

# ***Making Europe's labour markets more visible for workers from abroad***

## **Position on the European Commission's proposal for a regulation establishing an EU Talent Pool (COM(2023) 716 final)**

February 2024

### **Summary**

The skills and labour shortages continue to be one of the biggest problems on the European labour market. Investing in and activating domestic potential is a top priority. However, another central pillar for securing skilled workers is labour migration from third countries.

In order to make Europe more attractive to job seekers from third countries and to facilitate matching between foreign workers and European employers, it is crucial that opportunities in the European labour markets are made more visible and accessible. An EU Talent Pool can help to make job vacancies offered by EU employers across borders transparent to a wider pool of job seekers. This would give companies a potentially larger selection of suitable candidates than is currently the case with national job placement instruments. It will be easier for candidates to look for jobs from third countries.

A common EU platform can achieve economies of scale and thus help to better position Europe in the global competition for talent. Unlike Germany, many Member States do not have digital platforms and tools to recruit talent and are unable to address their labour shortages accurately. Last but not least, an EU Talent Pool is a strong signal to job seekers from third countries that they are welcome on the European labour markets. It is to be welcomed that the EU Talent Pool does not provide for the harmonisation of national labour market policies or their different immigration regulations.

However, it is crucial that the Talent Pool focuses on its European added value and complements national systems in a meaningful way. In terms of implementation, this means that the Talent Pool must be easy to use for the large number of stakeholders involved, be based on nationally managed occupation lists that are aligned with the respective national immigration laws and avoid parallel structures with the national systems:

- The "Single Coordinated Channel" between the national employment services and the Talent Pool must ensure easy-to-implement **IT interoperability** – as is already successfully practiced in EURES with uniform standards. This way, an acceptable level of effort can be ensured for the national employment services when linking the national job portals with the Talent Pool.
- The national **social partners** must be closely involved via the National Contact Points.



- The Talent Pool Secretariat should be linked to the **European Labour Authority (ELA)** in the long term.
- The **National Contact Points** must be able to provide their counseling services as far as possible in cooperation with existing national services by means of referral counseling and according to their own design, so that there is no duplication of structures with existing national counseling offers.
- The "**Talent Partnership Pass**" should also be used for existing and future bilateral placement agreements between the employment services of Member States and third countries.
- Within the framework of the existing national systems, **employers** should be given the uncomplicated option of indicating as an "add-on" function whether their job vacancies should also be published in the Talent Pool.
- **Employer access** to the Talent Pool must be possible automatically after the vacancies have been published in the pool.
- The Talent Pool should be opened up to all **professions**, while country-specific restrictions must continue to be possible.
- Matching should be **AI-based**.
- The planned **funding** of the National Contact Points by the Asylum, Migration and Integration Fund (AMIF) must be guaranteed in the coming Multiannual Financial Framework.
- The Talent Pool must be advertised extensively through **outreach activities in third countries** and established as a brand.

### ***In detail***

The proposed regulation contains many provisions that are crucial for the functioning of a job matching platform between job seekers outside the EU and European employers: the application options for employers and job seekers, the national scope for adaptation and the supporting role of the National Contact Points. In the following, we focus on the aspects that should be further developed in the regulation.

### ***Maintain voluntariness, ensure broad participation of labour market players***

The European Commission has rightly chosen the legal form of a uniform EU-wide regulation, which at the same time leaves the decision on participation in the Talent Pool to the individual Member States (Art. 1 and 3). Given the extensive labour shortages, it should be added to the scope of the regulation (Art. 2) that the Talent Pool is open to job seekers from third countries of all qualification levels as well as third-country nationals who are family members within the meaning of the Family Reunification Directive (2003/86/EC, Art. 4, para. 1). The fact that besides employers also private employment agencies, temporary work agencies and other labour market intermediaries (Art. 4) are able to access the EU Talent Pool (Art. 13) makes sense and allows a broader and more flexible search for applicants by all relevant actors. However, it should be clarified that these are "labour market actors". The term "employer", however, should not be and does not need to be defined in this context. It would just add legal confusion.

### ***Ensure technical interoperability with national systems***

It is to be welcomed that an independent European IT platform is being created, which enables the transfer of national job vacancies through a single coordinated channel (Art. 5). Technical interoperability between national systems and the Talent Pool IT platform



is absolutely essential. However, ensuring this can lead to considerable national administrative work and costs. The implementation effort for the national competent authorities must be kept as low as possible and be based on existing structures and standards.

Even if certain IT components of EURES (e.g. for data transfer) are to be reused for programming the IT platform, full integration into EURES is unfortunately not possible due to legal restraints. The existing IT interfaces and standards for the publication of job vacancies between national systems and the EURES network should therefore be used extensively for the programming of a new interface. Interfaces to other relevant EU instruments and services (such as ESCO and Europass) should also be ensured. The planned implementing acts must set out practicable definitions for the necessary technical standards and application formats.

### ***Make data protection provisions compatible with national practice***

The planned implementing acts of the Commission on the processing of personal data (Art. 6) must ensure that all information required for a successful matching is accessible. This applies in particular to the possibility for job seekers to restrict access to their information.

### ***Provide for a fixed role for social partners in the governance structures***

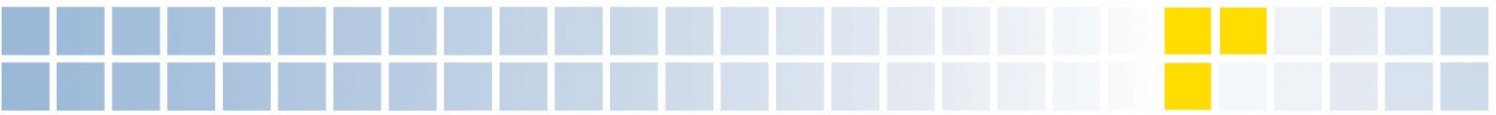
In principle, the envisaged governance structure alongside the National Contact Points in the form of a Talent Pool Secretariat (Art. 8) and a Steering Group (Art. 9) seems reasonable. However, the EU social partners are currently only envisaged as observers with two seats in the Steering Group. Instead, three EU social partners per side (BusinessEurope, SMEUnited, SGI Europe) should be a permanent part of the Steering Group.

The national social partners of the participating Member States should be closely involved in the work of the National Contact Points via their respective national structures. The Talent Pool Secretariat – with its comprehensive information provision tasks – should be linked to the ELA. The ELA already holds information on the applicable rights and working conditions in the Member States. In any case, synergies should be created between the ELA and the Secretariat.

### ***Ensure realistic implementation effort for National Contact Points***

Against the background that many Member States do not have central contact and counselling services for labour migration, the planned National Contact Points (Art. 10 and 17) make sense. Without their information and advice services, any successful matching would end in vain. The complicated aspect of labour migration begins with the visa application and the associated requirements, such as the recognition of qualifications, work permits and much more. Employers and job seekers need support to master this bureaucratic jungle.

Member States such as Germany, which already have well-developed counselling structures, must also be able to use them for this task. An EU Talent Pool must not lead to additional work for the authorities where functioning structures are already in place. This includes in particular the possibility to refer requests to other national competent authorities or appropriate bodies, which is also specified in the proposed regulation (Art. 17). It must be sufficient for the Contact Points to be able to refer requests for information, guidance and support to the relevant bodies in order to avoid duplicating structures. Germany, for example, already has various counselling structures, some of which



have been in place for many years, such as the "Make-it-in-Germany" platform, the "Living and Working in Germany" hotline and the Central Service Point for Professional Recognition (ZSBA). These have recently even been strengthened in the wake of legislation to further develop the immigration of skilled workers.

It is understandable that the National Contact Points must suspend employers from the Talent Pool in the event of relevant violations. Here, the principle of proportionality must be upheld. It is important to utilise for this the already well-functioning national regulations and structures and not to introduce any deviating EU regulations. The possibility of introducing additional conditions for employers to participate in the Talent Pool (Art. 13, Para. 3) must be in line with the provisions of other national job placement platforms and must not create additional work for the National Contact Points.

### ***Integrate talent partnerships with third countries into features smartly***

It can be advantageous to make job seekers who are looking for work within the framework of existing talent partnerships recognizable in the Talent Pool via an "EU Talent Partnership pass" (Art. 12). Using the EU Talent Pool as a tool for job placement within the framework of the EU's talent partnership initiatives creates useful synergies. However, the provision should go further: It should be possible to issue the pass not only for EU talent partnerships, but also for existing and future bilateral placement agreements between the employment services of Member States and third countries.

Here too, the participating Member States should be able to decide to restrict the visibility of applicant profiles with a talent partnership pass to employers from their country for up to one year. The fact that the Member States concerned can set the conditions for issuing the EU Talent Partnership pass themselves then ensures the necessary flexibility in view of the different agreements with third countries.

### ***Design Talent Pool functions in a user-friendly way***

Only employers from participating countries can publish those job vacancies that fall within the shortage occupations list and its national adjustments (Art. 13). The fact that the transfer of job vacancies to the Talent Pool platform does not take place directly via the employers, but via the National Contact Points, also reflects the current national practice in Germany – for example with regard to job vacancies published on the EURES portal. However, the legal text should add that employers can easily indicate within the existing national job posting processes whether their job vacancies should also be published in the Talent Pool as a simple add-on function.

While access to the Talent Pool for job seekers is clearly regulated (Art. 11), there are still uncertainties regarding the access for employers: it is not clear how employers are registered in the Talent Pool system. Employers should be given automatic access to the Talent Pool (e.g. via a digital code) in order to use the search and matching functions as soon as their vacancies have been transferred from the National Contact Points to the Talent Pool – without having to formally register. In addition, the access options for employers from the same group of companies should be simplified. An authorised company should also be able to manage access for other companies of the respective corporate group.

It is also unclear whether employers or the National Contact Points must indicate on the platform when a recruitment has been successfully completed – with the consequence that the job seeker's profile will then automatically cease to be visible (Art. 13). This information should be provided automatically by the National Contact Points who also



published the job offer in the first step. The functions and application conditions must be specified accordingly in the legal text.

The search and matching component (Art. 16) – automated suggestions of potentially suitable candidates for employers and suitable job offers for job seekers – forms the core of the Talent Pool. This automated system must function flawlessly. To ensure quality and state-of-the-art technology, the matching component must be based on artificial intelligence.

### ***Open Talent Pool for all professions and enable country-specific restrictions***

It would make more sense to open up the Talent Pool to all professions and to work without an EU shortage occupation list. The limitation to shortage occupations defined at European level (Art. 14) creates unnecessary bureaucracy and complicates the work of the National Contact Points. It can also lead to frustration for job seekers, who may be denied access to the EU job search, as well as for employers, whose vacancies may not fall under the shortage occupation list and cannot be published in the Talent Pool.

Instead, it should only be possible to restrict professions via national lists (Art. 15). Member States could decide for themselves which national professions should be accessible to third country nationals via the Talent Pool and whether they wish to introduce restrictions to national shortage occupations. This decision must be left to the Member States in accordance with their national immigration law. In Germany, for example, there have been no priority checks or shortage occupation lists for foreign skilled workers since the Skilled Immigration Act (FEG) came into force. Refraining from a European list and allowing national restrictions instead would allow maximum leeway for the respective labour market needs and greater tuning to national regulation.

### ***Enable improvements based on performance monitoring***

In order to monitor the success of the Talent Pool, it is imperative that the Talent Pool Secretariat consistently collects the data provided for in Art. 20. However, this data should also be presented to the Steering Group once a year. If necessary, the Steering Group, together with the National Contact Points, should be able to initiate a procedure to identify any need for improvement and implement it through the Secretariat.

In addition, the composition of the committee to support the Commission provided for in Art. 22 must be specified. It should be composed of the Steering Group with the involvement of the EU social partners in order to keep the governance structure of the pool lean and avoid unnecessary duplication.

### ***Use of existing EU funds***

The EU should contribute to the costs of implementing the necessary IT solutions and setting up the National Contact Points. The Commission currently expects (assuming the participation of eleven to a maximum of 20 Member States) annual recurring costs for the Member States of between €8 million and €14.6 million for the National Contact Points and €1.44 million for administrative support for issuing the EU Talent Partnership pass. Both cost categories should rightly be financed by the AMIF. This budget must also be guaranteed in the upcoming Multiannual Financial Framework (MFF).

The annual recurring costs for the Member States in the operational phase from 2027 are estimated at around €348,000 to €544,000 in the first two years for maintaining interoperability between the national IT systems and the Talent Pool. After that, the



Commission expects a gradual reduction. These are the only costs to be financed through national budgets and appear to be reasonable. In the final provisions (Chapter VI), it should also be added that the participating Member States should draw up financing plans for the costs to be borne by them – with the involvement of the national social partners and other relevant stakeholders.

### **Establish the EU Talent Pool as a brand**

The perception of the EU as a location with attractive and diverse employment prospects is currently limited. In the global competition for talent, Europe can only survive as a whole. In order to strengthen this perception in third countries and use the Talent Pool effectively to counter skills and labour shortages, it is important that many job seekers become aware of it. The Commission must therefore ensure that the Talent Pool is known to job seekers in third countries. This should be achieved through a comprehensive marketing campaign and outreach activities in third countries to establish the EU Talent Pool as a global brand – like the Canadian talent pool. These costs need to be factored into the budget.

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*Transparency Register: 7749519702-29*