



## Public-Private Partnerships to Advance Labour Market Integration of TCNs

*By Ani Mnatsakanyan*

*June 2014*

### Acknowledgements

This paper is part of an initiative of the International Organization for Migration (IOM) in Malta in order to support the work agenda of the Government of Malta and other national stakeholders dealing with the migration, integration and employment issues. This has entailed commissioning a number of policy papers, researches and other background papers as well as a number of country studies. This paper has benefited from close collaboration with the experts team of International Center for Human Development. The author is grateful for their comments, suggestions and inputs.

The author wants to express her gratitude to Tanja Contino from International Organization for Migration (IOM) in Malta, for her constant support throughout the whole process of the paper development.

### Astract

The relationship between international migration and human capital is central to any research on migration and economic development. It is also of vital importance to labour markets, particularly for countries with high rates of emigration or immigration (Collyer et al., 2013 ). The extensive desk review process was contributed by the interviews held with different experts and practitioners from different EU member states – Germany, Spain, the Netherlands, Malta between May – June 2014.

The findings suggest a demand for policy measures to support migrants in order to ensure a more efficient job and skills-matching process. Instruments are needed to facilitate third-country nationals' integration into labour market. The public-private partnership development is discussed as an instrument for the integration. Other policy measures related to education and skills enhancements are required, targeted training, apprenticeship and mentorship schemes are

---

19 Sayat Nova Ave.

Yerevan 0001, Armenia

Tel./Fax: +374 (10) 582638

E-mail: [mail@ICHD.org](mailto:mail@ICHD.org)

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

---

recommended to be developed. At the same time, more attention should be paid to the recognition mechanisms of qualifications and skills, which might decrease the underutilization of skills not only for highly educated individuals, but also for those with medium education levels and vocational education and training (VET) qualifications. Thus, development of the mechanisms on skills enhancement, recruitment, placement of TCNs through the public-private partnership will foster integration of third-country nationals into labour market. The specific policy actions are needed in the areas of employment including the process of obtaining the work permit, skills and labour market integration of migrants to decrease the costs and increase the benefits of migration.

### Introduction

In the global economy labour and skill shortages are often relieved through crossing national borders, especially given the facts of demographic challenges and structural changes in the economy and employment in the EU member states. The importance of foreign workers and skills has been largely acknowledged by member states and different integration policies are being developed. Most recently the Europe 2020 strategy has emphasized the highest importance of migration and integration in reaching strategic targets, such as high employment rate, combat against poverty, and the flagship initiative “New Skills and New Jobs” (Europe 2020). In order to reach the set goals and manage to secure skills that are in demand in the EU economy, there is a need for developing flexible legal admission channels for third country nationals (TCNs) in certain occupations and sectors, as well as for fostering effective integration schemes for those already residing in the EU. It

seems that there is also a necessary political will to move in this direction, as claimed by Cecilia Malmström, the European Commissioner for Home Affairs in 2012: "If we want to fully benefit from the potential of migration, we need to continue to work with determination on a long-term, well-managed legal migration policy and effective integration policies. Europe is facing a long-term demographic challenge and a rapidly changing labour market. In order for us to remain economically competitive, we need to attract workers, in particular high-skilled workers, from third countries" (European Commission, 2012).

In order to improve labour market integration of migrants and to decrease chances of underutilization of their skills, specific policy interventions for supporting migrants are being developed by various EU countries. These policies usually include institutional arrangements, for instance, bilateral or multilateral agreements on skills recognition, and labour migration management. In terms of addressing labour market development objectives, such policies can be divided into two main categories:

1. Support to TCNs from an employment perspective:
  - a) Job matching process, which includes recruitment services, consultancy, job search and other similar services;
  - b) Organization of pre-departure and orientation sessions and other relevant trainings for migrants. Those should include information on availability of support services such as consultations, orientation sessions on their rights and obligations in the country.
2. Support to TCNs from the skills recognition and development perspective:
  - c) Assessment, certification, validation and recognition of skills and qualifications of TCNs;
  - d) Support to initiatives for migrants' skills enhancement in order to meet the demand of the labour market, including vocational education, apprenticeships and mentorship schemes;
  - e) Improvement of the TCN skills use in order to reduce underutilization of migrants' skills.

The paper discusses the existing policy interventions, laws and regulations on integration of the third country nationals, as well as international experiences of public-private partnerships with regard to TCNs integration into the labour market. The paper starts with an overview of the Maltese case, continues with the discussion of the EU Directives, laws and regulations

applied by the Maltese authorities, and a comparative analysis of similar policies of other EU member states based on the MIPEX findings.

The second part of the paper discusses the international experiences of public-private partnerships in Germany, Spain and the Netherlands. The paper concludes with a list of recommendations for future actions.

## Background

Malta has a long-lasting history of being a destination country for many migrants. Since 2002 the number of migrants arriving to Malta has increased. Their profile is quite diverse: on one hand, there are asylum seekers arriving to its shores on weathered boats, and on the other, migrants both from within the EU and from third-countries come to Malta to find a job. The total population of Malta has almost doubled over the century, and today Malta has a population of 421,364 (National Statistics Office, 2013). Malta is one of the smallest European countries with the highest population density (ECRI 2013). While the actual number of foreign nationals and asylum seekers is quite low, it is high in comparison with Malta's population. This makes Malta the EU country with the highest proportion of asylum applications (4.9 applications per 1000 inhabitants), followed by Sweden with 4.7 applications per 1000 inhabitants. Malta is ranked eighth in the world and top one among the EU member countries for the number of refugees, with 20 refugees per 1000 inhabitants (UNHCR 2013). Though Malta is a destination country for many migrants who intend to find a job there, according to the MIPEX findings, it is behind most countries in improving its integration policy, and many non-EU nationals with a right to live in Malta, do not have equal rights to work and access the local labour market.

## The goal of the research and research questions

The aim of the paper is to provide an in-depth policy analysis and subsequent recommendations in order to advance the integration of third-country nationals into the labour market in Malta. It will discuss the current policy, regulatory, and institutional frameworks for labour market integration in Malta, as well as provide examples of best practices available within the EU. To reach this goal the following research questions are addressed:

- What are the Maltese's policy, regulatory, and institutional frameworks for labour market integration of third country nationals?
- What are the practices of public-private partnership (PPP) in Malta? How to strengthen PPP in order to improve mechanisms that match TCN job-seekers and the labour market needs?
- How could responsible recruitment practices be strengthened through public-private partnership?
- How can apprenticeships and mentorship schemes be applied to advance labour market integration of TCNs?
- How could public-private entities improve the procedures for recognition of qualifications, in designing language or introduction courses?
- What policy measures could be implemented to improve PPP in order to advance labour market integration of TCNs?

## Methodology

For two months a comparative analysis of the policies and regulations for integration of TCNs within the EU has been conducted. The analysis was based in an extensive desk review of relevant laws, regulations and policies; identification of the key stakeholders from public, private and civil society sectors in Malta and other EU member countries (Germany, Sweden, Spain, the Netherlands). The findings were consolidated with the data from the semi-structured interviews.

The assistance with the project was provided by the International Organization for Migration in Malta, which helped contact the stakeholders in Malta, as well as by International Center for Human Development in Armenia, which facilitated the process of getting in touch with the stakeholders from other EU member countries. The stakeholder group comprised state authorities, private sector representatives, specifically private employment agencies and non-governmental organizations. Identified representatives were contacted through emails or phone calls. One of the largest limitations in this research was communication and participation of the stakeholders in Malta. Though emails and follow-up calls were made, in many cases partial or no responses followed, which definitely affected the findings of the research in terms of having far more limited perspectives on the Maltese case.

## European and maltese legal framework

### The EU framework

There are a number of directives that the EU has developed with the purpose of increasing the mobility of TCNs in the labour market. Such directives regulate the mobility of highly qualified employees, scientific researchers, individuals undertaking studies and exchange programmes, and finally the directives provide overall general regulation for the EU member states. This part provides overview on the directives issued by the EC on the migration management and integration processes.

Specifically, the Council Directive 2011/98/EU regulates a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State. It also defines a common set of rights for third-country workers legally residing in a Member State. There are only five member states - Austria, Portugal, Lithuania, Latvia and Belgium - which have implemented this Directive, whereas the deadline of implementation was 25/12/2013.

Another Council Directive 2009/50/EC of 25 May 2009, regulates the conditions of entry and residence of TCNs for the purpose of highly qualified employment. This directive creates the European Blue Card that sets out the conditions and rights of residence in the issuing as well as in other Member States.

Since mobility of researchers is a key element in gaining knowledge, as well as its transfer, the Council Directive 2005/71/EC of 12 October 2005 regulates the specific procedure for admitting the third-country nationals for the purposes of scientific research.

One of the objectives of the EU in the field of education is to promote Europe as a world center of excellence for study and vocational training. Promoting the mobility of third-country nationals within the EU for the purpose of academic studies is a key factor in this strategy. The Council Directive 2004/114/EC of 13 December 2004, regulates the conditions of admission of TCNs for the purposes of study, pupil/student exchange, and unremunerated training of voluntary service.

Finally, the Council Regulation (EC) No 1030/2002 of 13 June 2002 lays down the general and uniform format for residence permits for third-country nationals.

### Maltese framework

The 1970 Immigration Act to restrict, control and regulate immigration into Malta and to make provision for matters ancillary thereto (Immigration Act, Chapter 217 of the Laws of Malta) is the main instrument on immigration in the country. It also regulates, inter alia, the border control, detention, expulsion, and the issuing of residence permits. This law has been amended several times. In 2011 Malta transposed the EU directives on highly qualified employment regulations for the third-country regulations into the Maltese law. Also in 2011, Minimum Standards on Sanctions and Measures against the employers and illegally residing TCNs was accepted.

However, there is still a lack of clear policies with regard to third country nationals, such as integration policies or anti-discrimination policies. The legislative framework and procedures remain complex and quite unclear, and Malta is still under the obligation to implement the Directive on Single Permit for TCNs. Migrant workers that are already granted permit and integrated into the Maltese labour market can provide workforce required in the labour market as well as possibly increase Malta's productivity. However, concerns arise in regard to the public policy discourse in Malta, which mainly addresses regular migration, putting aside the issue of utilizing and widening opportunities for legalization of the stay and work of irregular migrants currently available in the labour market, which would eventually relieve labour shortages of the market.

According to the Immigration Act (2004) the third country nationals should obtain work permit or employment license, in order to be able to enter the labour market in Malta. The key institution which is responsible for subsequent procedures is the Employment and Training Corporation (ETC), a public corporation, which has been set up by an Act of Parliament in 1990. The primary responsibilities of the corporation are to provide a public employment service, manage the vocational training schemes financed by the state, as well as maintain labour market information. Since August, 2005 ETC has started processing applications for employment licenses of foreigners, in order for them to be legally employed in Malta (ETC). At the same time, third country nationals are not allowed to apply for a work permit, and therefore, it is the employers' responsibility to apply for one.

Malta is one of the countries among the member states that uses EU law 2003/86 EC which restricts access of the family members of the third country nationals who

have already been granted a work permit for employment or self-employment. Since 2007 they have had to pass labour market assessment, as well as obtain work permit.

Decision making on work permit may be perceived as arbitrary, with no clear guidelines that give the applicant the certainty. For example, the ETC has all the rights to cancel or change the granted work permit at any time. The results of the labour market assessment test may affect the decision making process as well.

Malta restricts also access of TCNs and their family members to public employment services and unemployment benefits. In order to qualify to apply for a self-employment status TCNs should meet some criteria, which include investment of min. € 100,000, the sound business plan, as well as at least one highly skilled innovator. At the same time rental contracts and/ or salaries or any other fees related to the business plan cannot be paid from that minimum investment amount. It should also commit to recruitment of at least three EU/EEA nationals within 18 months.

Migrants and Maltese nationals have the same working conditions and access to trade unions, with one distinction only which applied to the migrants: if a work permit is granted to a migrant for a specific workplace, in case of intending to change or lose the job, the process of obtaining the work permit should start all over again. In contrast, in Sweden once residents obtain a permit (usually issued for at least 1 year), the labour market does not put any differentiation between Swedes and EU/non-EU nationals.

In general, the Swedish approach to migrant integration is more comprehensive. The workers also get access to study grants, which are available even for childcare within the family. Almost all newcomers are being informed of their rights and obligations under the labour law of Sweden (Swedish Migration Board). Information dissemination is mostly done through specific programmes, trade unions, and NGOs. Most information is accessible through the multilingual websites. The newcomers, besides being provided with their rights and obligations, take also orientation courses, such as introduction to the country and its traditions, language courses, as well as housing and family initiatives and new civic projects on integration of the migrants.

Another example is Portugal, where workers and their families, regardless of their nationality, have equal legal opportunities to change their jobs, serve the public, or start their own business. They are provided equal general support in finding jobs and have equal rights

when it comes to job vacancies. The National Immigrant Support Centre's Legal Aid for Immigrants Office provides consultation on the rights of and support to workers in cases of exploitation.

Finally, in Spain all residents, whatever their nationality is, have the same legal opportunities to get into labour market. The migrants have equal access to public, private and self-employment activities. All residents, Spaniards, EU/non-EU citizens are allowed to use general education and training services, and have to pass the same procedures on recognition of foreign qualifications. Since 2009 Immigration Law, migrant's family members (spouses, adult children) are allowed to enter the labour market and have the same opportunities and rights (MIPEX Malta).

## Public-private partnership in regards to third-country nationals' Integration into labour market

This chapter is divided into two sub blocks. The first block focuses on the international experience of the public-private partnerships developed in different countries, particularly the existing systems in Germany, Spain and the Netherlands. The roles of the authorities, intermediaries such as private employment agencies in terms of implementing the integration programs for the third country nationals are discussed. The second part goes through the process of recognition of qualifications of the TCNs, as well as accessibility to the trainings, seminars, vocational education including the apprenticeship and mentorship schemes.

Complexity of the labour market, constantly changing requirements, labour migration and work conditions, as well as the budgetary limits of the governments have created opportunities for the private sector representatives, specifically for the private employment agencies (PrEAs) to enhance their role in the market. These agencies usually have more capacities to react to the labour market changes and provide effective, flexible solutions. Thus, collaboration between the Public Employment Service (PES) and PrEAs is usually required in order to overcome the challenges raised in the labour market and develop effective mechanisms for the integration of third-country nationals.

In general, countries incorporate different PPP types, depending on the institutional framework, the nature of the Active Labour Market Policy (ALMP), as well as market conditions (Tergeist, Grubb, 2006). According

to the literature dealing with the PPPs, there are several common factors that have been proved to be successful for those involved in labour market, such as:

- Full confidence among the members of the partnership: The aims and objectives of the partnership must be clearly defined, and the monitoring and reporting mechanisms should be in place. Along with all these the risk identification and measurement mechanisms should be developed and shared among the members of the partnership. These steps lead to the responsible participation among the members;
- Availability of resources: Resources should be available and guaranteed for the members of the partnership in order to implement projects;
- Public awareness raising and obtaining public support of labour market projects, as well as commitment by the leading politicians to the activities throughout those projects;
- Monitoring mechanisms: Partners should be accountable for their performance of responsibilities, and accountability mechanisms should be controlled by all the members of partnership. At the same time, periodically new activities should be taken into account in order to meet the demand of the market. The internal control and accountability of the partners usually foster new processes and develop grounds for the improvement of the partnership performance.

Besides the above-mentioned factors, in order to develop an effective project it is also important to have clearly defined target groups, understand their needs and the challenges they face while trying to access labour market services. Aside from the job recruitment process, there is a rising demand for education and skills development.

International experience in collaboration between public and private sectors is discussed on the examples of the EU member-states – Germany, Spain, the Netherlands. Each of the countries has developed its own model of PPP, which is specific to the country and local labour market.

### Germany

From January 2003 Germany started the implementation of the so-called Hartz reforms, consisting of four packages (the Hartz I to IV acts)(Krebs, Scheffel, 2013). The aim of the reforms was to improve the policy regulations and increase the quality of placement services (including migrants), through development and incorporation of market mechanisms. Through measures, such as Personal Service Agencies (PSA),

Job Centers and mini-job model, it became possible to overcome the long-term unemployment, create new employment opportunities, as well as accelerate labour market flows.

The restructuring of the Federal Employment Agency into a service provider with a private management structure is one of the examples of successful public-private partnerships. The model of partnership between PES and PrEAs is based on the contracting-out process (Federal Employment Agency (BA), Germany). PES is free to choose whether to outsource the service fully or partially, thus the public tendering has become mandatory while outsourcing the services. Since 2003, each of the local employment agencies sets up a PSA, which acts as a temporary work agency for the unemployed. The local employment office may refer the clients with whom they face challenges in placement, to the PSA, which in its turn receives a lump sum fee for each worker. The PSA may provide permanent placement or even temporarily lend the worker to other companies, but in case of inactivity, the PSA is obliged to provide training for the jobseeker. Overall, the PSAs combine both training measures and job search assistance. The third-country nationals can get a residence permit if they wish to undertake vocational training in Germany. This requires approval from the Federal Employment Agency. After the vocational training, the third-country national is allowed to stay in Germany for the period of one year in order to find a job, corresponding to the vocational training.

## Spain

According to Rodriguez-Pinero (2001), the evolution of PrEAs in Spain has been short and full of challenges. The Spanish labour market has been traditionally restricted by strict rules, including exclusion of existence of any kind of private employment agency in the market. The ratification of the Private Employment Agencies Convention No. 181 of the International Labour Organization in 1999, as well as the EU strategy of policy coordination obliged the government to undergo restructuring of PES in 2003, in order to increase the efficiency of the labour market and employment opportunities. The National Employment System is composed of National Institute of Employment (INEM or National PES) and the public employment services of the autonomous regions. The temporary employment agencies later have been granted opportunity to transform into the profit-oriented private employment agencies, in order to be able to provide trainings and consultation in the selection process, as well as outplacement service have been presented. Among the

most effective companies providing outplacement services in Spain can be mention Creade, Lee Hecht Harrison, MOA Groupe BIS, Right Management Consultants and Uniconsult. They have played as a prototype for many organizations operating in Spain nowadays. They have developed collaboration between PES, regional governments in the placement process including placement of migrants.

## The Netherlands

Since the 2002 reform the employment services sector has remains partially privatized. PES still exist and the Ministry of Social Affairs and Employment keeps the supervisory role through its bodies, for instance the UWV Werkbedrijf (Uitvoeringsinstituut Werknemers Verzekeringen), which is the office for reintegration and unemployment benefits. Besides the placement services, it provides training opportunities, as well as consultation to the jobseekers and employers, without distinction between migrants and local representatives.

However, the private sector is also actively engaged in the placement services along with the State authorities. For example, UWV defines the criteria for tenders mostly on (re)integration projects. The tenders are being announced for the private employment agencies, which on their term present the plan for the (re)integration services to be provided in case of the success. The government's expectations from engaging the private sector is that by enhancing competition, the effectiveness and efficiency of provided services will improve. The recent reforms in the country have followed the principle of giving priority to work, rather than income, through widespread market-type mechanisms which enhance competition in employment services for jobseekers, including third country nationals (UWV).

## Skills development

The products and services provided by both public and private sector representatives are increasingly complex. Usually the demand from both employers and jobseekers sides is quite abstract, at the same time it consists of specific components which might lead to the solutions. Thus the social actors dealing with the development of products and services play a crucial role. Aside from the rough recruitment services, recently more and more public and private sector representatives pay attention to education and skills development of the labour force in general, which no doubt

has direct impact on the integration process of the third country nationals.

The state and private sector representatives are launching more and more projects and initiatives on the skills development of the labour force. Some of these target the youth, since the youth unemployment is the major issue in most of the EU member states, while there are other projects which specifically focus on the migrants and their integration issues, skills development and qualification recognition. Multiple training programs, apprenticeships, vocational education programs are being implemented by the governments in collaboration with the private sector, including the intermediaries such as private employment agencies. Examples of such kind of initiatives are quite many, and for each country those are developed taking into consideration the demand of the local market.

However, despite the vast number of programs on integration, and skills enhancement, there is a lack of centralized approach. Besides providing employment services, including issuance of work permits for third-country nationals, the Employment and Training Corporation in Malta is also responsible for vocational training schemes funded by the state. Though training and other projects are being developed and implemented in cooperation with different stakeholders, they are mostly ad hoc programs. Moreover, these programmes are short-lived, and once funding, mostly EU funds, are dried up, they stop.

The issue of standardization becomes crucial, since the quality and standards of these projects vary due to the great number of projects being organized by different stakeholders. The projects usually consist of language courses, job searching skills, as well as introduction to historical and socio-cultural aspects of the Maltese labour market (ETC). However, if the TCN is employed or the employer has already proved that he/she is the right candidate for the certain job, the TCN is not allowed to attend the state-funded training or integration programmes. In addition, the language courses are not mandatory for foreigners seeking a job in Malta. However these are highly recommended, since the lack of knowledge of the local language might cause, for instance, communication issues at the workplace and challenge the successful integration of the foreigner.

However, despite the fact of implementation of various projects on skills enhancement of the third country nationals, there are also cases on underutilization of the migrant skills. Issues with skills underutilization start from the limitation on the access to the labour market, since it is only the employer, who can apply for the work permit of migrants, at the same time

proving that there are no candidates available among Maltese first and then EU nationals. According to different research studies, the most effective way of finding a job remains through personal connections, or waiting by the side of the roundabout to be picked up for a “one off” job (Nitschellmu?, 2013).

## Conclusion and recommendations for Malta

The Maltese strict policy on employment of third country nationals makes their integration into labour market quite challenging. The limitations with the work permit, aka the current scheme of one permit per job, creates serious issues in terms of restricting the flexibility and mobility of third-country nationals in the labour market. Moreover, several integration related activities are carried out by the agency, which deals with work permits, organizes trainings, provides vocational education and implements other initiatives, along with offering recruitment services. Naturally, this kind of concentration of activities might cause a conflict of interest among the stakeholders.

Taking into consideration the current features and limitations of the Maltese labour market, several recommendations are provided, which can be used as a starting point for the development of a long-term plan for integration of TCNs into the labour market while addressing market limitations.

The development and implementation of an efficient and effective ALMP requires involvement and contribution from all stakeholders. It is recommended to develop a working or counselling team, which will involve representatives of not only state authorities, but also trade unions, employers, non-governmental organizations, independent experts and practitioners. This diversity will allow the team to offer a multidimensional and complex approach in ALMP, which will eventually increase the efficiency of integration of migrants into the labour market. In order to increase the effectiveness and maximize the return from ALMP it is highly recommended to revise it on a regular basis in order to adapt to the recent changes in the market. The monitoring and evaluation mechanisms should be developed, in order to keep all the stakeholders accountable for the implementation of the ALMP.

It is recommended to conduct a need assessment of all stakeholders in order to implement projects for enhancement of their capacities for the integration support of the migrants.

Moreover, it is recommended to have long-term programs developed and implemented in Malta. Unfortunately, the projects on integration of migrants into the labour market tend to cover shorter periods, and in most cases are funded by the EU. The integration programs usually are implemented by NGOs and other stakeholders, and the dependency from external funds leads to development of ad hoc programs and no sustainable follow-ups once the funding dries up. Therefore, a systematized and consolidated approach is recommended in order to develop long-term programs reflecting the integration needs and interests of the third country nationals. As an alternative, it can be suggested that each successive program should be built on the achievement and gaps of the previous one, i.e. projects have to continue one another.

The role of intermediaries, such as employment agencies, in the job matching and placement of migrants requires a significant collaboration between the public and private sectors. These collaborations can be extended to the provision of training, orientation seminars, vocational education and other schemes in order to increase the effectiveness of the job matching process. However, specific attention should be paid to the issue of underutilization of the TCN skills, and this should be taken into account in the job matching process.

It is also highly recommended that the roles and responsibilities regarding the implementation of the integration policy be clearly distributed among different agencies. These distinct agencies should be responsible for the development and organization of skills enhancement training schemes for the migrants, placement services and issuance of work permits. Taking into account the strict approach to granting work permits to the third country nationals, this kind of concentration of activities in one body might raise issues, such as conflict of interests among the stakeholders, and efficiency and availability of resources. Distribution of responsibilities will ensure proper accountability as well.

It is commonly accepted that the role of employment agencies is the intermediation between the various actors of the labour market. Therefore, employment agencies have to be ready for fast identification, adaptation and responsiveness to the labour market changes. It is recommended for employment agencies to be flexible and develop enough capacity to timely modify their philosophy and strategy to be able to match the demand and supply of skills, rather than focus on the sole objective of finding workers jobs. This can be achieved through offering a labour market

training, which could be effective in case it is carried out in close cooperation with private companies.

It is also recommended to develop mechanisms for alternative work contracts, besides long-term or permanent contracts. The objective of these flexible contracts should be to improve opportunities for jobseekers in job finding, avoiding the risk of the shadow market development.

As it has been mentioned above, employment agencies need to be adaptable to market changes. It is equally important to have an institutionalized environment for these businesses, in order to ensure stable income for their staff, and enough capacity for protection of social and employment rights of TCNs. This approach will allow these agencies to be more competitive in the market and open to alternative and new ideas, since as small and medium businesses, their usual challenges are about incorporation of new resources and services. Thus, the employment agencies will be able to provide more flexible and efficient solutions to employers if they have the necessary support through the institutionalized system.

The institutionalized environment for employment agencies will also bust counseling services to promote activities reflecting the principle of corporate social responsibility, aside from providing recruitment services to companies. The multi-stakeholder collaboration could be mutually beneficial: it will help to raise the companies' profile in the community, and will enhance the reliability of relationships with the local councils. The effective job placement of the TCNs, as well as introduction of the apprenticeships programs by the organizations, can contribute to the integration of the TCNs.

The role of placement services for migrants trying to enter the labour market requires special attention. The employment agencies in collaboration with the local councils should propose tailored initiatives for target groups of workers. The experience of non-governmental organizations can be a good reference for the development of targeted services and find solutions for the effective integration mechanisms for migrants.

## References

- Anne Marie Thake, 2011, Country Paper on a Human Resource Development Policy and Strategy for Malta, University of Malta, Malta



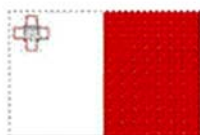
- Council Directive 2003/86/EC of 22 September 2003 on the right to family reunification [2003] OJ L 251
- Council Directive 2004/114/EC of 13 December 2004 on the conditions of admission of third-country nationals for the purposes of studies, pupil exchange, unremunerated training or voluntary service [2004] OJ L 375/12
- Council Directive 2005/71/EC of 12 October 2005 on a specific procedure for admitting third-country nationals for the purposes of scientific research [2005] OJ L289/15
- Council Directive 2009/50/EC of 25 May 2009 on the conditions of entry and residence of third-country nationals for the purposes of highly qualified employment [2009] OJ L155/17
- COUNCIL RECOMMENDATION on Malta's 2014 national reform programme and delivering a Council opinion on Malta's 2014 stability programme, COM(2014) 419 final
- Council Regulation (EC) No 1030/2002 of 13 June 2002 laying down a uniform format for residence permits for third-country nationals [2002] OJ L 157
- Directive 2011/98/EU of the European Parliament and of the COUNCIL of 13 December 2011 on a single application procedure for a single permit for third-country nationals to reside and work in the territory of a Member State and on a common set of rights for third-country workers legally residing in a Member State [2011] OJ L343/1
- Eichhorst et al, 2013, The Role and Activities of Employment Agencies research report, European Parliament, Belgium
- ELU Guidelines, Employment and Training Corporation, 2010, retrieved on 05.06.2014 <http://etc.gov.mt/etc-portal/page/3/ELU-Guidelines.aspx>
- Employment and Training Corporation, 2010, retrieved on 10.06.2014 <http://etc.gov.mt/Index.aspx>
- ENAR Shadow Report 2012 - 2013 on Racism and Discrimination in Employment in Europe, 2013, ENAR, Belgium
- EURES Malta, <https://www.eures.com.mt/>
- Europe 2020: Commission proposes new economic strategy, European Commission. Retrieved on 04.06.2014 [http://ec.europa.eu/europe2020/index\\_en.htm](http://ec.europa.eu/europe2020/index_en.htm)
- European Commission, (2012). Commissioners Cecilia Malmström, the European Commissioner for Home Affairs, and László Andor, the European Commissioner for Employment, Social Affairs and Inclusion, welcome the OECD report International Migration Outlook.
- European Training Foundation Michael Collyer, Ummuhan Bardak, Eva Jansova, Outi Karkkainen, 2013, Migration and Skills in Armenia, Georgia and Morocco – Comparing the Survey Results working paper, ETF, Italy
- Federal Employment Agency of Germany, retrieved on 09.06.2014 <http://www.arbeitsagentur.de/web/content/EN/index.htm>
- IMMIGRATION ACT Chapter 217 to restrict, control and regulate immigration into Malta and to make provision for matters ancillary thereto
- International Monetary Fund
- Malta Chamber of SMEs, [www.grtu.net](http://www.grtu.net)
- Malta Ministries and Departments, [http://www.doi.gov.mt/EN/ministries\\_and\\_departments/](http://www.doi.gov.mt/EN/ministries_and_departments/)
- Malta Qualifications Council, <http://www.mqc.gov.mt/home>
- MIPEX Malta, 2008, retrieved on 08.06.2014 <http://www.mipex.eu/malta>
- National Commission for the Promotion of Equality, <http://www.equality.gov.mt/>
- National Statistics Office, 2013, Malta in Figures 2013, NFO, Malta
- OECD social, employment and migration working papers:
- Peter Tergeist; David Grubb, 2006, Activation Strategies and The Performance Of Employment Services In Germany, The Netherlands And The United Kingdom working paper No. 42, OECD, France
- Swedish Migration Board, retrieved on 11.06.2014 <http://www.migrationsverket.se/>
- Tom Krebs, Martin Scheffel, 2013, Macroeconomic Evaluation of Labor Market Reform in Germany working paper, IMF

- Uitvoeringsinstituut Werknemers Verzekeringen, retrieved on 07.06.2014 <http://www.uwv.nl/>
- UNHCR Malta, 2013, <http://www.unhcr.org/pages/49e48eba6.html#MTAVA>
- UNHCR Malta, Aditus Foundation, 2013 “Nitt-kellmu?” refugee integration perspectives in Malta, Malta

IOM	International Organization for Migration
MIPEX	Migrant Integration Policy Index
NGO	Non-governmental organization
OECD	The Organization for Economic Co-operation and Development
PES	Public employment service
PPP	Public-private partnership
PrEAs	Private employment agencies
PSA	Personal Service Agency
TCNs	Third-country nationals
UNHCR	United Nations High Commissioner for Refugees
UWV	Werkbedrijf Uitvoeringsinstituut Werknemers Verzekeringen

## Acronyms and abbreviations

ALMP	Active Labour Market Policy
ECRI	Economic Cycle Research Institute
EEA	European Economic Area
EMF	European Monetary Fund
ETC	Employment and Training Corporation
EU	European Union
ICHD	International Center for Human Development
INEM	National Institute of Employment



General Programme Solidarity & Management of Migration Flows  
(2007 – 2013)

This project is part-financed by the European Union  
European Fund for the Integration of Third Country Nationals (IF)

Co-financing rate: 75% EU Fund; 25% Beneficiary Funds

*Sustainable Management & Migration Flows*



## Promoting the Integrity of Recruitment and Employment of Third-country Nationals in Malta IF 2012-11