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Article

Highly Skilled Labour Migration in Europe

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Highly Skilled Migration in Europe

In 2015, the EU-28 member states experienced a total inflow of 4.7 million migrants (Eurostat 2017a) with 2.4 million migrants coming from non-EU member countries. Figure 1 shows residence permits issued by authorities of EU member states to third country nationals between 2008 and 2016 (in thousands), categorised by four main reasons for migration, namely employment, education, family reunification and ‘other reasons’, which includes humanitarian reasons. In 2016 there was a sharp increase of 28% in the number of residence permits issued, with 733,484 more permits issued than in 2015. The upturn was mainly due to ‘other reasons’, which increased by 400,509 permits, with 280,000 permits issued to beneficiaries of international protection. With over one million permits distributed in this category accounts for 31% of all permits in 2016. The second largest share of permits was employment-related with 852,747 (25%), followed by 779,301 family-related permits (23%) and 694,648 education-related permits (21%). Throughout the past years the share of labour migration has been relatively constant at approximately 25%. However, while the overall size of migration flows is relatively large in Europe, 25% is a relatively small share of economic migrants in comparison to traditional destination countries. In Canada, the share of economic migrants reached over 60% throughout the past five years (CIC News 2017).

Looking closer at individual countries within the European Union, the United Kingdom issued 865,894 permits in 2016, followed by 585,969 permits granted in Poland and 504,849 in Germany. A detailed overview is provided in Table 1. In terms of employment-based permits, Poland issued 493,960 permits in 2016, making up 84% of its total authorisations. The United Kingdom and Germany issued relatively few employment-based permits, which accounted for just 14% and 8% of their total authorisations respectively. Residence permits based on education represent 21% of all residence permits issued among EU-28 countries in 2016. The United Kingdom accounts for over 50% (365,455 permits), demonstrating its continued attractiveness as a destination for education purposes. As far as family-motivated migration is concerned, Germany leads with 136,982 permits issued in 2016. In terms of the absolute number of permits issued for humanitarian and international protection reasons, the United Kingdom (294,022) and Germany (282,232) issue the highest number of permits. However, if looking at the share of these permits, Germany (56%), Sweden and Austria (both 52%) are at the top of the list with the United Kingdom (34%) in 8th place.

A closer look at the skill composition within the labour force reveals that access to skilled labour is crucial for innovation in firms, as well as for the growth and development of the economy. If firms cannot meet their demand for skilled labour, this may result in skill shortages, which is defined as a state in which an employer and the economy lack skilled workers, to the extent that there are not enough people with a particular skill to meet demand. According to a study by Man Power Group (2017), Figure 2 shows the percentage of firms with 10 or more employees whose management...
In response to globalisation and labour market needs, migration policies can be used as a tool by destination countries to manage the volume, origin, direction and composition of migration flows (UN 2013). Migration policy can include both laws and regulations, as well as specific programmes. Labour migration policies differ between countries according to their specific programmes. Labour migration policies differ between countries according to their specific needs and circumstances, and are designed to be demand-oriented, such that immigration follows the needs of the labour market of the country where the application is submitted. Consequently, a binding job offer or valid employment contract for at least one year is a principal requirement. Additional standard prerequisites include qualification certificates and verifiable work experience.

A job is approved if its gross annual salary exceeds a defined minimum threshold. The threshold is determined by the national governments to ensure equal working standards for national workers and EU Blue Card holders. While the original directive contains a threshold of 1.5 times the average gross annual income of the country, a new proposal of European Parliament and European Commission suggests a threshold between one and 1.4 times the average. In addition to the overall minimum threshold, countries can specify a lower secondary threshold for professions with a skill shortage. Currently, Luxembourg, Germany, Estonia and Hungary have specific thresholds for highly skilled immigrants with qualifications in natural sciences, engineering, informatics, medicine or care. Besides salary thresholds, the EU Blue Card entails national prioritisation review and labour market tests as optional instruments for the coordination of immigration. In addition, national governments can limit immigration via quota systems, as well as determining the period of validity of the Blue Card and the processing fees.

In 2015, a total number of 17,104 EU Blue Cards were approved, with most of them issued by German authorities. In 2016, the number of approvals increased to 20,979, with the highest number of EU Blue Cards issued in Germany with a total of 17,630, followed by France with 5,916 (2015), Poland with 4,938 EUR ° 36 months 53 836 EUR 750 N.D. Likewise, Italy and the United Kingdom issued at least six months after the application for family members must be granted within this period. After at least 18 months of working and living in a member state, EU Blue Card holders and their families can move to another member-state for work purposes if the criteria of a qualified profession in the second member-state continue to be fulfilled. A permanent residence permit can be obtained after five years of continuous residence under EU Blue Card status. The EU Blue Card holder must have been living and working in the member state where the permanent residence application is submitted for at least two years prior to applying for permanent residence status.

### EXAMPLES OF NATIONAL POLICIES IN EUROPE
In addition to supra-national policies, governments in the EU have introduced direct national measures to actively recruit highly skilled economic migrants. Since 1

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**Table 2: Cross-Country Comparison of the EU Blue Card**

<table>
<thead>
<tr>
<th>Country</th>
<th>Fee</th>
<th>Standard validity period</th>
<th>Salary Threshold</th>
<th>Blue Cards issued in 2016</th>
<th>Special Threshold</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxembourg</td>
<td>60 EUR</td>
<td>24 months</td>
<td>73 990 EUR **</td>
<td>626</td>
<td>17 598 (2015)</td>
</tr>
<tr>
<td>Netherlands</td>
<td>108 EUR</td>
<td>48 months</td>
<td>68 787 EUR **</td>
<td>42</td>
<td>N.D.</td>
</tr>
<tr>
<td>Sweden</td>
<td>264 EUR</td>
<td>24 months</td>
<td>46 015 EUR 7</td>
<td>11</td>
<td>60 084 EUR **</td>
</tr>
<tr>
<td>Austria</td>
<td>120 EUR</td>
<td>24 months</td>
<td>50 000 EUR **</td>
<td>162</td>
<td>N.D.</td>
</tr>
<tr>
<td>Finland</td>
<td>475 EUR (440 for electronic application)</td>
<td>24 months</td>
<td>54 506 EUR</td>
<td>33</td>
<td>N.D.</td>
</tr>
<tr>
<td>France</td>
<td>269 EUR</td>
<td>36 months</td>
<td>53 626 EUR 7</td>
<td>750</td>
<td>N.D.</td>
</tr>
<tr>
<td>Belgium</td>
<td>115 EUR</td>
<td>36 months</td>
<td>59 790 EUR 7</td>
<td>31</td>
<td>45 010 (2018)</td>
</tr>
<tr>
<td>Germany</td>
<td>140 EUR</td>
<td>48 months</td>
<td>52 000 EUR **</td>
<td>17000</td>
<td>17 598 (2015)</td>
</tr>
<tr>
<td>Spain</td>
<td>418 EUR</td>
<td>12 months</td>
<td>42 118 EUR 2</td>
<td>21</td>
<td>N.D.</td>
</tr>
<tr>
<td>Greece</td>
<td>300 EUR</td>
<td>24 months</td>
<td>31 430 EUR 7</td>
<td>0</td>
<td>N.D.</td>
</tr>
<tr>
<td>Slovenia</td>
<td>122 EUR</td>
<td>24 months</td>
<td>20 509 EUR 7</td>
<td>19</td>
<td>N.D.</td>
</tr>
<tr>
<td>Romania</td>
<td>179 EUR</td>
<td>24 months</td>
<td>32 423 EUR 7</td>
<td>50</td>
<td>N.D.</td>
</tr>
<tr>
<td>Italy</td>
<td>274 EUR</td>
<td>24 months</td>
<td>25 500 EUR 7</td>
<td>254</td>
<td>N.D.</td>
</tr>
<tr>
<td>Cyprus</td>
<td>50 EUR</td>
<td>12 months</td>
<td>33 032 EUR 7</td>
<td>0</td>
<td>N.D.</td>
</tr>
<tr>
<td>Portugal</td>
<td>103 EUR</td>
<td>12 months</td>
<td>30 600 EUR 7</td>
<td>1</td>
<td>N.D.</td>
</tr>
<tr>
<td>Lithuania</td>
<td>116 EUR</td>
<td>36 months</td>
<td>26 000 EUR 7</td>
<td>127</td>
<td>24 409 (2016)</td>
</tr>
<tr>
<td>Croatia</td>
<td>137 EUR</td>
<td>N.D.</td>
<td>19 230 EUR 2</td>
<td>32</td>
<td>N.D.</td>
</tr>
<tr>
<td>Estonia</td>
<td>120 EUR</td>
<td>27 months</td>
<td>20 628 EUR 4</td>
<td>22</td>
<td>N.D.</td>
</tr>
<tr>
<td>Malta</td>
<td>255 EUR</td>
<td>12 months</td>
<td>20 490 EUR 7</td>
<td>12</td>
<td>N.D.</td>
</tr>
<tr>
<td>Poland</td>
<td>111 EUR</td>
<td>24 months</td>
<td>16 097 EUR 7</td>
<td>673</td>
<td>N.D.</td>
</tr>
<tr>
<td>Slovakia</td>
<td>170 EUR</td>
<td>36 months</td>
<td>15 500 EUR 7</td>
<td>4</td>
<td>N.D.</td>
</tr>
<tr>
<td>Latvia</td>
<td>160 EUR</td>
<td>60 months</td>
<td>14 724 EUR 7</td>
<td>112</td>
<td>N.D.</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>50 EUR</td>
<td>24 months</td>
<td>12 963 EUR 7</td>
<td>104</td>
<td>N.D.</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>278 EUR</td>
<td>N.D.</td>
<td>8 725 EUR 4</td>
<td>115</td>
<td>N.D.</td>
</tr>
</tbody>
</table>

Notes: *Data from 2016; **Data from 2015; ° Data from 2014

For the number of issued Blue Cards see: ec.europa.eu/eurostat/web/products-datasets/-/migr_resbc1

The shortest validity period can be found in Spain, Cyprus, Portugal, Lithuania, Malta and Bulgaria with a validity of only 12 months. In contrast, Latvia has determined a validity period of 60 months. Countries issuing relatively large shares of EU Blue Cards in their validity periods from 24 to 48 months. The processing fees vary across countries from 50 Euros in Cyprus to 881 Euros in the Netherlands.

According to the European directive, EU Blue Card holders must be treated identically to the national population in terms of social legislation and employment law (SVP). Furthermore, they enjoy several rights once their residence permit has been approved in terms of family reunification, employment, free movement within the EU and permanent residence status. As for family reunification is concerned, the directive grants close family members the right to live and work in the member state where the EU Blue Card holder is registered. Residence permits for family members must be issued at least six months after the application for family reunification has been submitted. With respect to employment, EU Blue Card holders are not allowed to be self-employed within the first two years of residence. In case of a change in employment, the national authorities need to grant official permission throughout this period. After at least 18 months of working and living in a member state, EU Blue Card holders and their families can move to another member-state for working purposes if the criteria of a qualified profession in the second member-state continue to be fulfilled. A permanent residence permit can be obtained after five years of continuous residence under EU Blue Card status. The EU Blue Card holder must have been living and working in the member state where the permanent residence application is submitted for the last two years prior to applying for permanent residence status.

### THE EU BLUE CARD
The ‘EU Blue Card’ was introduced in 2009 as part of the European Council Directive to focus on selective migration policy. The EU Blue Card is an EU-wide work permit for highly qualified employment, aimed at making Europe a desirable destination for qualified workers from third countries. The EU Blue Card is recognised and implemented by 25 EU member states, apart from Denmark, Iceland and the United Kingdom. It establishes the entry and residence conditions for third-country nationals and is designed to be demand-oriented, such that immigration follows the needs of the labour market of the country where the application is submitted. Consequently, a binding job offer or valid employment contract for at least one year is a principal requirement. Additional standard prerequisites include qualification certificates and verifiable work experience. The EU Blue Card is designed to be demand-oriented, such that immigration follows the needs of the labour market of the country where the application is submitted. Consequently, a binding job offer or valid employment contract for at least one year is a principal requirement. Additional standard prerequisites include qualification certificates and verifiable work experience.

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the EU Blue Card makes up only a part of skilled labour migration to the European Union, this allows member states to attract additional highly skilled workers and to differentiate themselves within the EU as an attractive destination country. The following sections will take a closer look at Austria and the United Kingdom, which both implement variations of a point-system to manage migration flows.

RWR-Card in Austria

The most dominant pillar of the Austrian migration system, in addition to the EU Blue Card, is the Red-White-Red (RWR) Card for highly qualified workers from non-EU member states, which was introduced in 2011.6 The RWR-Card is allocated based on a point-system following international role models such as Canada and Australia. The requirements and the approval processes, however, differ among the four categories of skilled occupation (particularly highly skilled job-seekers, shortage occupations, key workers and start-up founders). The corresponding scoring systems for each category are summarised in Table 3.

In general, the RWR-Card is considered to be demand-driven since for three of the four categories a valid job offer is a principal prerequisite.7 Only the job-seeker visa for particularly highly qualified candidates can be classified as supply-driven, since applicants for this scheme do not need a job offer prior to applying, but can search for an employment on-site for six months instead. If they receive a job offer during this period, they are entitled to apply for a RWR Card. The approval procedure for such a visa is points-based, with a maximum of 100 points and a minimum requirement of 70 points. Offering job searching visas through a points system is unique in Europe. Germany, for example, offers job searching visas, but they are specifically targeted at graduates of German universities (18 months, including a work permit) and people who have completed German vocational training (12 months, including a work permit). Applicants with an officially approved university degree from outside Germany can also apply for a job seeker visa valid for six months, but this visa does not include a work permit.

Highly skilled workers in shortage occupations must have a valid Austrian job offer that fulfills the salary requirements and the shortage occupation criteria.8 Given these prerequisites, applicants must achieve a minimum of 55 out of 90 points to obtain the RWR Card. A similar points system selects key workers with a valid job offer. In addition to a minimum of 50 out of 75 points, their monthly gross income must exceed €3,078 for workers over 30 years and €2,565 for workers under 30. These numbers apply to the year 2018 and are recalculated annually. Furthermore, the key worker scheme requires applicants to successfully pass a labour market test as previously introduced.9 Start-up founders applying for a RWR-Card must score at least 50 out of 85 points to qualify. The fifth category eligible to receive a RWR-Card, autonomous key workers, are not selected via a points-based system, but according to the following four criteria: their future occupation is associated with an investment capital of €100,000, it safeguards or creates jobs, it transfers know-how or new technology to Austria and the future firm is of major regional importance.

Successful applicants and holders of the RWR-Card are allowed to work and live in Austria for 24 months. After having fulfilled the employment requirements for at least 21 months, they may apply for the RWR Card Plus. This residence and work permit entitles third country workers to change employer if employed or to pursue self-employment. Family members of RWR-Card holders (spouses, registered partners and children under 18) are eligible to receive the RWR-Card Plus immediately.10

According to official statistics the number of annually issued RWR-Cards and RWR-Cards Plus generally reaches the target of 8,000 highly skilled immigrants a year.11 Table 4 shows the number of initial RWR residence permits issued both to applicants and family members, as well as the overall number of residence permits issued in Austria. In comparison to the previously used key worker scheme, the number of permanent resident permits issued for work purposes has increased.

Tiers System in the United Kingdom

As opposed to Austria and most other EU member countries, the immigration system of the United Kingdom does not include the EU Blue Card. Instead, the UK manages its migration flows via a national immigration system consisting of five different tiers that have gradually been established since 2008. The tiers offer different types of applicants the opportunity to immigrate: Tier 1 addresses highly skilled entrepreneurs, investors and exceptionally qualified applicants, tier 2 is aimed at skilled workers with an existing job offer, tier 3 was designed for low-skilled immigration, but never implemented, tier 4 is designed for the educational purposes of non-EU students, and tier 5 for temporary working purposes. In general, the tiers system is considered to be demand-driven since a valid job offer, proof of investment capital or self-employment is a requirement. Although applicants are selected based on their overall score, the scores achieved in various sub-criteria also matter. This means that applicants cannot compensate for missing points in one criterion by scoring higher points in another.

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6 The RWR-Card replaced the key worker scheme (“Schlüsselkraftwerke für Fernen” for highly qualified applicants from third countries).

7 Demand-oriented migration schemes that require either a valid job offer or an investment or business plan are labelled with a bullet icon.

8 The shortage occupation list is published annually in accordance with the rules of the Austrian labour market, by the Federal Minister for Labour and the Federal Minister for Economic Affairs.

9 A labour market test involves, inter alia, a court that as a qualified Austrian worker is available before offering the job to a third country applicant.

10 For the regulations and criteria see www.ngrigration.gov.uk/for-mer-workers/working-abroad/overseas-workers-and-australian-natives/

11 In contrast, the Austrian media has reported numbers of yearly issued RWR-Cards that are below the general target, and has criticised high application requirements and bureaucratic hurdles. The criticism has ignited a reform debate about the RWR-Card scheme in Austria.
Tier 1 Entrepreneur offers residence and work permits for three different categories of entrepreneurial candidates: (graduate) entrepreneurs, exceptional talents and investors, who plan to invest in the UK and establish a business. For a residence and work permit, an entrepreneur must score a full 255 points to be granted a visa, with 75 points applying for financial attributes, and the remaining 200 points for language proficiency and maintenance. A graduate entrepreneur visa also requires a full 255 points, but in addition to the maintenance and language proficiency points, 50 points are assigned for an endorsement of the credibility of their business plan by the Department for International Trade or a recognised higher education institution and 25 points for university level qualifications. Exceptional talents are granted a permit if they are considered emerging leaders in the fields of science, humanities, medicine, engineering, digital technology and the arts. In this case no point system applies; they are simply endorsed by the UK Home Office subject to an annual limit of 1,000 places. Investors applicants must score 75 points to be granted a visa, being entirely related to their financial attributes or those of their partner. Until 2010 high skilled applicants could also apply for tier 1 throughout a points-based selection system without having a job offer.

Tier 2 consists of four different categories. Under the General category applicants can obtain a work and residence permit for a maximum of 5 years and 14 days if they have a valid job offer from a licensed employer in a shortage occupation in the UK. This category is comparable with the employer sponsored immigration also available in other high-qualified migration systems and is clearly demand-oriented. The scoring system requires 70 points in total, which are laid out in Table 5. In addition, immigration through the category of Intra-Company Transfer is possible if the company for which the applicant works is a multinational firm with a branch in the UK. Moreover, there should be no national worker available to fill the vacancy in question. Within this category there are three sub-categories for long and short term transfers, as well as for graduate training programme. A total of 70 points is required. The categories Sportsperson and Minister of Religion are especially designed for applicants pursuing sporting careers, or pastoral persons working for religious communities. As these categories are only relevant for a few applicants, the requirements and application procedures are not described in detail. Between March 2016 and March 2017, 4,677 Tier 1 Visas were issued, while 93,566 Tier 2 Visas were granted (UK Government 2017).

Tier 4 covers applications for General student visas for which a notice of admission to a study programme is required. Apart from sufficient English language skills at level B2, applicants must possess sufficient financial means to cover both their course fees and their living expenses. Tier 5 was implemented for temporary workers in a number of different circumstances like charity workers, entertainers, diplomatic staff etc. As with tier 2, applicants need a sponsor during the working period unless they can enter the country under the Youth Mobility Scheme without a job offer. Sponsors can be institutions that offer approved exchange programmes, higher education institutions or government departments and agencies. An application through tier 5 costs £235 (£297) for a single person applying outside from the UK.

Table 5
Tiers of the UK National Immigration System

<table>
<thead>
<tr>
<th>Tier</th>
<th>Scoring</th>
<th>High Value Migrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1 Entrepreneur</td>
<td>255 points</td>
<td>0-100,000 of disposable investment funds (£130,000 under certain conditions) (25 points)</td>
</tr>
<tr>
<td>Tier 1 Investor</td>
<td>255 points</td>
<td>£1,000,000 own money or that of one's partner, including evidence of income, ownership longer than three months, information on how those obtained and proof that it is available to spend in the UK at any time (in case of partners money, permission to invest) (75 points)</td>
</tr>
</tbody>
</table>


In general, the application procedures in Canada, Australia and New Zealand consist of two different stages. Initially, applicants must score a minimum number of points regarding criteria such as their qualification, age, work experience, language skills, likelyhood of integration and whether they could work in a shortage occupation. Achieving the minimum score allows them to get registered in the pool of potential immigrants. In Canada, applicants who receive the minimum points in the first stage (Express Entry) are ranked according to the Comprehensive Ranking System. Several times per year applicants with the highest scores are invited to apply for a permanent residence status until the contingent is reached. The processing fees are $550 (C$44). If a permanent residence permit is approved, another $490 (C$390) are due. According to the Government of Canada, 57,060 applicants from the candidate pool were invited to apply for a permanent residence permit in 2017 (Canadian Government 2017). Finally, 56,945 permanent resident permits were issued after the second stage.

Figure 3
Student Residence Permits in the EU

<table>
<thead>
<tr>
<th>Country</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>148</td>
<td>146</td>
</tr>
<tr>
<td>Czech Rep.</td>
<td>217</td>
<td>216</td>
</tr>
<tr>
<td>Germany</td>
<td>691</td>
<td>684</td>
</tr>
<tr>
<td>Estonia</td>
<td>319</td>
<td>318</td>
</tr>
<tr>
<td>France</td>
<td>70,757</td>
<td>70,756</td>
</tr>
<tr>
<td>Hungary</td>
<td>96,827</td>
<td>96,826</td>
</tr>
<tr>
<td>Italy</td>
<td>32,577</td>
<td>32,576</td>
</tr>
<tr>
<td>Lithuania</td>
<td>17,746</td>
<td>17,745</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>4,110</td>
<td>4,110</td>
</tr>
<tr>
<td>Sweden</td>
<td>39,038</td>
<td>39,037</td>
</tr>
<tr>
<td>UK</td>
<td>1,596,836</td>
<td>1,596,835</td>
</tr>
</tbody>
</table>

Source: Eurostat (2017b).
In Australia, applicants in the pool of candidates of the Skill Stream of the immigration system can be invited to apply for a visa by the authorities, but they can also be nominated by employers who have access to the profiles of the applicants in the pool. While there are no fees due in the first stage of the process, applying for a visa is charged. For example, the fee for the Skilled Independent Visa is AUD 3,670 (€2,302). The invitation rounds take place twice a month considering the annual quota for qualified immigration. During 2016 and 2017 a total of 123,567 visas were issued within the Skill Stream of immigration, while the quota allowed for 190,000 new permanent residence statuses (Australian Government 2017).

Similarly, the second stage in New Zealand consists of two invitation rounds per month following the annual target of new permanent residence visas. For the submission of an application in the first stage, the authorities charge a fee of NZD 530 ($331). For the application of a permanent resident status a fee of NZD 3,085 ($2,130) applies. During the financial year 2016/2017 (1 July 2016 – 30 June 2017) 12,106 of 14,445 applications were approved. In the current financial year 3,762 out of 4,723 applications have been already accepted (New Zealand Government 2018).

Although these countries are especially well-known for their points-based systems for skilled immigration, they also include demand-oriented streams in their immigration regulations. Australia, for example, also has an employer sponsored channel for permanent immigration within the stream of qualified immigration.

RETICLUDING INTERNATIONAL STUDENT GRADUATES

In addition to labour migration policies, regulations aimed at international students are important measures for retaining qualified workers, since the international mobility of students can partially be seen as the migration of future workers (ILC, OECD, World Bank Group 2015). It is central to attract international students, as well as retain them once they complete their degrees, since transitioning into the labour force ensures that a country benefits from the skills of the graduates.

PROGRESS IN THE EU

The EU is already an attractive destination for international students, with over 0.6 million residence permits issued for education activities in 2016 (Eurostat 2017b). Figure 3 shows how in most EU countries the number of residence permits granted to third-country nationals for studying purposes has increased from 2015 to 2016. However, while the number of permits for education purposes displays a steady increase in recent years, the rate of retention, meaning the percentage of graduates choosing to stay in the EU after their studies, remains relatively low. Although the number of third-country national students remaining in the member state after the completion of their degree increased in most EU countries from 2015 to 2016 (see Figure 4), retention rates remain small. A mere 26%-30% of graduates registered in member states, exchanging their education-related residence status to another reason for their stay (OECD 2016).

Acknowledging the positive implications of international student mobility and the importance of their retention and transition into the labour market, the Students and Researchers Directive (Council Directive 2016/801) was adopted by the European Parliament and Council of the European Union in May 2016 (EU Publications 2016). According to the directive the member states of the EU have two years to transpose the elements of the directive into national law. The directive aims to make the EU a more attractive study destination, as well as making it easier and more appealing to stay afterwards. With regards to students, it allows them to stay at least nine months after finishing their studies to search for a job or seek self-employment by setting up their own business. In addition, the mobility of students within the EU is increased, as they will only need to notify the member state to which they plan to move, instead of filling a new visa or residence permit application.

The new directive also further improves conditions while studying by giving students the right to work for a minimum of 15 hours a week. In terms of job-seeking opportunities, Figure 5 shows which EU countries already meet the requirement, which countries allow for job search, albeit for a duration of less than nine months, and which countries do not offer any residence permits for job seekers after graduation. Figure 5 displays the status as of 2017. The closed line for the transposition of the new directive 2016/801 is May 2018.

In addition to offering a job-search permit, countries may incorporate additional incentives into their national policies to make it more attractive for students to stay in a country after graduating. Common incentives among EU member states include simplified application procedures to stay for work, which could entail the exemption from labour market tests or examinations; lowered salary requirements; full access to the labour market without restrictions by field of work, or limitations in terms of working hours; additional incentives like reducing the number of years one must reside in the country to qualify for a permanent residence permit (European Migration Network 2017). The degree of implementation of each of these incentives is shown in Figure 6. As of 2017, an allowed potential policy with national legislation.

Another potential-oriented policy is the EU-wide directive aimed at increasing the retention of foreign graduates. Since recent graduates constitute potential future workers, many countries complement the EU policy with national legislation.

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