and assistance', in its Startup and Scaleup Strategy published in May 2025. See European Commission, 'The EU Startup and Scaleup Strategy - Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions' (COM [2025] 270 final, Brussels, 28 May 2025).

the Commission could aim to create efficiencies in other ways, taking inspiration from the Omnibus Regulation introduced in February 2025 to simplify EU corporate sustainability rules amid concerns about the regulatory burden on companies. This package set out amendments to a series of sustainability and investment directives and regulations in order to streamline and significantly reduce sustainability reporting requirements for most businesses below a certain size threshold.[53] This scaling down of reporting requirements is arguably a missed opportunity to hold businesses accountable, but the legislative mechanism behind it can nonetheless provide inspiration.

A 'skills and migration omnibus' could take a similar approach by setting out reforms to procedures and rights that apply to multiple legal migration directives.[54] While such a piece of legislation would take time to draft and negotiate, it would nonetheless be more efficient than opening up each directive individually for reform and could yield more far-reaching results. And while recent recasting experiences indicate that Member States have limited appetite for renegotiating the conditions under which third-country nationals enter the bloc, the path to reforming procedures and rights may be more straightforward. The omnibus could offer further harmonisation in several areas:

- **Visa processing**, when it results in delays, can be a major barrier to timely recruitment. While this topic was excluded during the recast of the Single Permit Directive, ongoing challenges could lead Member States to revisit this topic. Coordination on this issue could be especially attractive if it offers economies of scale, particularly for smaller Member States with fewer consular resources. The newly announced EU Visa Strategy, which is due to be launched in the fourth quarter of 2025 as part of the Blue Carpet initiative, could provide an appropriate vehicle for collectively tackling some of these visa processing challenges.
- **Documentation requirements** for would-be immigrant workers can be burdensome, and there are numerous ways in which these requirements could be streamlined. For example, workers are currently asked to submit proof of foreign-acquired qualifications at the visa application stage and once again to later access intra-EU mobility rights, which requires two separate procedures to process and verify the same credentials. The recast Single Permit Directive encourages but does not require Member States to combine documentation checks for the single permit and, where applicable, the relevant visa to obtain the single permit.
- **Recognition of qualifications** is an important obstacle for prospective migrants, and it can lead to skills waste if immigrants are admitted but then underemployed. While recognition procedures are handled by a variety of EU, national, and regional actors, depending on the sector or occupation and country, there is scope for the European Union to help streamline this process, for example

53 The first omnibus package included one proposal to amend the Audit Directive, Accounting Directive, Corporate Sustainability Reporting Directive (CRSD), and Corporate Sustainability Due Diligence Directive (CSDDD); another proposal to delay the application of some reporting requirements of the CRSD and the application of the CSDDD; and a draft delegated act to amend the Taxonomy Disclosures Delegated Act and the Taxonomy Climate and Environmental Delegated Acts. Together, these proposals would curb sustainability reporting requirements for most companies, potentially saving some 6.3 billion euros in administrative costs annually for businesses, according to the European Commission's estimates. See European Commission, 'Commission Simplifies Rules on Sustainability and EU Investments, Delivering over €6 Billion in Administrative Relief' (press release, 25 February 2025).

54 First suggested in Mahdi Ghodsi, Maryna Tverdostup, and Tesseltje de Lange, 'Migration or Automation? Recommendations for How to Better Navigate Labour Shortages in the EU' (GS4S policy brief no. 2, 2025).

through the proposed Skills Portability Initiative due to be launched in 2026. One such action that the European Union could take is to set out requirements around documentation and help to ensure that recognition in one Member State is treated as valid in another Member State, thus facilitating intra-EU mobility. This could draw inspiration from the steps the European Union has taken to facilitate the recognition of Ukrainian refugees' qualifications and skills.[55]

- **Worker protections** could be improved by setting out common standards for international recruitment and making it easier for migrant workers to switch jobs within the same profession. These standards could specify the roles and responsibilities of government, employers, and workers in recruitment; cover practices around contracts and costs; and offer resources for workers to access information or redress, including complaint mechanisms.[56] For example, this could form part of the Fair Labour Mobility Package previewed in the Blue Carpet initiative, which is due to be launched in 2026.

B. Mobility schemes

Over the last two decades, the European Union has provided funding on and off for mobility schemes between Member States and third countries as part of a broader package of cooperation around legal migration issues.[57] Defined broadly, these mobility schemes offer participants the opportunity to relocate temporarily to another country for a work placement or training, although the duration of their stay and the extent and delivery of this training can vary significantly by initiative. Typically, they do not create a new pathway, instead using an existing single permit or work or study permit for which they may provide matching and training services to help participants qualify.

The Talent Partnerships and other EU-funded mobility schemes

The most recent iteration of this work is the European Union's Talent Partnerships initiative, which was first announced in September 2020, as well as ongoing EU funding for mobility schemes through the Migration Partnership Facility, which dates back to 2016. The European Commission framed the Talent Partnerships as a new approach that offers a 'comprehensive EU policy framework' and accompanying funding, and which pairs support for mobility schemes with investments to build capacity in related areas, such as skills intelligence and vocational education and training.[58] Unlike earlier initiatives, such as

55 For example, a 2022 EU recommendation set out guidance for the recognition of academic and professional qualifications from Ukraine, and the European Union released a Ukrainian-language version of its Skills Profile Tool for Third-Country Nationals, which offers an online tool for individuals to assess their skills and receive recommendations for employment or additional training (uptake has varied among Member States). See Krystina Basna, *European Inventory on Validation of Non-Formal and Informal Learning 2023 Update. Thematic Report: Validation Initiatives to Support Ukrainian Refugees* (Brussels: European Commission and Cedefop, 2024).

56 For an in-depth discussion of the actions that governments can take on regulating recruitment and enforcing labour rights for migrant workers, see International Organisation for Migration (IOM), *IRIS Handbook for Governments on Ethical Recruitment and Migrant Worker Protection* (Geneva: IOM, 2022).

57 See, for example, the EU-funded mobility schemes under the EU AENEAS funding programme established in 2004, which were cut short due in part to the onset of the Global Recession.

58 Framed as a 'reinforced and more comprehensive approach' that could build on the limited scope of mobility schemes to date, the Commission described the Talent Partnerships as offering this combined policy framework and funding and as combining mobility schemes for work or training with investments to build capacity in related areas including 'labour market or skills intelligence, vocational education and training, integration of returning migrants, and diaspora mobilisation', noting that this focus on education would 'help to support and reinforce investment in local skills'. See European Commission, 'Communication from the Commission on a New Pact on Migration and Asylum' (COM [2020] 609 final, Brussels, 23 September 2020).

the EU legal migration pilot projects, which focused more squarely on tackling irregular migration, the European Commission presented the motivations for the Talent Partnerships as two-fold: supporting greater coordination on labour migration as a tool to mitigate shrinking workforces and rising skills shortages in Europe, and creating an incentive for cooperation in broader negotiations with third countries on migration management and returns issues.[59]

The Talent Partnerships initiative had a soft launch in June 2021, but the timeline for kicking off the first partnerships with third countries was pushed back several times.

Progress to set up the first Talent Partnerships has been slow, however. The Talent Partnerships initiative had a soft launch in June 2021, but the timeline for kicking off the first partnerships with third countries was pushed back several times. The list of partner countries has also changed multiple times, in line with ongoing Member State negotiations and the broader status of cooperation on migration issues with third countries. For example, while Egypt, Morocco, and Tunisia have stayed on the list throughout, negotiations with some countries (e.g., Senegal) were paused due to a lack of cooperation on other migration priorities such as returns while negotiations with others (e.g., Bangladesh and Pakistan) moved forward. As of mid-2025, five Talent Partnerships were underway with Bangladesh, Egypt, Morocco, Pakistan, and Tunisia, though there is limited public information about their status or when people might start moving under this initiative.[60]

Meanwhile, the Migration Partnership Facility projects have evolved over time as the European Commission's framing and priorities have shifted. Since 2019, the number of Member States and third countries participating has expanded significantly, and the design of the projects has evolved to include a more flexible definition of mobility (ranging from the very short-term visits that do not require a visa under Belgium's entrepreneur mobility project with Senegal, for example, to the long-term employment opportunities offered by the skills partnerships under development between Belgium and Morocco, between Germany, Ghana, and Senegal, and between Spain and Colombia). Skills development has also become more of a focus in recent projects, with experimentation in how training is designed and delivered, including in some cases offering training opportunities for nonmigrants along with prospective migrants in countries of origin. There is also greater diversity in the sectors and skill levels targeted by more recent projects; for example, several projects have targeted green skills.[61]

The lines between the Talent Partnerships and the Migration Partnership Facility projects are fuzzy. There has been a tendency to label some of the latter as Talent Partnerships, even while the status of the overall

59 European Commission, 'High Level Launch Event on Talent Partnerships - 11 June 2021' (unpublished steering paper, June 2021); European Commission, 'Pilot Projects Legal Migration' (concept note, 2017).

60 As of early June 2025, the European Commission's webpage on Talent Partnerships only referenced partnerships with Egypt, Morocco, and Tunisia, and it made reference to these partnerships launching in late 2022. See European Commission, 'Talent Partnerships', accessed 6 June 2025.

61 See, for example, the NET-Work You project providing traineeships for Egyptians in the green economy, digitalisation, and agriculture in southern Italy (2024–27); the MOBILISE project offering traineeships in 'climate-smart agriculture' to Tunisians, Egyptians, and Ethiopians in the Netherlands (2023–27); and the MOVE_GREEN project providing training in renewable energy and the green economy to Moroccan entrepreneurs in Andalusia, Spain (2021–24). See MPF, 'NET-Work You: Creation of a Skills Network to Increase Employment Opportunities for Young Egyptians in the Green Job Sector' (fact sheet, n.d.); MPF, 'MOBILISE: Circular Talent Development for Climate-Smart Agriculture' (fact sheet, n.d.); MPF, '(E)Co-Development for Innovation and Employment in Green and Circular Economy between Andalusia and Morocco (MOVE_GREEN)' (fact sheet, n.d.).

Talent Partnerships initiative remains unclear. In addition, a portion of the Migration Partnership Facility prioritises projects with the five Talent Partnership countries.[62] But in practice, there is much greater geographic diversity in the legal migration and mobility projects the Migration Partnership Facility has launched since 2022, with a notable share not including any of the five Talent Partnership countries.[63]

Future priorities

The number of people moving through EU-backed mobility schemes remain very small—often, fewer than 100 people per project—especially when compared either to the number of employment permits EU countries issue overall or the number of people moving through other mobility arrangements such as preferential trade agreements.[64] The pipeline to scale has also been disappointing, with relatively few projects advancing to a second phase or significantly stepping up admissions. As such, few schemes have reached a scale where costs can come down significantly and/or the need for public funding is substantially reduced.[65] Given the use of public funds, the European Union and its partners will need to make the case for where this type of mobility scheme can offer value (linked to clear objectives and metrics) and be candid about situations where other interventions (such as scholarships or direct cash payments) might provide better development outcomes and better value for money.

To date, these mobility schemes have provided an opportunity to test out appetite for migration along different corridors and in different sectors and skill levels, as well as testing out different approaches to matching and training processes. For example, several of the Migration Partnership Facility projects launched in 2024 offer a dual-track approach to training in which some participants train with the intention of migrating while others train with the goal of finding employment in the country of origin (sometimes referred to as 'home' and 'away' tracks).[66] But the design of these EU-backed mobility schemes has focused more on ways to adapt and deliver skills development opportunities and less on participants' experiences with accessing work visas, even though uncertainty around visa processing times and related costs can be important barriers to facilitating the promised worker mobility. These visa processing issues have been evident in recent Migration Partnership Facility projects: for example, organisers of the MOVE_GREEN project found they needed to tap Spanish government partners to help participants secure appointments

62 Nigeria and Senegal are listed as two eligible countries due to their consideration as Talent Partnership candidates, although negotiations were subsequently paused pending further cooperation on migration management and returns. See MPF, 'Call for Proposals - Migration Partnerships', accessed 6 May 2025; Council of the European Union, 'Update on the State of Play of External Cooperation in the Field of Migration Policy' (5484/24, Brussels, 6 February 2024).

63 MPF, 'The Global Skills Partnership Serving Talents in the Care Sector (GSP Soins)' (fact sheet, n.d.).

64 From 2020 to 2023, more than 4.8 million first permits were issued for employment purposes across the European Union. Recent research shows that preferential trade agreements (PTAs) are increasingly playing a role in migration governance, with 70 per cent of all PTAs signed in the last decade including provisions on international migration. See Sandra Lavenex, Paula Hoffmeyer-Zlotnik, and Philipp Lutz, 'What Do Trade Agreements Have to Do with Migration Policy?', Migration Policy Centre, Labour Markets and Welfare States (blog), 7 August 2023; Eurostat, 'First Permits by Reason [tps00170]', updated 5 May 2025.

65 At the national level, one example of a mobility scheme that has transitioned to a more sustainable cost-sharing model is Germany's Triple Win project, through which employers pay a service fee for each hire to cover the costs of services provided by the German development agency, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)—a lump sum of 7,900 euros. See Sonja Alves Luciano and Marlene Schimpf, 'Triple Win Programme - Recruiting Nurses from Abroad Sustainably' (fact sheet, GIZ, Eschborn, Germany, 2021).

66 See, for example, the MPF-funded projects between Belgium and Morocco to train and place workers in the care sector, and between Germany, Ghana, and Senegal to train and place workers in the construction sector. See MPF, 'The Global Skills Partnership'; MPF, 'Skills Partnerships between Senegal/Ghana and Germany' (fact sheet, n.d.).

at the consulate in Morocco or chase on visa processing, while Belgium's development agency, Enabel, turned to government and embassy contacts to try and expedite the processing of Schengen business visa applications for participants in its Projects for Entrepreneurial Mobility (PEM) Wecco and PEM N'Zassa projects in Senegal and Côte d'Ivoire.[67]

As part of its overall skills strategy, the European Union could consider a greater focus on these barriers to accessing labour migration pathways. Indeed, mobility schemes offer both a lens into the experiences of employers and prospective migrants seeking to access these routes to Europe and potential solutions. For example, the first phase of the Digital Explorers project, which offered paid employment placements in Lithuania for Nigerian ICT professionals, revealed a highly inefficient route for the Nigerian trainees, who had to first obtain a visa to enter South Africa for a visa appointment at the nearest Lithuanian consulate before returning to Nigeria to pick up the visa and then travel on to Lithuania for their six-month internship.[68] After some direct lobbying, the Lithuanian government created a dedicated trainee visa and opened two visa centres in Nigeria (in Abuja and Lagos), which greatly improved the process. However, the decision to subsequently close these centres has once again added significant burdens to the process even as the project has expanded in subsequent phases.[69]

By prioritising ease of access to labour migration pathways as a variable at the design phase, mobility schemes could offer rich insights into how different barriers such as information gaps, bureaucratic or inaccessible visa application processes, and difficulties documenting and verifying skills can prevent qualified workers from taking up migration opportunities. And because mobility schemes have different focuses, they can shed light on how these barriers play out in different sectors and mobility corridors or for different profiles of workers. Mobility schemes can then be used to test out different policy adjustments and add-on services that could potentially make a difference, such as expedited processing, flexibility for documentation requirements, consolidated services and information, and different methods for assessing and validating skills. These insights could also be channelled into broader migration policymaking, provided the right communication channels are put in place; for example, such insights at the national level could showcase ideas for potential reforms to immigration policy or services, while at the EU level, they could feed into discussions around the implementation of the procedural requirements of the recast Single Permit Directive, negotiations on the Talent Pool, or ongoing discussions about the Multipurpose Legal Gateway Offices.

These insights could also be channelled into broader migration policymaking, provided the right communication channels are put in place.

67 Author interview with a representative of Andalucía Solidarity, 22 January 2025; author interview with representatives of Enabel, 17 December 2024.

68 Author interview with a representative of Osmos, 21 January 2025.

69 The second phase of the project expanded to include Latvia, Estonia, and Lithuania as destinations and Armenia, Kenya, and Nigeria as countries of origin, with a trainee track and a professional track, alongside a separate project offering training (without mobility) for data analysts in Iraq.

C. Joining the dots between migration and other skills investments

One of the key barriers to the more effective use of migration as a tool to address skills shortages is a lack of coordination and coherence across policy domains.[70] Fragmented policymaking weakens, and can even reverse, the effectiveness of migration in addressing skills shortages. For instance, if there are barriers in the education policy domain to recognising migrants' skills, as seen in the case of the Youth, Employment, and Skills (YES) Kosovo programme implemented by Germany, labour migration can fail to alleviate skills shortages.[71] Similarly, relying on labour migration to address shortages stemming from poor working conditions can disincentivise employers and policymakers from improving those conditions and labour policies, perpetuating the problem by leaving certain occupations unattractive.

Labour migration should be understood as one tool within a wider skills toolkit—one that requires strategic alignment across policy domains, more effective coordination between governance levels, and stronger engagement with sector-specific actors.

EU efforts to bridge policy domains and stakeholders

To better address skills shortages, the European Commission has increasingly focused on cross-policy coordination. For example, the EU Talent Partnerships aim to align legal migration pathways with labour market needs while supporting skills development in partner countries—bridging migration, development, and education objectives and bringing together stakeholders such as destination- and partner-country officials and the private sector. The simultaneous focus on objectives across policy domains allows for better management of potential trade-offs and synergies. The Talent Partnerships also build on efforts in other policy domains, such as the Sectoral Cooperation on Skills that contributed to the development of industry-led training programmes, creating a potential framework for scaling these efforts to third countries.[72] Similarly, the 2023 European Year of Skills promoted a whole-of-government approach to linking initiatives across policy domains, including education, industrial, and digital policies, to tackle one shared objective: skills gaps. Such initiatives mark a gradual shift towards integrated approaches, linking migration policy with tools from other policy domains to support long-term labour market resilience.

Nevertheless, these initiatives have had limited success in aligning broader skills-related work across policy domains. The EU Talent Partnerships, while valuable in identifying bottlenecks in specific policy domains and promoting cross-policy coordination on this specific initiative, have not catalysed a broader alignment

70 Abigail Goldfarb, Jasmijn Slootjes, and Belen Zanzuchi, 'Efforts to Tackle Skills Shortages across Policy Domains – Reflections from Migration, Education, and Development Policies' (GS4S working paper no. 8,, 2025); Knoll, *Rethinking Approaches to Labour Migration*.

71 The Youth, Employment, and Skills in Kosovo (YES) project implemented by Germany originally aimed to provide training to Kosovar construction workers, with the intention that half of participants would find work in Kosovo upon completion and the other half would complete their training in Germany through an apprenticeship. However, it became clear that the gulf between qualification standards in the two countries was too wide to overcome during the project timeline (2017–21); different training structures and programme lengths for construction certificates made it difficult to reach agreement on how to translate German standards into the training system in Kosovo. See Center for Global Development, 'Youth, Employment and Skills in Kosovo (YES)', accessed 20 May 2025.

72 European Commission, 'Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions on Skills and Talent Mobility' (COM [2023] 715 final, Brussels, 15 November 2023).

across migration, education, and development policies. And while the Talent Partnerships convened key stakeholders in targeted roundtables, these were ad hoc and have not resulted in the creation of a structured platform for sustained coordination on issues beyond the specific objectives of the Talent Partnerships. The European Year of Skills, meanwhile, was criticised for neglecting fundamental issues such as poor working conditions that are essential to address if European countries are to attract and retain skilled workers. It also lacked a long-term strategy.[73] Overall, despite growing attention to policy coherence, many EU efforts remain focused on a specific, short-term initiative and lack the long-term strategy needed to foster sustainable coherence across policy domains and, in doing so, to effectively address skills shortages.

Many EU efforts remain focused on a specific, short-term initiative and lack the long-term strategy needed to foster sustainable coherence across policy domains and, in doing so, to effectively address skills shortages.

Other EU initiatives have focused on increasing coordination among stakeholders. The Commission's Labour Migration Platform, for example, brings together Commission and Member State officials from migration and employment ministries, along with some social partners, to discuss labour migration topics, although these meetings happen infrequently and tend to report out on relevant policies instead of forging deeper coordination. The Sectoral Social Dialogue Committees (SSDCs), established by the Commission in 1998, serve as a platform for collaboration between 65 employer organisations and 15 European trade union federations, organised across 44 sectoral committees.[74] The SSDCs are often considered a successful example of stakeholder engagement and have delivered more than 200 joint texts outlining shared agreement on certain issues.[75] The Blueprint for Sectoral Cooperation on Skills, launched in 2016 under the New Skills Agenda for Europe, is another example of sectoral collaboration, bringing together industry, social partners, education providers, and public authorities at the local, regional, and national levels in a series of sectoral alliances. These alliances aim to translate sector-specific strategies into actionable skills-development initiatives and to ensure that these align with changing skills needs.[76] The alliances are selected through Erasmus+ calls for proposals and have a project-based and time-limited set-up.

But as with efforts to boost coordination across policy areas, this increase in the number and types of stakeholder coordination initiatives has to date had a limited impact. These initiatives' success often hinges on whether stakeholders are both willing and able to participate. The activity level—and thus the impact—of the SSDCs varies significantly across sectors, for example, depending on sectoral actors' engagement.[77] The timing of stakeholder involvement can be another limiting factor, as stakeholders are often brought in

73 Martina Tresca, 'Why the European Year of Skills Needs to Be Re-Centered on Civil Society', Inter Alia, 2023.
74 European Commission, 'Cross-Industry and Sectoral Social Dialogue', accessed 17 March 2025.
75 Christophe Degryse, 'The European Sectoral Social Dialogue: An Uneven Record of Achievement?' (working paper, European Trade Union Institute, 2015).
76 European Commission, Directorate-General for Employment, Social Affairs, and Inclusion, *Blueprint for Sectoral Cooperation on Skills: Responding to Skills Mismatches at Sectoral Level – A Key Action of the New Skills Agenda for Europe* (Luxembourg: Publications Office of the European Union, 2017).
77 While some Sectoral Social Dialogue Committees have been called 'lethargic', others have been highly active and impactful. See Christophe Degryse, 'The European Sectoral Social Dialogue'.

too late to meaningfully influence policymaking.[78] As a result, coordination across actors in migration, skills, education, and labour policy domains is frequently fragmented and reactive rather than strategic.

Which actors are and are not involved can also pose challenges, with many existing coordination platforms limited in their inclusivity. Social partners, civil society, regional and local authorities, diaspora groups, and private-sector actors are often absent or only marginally involved. This limits the relevance and effectiveness of the coordination process, particularly when it comes to practical matters such as planning concrete actions to address skills shortages. The SSDCs, for example, include trade unions and employer organisations but not other important voices such as educational institutions and public authorities. Concerns have also been raised about the representativeness of those who have a seat at the table. In the SSDC on construction, 41 joint texts were agreed by the European Federation of Building and Woodworkers and the European Construction Industry Federation between 1996 and 2024, but none of them involved the European Builders Confederation or other such organisations, despite their desire to be more involved.[79] Additionally, uneven geographic participation may create gaps in knowledge on issues affecting specific Member States. For example, eight Member States went unrepresented in the construction SSDC in 2021–22 because stakeholders from these countries did not participate in all six meetings held in this period.[80] The seniority of stakeholder representatives also shapes their ability to make decisions, and in the case of public authorities, civil servants and political leaders will have different interests and contributions to offer.

The effectiveness of a stakeholder body is also shaped by its formal mandate and structure. The sectoral alliances formed via the Blueprint for Sectoral Cooperation on Skills, while relatively inclusive,[81] are not formal advisory bodies and have a temporary set-up; most of their projects have already been wrapped up, and the absence of a longer-term strategy risks losing the rich networks these initiatives created. Moreover, the alliances cover only a selection of sectors and overlook some, such as health care, that have pressing skills shortages.[82] The result has been a proliferation of well-intentioned initiatives that fall short of having the desired level of impact.

The European Union's Union of Skills, announced in early 2025, represents the latest step towards integrating stakeholders and policy domains.[83] This collaboration across directorates-general—spanning education, migration, employment, industry, and digitalisation—aims to overcome stakeholder fragmentation, align policy strategies, and thus better address Europe's evolving labour market needs.[84] Notably, the Union of Skills touches on broader policy issues that will be important to address if Europe is to more effectively attract third-country workers. Through the Europe Talent Magnet Framework, for example, it recognises the need to create a policy environment conducive to attracting skilled third-country nationals. The framework's objectives related to improving integration conditions for immigrant workers and their

78 Author interview with a representative of the European Economic and Social Committee, 25 March 2025.
79 See Georg Adam and Peter Kerckhofs, *Representativeness of the European Social Partner Organisations: Construction Sector* (Dublin: Eurofound, 2024), 165.
80 See Adam and Kerckhofs, *Representativeness of the European Social Partner Organisations*, 168.
81 The Blueprint Alliances convene a more diverse set of stakeholders, including local, regional, and national public authorities and educational institutions in addition to social partners and the private sector.
82 European Commission, Directorate-General for Employment, Social Affairs, and Inclusion, 'Blueprint for Sectoral Cooperation on Skills', accessed 6 May 2025.
83 European Commission, 'The Union of Skills'.
84 Author interview with a representative of the European Commission, Directorate-General for Education, Youth, Sport, and Culture, 27 March 2025.

families as well as working conditions in sectors with labour shortages exemplify this more holistic, cross-policy approach. Importantly, the strategy contains a stronger focus on governance—an element often overlooked in other labour market strategies. To that end, the strategy introduces the European Skills High-Level Board, a body that will be chaired by the European Commission and bring together education and training providers, business leaders, social partners, and other relevant stakeholders to provide cross-sectoral insights and guidance. While it remains to be seen how initiatives under the new Union of Skills unfold, and some gaps in approach remain, this is a noteworthy continuation of the trend towards greater policy coherence and stakeholder coordination.

Future priorities

A more coherent, sustained, and sector-specific strategy is needed to harness labour migration as a lever for addressing Europe's structural skills shortages. While the European Union has made progress on policy coordination, translating these ambitions into meaningful action remains challenging and significant gaps persist—including in the Union of Skills. Although pitched as a new initiative, the strategy partially consolidates existing efforts such as the EU Talent Pool and Talent Partnerships. Linking new and existing instruments is valuable, yet simply bundling initiatives under a single umbrella does not guarantee policy coherence, nor does it ensure impact. More structured coordination is needed to make sure initiatives in different policy domains reinforce each other in working towards the shared objective of addressing skills shortages.

Here, the European Union could draw inspiration from its experience with the concept of Policy Coherence for Development, which was introduced into EU law in 1992 by the Treaty of Maastricht and reiterated in 2017 by the European Consensus on Development.[85] Recognising that a range of policy domains shape development outcomes and that the power to reach these objectives is shared between the EU institutions and Member States, the concept seeks to promote alignment of policy initiatives—for example, through the appointment of a Standing Rapporteur for Policy Coherence for Development at the European Parliament and by embedding it in EU laws.[86] Developing a Policy Coherence for Skills or Policy Coherence for Migration approach could help provide a sustained, strategic framework to help Europe better leverage migration to address skills shortages, though the success of such a coordination mechanism would depend on a range of factors (e.g., mandate, positioning within or in relation to key institutions, and role in decision-making processes).

Funding is also critical. To reach its ambitious objectives, the Union of Skills summarises existing EU funding for education and skills, highlights that the European Union will continue its investments in these areas, and calls for Member States and the private sector to invest more in skills as well; however, dedicated new EU funding is not provided. Trade unions and universities have expressed concern that the absence of additional funding may limit the strategy's impact. Just to maintain the Erasmus+ programme's current

85 European Commission, Directorate-General for International Partnerships, 'Policy Coherence for Development', accessed 20 May 2025.

86 Article 208 of the Treaty on the Functioning of the European Union binds the European Union to policy coherence for development. See Eric Pichon, 'Understanding Policy Coherence for Development' (issue brief, European Parliamentary Research Service, Brussels, November 2023).

mobility goals into 2027 would require triple the funding for the next programme period.[87] Given the growing pressure to increase EU funding for security and defence, allocating more funding at the EU level for skills-focused initiatives may not be possible. The Union of Skills, instead, focuses on boosting and coordinating funding from other stakeholders, for example through launching the EU Invest in Talent platform with the aim of blending funding sources and coordinating private-sector skills investments.[88] While this platform is still under development, the European Union and Member States could encourage private-sector participation by offering tax incentives for investments. They could also use an evidence-informed approach, such as a tiered-evidence funding model, to effectively allocate funding and encourage evidence-informed policymaking. In a tiered-evidence model, smaller development grants are awarded to pilot initiatives to test new approaches, moderate validation grants are allocated to initiatives that have some evidence to support their practices, and the largest grants—so-called scale-up grants—are used to expand policies and practices backed by a strong evidence base. This model thus provides funding for innovation while also rewarding initiatives rooted in practices with proven impact.[89]

Beyond funding, effective stakeholder engagement is key to ensuring that migration and skills policies deliver real results. The proposed European Skills High-Level Board represents a step forward in this regard, but questions remain about whether it will be effective. As noted in the previous subsection, many existing platforms such as the alliances created under the Blueprint for Sectoral Cooperation on Skills have struggled to meaningfully influence policy. The board is designed to be ad hoc, agile, and responsive to changing needs, but this flexibility should not come at the expense of sustained, structured engagement throughout the policy cycle. The board will also need to recon with the fact that the challenges and potential solutions to skills shortages vary across labour sectors. Building on the experiences of the Blueprint alliances and the SSDCs, the European Union should embrace a sectoral approach—focusing on priority areas such as construction, health care, and ICT—to convene the right actors to respond to sector-specific challenges and needs.

The European Union should embrace a sectoral approach—focusing on priority areas such as construction, health care, and ICT—to convene the right actors to respond to sector-specific challenges and needs.

If the European Union is serious about becoming a magnet for foreign talent, it will also need to step up its focus on factors have been proven to shape a destination's attractiveness. Research shows that access to (dual) citizenship[90] and more robust rights[91] encourage labour migration, while anti-immigrant attitudes and discrimination can deter it,[92] especially among highly skilled migrants who may have other options.

87 Guild of European Research-Intensive Universities, 'Union of Skills: New Ambition, Old Barriers?' (news release, 5 March 2025); IndustriALL Global Union, 'The Union of Skills Falls Short of Concretely Delivering on Lifelong Learning and Employment Security', updated 6 March 2025.

88 European Commission, 'The Union of Skills'.

89 Jasmijn Slootjes and María Belén Zanzuchi, *Toolkit for Evidence-Informed Policymaking in Migrant Integration* (Brussels: MPI Europe and SPRING Project, 2023).

90 Jennifer Fitzgerald, David Leblang, and Jessica C. Teets, 'Defying the Law of Gravity: The Political Economy of International Migration', *World Politics* 66, no. 3 (2014): 406–45.

91 Martin Ruhs, *The Price of Rights: Regulating International Labor Migration* (Princeton, NJ: Princeton University Press, 2013).

92 Raymond M. Duch, Denise Laroze, Constantin Reinprecht, and Thomas S. Robinson, 'Where Will the British Go? And Why?', *Social Science Quarterly* 100, no. 2 (April 2019): 480–93; Cédric Gorinas and Mariola Pytliková, 'The Influence of Attitudes toward Immigrants on International Migration', *International Migration Review* 51, no. 2 (June 2017): 416–51.

Yet these considerations are absent from the Union of Skills strategy, as is recognition of how Europe's housing shortages may constrain countries' ability to welcome much-needed foreign talent. In the latter case, the European Union should seek to join these dots by leveraging labour mobility to help address skills shortages in the construction sector. At the same time, investments in the EU housing stock through, for example, the New European Bauhaus[93] or the EU Affordable Housing Initiative[94] could reduce concerns within European societies about competition between locals and labour migrants for limited housing. These are win-win policies that would both benefit local populations and boost Europe's attractiveness to labour migrants, an important selling-point for policymakers operating in a context of rising anti-immigration sentiment.

Finally, the European Union could do more to address poor working conditions, given they are a proven driver of skills shortages. The Union of Skills includes concrete measures to improve working conditions for teachers and scientific researchers and a general acknowledgement that good working conditions are important for third country nationals, but it offers little clarity on how to go about improving working conditions in other shortage-prone sectors. If this is not done, labour migration could inadvertently deepen existing skills shortages by reducing incentives for employers to improve conditions or pay. Facilitating labour migration should go hand in hand with improving working conditions for *all* workers, foreign and native born and across sectors.

5 Conclusion

Skills shortages imperil both Europe's competitiveness and its ability to meet goals across a range of policy areas, such as building enough housing to keep up with demand and reducing carbon emissions. Immigration and immigrant integration policy will need to be part of the equation in responding to these shortages, alongside investments in training and productivity, especially given the time-sensitive nature of some of these targets and the falling number of local workers available.

Immigration and immigrant integration policy will need to be part of the equation in responding to these shortages, alongside investments in training and productivity.

It is also clear that a failure among EU Member States to coordinate on immigration policies can backfire. The prospect of navigating nearly 300 different labour migration pathways to Europe, with varying application requirements and processing times, as well as a complex web of EU, national, and regional qualification recognition procedures can deter prospective employers and workers alike. Those unwilling to endure this labyrinth may simply take their business elsewhere. While Member States can take some steps individually to address these barriers, such as by expediting recognition procedures, EU-level action is needed to tackle thornier issues relating to intra-EU mobility and fragmented information and services, and to stave off a scenario in which Member States seek to undercut each other in the race for talent.

93 European Union, 'New European Bauhaus', accessed 5 May 2025.
94 European Commission, 'Affordable Housing Initiative', accessed 5 May 2025.

But making the case for labour migration, let alone selling the merits of a coordinated EU approach, remains challenging. The politics around migration writ large are highly sensitive, particularly in light of concerns about pressure on already-strained public services, and this is spilling over into the labour migration realm. EU officials should acknowledge and seek to respond to anxieties around migration even as they make the case for deeper coordination. In turn, while limited buy-in from Member States has tempered past ambitions for coordination, it is also important to acknowledge where EU initiatives have fallen short, and to set out clearly how future actions will build on these lessons.

The European Union, as this report details, can take concrete actions on labour migration in the short-to-medium term that can bolster the European response to looming skills shortages and demonstrate its added value for Member States. On the legislative side, a skills and migration omnibus could, in a consolidated manner, reform key procedures and rights across several legal migration directives to tackle common issues that can impede access to labour migration pathways (for example, slow visa processing, burdensome documentation requirements, and inefficient qualification recognition procedures), improve protections for migrant workers, and ease unnecessary restrictions on intra-EU mobility. In turn, gathering insights via EU-backed mobility schemes on barriers that hinder uptake of mobility opportunities can help EU policymakers learn about and test responses such as new approaches to visa processing and matching employers and workers. Finally, drawing tighter connections between labour migration and other skills investments would help maximise migration's benefits (for example, reducing skills waste by improving qualification recognition procedures), while situating migration policy in a broader policy conversation around skills and competitiveness. As part of this reorientation, policymakers should also explore tailored sectoral approaches that reflect the unique training, recruitment, and retention challenges and potential solutions in fields such as construction, ICT, and health care.

Beyond these and the other targeted recommendations discussed in this report, there are certain guiding principles that could inform an EU approach on labour migration more generally:

- **Commit to meaningful consultations.** Stakeholder involvement must move beyond tokenistic consultation. Bringing in social partners, employers, and civil society at the early stages of policymaking leads to better-informed, more widely supported policies. The same applies to EU consultations with Member States and across European institutions to ensure that policy design benefits from a range of perspectives. It is also important to bring in partner-country perspectives early on to integrate on-the-ground insights from different migrant-sending and -receiving regions or countries, instead of presenting a near-ready partnership as a fait accompli. While these consultations may mean the early stages of the policy cycle move more slowly, they can save time and political capital down the road by reducing the risk of potential backlash and the need to recalibrate policies after they are launched.
- **Consider user experience.** If Europe is to attract and retain the talent it needs, it will need to actively cultivate the appeal of its labour migration pathways, starting with reviewing how employers and workers currently interact with these pathways and identifying ways to improve that experience. For example, short-term goals could be making it easier for employers and workers to navigate the many opportunities available and promoting those opportunities using EU resources, and longer-term aims

could include identifying ways to simplify the application experience. This focus on user experience should also inform the design of new initiatives, with simplicity and reduced red tape, where possible, serving as animating themes. Finally, future EU work in this area should prioritise improving and consolidating what is already in place instead of launching new EU-branded initiatives that risk overlapping with existing programming.

- **Demonstrate impact.** To cultivate support for a coordinated approach to labour migration, the European Union should prioritise actions that deliver meaningful impact. A good starting place would be approaches that hold particular promise for smaller Member States that may rely more on collective resources and action than larger, more established destination countries. For example, working to remove practical barriers to would-be migrants' access to visas and testing approaches such as joint consular processing could be useful for smaller Member States with less consular capacity, in the process demonstrating the added value of an EU approach. This focus on impact should go hand in hand with a commitment to monitoring the outcomes of existing initiatives and discontinuing those that do not deliver anticipated results.

Finally, sequencing matters: some reforms can be delivered quickly and with relative ease (such as improving information about immigration opportunities or running recruitment events), while others require a longer lead time, such as designing a new directive. A clear road map that sets out what should happen when would help build momentum and ensure that short-term wins pave the way for deeper, long-term transformations. Such an approach would also provide opportunities to more prominently showcase those short-term wins and the merits of an EU approach to more sceptical parties, even as other reforms take longer to enact. With the right focus, timing, and engagement, the European Union can shape a migration and skills agenda that is both pragmatic and ambitious.

With the right focus, timing, and engagement, the European Union can shape a migration and skills agenda that is both pragmatic and ambitious.

About the Authors

KATE HOOPER

Kate Hooper is a Senior Policy Analyst with the Migration Policy Institute (MPI) International Programme, where she leads the Institute's global work on labour migration. She is also the primary point person for the Transatlantic Council on Migration, MPI's flagship international initiative that brings together senior policymakers, experts, and other stakeholders to discuss responses to pressing migration, protection, and immigrant integration issues. Her areas of research include legal migration pathways, fair and ethical recruitment, labour market integration, and complementary pathways for displaced populations.

Ms. Hooper holds a master's degree with honours from the University of Chicago's Committee on International Relations and a bachelor of the arts degree in history from the University of Oxford. She also holds a certificate in international political economy from the London School of Economics.

TESSELTJE DE LANGE

Tesseltje de Lange is Professor of European Migration Law and Director of the Centre for Migration Law at Radboud University in Nijmegen, the Netherlands. She is an expert on labour migration policy and migrant worker rights.

A renowned socio-legal scholar, Professor de Lange serves as Principal Investigator on the EU Horizon Europe projects DignityFIRM, which focuses on the rights of low-waged migrant workers in farm-to-fork sectors, and Global Strategy for Skills, Migration, and Development (GS4S), investigating the role of migration in addressing skills shortages. She is a sought-after speaker and publishes widely on topics related to labour migration, including in the *Journal of Ethnic and Migration Studies*, the *European Journal of Migration and Law*, and *Work, Employment, and Society*. Her latest book, co-edited with Willem Maas and Annette Schrauwen, is *Money Matters in Migration: Policy, Participation, and Citizenship* (Cambridge University Press, 2021).

JASMIJN SLOOTJES

Jasmijn Slootjes is Deputy Director of MPI Europe, primarily working on immigrant integration. Her research areas include labour mobility, migrant health, evidence-informed policymaking, irregular migration, and how policies shape migration flows.

Before joining MPI Europe, Dr. Slootjes was Executive Director of the Berkeley Interdisciplinary Migration Initiative at the University of California, Berkeley.

Previously, she completed her PhD research on how migrants overcome health problems as obstacles to labour market integration. During her PhD, she was Coordinator of the Migration Diversity Centre and a Pat Cox Fellow at the Migration Policy Group. She also studied the impact of budget cuts on integration courses and migrant language attainment at the Municipality of Utrecht, the Netherlands. Dr. Slootjes holds a PhD in sociology (migration studies) from VU University Amsterdam, a MSc in migration studies from Utrecht University, and a BA in political science and international relations from Utrecht University.

Acknowledgments

This report is part of the Horizon Europe project Global Strategy for Skills, Migration, and Development (GS4S), which seeks to better understand global skills shortages in selected sectors (digital, care, and construction) and to support multi-level, evidence-based policies related to labour migration governance. The report is Deliverable 2.3 under Task 2.2.1. More information about the GS4S project can be found at: www.gs4s.eu.

The GS4S project is funded by the European Union. However, the views and opinions expressed in this report are those of the authors alone and do not necessarily reflect those of the European Union, Horizon Europe, or the Research Executive Agency. Neither the European Union nor the granting authority can be held responsible for them.

The authors thank Joshua Vitzthum, Abigail Goldfarb, María Belén Zanzuchi, and Ksenija Ivanović for their research support; Meghan Benton for her thoughtful comments and review; and Lauren Shaw for her smart edits.

The Migration Policy Institute Europe (MPI Europe) is an independent, nonpartisan policy research organisation that adheres to the highest standard of rigour and integrity in its work. All analysis, recommendations, and policy ideas advanced by MPI Europe are solely determined by its researchers.

Design: Sara Staedicke, MPI
Layout: Katie O'Hara
Cover Photo: iStock.com/ljubaphoto

Suggested citation: Hooper, Kate, Tesseltje de Lange, and Jasmijn Slootjes. 2025. *How Can Labour Migration Policies Help Tackle Europe's Looming Skills Crisis?* Brussels: Migration Policy Institute Europe.

Migration Policy Institute Europe is a nonprofit, independent research institute that aims to provide a better understanding of migration in Europe and thus promote effective policymaking. MPI Europe provides authoritative research and practical policy design to governmental and nongovernmental stakeholders who seek more effective management of immigration, immigrant integration, and asylum systems as well as successful outcomes for newcomers, families of immigrant background, and receiving communities throughout Europe.

MIGRATION POLICY INSTITUTE
mpi
EUROPE

www.mpieurope.org

Residence Palace,155 Rue de la Loi, 3rd Floor, 1040 Brussels
+32 (0) 2235 2113