



WORK PACKAGE 3 – DELIVERABLE 4

POVERTY AND MIGRATION IN GEORGIA: WHAT MOBILITY PARTNERSHIPS CAN SOLVE

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Understanding the causes of labour migration

There is an extensive literature on how poverty affects migration. Poverty is widely considered as a factor influencing individual decisions to emigrate¹. “Various country-specific studies on short-term contract international migration show that migration reduces poverty at the family level.”² The impact of migration on poverty has also been intensively explored by a large number of research projects. In both cases there is established positive nonlinear correlation elsewhere in the world which leads us to conclude that people emigrate in a large extent to escape poverty and that poverty within the country is reduced thanks to emigration. One of the most comprehensive evidence-based studies produced in Georgia in 2010 by CRRC/ISET proved that “In all...types of settlements....return migrants...have a higher income on average, compared to individuals without any experience of migration.”³

It is still not proven whether this is true for any society with any level of development. Some authors argue that poverty may become symptomatic for societies with a high level of migration⁴ as it causes leakage of skilled labour and the “brain drain” of the educated part of the population. A further negative consequence of labour migration is that societies and economies accommodate a high level of remittances sent by labour migrants to the country, which, under such circumstances, may become fully oriented on consumption and less motivated to produce. At the same time it is commonly recorded that remittances are most often used for financing education and human capital creation at an individual level. A study on migration from EaP countries produced by CASE (2012) concluded that “overall, the real appreciation of the currencies of the smaller, high-emigration countries since 2005 suggests that further growth of remittances in these countries could create Dutch-disease-style tensions in the future.” The study also argues that this concern is supported by the extent of structural change towards non-tradable (products), predominantly services, in Georgia and Moldova.⁵ This means that a high level of remittances provided to a large extent by emigrated labour may negatively influence the structural macroeconomic picture of a country.

¹ Here and later we consider under the term migration the process of the moving of citizens from one country to another in search of medium/long term accommodation there

² Siddiqui, T. “Impact of Migration on Poverty and Development”. *Migrating out of Poverty*. Arts B, University of Sussex, Falmer, Brighton BN1 9QN, United Kingdom. p.6 available at: http://www.solutionexchange-un-gen-gym.net/wp-content/uploads/2015/11/Impact_of_Migration_on_Poverty_and_Development.pdf

³ Tchaidze, R., Torosyan, K.. 2010 *Development on the Move: Measuring and Optimising Migration’s Economic and Social Impacts in Georgia*. CRRC/ISET. p.33 available at: [http://www.ippr.org/files/uploadedFiles/_research_teams_2009/Projects/Global_Change/Georgia%20FINAL%20\(April%202010\).pdf?noredirect=1](http://www.ippr.org/files/uploadedFiles/_research_teams_2009/Projects/Global_Change/Georgia%20FINAL%20(April%202010).pdf?noredirect=1)

⁴ Docquie, .F. 2014. “The brain drain from developing countries: The brain drain produces many more losers than winners in developing countries.” *Université Catholique de Louvain*, Belgium and *IZA World of Labour*, Germany, p.7. available at: <http://wol.iza.org/articles/brain-drain-from-developing-countries-1.pdf>

⁵ Barbone, L., Bonch-Osmolovski, M., Luecke, M. 2012. “Labour Migration from Eastern Partnership countries – evolution and Policy Options for Better Outcomes.” *CASE Network Reports No. 113*. p. 38

The impact of migration

Statistically, around 35% of migration flow goes from developing to developed (OECD) countries. Another question is whether migration causes problems or benefits the destination countries. Migration-poverty relations may not always do so and all regions show the same type of interrelation. As regards long-term solutions for poverty, the experience of European countries (to which group Georgia also belongs) may help us to understand the general trends. It is well known that any attempt to stop migration from/into a country, even if there is a high public demand for such a policy, is destined for failure. Controversial conclusions of different studies lead us to assume the existence of several limitations that should be taken into account while developing policies to stimulate emigration or immigration.

In order to develop the correct policy for a “source country,” one needs to analyse many parameters. The aim of a policy would be to find an acceptable rate of emigration for the country, structure of professional profiles, education, skills of potential migrants, their regional distribution, gender balance, etc. Otherwise, an excessive outward migration can cause not only “brain drain” but badly impact fiscal revenues due to the mass exodus of taxpayers. To a large extent, countries with a low production level consume imported goods and as such foreign private transfers (remittances) are spent by a migrant’s family to buy goods and services from abroad.

What about countries which appear as a destination for labour migrants? In recipient countries the intensive inflow of labour migrants may cause different types of problems for the domestic economy and provoke social discontent because of a downward pressure on wages (in general or in certain sectors), worsening the overall working conditions, contracting vacancies, etc. All these trends may not always be related to migration, but public attitudes tend toward such beliefs.

On the other hand, migrants usually help to fill supply gaps on labour markets, correct structural imbalances, and stimulate economic growth and general welfare. A recent (March 2016) report by the UK Office for Budget Responsibility states that “net international migration to the UK is an important driver of the economy’s underlying growth potential. It affects it directly...and indirectly by contributing to changes in the employment rate, average hours worked or underlying productivity growth.”⁶ Moreover, the official forecaster-based considerations revealed in a leading British newspaper (Daily Telegraph, 17 Jul 2013) suggested that “Britain may need millions more immigrants over the next 50 years to reduce the “unsustainable” pressure that the ageing population is putting on the economy...”⁷ Indeed, such benefits of immigration, known to economists, decision-makers and analysts alike, are rarely communicated or explained to the population, while the negative impact of migration is widely represented in the discourse of extreme right/left wing party politicians. The BREXIT referendum result was connected to the

⁶ Office for Budget Responsibility: Economic and fiscal outlook Presented to Parliament by the Economic Secretary to the Treasury by Command of Her Majesty March 2016 p.204. available at: <http://cdn.budgetresponsibility.org.uk/March2016EFO.pdf>

⁷ See at: <http://www.telegraph.co.uk/news/uknews/immigration/10185342/Britain-needs-millions-more-immigrants-to-reduce-strain-of-ageing-population.html>

negative British perception of EU policies which allegedly favour immigration. We can easily generalise conclusions drawn from this evidence for practically all EU28 states as they show the same type of structural trends, ageing of population in particular, resulting in a decrease in the relative proportion of the workforce.⁸

Why support migration?

If the recipient/destination countries can manage migration inflows by visa, work permission, migration police, deportation, border measures and other means, as a rule, countries which appear to be a source of labour migration⁹ do not have enough administrative capacity to conduct an active migration policy and thereby create incentives for attracting educated and skilled emigrants back to the country or restricting migration flows using various “soft” measures channelled via social programs such as educational grants, training/retraining of workers, chip credit and other support programs for SME establishment and unemployment assistance. In reality, in developing countries, all the above mentioned measures are present thanks to the support and intervention of international organisations (IOs) and donors (WB, EBRD, EIB, UNDP, NISEF, USAID, EU, other). Indeed, the involvement of IOs can only partly influence the situation, but not solve the problem. The majority of governments of developing countries try to encourage emigration to solve budgetary problems (i.e. pay less social assistance to the poor, receive foreign currency to strengthen the exchange rate, collect more indirect taxes through rising consumption, etc.). The experience of South European states after World War II and later in the 1960s and 70s, up to their accession to the European Community and even beyond, shows that emigration has played an important role in overcoming individual poverty in these countries, and in part contributed to the steady development of destination states. According to Nieves Ortega Pérez (2003), from 1961 to 1974, about 100,000 people emigrated each year from Spain and the majority (74 percent) of them chose the countries of Northern Europe as a destination.¹⁰ Germany and other North European countries have developed a so called “Guest Worker” policy under which they signed (1960) interstate agreements to allow temporary employment contracts (one-two years) for Spanish, Greek and Italian citizens. The Turkish government put a lot of pressure on the FRG government to accept their citizens as “Gastarbeiters” too and soon after (1961) Germany extended the agreements to “non-European nations”¹¹ such as Turkey, Morocco, Tunisia, and Yugoslavia. Central and Eastern European states in the 1990s intensively used a policy of encouragement for working emigration. After accession to the European Union, Poland requested EU Member States to accept their working migrants, despite a seven year reservation on working permits for newly acceded countries. Some EU Member States (UK, Sweden, Ireland) allowed Polish workers to immigrate. A study by Britta Klagge and Katrin Klein-Hitpaß (2010) based on narrative interviews with high-skilled return migrants in Warsaw and

⁸ See Eurostat. *Population Structure and Ageing*. last updated August 8, 2016 available at: http://ec.europa.eu/eurostat/statistics-explained/index.php/Population_structure_and_ageing

⁹ Here and later we exclude from the analysis cases of migration from developed to developed countries and focus on the migration from developing to developed countries.

¹⁰ Ortega Pérez, N., 2003. “Spain: Forging an Immigration Policy.” *Migration Policy Institute*. Available at: <http://www.migrationpolicy.org/article/spain-forging-immigration-policy>

¹¹ The author uses the mentioned term to stress the debates on “cultural differences” accompanying the process granting the preferences to Turkey and other mentioned states.

Poznań showed that high-skilled return migrants have an impact on economic development by transferring and successfully integrating financial means and different types of knowledge into the local economies.¹² Moreover, a comprehensive study on Return Migration to Central and Eastern Europe produced by Leibniz-Institut für Länderkunde (2014) demonstrated that a large number of migrants (20-50%) from CEE to old EU Member States come back to their country of origin after 4-5 years and contribute to the development of their own homeland as their skills and education are, on average, significantly higher than those who never migrated.¹³ In Georgia the returned migrants usually obtain considerably higher capacity to generate income than those without any experience of migration.

Finally, we can identify several limitations that should be taken into consideration while developing policies stimulating emigration or immigration:

- There is a threshold (the quantity) until which immigration may be beneficial for both source and recipient country;
- The profile of individual migrants matters;
- Skilled migration may benefit the destination country, but cause more damage to a source country;
- “Educated migration flow” – leakage of educated people may result in problems for the source country.

As a conclusion to this section we can argue that both the “source” and the “destination” countries benefit from migration if the rate of migration does not exceed certain limits.

The difficulty comes in trying to determine and make a projection for these “limits” in the mid- or the long-term. It becomes even more difficult when we try to find a compromise between the interests of “source” and “destination” states.

Poverty in Georgia: migration as a partial solution

The analysis of poverty in Georgia shows how dramatic the situation was in the 1990s and still at the beginning of the following decade: in particular, the level of poverty in respect to the official minimum subsistence in 1994 was approximately 80%, in 1995, 60% and in 2002, 52%.¹⁴ Obviously, economic reasons caused a considerable part of the population to leave the country

¹² Britta Klagge and Katrin Klein-Hitpaß. 2010. “High-skilled Return Migration and Knowledge-based Development in Poland.” *European Planning Studies*. Vol. 18, Iss. 10, 2010

¹³ Lang, Thilo (Ed.); Nadler, Robert (Ed.). 2014. “Return migration to Central and Eastern Europe: transnational migrants' perspectives and local businesses' needs”. *Leibniz-Institut für Länderkunde Leipzig*. p.45 available at: http://www.ssoar.info/ssoar/bitstream/handle/document/39065/ssoar-2014-lang_et_al-Return_migration_to_Central_and.pdf?sequence=1

¹⁴ Georgia Economic Development and Poverty Reduction Program and Joint WB/IMF Staff Assessment 2003-2005. p.11. available at: <http://documents.worldbank.org/curated/en/546021468773999889/pdf/26964.pdf>

throughout those years. A 2010 study indicated that in 73% of cases the reason for emigration from the country was economic.¹⁵

In 2003, the Georgian Government completed work on the Economic Development and Poverty Reduction Programme (EDPRP), elaborated in response to the UN Millennium Development Goals of 2000 ¹⁶calling on governments of all developing countries to reduce poverty by 50% by 2015. Developed countries and international organisations were invited to contribute. To receive a package of significant financial and technical assistance from donors, the developing states were required to develop so called PRSPs (Poverty Reduction Strategy Papers). WB (IDA in particular) and UNDP supervised the process. The Georgian Government started working on the mentioned document, originally PRSP, but later upgraded to the level of state program – EDPRP, with more ambitious goals than just a reduction of absolute and relative poverty levels. In 2003, the document was completed, approved by the government and accepted by the international donor community.

Different pillars of the document were dedicated to comprehensive social and economic reforms, from fighting corruption and improving governance, taxation, consolidation of financial control and revenue collection, sectoral development, labour productivity, and more. It was the first ever produced-in-Georgia comprehensive development programme and it contained exhaustive analyses of the problems accumulated in the country during the decade of independence. At the same time, it set goals and projected the country's development for the next 12 years (practically to present). Despite the fact that economic and social policy in the following years was never directly subjected to the provisions of the EDPRP, still it is a highly useful document for detailing the causes of the existing problems and checking the progress against goals set.

The EDPRP maintains that the high level of emigration from the country caused demographic imbalances and a loss of the most able-bodied groups of people. The economic migration has been recognised as playing an increasing role in the economy and representing a way to overcoming poverty. Parallel to this, at that time the government had little capacity to assist labour migrants, easing their return home.¹⁷ Analysing the impact of migration on households, the poverty reduction programme notes that “as a result of economic emigration, remittances back home constitute a considerable source of income (for households).”¹⁸ As an option, the Georgian Government considered the necessity of an effective, controlled migration policy, with the document suggesting they “work out and implement appropriate policies to help migrants find jobs.” In particular, the necessity of agreements being reached with other countries on

¹⁵ Tchaidze, R., Torosyan, K.. 2010 *Development on the Move: Measuring and Optimising Migration's Economic and Social Impacts in Georgia*. CRRC/ISET. p.1. available at: [http://www.ippr.org/files/uploadedFiles/_research_teams_2009/Projects/Global_Change/Georgia%20FINAL%20\(April%202010\).pdf?noredirect=1](http://www.ippr.org/files/uploadedFiles/_research_teams_2009/Projects/Global_Change/Georgia%20FINAL%20(April%202010).pdf?noredirect=1)

¹⁶ See at: http://www.undp.org/content/undp/en/home/sdgoverview/mdg_goals.html

¹⁷ Georgia economic Development and Poverty Reduction Program and Joint WB/IMF Staff Assessment 2003-2005. p.21. available at: <http://documents.worldbank.org/curated/en/546021468773999889/pdf/26964.pdf>

¹⁸ Georgia Economic Development and Poverty Reduction Programme and Joint WB/IMF Staff Assessment 2003-2005. p.10. available at: <http://documents.worldbank.org/curated/en/546021468773999889/pdf/26964.pdf>

immigration quotas and international professional standards was recommended. The issue of assisting the emigrants living abroad and easing their return home was addressed in parallel.¹⁹

The EU as a destination: facilitating emigration to boost the economy

With the political change in 2003, the new power started gradually implementing reforms mostly focusing on economic freedoms and not on distribution of welfare. The EDPRP was gradually abandoned, despite the demand from international financial institutions to continue with poverty reduction strategies. The government was keen to concentrate more on simple economic growth than development as defined by the UNDP – encompassing the full spectrum of human development aspects. Such a policy brought a certain amount of success in the following few years with regards to creating jobs in the private sector and attracting investments. As a result of that “small government” approach, among others, there was no special strategy or vision to regulate migration. Vice-versa: the government introduced a visa free regime for practically the whole world, opening possibilities for immigration without any reciprocity for Georgian citizens intending to travel/settle abroad. At the same time, temporary emigration of a part of the population as a solution for highly unemployed rural areas was considered and the government’s diplomacy attempted to convince the EU and other states to facilitate working migration from Georgia. In 2006, the then minister for Reform Coordination of Georgia told the GEPLAC²⁰ team that neither the government nor the donors should support the local population in rural areas, saying it would be better for them to move from their small pieces of land and emigrate abroad temporarily, before the economy grew to the adequate level for creating enough job opportunities in the cities in Georgia. He asked the project team to explore if the EU could offer favourable conditions for Georgian labour migrants. With such an approach, the government planned to solve the problem of labour productivity in rural areas, in particular, by stimulating contracting of the population and opening perspectives for land consolidation and the development of big farms. There was a mistake in such a strategy - migration is usually easier for skilled workers residing in cities and towns. Indeed, not judging the moral side of the idea, the vision of a need to reach a kind of arrangement with the EU to stimulate and support labour migration from Georgia was obviously a progressive one. First of all, there were such precedents by EU Member States towards a number of European and non European countries (described in the first chapter), secondly, soon after, at the end of 2006, the EU Council invited the Commission to suggest ways and means to facilitate circular and temporary migration of nationals of third countries into the EU. The Commission Communication on Circular Migration and Mobility Partnership²¹ was presented on 16th May 2007. It forged the basis for the Union’s policy in this field and defined ways to stimulate regulated labour migration from such countries as Georgia. Indeed, while the intention of the Georgian Government was to facilitate the movement of

¹⁹ Georgia economic Development and Poverty Reduction Program and Joint WB/IMF Staff Assessment 2003-2005. p.45. available at: <http://documents.worldbank.org/curated/en/546021468773999889/pdf/26964.pdf>

²⁰ An EU funded project assisting the Georgian government on implementation of commitments under the Partnership and Cooperation Agreement

²¹ Brussels, 16.5.2007. COM(2007) 248 final. available at: file:///G:/Working%20Package%203/Materials/Mobility/Communication%202007%20Mobility_Circular%20Migration.pdf

workers to the EU in a massive way, the EU’s approach envisaged relatively limited and conditional facilitation of the process.

In 2007, a Georgian delegation consisting of government officials and think-tanks visited several Estonian factories and plants where they met a dozen Georgian labour migrants working in the Estonian industry. The salary of those migrants was quite modest, but in any case it was enough for them to live in a foreign country and support their families in Georgia. Their Estonian chiefs were comforted by the presence of Georgians in their plants. One of them literally said that they would be happy to have more Georgian workers if procedures were eased for them to access the country. Why? Because they lacked their own workforce and needed to admit foreign labour migrants in any case. It is difficult to generalise this particular case from Estonia, but obviously the demand for a qualified workforce supplied to EU countries from the neighbourhood was an objective reality.

Migrant destinations: Georgian migrants unlikely to flood the EU

The EU is not the main destination for Georgian migrants; Russia is. This despite the introduction of entry visas for Georgian citizens and following on from the 2008 war between the two countries. The National Statistics Office of Georgia does not have data on the destination of migration from the country, but the most reliable sources, UN DESA and the World Bank, provide quite distinct figures on the dynamics of migration flows from Georgia, allowing us to make the following assumptions: Russia remains the main destination of migrants from Georgia, but the actual number of Georgian migrants residing in Russia (450 thousand in 2015) has considerably decreased from 1990 to 2015 according to UN DESA.²² At the same time the stock of Georgian migrants in the EU has grown from 48 thousand in 1990 to 93 thousand in 2000 and 154 thousand in 2015. The CASE report (2012) stated that “the Russian Federation is likely to continue to increase its own demand for migrants, and has good chances to become an even more attractive destination on its own.

Table 1. Migration from Georgia by destination

Georgia Emigration Dynamics (thousands)					
Destination	1990	2000	2005	2010	2015
Russia	656	626	539	441	450
Greece	36	71	78	85	83
Ukraine	76	73	67	64	64

²² UN Department for Economic and Social Affairs. available at: <http://www.un.org/en/development/desa/population/migration/data/estimates2/estimates15.shtml>

EU	48	93	128	153	154
WORLD	920	968	886	810	838
Developed regions	802	816	757	691	706
Developing regions	118	152	129	119	132

Source: created from 2015 UN DESA database.

Thus, the ability by the EU to shift migrants' preferences in large proportions cannot be taken for granted; by the same token, the likelihood of large migratory flows towards the EU from EaP countries can be regarded as highly unlikely (barring, of course, the occurrence of severely negative socio-economic developments in the EaP countries).²³ The reservation mentioned in brackets "negative developments in EaP countries" was not the only possibility and the authors of the study ruled out the chance of deterioration of the situation in Russia itself, which actually occurred after 2012 and reduced the attractiveness of the country as a destination for migration flows radically. In the absence of reliable recent data on the dynamics, we can guess at a shift in the preferences of Georgian migrants from Russia towards other countries, the EU among them. Not very accurate, but approximate deductions can be made by analysing changes in the source of remittances to Georgia. A drastic decrease of remittances from Russia, Ukraine, Belarus, Armenia, and Greece took place in 2014-2015, while transfers from Israel (+35 per cent), Turkey (+45 per cent), US (+20 per cent), Germany (+21 per cent) and other countries (including EU Member States) grew considerably. This may be due to the mobility of Georgian migrants moving from Russia and other CIS countries to countries with a better economic performance.²³ It seems that the EU, as a stable economic space and solid, well-regulated and predictable actor, will increasingly attract EaP, and Georgian in particular, migrants looking for job opportunities there. At the same time we can agree with the conclusions drawn by CASE that there will be no drastic growth in migration flows from Georgia to the EU. The first factor is a growing diversification of destinations, as well as growing competition for a qualified labour force throughout the world. On the other hand, Georgia's demographic balance (as in all EaP countries) is already critical, which will not allow large migration flows from the country.

Circular Migration and EU's Instruments for Regulating Movement of Labour

As with anything else, the common migration policy in the EU is regulated by the Treaty. The TEU defines the policy on the "area of freedom, security and justice," which includes issues of the mobility of citizens as a shared competence between the EU and the member states.²⁴ This fact implies the active involvement of Community institutions in shaping common strategies and rules

²³ Gogolashvili, K. 2015. "Georgia: Further Diversification of Exports." *The Russian Crisis and Its Fallout.* Katharina GRÖNE/ Felix HETT (EDS.). FES.

²⁴ Consolidated versions of the Treaty on the European Union and the Treaty on the Functioning of the European Union. Art 4.2 (J)

in the area, but the extent to which the agreed decisions apply is usually up to the states themselves. In many cases, the EU defines basic principles and common goals of the policy, but the states are free to determine the way and extent of the action.

As mentioned in previous chapters, European Community Member States had their migration policies set up in the 1960s-80s. Indeed, there were no common rules or any agreements between Member States as to how to treat migration from third countries (save the general provisions of the Treaty).

The issues of migration and labour migration in particular represent part of a wider policy on mobility. Movement of persons, whether in reference to working permissions, study visas or visa or a visa free regimes constitutes parts of a common policy on JLS. The EU and its member states are quite flexible in applying various components of the mentioned policy in a way they consider beneficial for them and their partner country.

As the migration and labour migration first of all contributes to the development of a host country, elements facilitating the mentioned process were incorporated in EUs policy from early times of development of common market. Directive 68/360/EEC or 15 April 1968 “on the abolition of restrictions on movement and residence within the Community for workers of Member States and their families”, (then concerned of Community citizens) can be considered as a base and source for future gradual extension of mobility and employment rights, non-discriminatory treatment of nationals of third states.

In the early 2000s, on the eve of the fifth enlargement, debates on the migration policy in the EU intensified. In the first strategy document shaping the EU’s enhanced cooperation with Eastern and Southern Neighbours (Wider Europe - Neighbourhood, 2003), problems connected with migration in relation to such problems as trans-border organised crime, including illicit trafficking, corruption, fraud, environmental and nuclear issues and communicable diseases, were addressed. At the same time the document recognised the necessity for management of legal migration to respond to the “...impact of an ageing population and demographic decline...” It was suggested that the EU and its neighbours could profit from “...putting in place mechanisms that allow workers to move from one territory to another where skills are needed most”. Indeed, the document further stated that, “although the free movement of people and labour remains the long-term objective”²⁵ it was a slight indication to how legal forms of labour migration from the EU neighbourhood could be promoted, but a long-term objective. One year later, in May 2004, the new EC Communication ‘ENP Strategy Paper’ almost totally left out the subject of promoting labour mobility save mentioning a limited cooperation on management of legal migration and “implementation of migration plans (for example) with three “central Maghreb countries, Libya and Egypt).”²⁶ Understanding the inevitable need for admission of labour migrants from abroad, the EU institutions, and eventually the majority of Member States, were still reluctant to promise

²⁵ Wider Europe — Neighbourhood: A New Framework for Relations with our Eastern and Southern Neighbours - Brussels, 11.3.2003 COM (2003) 104 final. p. 11

²⁶ Brussels, 12.5.2004 COM (2004) 373 final COMMUNICATION FROM THE COMMISSION European Neighbourhood Policy STRATEGY PAPER. p.23.

anything to the states of Eastern Europe and the South Caucasus²⁷. Most likely, the EU had an interest to develop dialogue on labour migration, but the partner states were not ready for such cooperation with the EU as their ability to manage legal migration was very poor. The EU-Georgia ENP Action Plan proposed in 2005 and adopted in 2006 aims at improving Georgia's institutional capacity in this regard. As such, re-admission, visa, asylum, illegal migration, trafficking, transponder crime, border management and relevant topics have been addressed above all.²⁸

In parallel, the debates in EU institutions on the Union's migration policy were renewed in December 2005 when the European Council adopted the Commission Communication – Policy Plan on Migration. The Communication proposed four new directives. These would concern only salaried workers and would cover entry and residence conditions for:

- highly skilled workers;
- seasonal workers;
- intra-corporate transferees (ICTs);
- remunerated trainees.

It would establish a conditionality to the admission - the existence of a work contract and of the "economic needs test". The following Communication was adopted in 2006 - the "Global Approach to Migration: Priority actions focusing on Africa and the Mediterranean." Analysing global trends and related threats from a growing mobility of people, the EU Communication states that in the foreseeable future migratory pressures may grow. At the same time, it admits that the EU will need migrants to ensure the sustainability of its labour markets and to compete with other world regions. According to the Commission, the EU needs migrants with the appropriate skills.²⁹

The policy was still projecting the EU's efforts towards the South, but as it is seen from the consecutive EC Communication of 2006, it was consolidating Member States and institutions around a common policy in this field to respond to the global trends and challenges, aiming "...to increase the capabilities of the EU to face the challenges linked to migration, including by improvements in the decision-making process."³⁰ This objective had to be achieved through "promoting solidarity between member states" and enforcing their efforts along with community action financed by four specially created funds with a EUR 4 billion total budget allocated for 2007-2013.³¹ The Communication practically paved the way for the comprehensive EU policy on labour migration management, including circular migration and mobility packages.³² The

²⁷ The South Caucasus at that time was not considered a part of Eastern Europe by EU institutions.

²⁸ See EU/Georgia Action Plan. available at:

http://eeas.europa.eu/enp/pdf/pdf/action_plans/georgia_enp_ap_final_en.pdf

²⁹ "The Global Approach to Migration one year on: Towards a comprehensive European migration policy." - Brussels, 30.11.2006. COM (2006) 735 final. p.2

³⁰ "The Global Approach to Migration one year on: Towards a comprehensive European migration policy" - Brussels, 30.11.2006 COM (2006) 735 final. p.11

³¹ *ibid.* pp. 10-11

³² *ibid.* pp. 6-7

Communication explicitly focused on Africa and the Mediterranean region but prepared the ground for “applying the approach to other regions, in particular those at the eastern and south-eastern external borders of the EU...”³³

In 2007, the EU made a decisive move towards forging a common policy on general mobility and circular migration by adopting a new Communication “On circular migration and mobility partnerships between the European Union and third countries.” Practically, the communication gathered all the stock of existing legal and policy instruments (see Table 2) and proposed substantial amendments and new legal actions, such as:

- Proposal for a Directive on the admission of highly skilled migrants (for highly qualified work, studies or other forms of training);
- Proposal for a Directive on the admission of seasonal migrants;
- Proposal for a Directive on the admission of remunerated trainees.

The mentioned actions would allow the setting up of a stable intra-community and external policy on migration. In short, the main pillars of the new policy proposed by the Communication were:

- A. To promote Mobility Partnerships (agreements) with third states which would facilitate short stay of citizens of third countries in the EU in exchange for the following commitments:
 - a. That it readmit its own nationals and readmit third country nationals and stateless persons who arrive in the EU through the territory of the country concerned;
 - b. Initiatives to discourage illegal migration;
 - c. Improved border control and/or management;
 - d. Improved security of travel documents against fraud or forgery,
 - e. Cooperation and exchanging of information, improving cooperation on border management issues;
 - f. Combating human trafficking in accordance with relevant EU and international documents;
 - g. Commitments to improve the economic and social framework conditions that may reduce the incentives for irregular migration.

As we can see, the commitments from partner countries needed to have a very concrete, measurable nature, while, in the main issue of liberalising the movement of workers, nationals of the third (partner) country, there were no strict commitments proposed by the EU, only possibilities such as: “The Mobility Partnership could include a consolidated offer by several member states, on a voluntary basis, to facilitate access to their labour markets to the nationals of the third country in question,” or “the **mobility partnership could also include** a more favourable treatment of the nationals of the country in question as far as the conditions for admission of certain categories of migrants are concerned”.³⁴ Seemingly, the Commission left

³³ *ibid.* p.3

³⁴ “Circular migration and mobility partnerships between the European Union and third countries” MEMO/07/197. Brussels, 16 May 2007. p. 2. available at: http://europa.eu/rapid/press-release_MEMO-07-197_en.pdf

under the competence of Member States the freedom to choose the content of the agreement with third countries. We can easily understand that with a weak bargaining capacity/position of such states as Georgia, it would be difficult to reach a genuinely beneficial agreement with EU Member States. The example of Turkey, which has insisted and included in the Association Agreement, as well as in a number of bilateral agreements with Germany and some other EU Member States, conditions favourable for the legal employment of their citizens in the EU, is an exception made for a large and important partner.

The Communication treats separately the issue of circular migration, which is strongly bound to mobility related commitments and in many aspects crosses the above mentioned questions. Circular migration is defined as a “form of migration that is managed in a way allowing some degree of legal mobility back and forth between two countries.” This form of migration is also recognised as best contributing to the economic growth and preventing brain drain and other negative consequences for a source country.

Table 2. Summary of EU legislation on mobility and circular migration:

EU Legal/Policy Instruments	Effect
Directive 2014/36/EU of the European Parliament and of the Council of 26 February 2014 on the conditions of entry and stay of third-country nationals for the purpose of employment as seasonal workers.	The law applies to non-EU workers whose principal place of residence is in a non-EU country and who enter an EU country to work there temporarily. Each EU country must draw up a list of sectors that are dependent on seasonal conditions. They must submit this list to the European Commission. To be admitted to work in the EU, workers must ensure their permit applications include a work contract or a job offer specifying conditions. A maximum stay for seasonal workers of between 5 and 9 months in any 12-month period.
Regulation (EEC) No.1408/71 of the Council of 14 June 1971 on the application of social security schemes to employed persons and their families moving within the Community.	Applies to all legislation relating to social security branches concerning sickness and maternity benefits, invalidity benefits, old age benefits, survivors' benefits, benefits in respect of accidents at work and occupational illnesses, unemployment benefits, family benefits and death grants. It extends all rights to nationals of third countries residing in EU.
Council Directive 2003/86/EC of 22 September 2003 on the right to family reunification.	Aims to establish common rules of law relating to the right to family reunification. The intention is to enable family members of non-EU nationals residing lawfully on the territory of the European Union (EU) to join them in the EU country in which they are residing. The objective is to protect the family unit and to facilitate the integration of nationals of non-member countries.
Schengen Area. Council Regulation (EC) No.539/2001 of 15 March 2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement.	Establishes the visa requirements and visa exemptions for non-EU nationals entering the EU in view of a short stay. It also provides for exceptions to the visa requirements and visa waivers that EU countries may grant to specific categories of persons.
Directive 2003/109/EC on the status of long-term residents	Long-term resident status will be withdrawn in the event of an absence of more than 12 consecutive months from the territory of the Community. This may be extended for 2-3 years.
Directive 2004/114/EC on the admission of third country nationals for the purposes of study, pupil exchange, unremunerated training or voluntary services.	Promoting the mobility of third-country nationals to the EU for the purpose of study is a key factor aiming to approximate the member states' national legislation on conditions of entry and residence, and setting admission conditions.
Directive 2005/71/EC on the admission of researchers.	The purpose of this Directive is to introduce a special procedure governing the entry and residence of third-country nationals coming to carry out a research project in the EU for a period of more than three months.
Directive 2004/38/EC on the right of citizens of the Union and their family members to move and reside freely within the territory of the member states amending Regulation (EEC) No 1612/68.	The right of all Union citizens to move and reside freely within the territory of the Member States should, if it is to be exercised under objective conditions of freedom and dignity, also be granted to their family members, irrespective of nationality.
Regulation (EC) No 810/2009 of the European Parliament and of the Council of 13 July 2009 establishing a Community Code on Visas (Visa Code).	The aim of the regulation is to establish the conditions and procedures for issuing visas for short stays in (maximum of 90 days in any 180-day period) and transit through European Union countries and the associated states applying the Schengen Agreement in full.
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.	EU Blue Card holders should enjoy equal treatment as regards social security. Branches of social security are defined in Council Regulation (EEC) No.1408/71 of 14 June 1971 on the application of social security schemes to employed persons, to self-employed persons and to members of their families moving within the Community.
(Proposed in 2016) DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the conditions of entry and residence of third-country nationals for the purposes of highly skilled employment.	Amends Directive 2009/50/EC to make the EU Blue Card also available to some medium-skilled workers, as salary and qualifications would be set as alternative instead of cumulative conditions. The level of rights would not be significantly enhanced from the current level.
Visa facilitation agreements for specific categories of people.	For specific categories of people, to be negotiated between the EC and third country willing to engage in a mobility partnership. The advantage of such agreements is that they establish clear rights and obligations for visa applicants.
Bilateral agreements to promote secure circular migration.	National instrument, derived from the EU common policy, to determine terms of mobility and cooperation between Member State and a third country

International agreements between the EU and the third country (Association agreements, Agreements on Trade in Services, other).	Facilitates the temporary movement of natural persons when it is related to trade in services or investment.
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The development of the legal framework, according to the Communication, should be combined with circular migration schemes providing entry to the EU for a concrete purpose (work or study) for a defined period of time. The table below shows what kind of nationals of third states are eligible for circular migration:

Table 3. What kind of third country citizens are involved in circular migration?

Nationals of third country:
Wishing to work temporarily in the EU, for example in seasonal employment.
Wishing to study or train in Europe before returning to their country.
Looking for employment in the EU having completed their studies.
Who are researchers wishing to carry out a research project in the EU.
Wishing to take part in intercultural people-to-people exchanges and other activities in the field of culture, active citizenship, education and youth.
Wishing to carry out an unremunerated voluntary service pursuing objectives of general interest in the EU.

EU Policy based on the EU’s Global approach to Migration and Mobility lays on two pillars –the legislation, which after 2007 has become much more “migrant friendly,” and the institutional/cooperation frameworks under particular bilateral agreements with third countries. The summary on EU legislation related to circular migration and mobility presented in Annex 1 shows that the EU has developed a quite extensive regulatory basis to promote legal migration from third countries, and has established quite clear conditions for admission, residency, and protection of rights. The legislation should in principle encourage the attraction of the high-skilled workers and qualified labour. Indeed, in many cases the legislation did not work properly, because of very high standards demanded by legislation, as was the case with Blue Cards, introduced in 2009 which “demonstrated intrinsic weaknesses such as restrictive admission conditions and very limited facilitation for intra-EU mobility.”³⁵ In 2016, the EC proposed a new directive to lower the admission demands on skills and also admit “middle-skilled” workers. The directive on admission of third country national workers for seasonal works (2014) has also been implemented with a number of delays from the initial plan (2007). In addition, the directive contains a provision for rejection of the admission procedure³⁶ on, in our view, quite a discriminatory basis. The refusal may be supported by the assumption that the same kind of job could be performed by a European citizen. At the same time, the Member States are free to establish limitations on the volumes of foreign nationals entering their labour market. All the mentioned restrictions lead us to believe that despite the evidence that the EU really

³⁵ see: Strasbourg, 7.6.2016 COM(2016) 378 final 2016/0176 (COD). p.1
³⁶ DIRECTIVE 2014/36/EU OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 26 February 2014. Available at: <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32014L0036>

suffers from a shortage of labour, it defends its labour market from international competition and, despite intentions towards liberalisation, still holds strong protectionist mechanisms.

Based upon the analysis of the existing EU and Member States' laws (on issues within their competencies), we can conclude that the EU legal environment is not yet as liberal towards migration as its market for goods and services. It includes important limiting measures, like competence of Member States on volumes of admission of any categories of workers – seasonal, high skilled, etc. In this regard, using “mobility partnership” to forge bilateral cooperation agreements and special circular migration schemes with Member States is a wise strategy. Practically all EaP countries (except Belarus) have signed mobility partnerships with the EU, but still very few of them have developed special schemes with Member States. The EaP countries, Georgia in particular, have to work hard to fulfil the commitments transposed in their “mobility partnerships” from the EC Communication on Mobility and Circular Migration of 2007. They need to prove that they are able to manage fully the migration flows and become attractive for returned migrants. Georgia needs to make extensive diplomatic effort to convince Member States to develop and agree on special cooperation agreements under in the framework of mobility partnership to support circular migration schemes, provide its citizens with better conditions and raise “quotas” of entry and work.

Georgia and the EU: Development of Partnership on Migration

In some cases the absence of a policy is a policy. This was the case with Georgia's migration policy of the last decade. Actually, IOM Review of Georgia's migration policy of 2007 pointed to the country's extremely liberal and open policy by stating: “The overriding factor is that legal migration into Georgia is accessible to such an extent that illegal migration becomes almost a “non-issue”³⁷. Further reports emphasised that a very liberal visa regime and borders open to practically every nationality; no proper inter-agency administrative structure nor a clear-cut inter-agency cooperation in place; the lack of systematic requirements for the issue of residence permits; no limits to the employment of aliens; no particular obligations imposed on employers with regards the employment of foreigners; no system in place that would alert Georgian migration authorities of “over-stayers;” a lack of detention facilities for irregular migrants; and a lack of funds to enforce deportations, were very basic things that Georgia's migration policy lacked. Naturally, complex objectives like the management of irregular migration, migration data and statistics, readmission or support for returned migrants were not attended to as appropriate.

As there was no public demand or state/government will for the development of the migration management policy, the *rapprochement* with the EU through different frameworks appeared to be the only source pushing the country towards relevant reforms. The Partnership and Cooperation Agreement (PCA), the European Neighbourhood Policy (2004) and Eastern Partnership since 2008 played their roles in this regard. While the PCA focused on migration related provisions issues exclusively on readmission,³⁸ it played a role in providing EU assistance

³⁷ IOM. REVIEW OF MIGRATION MANAGEMENT IN GEORGIA ASSESSMENT MISSION REPORT Tbilisi, 1-5 October 2007. p.2 available at: http://iom.ge/pdf/Migration_Assessment.pdf

³⁸ EU-Georgia Partnership and Cooperation Agreement. Art. 72 and 75.

for the creation of institutions preventing illegal cross-border activities. The ENP Action Plan adopted in 2006 for five years was supposed to be an important anchor for reforms in the mentioned area, yet still the government was not really motivated to make the sufficient effort and tried to postpone development of the relevant institutions. The EaP, and especially its bilateral dimension, preparatory process and, in 2010, starting of negotiations itself put the Georgian government under pressure to establish and develop its migration policy. The Association Agreement (AA) concerns the full scale of issues, like protection of personal data (to the level stipulated by EU directives), establishment of dialogue on cooperation on migration, asylum, document security, and border management. The agreement details measures and obligations in the mentioned spheres. In reality, the Georgian Government is unable to be so active in implementing reforms to comply with the mentioned obligations, but these measures are practically bound to the issues of facilitation of circular migration and to the commitment of the parties: “to enhance mobility of citizens and... **take gradual steps towards** the shared objective of **visa-free regime** in due course, **provided that the conditions for well-managed and secure mobility** set out in the two-phase Action Plan on Visa Liberalization (VLAP³⁹) are in place.”⁴⁰ So it was no coincidence that the VLAP was given to Georgia, when negotiations on AA were practically coming to the end.

The most comprehensive practical framework for cooperation on circular migration issues between the EU and Georgia is the Mobility Partnership established by the Joint Declaration of November 20, 2009. It aims to promote a better framework for legal mobility, including through “circular and temporary labour migration schemes, supported by concrete...initiatives...”⁴¹ as well as protection of migrants, to reduce the risks of illegal migration and the danger of trafficking in human beings. It promotes legal employment in EU countries through so called "circular migration". The partnership aims to raise awareness of potential migrants on legal opportunities of study and work in the EU, employment vacancies and opportunities, and the labour market situation. The Partnership will also organise a dialogue and discuss ways for improvement of consular services, facilitation of asylum for migrants, etc. It should facilitate return of migrants to the country of origin and assist their reintegration. Other commitments concern the development of capacity and measures to improve border management, identity and travel documents, the fight against illegal migration and trafficking in human beings, concluding agreements on border cooperation with the EU and Member States⁴², and readmission agreements. Implementation of the mentioned partnership is supposed to be embodied through formats of “visa dialogue” (since June, 2012), meeting of so called “cooperation platforms,”⁴³ and participation and support of community agencies – FRONTEX and ETF.

Practical realisation of the mentioned is expected through agreements and special cooperation schemes and joint projects with the European Union and Member States. The first essential results of the dialogue established under Mobility Partnership was the negotiation and signing of

³⁹ Visa Liberalisation Action Plan. See at: <http://migration.commission.ge/files/vlap-eng.pdf>

⁴⁰ EU-Georgia AA. Art. 14, 15,16

⁴¹ “Joint Declaration on a Mobility Partnership between the European Union and Georgia.” 2979th JUSTICE and HOME AFFAIRS. Council meeting Brussels, 2009

⁴² The declaration was signed by the European Community and 16 EU Member States.

⁴³ First meeting of such a platform, comprising the European Commission, EU Member States, EU Delegation to Georgia, Georgian government agencies and international organisations, took place on 30 January 2012.

two important agreements between the two sides: the so-called Visa Facilitation and Readmission Agreements (entered the force on 1st March, 2011). Visa facilitation eased procedures for issuing short-term entry visas in Schengen areas for 10 categories of Georgian citizen. Implementation of the Readmission Agreement was linked with necessary improvements in practice and institutional capacity in Georgia (asylum, data protection, reintegration of deported persons), which the country, according to the European Commission's ENP progress Report on Georgia, 2012, has fulfilled successfully. The report further mentions that Georgia's updated Integrated Border Management (IBM) Strategy, created by the State Commission on Migration (2010), launched the development of a comprehensive migration strategy and started the creation of a central database. It is explicitly admitted that because of the mentioned and other positive developments in Georgia's migration policy, the EU started a dialogue on visa liberalisation with Georgia in June 2012, with the aim to discuss the conditions for visa-free travel to the EU for Georgian citizens. "The VLAP was formally handed to Georgia on 25 February 2013 by Commissioner Malmström."⁴⁴

The question is often raised as to whether Visa Free has any relation to the labour migration or circular migration process. There is no direct connection between these two areas/policies, but it is well understood that freedom of movement of persons creates more possibilities for obtaining information, and that people to people contact essential for exploring job opportunities. VLAP may also be considered as an efficient instrument to put the country in question on an intensive track of reform. Over three consecutive years, the Commission produced four reports on Georgia's progress in VLAP implementation. The Georgian Government and society as a whole (as Civil Society was actively involved) did a huge job, adopting and implementing more than 40 legal acts covering all four sectors of the VLAP. Practically all obligations and commitments previously made by the country under the above-mentioned frameworks were concentrated in the VLAP and successfully implemented by the end of 2015. In the last progress report (December 2015), the EU Commission gave a positive assessment, confirming that Georgia had been successful: "Georgia meets all the benchmarks set in respect of the four blocks of the second phase of the VLAP"⁴⁵. As a consequence, in May 2016, the Commission proposed to the Council of the EU and the European Parliament "to lift visa requirements for the citizens of Georgia by transferring Georgia to the list of countries whose citizens can travel without a visa to the Schengen area."⁴⁶ The background story on Georgia's reform process in the sphere of migration management shows that the country did not make any tangible progress (despite the commitments under all above-mentioned formats), before getting a real promise from the EU. Socialisation through PCA or ENP instruments did not have an effect, while the conditionality applied to the visa facilitation and later visa liberalisation process was fully accepted and worked as a catalyst for important changes.

⁴⁴ JOINT STAFF WORKING DOCUMENT Implementation of the European Neighbourhood Policy in Georgia Progress in 2012 and recommendations for action - Brussels, 20.3.2013 SWD(2013) 90 final. p. 13

⁴⁵ Brussels, 18.12.2015 COM (2015) 684 final - REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL. "Fourth progress report on Georgia's implementation of the action plan on visa liberalisation". p.12

⁴⁶ European Commission - Press release. "European Commission proposes to lift visa obligations for citizens of Georgia". Brussels, 9 March 2016. Available at: http://europa.eu/rapid/press-release_IP-16-702_en.htm

How did the Mobility Partnership work in regards to circular migration?

As we can see, the Mobility Partnership was mainly created to improve the temporary movement of third country nationals to the EU willing to find jobs or receive education there. Indeed, we see that real progress has been made in the direction of visas/visa free for short-term stay, without permission to work or to study. Visa facilitation, or visa liberalisation, cannot produce any direct impact on circular migration. The Member States admit the high necessity of “importing” workers and for giving development opportunities (including poverty reduction) for nationals of third countries, especially those who are geographically and politically closer to them. Indeed, the efforts they deploy to fulfil these tasks are not sufficient. The Mobility Partnership signed in 2009 above all referred to circular migration schemes, the effect of which did not envisage any legal changes in the established third national treatment in EU Member States and does not provide Georgia with any exceptional right or legal opportunity. The efforts of the Georgian Government to sign bilateral agreements with separate Member States to obtain such preferences/opportunities (quotas, facilitation of work permits, etc) have yet to yield results.

Where does Georgia stand?

Thanks to the Mobility Partnership and Visa dialogue, as well all other EU supported frameworks, Georgia has marked considerable progress in the management of migration. First of all it now has a comprehensive Migration Strategy 2016-2020, in which the goal of the migration policy of Georgia is to: ensure the State’s enhanced approximation to the EU; facilitate peaceful cohabitation of various groups, protect migrants’ rights and their successful integration into society; promote the reintegration of returned migrants and the usage of migration for the development of the country; and increase legal migration opportunities for the citizens of Georgia. The vision is in full compliance with the visions and principles stipulated by the respective EU regulations and EU-Georgia framework documents. Finally, the strategy clearly defines the roles and competencies of Georgian institutions covering all necessary functions and tasks to promote and support mid-term goals and tasks formulated in the strategy. The most interesting chapters from the strategy for the aims of our research are: Migration and development, circular migration, and facilitation of reintegration of returned migrants.

On the developmental effect of migration, the strategy outlines its importance for the reduction of poverty and the improvement of the economic environment through remittances,⁴⁷ so-called “diaspora investments, and innovative (entrepreneurial) ideas and skills brought back to the country by return migrants. The strategy outlines the necessity “to direct the potential of remittances towards socio-economic development (invest in small business for example, not just consume) and raise the financial awareness of remittance-receiving household members.”

⁴⁷ According to the NBG statistics, in 2015, Worker Remittances and Other Transfers in total made more than USD 1 billion (around 6% of GDP). See at <https://www.nbg.gov.ge/index.php?m=304#external>

Other important long-term vision/programme documents of the Georgian Government – “Georgia 2020” and “The 2010-2017 State Strategy for Regional Development of Georgia” do not contain any mention of migration. This proves that the focus and understanding of the importance of migration and management of migration is new to Georgia and will need some time to reach all levels and structures and involve them in a full capacity in supporting it.

The strategy considers that circular migration can improve the economic conditions, professional skills, and overall migration experiences of Georgian citizens and the Georgian Government is in general very supportive of this idea, as the most beneficial and least damaging form of migration. Among plans of how to support and utilize circular migration for the benefit of citizens and the country, the strategy outlines such measures as signing of agreements, and cooperation schemes and projects with EU Member States, as stipulated by the Mobility Partnership Declaration aimed at obtaining the residence/working permit quotas from these countries and explore demand/supply possibilities in both sending and receiving states.

Where does the cooperation on Mobility Partnerships stand?

The cooperation with EU Member States should also focus on the improvement of skills of potential migrants through education and training. Further, the reintegration of migrants is an important task which requires the development of projects supporting the employment of returned migrants, utilisation of their acquired-abroad skills, and helping them to manage better their savings, investing with the benefit, etc. The State Minister’s Office for European and Euro-Atlantic Integration (OSMEEAI) and Ministry of Foreign Affairs (MFA) are responsible for promoting international cooperation, including with EU Member States, the Ministry of Labour and Health and Social Affairs, together with the State Minister of Georgia for Diaspora Issues, the National Investment Agency of Georgia and Georgia’s Innovation and Technology Agency on dealing with the reintegration of return migrants and supporting migrants abroad.

There are a number of projects already functioning in cooperation with the German Government, Polish and Estonian governments, which focus on the above-mentioned issues, but regrettably there are no agreements on circular migration in force with EU Member states. Only one agreement (with France) was signed to date (2013) which “on Circular Migration and Residence of the Professional Workers” establishes legal employment opportunity for 500 Georgian citizens in the French labour market, also aiming to grant temporary residence permits to Georgian specialists and students, and improve the qualification of 150 young specialists.⁴⁸ Regrettably, even this agreement has yet to be ratified by France. Georgian diplomacy is quite actively trying to convince Member States and is negotiating the mentioned agreements with Austria, Greece, and Germany at this moment. Indeed, it should be noted that the declaration on mobility partnership was signed 7 years ago and 16 EU Members States joined it. Why are the same states reluctant to start or accelerate negotiations with Georgia?

⁴⁸ Resources of the State Minister’s Office for European and Euro-Atlantic Integration of Georgia <http://www.eu-nato.gov.ge/en/eu/mobility-partnership>

Table 4. EU Member States' participation in mobility projects

EU Member States	NL	DK	EE	SE	CZ	BE	NL/BE/CZ	BE/NL/PL	DE	PL	GR	RO	FR	SUM
Support of return and reintegration	4	3	1	1	1	1	1	1	1					14
supporting emigration									3	1	1	1	3	9

As regards the cooperation on projects on circular migration, the scoreboard on the website of the OSMEEI lists the completed, ongoing and foreseen projects conducted in the scope of the Mobility Partnership. Analyzing the scoreboard, we found that the majority of projects financed/co-financed by EU Member States support the return and reintegration of Georgian migrants. In the table two we counted only projects that concern two categories: those which support return migrants (to Georgia) and those which facilitate/strengthen capacity for the emigration of Georgian citizens. Return was supported in 14 projects against 9 supporting emigration. At least twice the number EU Member states choose the first type of projects. In addition, 3 projects, supposed to be financed by France will only receive funding after the agreement with Georgia is ratified by the French Parliament, so they are not secured at this moment. So, we can conclude that the interest of the majority of Member States is rather focused on the return and reintegration of Georgian migrants than promoting their legal employment on the EU's labour markets. At the same time, EU Member States and EU agencies, FRONTEX, ETF, and others, strongly support Georgia's institution building in the sphere and seem to be very interested in fomenting good partnership with Georgia. As such, we can assume that the political climate and attitudes of European citizens, looking with fear to the liberalisation of migrant mobility, make European governments cautious to keep their actions at low speed in issues of stimulating labour immigration.

Conclusions and recommendations

1. It is widely proven that migration is caused to a large extent by poverty in developing countries. A further catalyst to migration is also the growing demographic (ageing) and structural problems at labour markets of developed states, which have strong need to increase their workforce through migration. Migrants usually help to fill supply gaps on labour markets, correct structural imbalances, and stimulate economic growth and general welfare. The effect of migration on poverty is mainly positive for those individuals

and economies of developing countries, but in certain aspects is also damaging. Poverty may become symptomatic for societies with a high level of migration because of leakage of skilled labour and the “brain drain” impact on fiscal revenues due to that mass exodus of taxpayers. It could also cause Dutch-disease-style tensions if society continuously depends on remittances. For the developed countries, badly managed migration flows may cause a number of serious problems, from illegal migration, human trafficking to corruption.

2. The benefits of immigration, known to economists, decision-makers and analysts alike, are rarely communicated or explained to the population, while the negative impact of migration is widely represented in the discourse of extreme right/left wing party politicians. This creates political barriers to legal immigration in developed countries. Further, sending countries (developing countries) do not dispose enough administrative capacity to conduct an active migration policy for the creation of incentives for attracting educated and skilled emigrants back to the country nor for restricting migration flows.
3. The experience of South European states after World War II and later in the 1960s and 70s shows that emigration has played an important role in overcoming individual poverty in these countries, and in part contributed to the steady development of receiving states. A large number of migrants (20-50%) from the CEE to old EU Member States come back to their country of origin after 4-5 years and contribute to the development of their own homeland. This assures us that both the **“source” and the “destination” countries benefit from migration if the rate of migration does not exceed certain limits**. The mentioned “limits” must be carefully studied (which is not done in Georgia) and the policy regulating emigration/immigration should be elaborated according to the findings.
4. It was known to Georgian authorities in the early 2000s that the existing high level of emigration from the country resulted in demographic imbalances and a loss of the most able-bodied groups of people. The Georgian Government of the time considered (in EDPRP) the necessity of an effective, controlled migration policy, which would help Georgian migrants to find jobs, to reach agreements with other countries on immigration quotas, but also assisting the emigrants living abroad and easing their return home. The next Georgian Government began looking for ways to convince the EU to provide favourable conditions for Georgian labour migrants, to simulate their exodus from overpopulated agricultural regions. There always was and is a real interest from businesses in some EU states to have Georgian labour migrants with temporary assignments in their companies. Despite the growing trends of Georgian migration to the EU, Georgia’s demographic balance (as in all EaP countries) is already critical, which will not allow large migration flows from the country. **If the Georgian Government really wants to reach agreements with individual states, interstate diplomacy is not enough. It is important to reach out to interested stakeholders, businesses in those states, and convince them to support initiatives.**
5. At the beginning of the century, the EU started intensively exploring possibilities for establishing a common policy supporting regulated migration. A number of strategy

documents outlined necessity to respond to the impact of an ageing population and demographic decline as well as to ensure sustainability of its labour markets and to withstand competition from other regions through stimulating free movement of people and labour, but as a long-term objective and obviously first treating all existing risks and problems connected to the trend of growing migratory pressure. As migration is not a sphere of the EU's exclusive competence (according to TEU it is shared with Member States), its institutions elaborated a really systemic approach: the Mobility Partnership, treating all contradictory aspects and complex objectives together with Member States, which were invited voluntarily to facilitate access to their labour markets to the nationals of the third country in question, or provide **more favourable treatment** of nationals of the country in question as far as the conditions for admission of certain categories of migrants are concerned.

6. This form of circular migration, promoted by Mobility Partnerships, is recognized as best contributing to economic growth and preventing brain drain and other negative consequences for a source country. The aims of the EU's common policy on circular migration are:
 - Incentives to promote circularity and ensuring effective return of nationals to their state of origin;
 - Monitoring circular migration (in both source and destination states);
 - Reducing the risk of brain drain from the third country;
 - Establishing partnership with third countries;
 - Stimulating signing of bilateral agreements, facilitating circular migration (indeed this was not effectively implemented - despite the high financing the EU spends on Mobility projects and schemes).

7. The call for EU Legislation to facilitate circular migration has yet to be effectively implemented. Some important acts have introduced very limited freedoms, as happened with the directive on access of high skilled labour (Blue Cards, 2009), providing very limited facilitation for intra-EU mobility, or with the directive on admission of seasonal workers adopted with a 7-year delay (2014) and which provides the bureaucracy in Member States with a "Carte Blanche" to admit the application of a foreign worker or to reject it. **It is recommended that EU institutions make more energetic moves and adopt regulations (without delay), which contain more effective and real means and possibilities for circular migration. To convince some Member States, EU institutions (the Commission first of all) need to make more effort to ensure the third actors, like NGOs, civil society, businesses, and other lobby groups, are well represented in Brussels.**

8. EU countries want to develop in Georgia a capacity for reintegration of the returnees first, in order to reduce the risks of having Georgian migrants seek permanent residence in their countries. Despite evidence that the EU really suffers from shortage of a labour force in certain areas, along with actions promoting liberalisation of labour mobility it still deploys strong protectionist mechanisms. It disposes important limiting measures, like competence of the Member States on volumes of admission of any categories of workers

– seasonal, high skilled, others. **It is recommended that EU Member States be more open with Georgia and other EaP Countries, make concessions/distinguish against other third countries. At the same time Georgia needs to prove** that is able to manage fully migration flows and become attractive for returning migrants, to make extensive diplomatic efforts to convince Member States to develop and agree on special cooperation agreements, with better conditions and “quotas” of entry and work.

9. Plans for **promoting circular migration through the Mobility Partnership have been delayed** as a result of the EU’s political objectives to secure control on the illegal migration from Georgia, and other relevant problems have already been largely achieved through other arrangements and projects – Visa Facilitation and Readmission agreements and the VLAP implementation process. Indeed, this is a **demonstration of the inconsistency of the EU’s decisions, which would, if not corrected, have long-term political consequences for the Union.**
10. Georgia started developing Migration Policy in the course of visa facilitation in 2010-11 and the Association Agreement (AA) negotiations ex-ante preparatory process, which put the Georgian Government under pressure to establish and develop its migration policy, as the AA mentioned the possibility of Visa Free. Mobility Partnership is a strong practical instrument for cooperation and development of circular migration and its consecutive processes – visa facilitation and visa liberalisation dialogue are effective normative tools for reforms and changes, but the conditionality of the Visa Facilitation process and VLAP determined intensification of reforms in the field of migration management in Georgia. It is important for EU Institutions and Member States to recognise that socialisation and technical assistance without real prospects to obtain an improved regime/treatment produces insufficient effects.
11. At present, EU Member States do not provide Georgia with any exceptional right or legal opportunity for circular migration. The Mobility Partnership could not produce visible progress in the area of circular migration, as the Members State are still reluctant to sign and ratify special agreements with Georgia and stimulate the inflow of circular migrants in those sectors of the labour market where they are most required. Instead, the Member States are still most active in developing Georgia’s ability to manage migration and to treat return and readmitted migrants at home. The efforts of the Georgian Government to sign bilateral agreements with separate Member States to obtain such preferences/opportunities (quotas, facilitation of work permits, etc) have yet to bring tangible results. Georgia has developed a very comprehensive and modern strategy on migration, secured a clear institutional set up and interagency cooperation to achieve 2020 objectives on migration management. The seriousness of the Georgian authorities in this respect should be taken into account by **EU Member States, instead of discouraging by “half-measures” it should actively engage in new contractual relations with the country to establish stable and controlled circular migration with Georgia.**
12. Despite its weakness at present, circular migration will at some point become reality and Georgia needs to work more on communicating to the population the data on availability of concrete jobs **and requirements to its workers willing to accede to the EU. Several**

mobility centres have already been established with the support of international organisations and EU, but It is important the Georgian Government envisages financing such centres from the state budget. In parallel, it is important to include in the plans of vocational education the professions that may be required not only in Georgia, but also in the EU. This kind of education may be financed by EU-funded projects inter alia.

13. The Georgian Government and society in general have made immense effort to obtain Visa Free permission and have considerably improved the migration management capacity. Indeed, the delays in granting free travel rights to Georgian citizens may discredit the EU not only in the eyes of Georgian citizens, who might feel mistreated on this issue, but also other states and nations watching carefully the developments with those EaP countries who have shown strong European aspirations.

14. There is a lack of understanding in EU Member States of the importance of circular migration in solving social problems in partner countries. The importance the EU itself is also not sufficiently attended to. The project seems to be politically inconvenient and quite risky for ruling powers in EU Member States. It seems that there is a lack of open discourse from one side and politicians fear to oppose public opinion even if supporting the policy is existential for the EU's survival. It is important that the governments of Member States develop a stronger communication strategy to explain to EU citizens what benefits Mobility Partnership and circular migration bring to them.