

POLICY BRIEF

Circular Migration Schemes in Georgia: Lessons Learned and Ways Forward

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Georgia is in a particularly advantageous position regarding developing circular migration schemes.

EXECUTIVE SUMMARY

The current socio-economic and policy context in Georgia combined with the European Union's (EU) high demand for labour puts Georgia in a particularly advantageous position regarding developing circular (labour) migration schemes (CMS). Two pilot CMS implemented by Georgia in the past illustrate the potential for the implementation of further CMS, which remained unused by the state until today. This policy brief provides a comparative analysis of the two pilot CMS, explores lessons learned from these projects and defines certain conditions under which future CMS could succeed. The main priority for the state in this regard should be the establishment of appropriate institutional conditions for the implementation of CMS and the improvement of legal frameworks. Future CMS should target semi-skilled and underemployed workers in Georgia with the objective of improving their qualifications and ensuring their social and labour rights are prioritized.

Implementing CMS should be an inclusive and transparent process, in which all stakeholders, including the state, partner countries, migrants, private, and non-governmental sectors have realistic and well-informed expectations and share mutually agreed responsibilities and goals. Moreover, along with creating strong return and reintegration mechanisms, effective monitoring and evaluation practices need to be set for measuring progress and impact of CMS.

This policy brief is focused on managed CMS with an inherent objective to maximize the developmental impact, which other, spontaneous forms of labour migration may lack.

DEFINING CIRCULAR MIGRATION

Definitions of circular migration differ by country and organization. Its broader definition refers to repeated movement between two or more countries involving more than one migration and return (Hugo, G. 2013). This includes all the spontaneous or naturally occurring circulatory flows across borders, which have always existed in some form and are difficult to track or control. According to the EU definition, however, circular migration is “a form of migration that is managed in a way allowing some degree of legal mobility back and forth between two countries” (COM, 2007). CMS, which are organized, regulated, and controlled by states are often viewed as a „triple win situation” in which destination countries respond to their labour market needs; countries of origin reduce labour market pressure and benefit from remittances as well as transfers of knowledge and skills; and individual migrants and their families improve their socio-economic conditions and acquire new skills (Prague Process, 2014). Managed circular migration can be characterized as “temporary, renewable, circulatory, legal, respectful of the migrant’s rights, and managed in such a way as to optimize labour markets at both ends, in sending and receiving countries” (Fargues, F., 2008).

This policy brief is solely concerned with formalized managed CMS that are explicitly designed to maximize the developmental impact, which other forms of ad-hoc or spontaneous forms of labour migration may lack.

SOCIO-ECONOMIC AND POLICY CONTEXT

Over the past decade, Georgia has remained a country of net emigration, with migration being increasingly driven by economic factors. An OECD/CRRC study (2017) showed that the high level of unemployment and poorly functioning labour market are the biggest push factors for emigration. Although exact numbers on the number of Georgians living abroad are not available, according to the 2017 Migration Profile of Georgia, the largest numbers of emigrants are in Russia, Greece, and Turkey, followed by Italy, Germany, and the USA. Moreover, the 2017 Caucasus Barometer survey shows that only a small share of Georgia’s population (8%) is interested in permanent emigration, while more than half (55%) of Georgians are interested in temporary emigration.

The visa-free regime with the EU, which made travelling to the EU/Schengen area significantly easier for Georgian citizens, increased the need to provide alternatives to irregular migration by offering migrants legal means to migrate and become employed in EU member states.

The two key policies designed to address the high unemployment rate are the “Strategy for the Socio-Economic Development of Georgia – Georgia 2020” (Government of Georgia, 2014) and the “Strategy for the Development of Vocational Education and Training for 2013-2020”. The former led to the establishment of 69 employment support centres across Georgia and to the creation of WorkNet – an online service that connects job seekers and employers. Although the employment support centres assist job seekers in drafting a proper CV and in registering onto WorkNet, they have very limited human resources which neither allows them to reach out to employers and job seekers locally, nor to provide professional consultation and evaluation needed by most job seekers registered in the system. Most jobs available through WorkNet are low-skilled and the number of employers using this service remains limited to date. Moreover, the system relies on self-reported skills and qualifications, meaning that it is not yet possible to verify the qualifications of registered job seekers. Thus, WorkNet still requires further improvement in order to complete its objectives.

The key challenges faced by the vocational education system derive from the fact that the offered programmes do not correspond to the present and future labour market needs of Georgia's growing and diversifying economy. On the one hand there is great demand for technical workforce (especially in agriculture and trade), who do not need higher education, and on the other the biggest part of unemployed workforce are highly educated individuals (Amashukeli, M. et al, 2017). Moreover, vocational education as such is not perceived as overly attractive due to the low quality of qualifications awarded and their lack of recognition by employers, both locally and internationally (Ministry of Education and Science Georgia (MoES), 2013).

The shortcomings of both vocational education and employment systems contribute to their low levels of attractiveness and popularity among the general population. In short, they currently do not help potential migrants meet their employment needs at home (OECD/CRRC, 2017).

These findings explain the demand for temporary labour migration, an issue that requires a better understanding and more effective policy responses from the government of Georgia. Not surprisingly, the development of CMS figures among the priorities of the current national migration policy.

The migration and development approach is part of Georgia's migration strategy 2016-2020 with the facilitation of circular migration listed as one of its explicit objectives (SCMI, 2016). Moreover, the Working group on Migration and Development, consisting of representatives of all relevant agencies, was established under the State Commission on Migration Issues (SCMI) in order to facilitate inter-agency coordination and cooperation in this policy area, including on the issue of circular migration.

In 2014, an agreement on circular migration was signed between Georgia and France, although it has not yet been ratified by France. The government of Georgia is presently working to establish similar agreements with Israel, Austria, Romania, Greece, Poland, and Qatar. A structural unit within the Ministry of Labour, Health, and Social Affairs (MoH) is now being established which, among other labour migration related tasks, will be primary responsible for planning and implementing CMS.

PRIVATE EMPLOYMENT AGENCIES

The aforementioned socio-economic and policy conditions along with a labour shortage in many European countries reveal the need for, and enormous potential of, CMS for Georgia. Nevertheless, private employment agencies remain the main mediators between local job seekers and foreign employers, leaving the question of migrant workers' rights up in the air. The limited information available about these companies and the absence of control mechanisms raises significant doubts in this respect.

While the Law on Labour Migration of 2015 outlines certain obligations for private employment agencies (Including public registration, annual reporting duties, etc.), the resources and mechanisms for state control remain insufficient. The only sanctions issued to date consist of fines for registered companies that fail to submit annual reports to the responsible Ministry. Due to the lack of control mechanisms, the actual number of such employment agencies and migrant workers sent abroad is unknown.

Most private companies operating in Georgia are believed to violate the ILO Convention on Private Employment Agencies ratified by Georgia, which precludes them from charging

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fees or costs onto workers (ILO, 1997). Anecdotal evidence indicates that migrants are not properly informed about their envisaged jobs, salaries, and rights abroad (Batumelebi, 2018). Moreover, they are deprived of the opportunity to meet their future employer in person or electronically before departure, which sometimes results in migrant workers not finding any actual employer upon arrival in the destination country or their rejection at the border when their supposed employer cannot be reached by border authorities. The lack of regulation and control over private employment agencies represents a serious danger for individual migrants and ultimately harms both the sending and receiving countries.

TWO PILOT CMS IMPLEMENTED BY GEORGIA

In the recent past, two pilot CMS were implemented by Georgia in cooperation with Germany and Poland. The EU-funded project “Strengthening the development potential of the EU Mobility Partnership in Georgia through targeted circular migration and diaspora mobilisation” was implemented from 2013 to 2016 by the Centre for International Migration and Development (CIM/GIZ) on the German side and the Public Service Development Agency (PSDA), the Secretariat of the State Commission on Migration Issues (SCMI) and the Georgian Small and Medium Enterprises Association (GSMEA). The project featured a CMS in which 27 Georgian nationals working in the hospitality and health care sectors were employed in Germany. By the end of the project, 24 participants (14 from the hospitality sector and 10 from the healthcare sector) were in the course of completing or had already completed the circular migration cycle. Nine out of fourteen hospitality professionals were granted employment upon return by their former employer in Georgia. The majority of the nurses have passed the recognition exam in Germany and prolonged their employment in the country (Goos, A. 2016). Since then, most hospitality professionals (five) remain in Germany and only one nurse returned and got employed in Georgia.

The second project “Temporary Labour Migration of Georgian Workers to Poland and Estonia” was implemented by the International Organization for Migration (IOM) in cooperation with the MoH from 2015 to 2017. The project was informed by the lessons learned from the pilot CMS with Germany. Some 30 welders, construction workers, and truck drivers were employed in Poland, with additional workers to follow in the near future. Negotiations and cooperation with Estonia due to quota related obstacles proved to be lengthier and more problematic resulting in no one being employed in Estonia within the framework of this project. This project continues now within the framework of the EU funded project “Sustaining Border Management and Migration Governance in Georgia” (2017-2020). As a result, the return statistics are quite dynamic and exhibit some circularity between Georgia and Poland.

These two projects share a few important commonalities such as being based on the principle of legal, voluntary mobility and avoiding forced return mechanisms, relying on labour market studies in Georgia and partner countries for selecting sectors and professions and ensuring pre-departure and professional trainings of participants.

Despite that, they also differ significantly in terms of their aims and approaches. The CMS implemented with Germany was the very first initiative on circular migration, thereby aiming at creating and testing a theoretically “perfect” model, based on research and existing best practices. The project tested a complex model of CMS, involving a very developed economy of Germany, with a language which is not commonly spoken in Georgia and regulated professions which need certification in the destination country. Meanwhile, IOM took a slightly different approach and sought to create a simple, flexible and low-cost model, avoiding language training costs and regulated professions, to be handed over to the government in an easy and uncomplicated way.

These two recent pilot projects reveal some challenges and led to important lessons learned that should be considered in future CMS.

At the recruitment level it was difficult to meet employers' high expectations in terms of language proficiency and work experience. Thus, in the case of Germany, all migrants were full-time employed in Tbilisi before departure and had well-established positions. Ideally future CM projects should feature underemployed or less experienced workers with a special focus on rural areas of Georgia where unemployment and poverty is especially high. To address this challenge IOM cooperated with private employment agencies who helped them recruit candidates. To offer employers a less experienced but well trained workforce IOM set a positive precedent, by training a vocational education and training (VET) provider in Georgia. This VET school now offers specific welding technology (which is demanded by Polish employers) courses to Georgian workers. This is a positive experience which, if possible, should be replicated in future CMS projects.

Another challenge faced by these projects was achieving circularity. In most cases the pilot CMS with Germany involved single departure and one-time return. The return and reintegration of nurses proved to be difficult, since they are much better-paid in Germany compared to Georgia. Even though the private sector (a private clinic) supported this project from the beginning by offering all returned nurses guaranteed employment and although participants of the CMS with Germany were offered top-ups on top of their salaries in Georgia by GIZ (currently 5 returned migrant benefits from this assistance), most nurses still work in Germany. The CMS with Poland is quite recent and it might be too early to talk about circular migration, but it is worth noting that a few workers have returned from Poland after 6 months. This experience shows the importance of return and reintegration measures in CMS and indicates the need to discuss the maximum duration of circular migrants contracts with employers.

Finally, the impact of CMS on all stakeholders is insufficiently researched, since both projects were evaluated right after the official end of the projects, when most migrants were still in destination countries.

POLICY RECOMMENDATIONS

Circular migration seems a desirable option for the sending state, the individuals involved and destination countries. The key precondition for implementing successful CMS is a sustained political commitment on the part of Georgia and partner countries. Based on the experiences of the two past migration schemes described above, the following prerequisites seem essential for future CMS to succeed:

- **Establishing a well-organized institutional setting for implementing CMS.** Besides strengthening intergovernmental cooperation regarding temporary labour migration, MoH should systematically cooperate with other agencies: e.g. with the Ministry of Education and Science on strengthening the VET system and recognition of acquired qualifications and with the Ministry of Foreign Affairs on serving as a contact point for protecting the rights of circular migrants in foreign countries. The Migration and Development working group, which already functions as a platform for the cooperation of all relevant state agencies, can continue playing a coordinative role between all stakeholders including non-governmental and private sectors.

The most essential precondition for implementing successful CMS is a sustained political commitment both on the part of Georgia and partner countries.

Implementing CMS should be an inclusive and transparent process, in which all stakeholders have realistic and well-informed expectations and share mutually agreed responsibilities and goals.

- **Amending and improving Georgia's labour migration law.** It is important that the law includes effective mechanisms for tracking and controlling labour emigration flows as well as protecting migrants' social and labour rights. Regarding private employment agencies, transparency and compliance with international norms and standards concerning migrants' rights need to be ensured. However, instead of just imposing strict regulations, which in the long-run would lead to closing these agencies, the state may consider them as partners after agreeing on a common policy and terms of operations.
- **Maintain a certain flexibility regarding the duration of circular migrants' contracts.** All stakeholders, including partner countries should see CMS as a means for legal voluntary mobility and, therefore, most aspects of CM projects including the duration of contracts should be kept flexible, albeit within a certain range. If there are high risks that circular migration becomes permanent (e.g. case of nurses), along with strengthening reintegration measures for returned migrants, the implementer may consider limiting the contract period to 2 or 3 years, in order to ensure circularity and prevent brain-drain.
- **Focus on underemployed but well-trained workforce.** It is important that partner countries agree on hiring less-experienced but well trained workforce. Georgia from its side should invest in the VET system so that it produces well-trained workers who are capable of meeting employers' requirements. MoH should improve recruitment mechanisms and the state employment agencies should ensure that people especially in rural areas, where the unemployment rate is higher, are involved in CMS. Moreover, WorkNet's technical abilities should be developed further in order to make it a useful tool for recruiting circular migrants.
- **Ensure common, transparent objectives between all stakeholders.** It is important that all parties agree on the specific goals and objectives of a particular project, which should ideally coincide with the interests of policy makers. Improving the qualification of migrants and ensuring their social and labour rights should be a top priority of the agreed objectives. Employers as well as the state should be committed to invest in the training (language and/or professional) of migrants, which will benefit all stakeholders.
- **Ensure realistic and well-informed expectations of all involved actors before departure.** Personal meetings of employer and employee as well as extensive pre-departure trainings tailored to the needs of each CM project are an important means to achieve this goal. Involving circular migrants (returned or still abroad) as trainers in this process is highly desirable. This will ensure that individuals take informed decisions about migration and employers will not be disappointed by the new hires, which in the long run will contribute in increased trust in CM projects.
- **Strengthen return and reintegration measures.** Return and reintegration proved to be especially difficult when the migrants do not have specific job offers before return or when paid considerably less compared to their salaries abroad. Close cooperation with the private sector at all stages of CMS, recognition and harmonization of qualifications acquired abroad and involving returned migrants in VET system as teachers are some ways for improving return rates and reintegration.
- **Ensure effective monitoring and evaluation mechanisms.** The employment conditions of circular migrants should be systematically monitored, especially during the first months of migration, in order to prevent exploitation. The existing evaluation is often fragmented and only covering the period of the program duration, before return and reintegration are achieved. Evaluations of future CMS should be more systematic and longitudinal, including constant monitoring and follow-ups and assessing the impact of CMS on individual migrants and their households as well as on local labour markets.

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