

SUMMARY REPORT

FOLLOW-UP VISIT TO THE SWEDISH PES (ARBETSFÖRMEDLINGEN) ON 'PES INITIATIVES AROUND SKILLS, COMPETENCIES AND QUALIFICATIONS OF REFUGEES AND ASYLUM SEEKERS'



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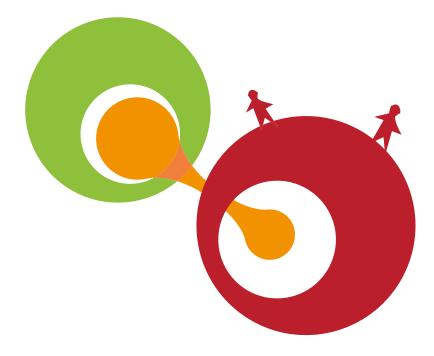


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Contents

1.	Introduction	5
2.	Context of the Swedish labour market	5
3.	A work-first approach: AT-UND (Work Permit Exemption)	6
4.	Identifying skills	7
5.	Working with employers: Fast tracks, Sverige tillsammans and 100-klubben	7
6.	Vocational language training: SFI/Sfx	9
7.	Showing the benefits of labour market integration: Social Impact Bonds in Finland	10
8.	Conclusions and further discussion points	11



1. Introduction

The PES Mutual Learning Thematic Review Workshop on 'PES Initiatives around Skills, Competencies and Qualifications of Refugees and Asylum Seekers' was held in Nuremberg (Germany) on 27-28 April 2017. Following this meeting, several European Public Employment Services expressed their wish to learn more about the activities and approaches of the Swedish PES (Arbetsförmedlingen), and subsequently a Follow-up Visit took place on the 29 September 2017 in Stockholm, Sweden.

In 2015, around 160,000 asylum seekers arrived in Sweden. Although Sweden has had a long tradition of designing and implementing integration policies, this was the first time that such a high number of people arrived in a short period. This posed immediate challenges in terms of reception, housing and asylum application processes to the public authorities. During 2016 and up until August 2017, the number of people seeking asylum decreased to similar numbers that arrived prior to August 2015. After two years, many people who arrived in 2015 have now been granted a residence permit. However, many of them (49% in 2016) only obtained a subsidiary protection with a temporary residency permit for one year, with the option of reassessment for permanent residency if the applicant has sufficient income to support him or herself.

Over the last two years, Swedish integration policies have been re-thought with a focus on speeding up labour market integration for those who have skills and qualifications that are in shortage on the Swedish labour market, and upskilling for those who lack required competences. During the Follow-up Visit, the Swedish PES, together with other actors such as the Swedish Migration Agency, the City of Stockholm and an employer, the Swedish Alcohol Monopoly, explained new initiatives that aim to improve the effectiveness of integration practice with a focus on highlighting the benefits that refugees and asylum seekers bring to the Swedish labour market.

PES representatives from the following eleven European countries attended the Follow-up Visit: Austria, Belgium-Le Forem, Belgium-VDAB, Bulgaria, Finland, Germany, Greece, Italy, Norway, Slovenia and Spain.

2. Context of the Swedish labour market

Swedish labour market conditions are favourable with low unemployment and a robust safety net. Moreover, there are professions that lack workforce, such as in the health and education sector. However, there is still a gap in terms of employment between the native population and immigrants, in particular refugees. There are several challenges to address in order to integrate newly arrived people into the labour market, the most pressing ones being housing, language training and the recognition of foreign qualifications and the validation of skills.

After refugees gain their residency permit, they register at the Swedish PES and are referred to the Introduction Programme. This programme consists of an introduction plan that is based on the individual's previous education and work experience, and it contains language courses, civic orientation and employment preparation activities. Participation in the programme can last up to 24 months, with a possibility to interrupt for up to eight months. Since 2010, the Swedish PES has been responsible for the Introduction Act, which highlights the focus on employment in the Swedish integration approach. From the beginning of 2018, the Introduction Act will shift from a right to participate in the programme to an assignment to the programme. This is an attempt to harmonise the Act's measures with activities for other unemployed groups and to emphasise newly arrived migrants' rights and responsibilities.

In addition to possible health conditions and traumatic experience endured in their home country and during flight, language and cultural barriers, many asylum seekers and refugees have a lower level of education, or their qualification varies from the Swedish standard for a certain profession. Since 2016, with the large increase of people seeking protection, there have been efforts to integrate newly arrived earlier into the labour market by targeting those with qualifications and skills that are in demand on the Swedish labour market. The Fast tracks that consist of a combination of work experience, lessons in Swedish for the workplace and/ or a supplementary education programme at a higher education institution exist now for more than 30 professions.



The level of education, and so the recognition of existing qualifications of newly arrived migrants and upskilling for those who lack required competences, is a crucial factor to gain employment in Sweden. Due to a high coverage of collective agreements with collectively-bargained minimum wages, or so called entry wages, the focus of the Swedish labour market is on high skilled employment. However, barriers to enter high skilled jobs that are in demand consist often of complex recognition procedures of existing qualifications and/ or a lengthy process of bridging or upskilling training. Moreover, the newly introduced temporary residence permit affects the choice of newly arrived who might choose any job (even if they are overqualified) rather than education and training, so that they can qualify for a permanent residence permit. In addition, many refugees want to work immediately in order to earn money to pay for family members to come to Sweden or to pay off debt – a bridging gualification to work in their original profession (such as teachers or nurses) often takes too long for them.

Other countries participating in the Follow-up Visit have similar problems with the trade-off between a lengthy recognition process for high-skilled / regulated professions and a quick integration into the labour market. The role of the PES is therefore to reach out to refugees. Furthermore, actors who are influential in the regulation process of professions should raise issues and work in partnership to address those. For example, in Belgium (Flanders) the PES offers on-site support at the workplace to reach out and motivate people to upskill and gain sustainable employment. In Sweden, the Fast tracks are a good example of PES collaboration with employers in certain sectors, looking at standards differently and finding agreements to address shortages on the labour market. However, it was also stressed that this dialogue takes some time.

3. A work-first approach: AT-UND (Work Permit Exemption)

In order to arrange labour market integration earlier, Sweden has secured the Work Permit Exemption (AT-UND) which allows asylum seekers to work immediately after arrival while waiting for an asylum decision. When an asylum seeker meets the criteria for a work permit exemption, the AT-UND is registered in his or her asylum seeker card in order to be visible for potential employers.

This aims to reduce bureaucratic procedures and the waiting time to obtain a work permit. The possibility to take up work immediately after arrival helps asylum seekers to provide for themselves and their family, and to decrease the societal and individual burden of waiting periods between decisions. To be eligible for AT-UND, newly arrived must have ID documents (or at least must collaborate to clarify their identity), be over 16 years old, and their asylum application must be processed in Sweden (and not according to the Dublin Regulation) and well founded. If a person has been employed with AT-UND during the asylum process for at least four months, he or she may apply for a work permit after an application for asylum has been rejected, provided that he or she can present an offer of extended employment (so-called 'lane change'). The requirements are:

- The application must have been received by the Migration Agency no later than two weeks (14 days) after the decision regarding the asylum application becomes valid (entered into legal force);
- the person has a valid passport;
- the person has been employed for at least four months and has the prospect of being employed for a further 12 months;
- the person must have been an asylum seeker and held an AT-UND during the employment period;
- the employment conditions are in line with collective agreements;
- the monthly salary is at least SEK 13,000 (~ €1.365) before tax. This requirement also applies to the previous four months; and
- the appropriate trade union has been given the opportunity to make a statement about the employment conditions.

AT-UND highlights the policy focus on the 'work-first' principle in Sweden, which focuses on creating incentives for taking up jobs. Germany has made similar efforts to intervene from an early stage in the asylum process. However, in contrast to Germany where targeted support is offered to asylum seekers from countries with high refugee recognition rates, in Sweden such measures are offered to those who are participating in the Introduction

Programme, but only after they have received their residence permit. This raises the question of the stage in which skills and gualifications should be identified in the reception process. In Sweden, the process has been streamlined in the last two years with questions on the asylum case first, and a skills identification procedure taking place at a later stage. However, the tool jobskills.se (see below) has been developed in order to help asylum seekers to identify their skills and possibilities on the Swedish labour market at an early stage. In other countries such as Germany or Finland, the skills identification process takes place early in order to build on existing competences and to facilitate sustainable employment. For example, in Germany, asylum seekers with a high prospect of staying in the country have the possibility to access PES services, including skills identification services. In Finland, skills are already identified in reception centres so that they can be taken into account when choosing a settlement area in which those skills are needed. A more thorough skills assessment is then completed after residency is granted.

4. Identifying skills

Although a comprehensive skills assessment is only accessible for refugees, asylum seekers can use the open digital tool Jobskills.se to access guidance on the Swedish labour market. The digital tool works as an open internet platform with registered users; it aims to identify skills based on information on education and previous work experience. The registered user creates a profile about his or her education, work experience, competences, career interests and language skills in his or her first language (available in Arabic, English, Persian, Somali, Tigrinya), which is then directly translated into Swedish. The professions listed on the tool are based on ISCO 08, although the Swedish PES is aware that professions in the home countries of refugees and asylum seekers might require a different set of qualifications and skills. There is also a possibility to automatically generate a CV in Swedish or in English.

The tool is populated by users themselves, however the Swedish PES hired 100 customer coordinators to help with outreach and support registration. Coordinators also work with local actors, such as the County Administrative Board and the Swedish Migration Agency in spreading information about jobskills.se to asylum seekers. Approximately 50% of registered users are asylum seekers, and the goal is to have 25,000 registered users at the end of 2017 with a 33% share of women.

The tool also includes career guidance that allows users to inform themselves about education and/ or work in Sweden. Related services include multilingual videos describing the Swedish labour market, how to write a CV or how to prepare for a job interview. There is also a mobile app with information about Swedish professions in various languages. In the near future, the tool will be launched for employers who can also create an account and search for people with the specific skills or qualifications they require. Users will then be able to choose which of the fields to publish and/or to send information to employers directly.

The Swedish PES underlined that this tool is a complementary tool that aims to empower asylum seekers by providing information about the labour market and the education system (also steering them towards shortage professions), and preparing them for a life in Sweden while they wait for a residence permit. It is designed to involve people in their own career process by showing their profiles and creating a meeting point with employers. Once a person has received his or her residence permit, there is often the need for more comprehensive skills testing with guidance from a PES counsellor. This is also the focus of other tools like the EU skills profile tool for third country nationals or the German My Skills which are more focussed on competence mapping in order to further plan services.

5. Working with employers: Fast tracks, Sverige tillsammans and 100-klubben

The involvement of employers in skills assessment and validation is a success factor for labour market integration. The commitment and active engagement of employers as partners of PES is particularly important as labour market integration can only be successful when employers are willing to train and hire newly arrived migrants. A close cooperation with employers' associations and trade unions on the sectoral level plays a crucial role: the Fast tracks are planned jointly between the employers'

Example from an employer: the Swedish Alcohol Monopoly (Systembolaget)

According to the philosophy of Systembolaget workforce is important to learn about other cultures in order to understand their customers and their needs. Accordingly, the cooperation with Arbetsförmedlingen to hire newly arrived migrants (and also persons with disabilities) is agers from Systembolaget and from the PES identify recruitment needs and identify shops however, that just 38% of the interns were in employment after completing the internship, indicating that there is quite a lot of work to do on identifying competences in order to find the right match. However, according to the HR manfactor of the initiative is to see a completed internship as a possibility to get a step closer to employment. Important aspects that make the initiative a success internally are also leaderment, and who act as role models by coaching their colleagues.

organisations, trade unions, the PES and other relevant authorities and education agencies. As of March 2017, there were 14 agreements between the PES and employers' organisations and trade unions, which comprised more than 30 professions. In addition, since 2015 the Swedish Government has made state grants available for special promotion and development efforts to accelerate the establishment of new immigrants in the labour market via Fast tracks. The funds are for sector representatives (not for single employers) who can use them for joint venture initiatives such as producing videos, translation of material or creating apps and platforms for skills mapping, or information to employers and coordinators.

However, the main incentive for employers is that the Fast track initiative can help to recruit skilled immigrant workers into occupations with labour shortages. Employers can customise the sequence of the Fast track model according to their needs. In addition, there is a need to focus on Swedish company culture. Cultural competencies and an open conversation are getting increasingly important in Swedish companies to better integrate immigrant workers coming from different cultural backgrounds.

Labour market integration of newly arrived migrants is addressed by an appeal to Corporate Social Responsibility (CSR), which is the idea behind the Government initiative 'Sverige tillsammans' (Sweden together/unite) and '100-klubben'. 100-klubben refers to companies who have the ambition to accommodate (by internship, professional competence validation and real jobs) at minimum 100 newly arrived immigrants within three years. At the moment, 30 Swedish companies with 2.200 people are participating in the '100 klubben' initiative. Systembolaget (Swedish Alcohol Monopoly) is one of these companies. The example below explains the motivation of the company to participate in the 100-klubben initiative and how cooperation with the Swedish PES is organised.

In the discussion that followed, it was stressed that hiring people with temporary work permits could be seen as a disincentive for employers. There is also a risk that employers who are not connected to an employers' organisation hire people during their asylum procedure and make administrative mistakes (for example, fill in papers wrongly), which then leads to a negative asylum decision. Employer



surveys in other countries, such as Germany, show that legal certainty is very important to employers. To tackle legal insecurity, the German legislator introduced a so-called '3+2 rule' for apprentices: this guarantees residency during the period of their apprenticeship training (usually three years), and for a further two years if they find employment after completion of their training. Otherwise, they have six months after completion of an apprenticeship training to search for a job.

6. Vocational language training: SFI/Sfx

Swedish for immigrants (SFI) is the regular national language education scheme and is provided by the municipalities. It is used as part of the two-year Introduction Programme at the PES. SFI is open for all immigrants, not only for refugees, and is organised in three different categories, one for participants with upper secondary schooling or higher, one for immigrants with little or no schooling, and one category for participants in between these levels of schooling.

There is, however, also a common need to invest in vocational and social language skills. Intensive Swedish language studies for immigrants with previous professional training (Sfx) have been running for 15 years and are available for all immigrants with a residence permit within the county of Stockholm through an agreement with 26 Stockholm municipalities. Six municipalities provide currently ten Sfx programmes as part of the regular adult education system. For the recipient society (in this case the region of Stockholm) the aim is to make use of, and benefit from, the qualifications, skills and competences that immigrants bring, as well as to provide the possibility for the individual to maintain and cultivate their professional identity and to be able to find employment in their line of work. Some of the Sfx programmes started out with European Social Fund (ESF) funding and have subsequently been implemented after their initial phase. About 1,500 students are enrolled every year. Intense language studies are combined with vocational classes and SFI is always included. This is vital for giving the students regular and valid grades, or credits, that follow the national curriculum and can be used for further studies at vocational school or in Swedish higher education. For example, the specialised classes that medical professionals attend include parallel courses to learn about the Swedish health care system and guidance on how to obtain the license to practice medicine in Sweden.

For several Sfx courses, admittance is possible from day one of arrival (residence) in the municipality after an assessment of previous gualifications. The idea behind this is to cultivate the professional identity of newly arrived immigrants and to employ their skills. There is co-operation between employers, PES and trade unions in order to design and implement the courses. For the moment, Sfx classes for new arrivals are offered in the following academic professions: Swedish for engineers, medical professions, economists, lawyers and social scientists, educational staff/teachers and for programmers. Sfx for non-academic professions covers Swedish for bus drivers, lorry drivers, trades people and entrepreneurs. Learning in professional fields also takes place in the workplace, which is very helpful for recruitment at a later stage. Swedish for entrepreneurs includes, for example, the understanding of what is needed to run a business in Sweden, how to make a business plan, existing laws and regulations and insurance. One year after finalising the course, a third of immigrants started their own company, a third went on to further studies and a third were employed.

Sfx courses for different professions only exist in this regular and developed format in the municipalities of Stockholm. There are however similar approaches, for example in medicine and other academic professions, in other parts of the country. Outside of the capital, it is not as easy to get a sufficient number of students who fulfil the requirements. In addition, Sfx courses are not systematically coordinated with the Fast tracks in the corresponding professional field (as the Fast tracks are newly established and Sfx has been established for 15 years). They are rather used in a flexible way. They can run parallel to a Fast track or new arrivals can do the Sfx course before starting a Fast track. Service cooperation is also an issue in other countries where language (or integration) courses and labour market related support measures are organised by different actors. For example, in order to bundle and synchronise language courses and labour market related measures in the newly implemented 'integration year', Austria facilitated data exchange between the two main actors involved: the PES (AMS under the supervision of the Ministry

of Employment, Social Affairs and Consumer Protection) and the Austrian Integration fund (ÖIF) affiliated to the Ministry of European, Foreign Affairs and Integration.

7. Showing the benefits of labour market integration: Social Impact Bonds in Finland

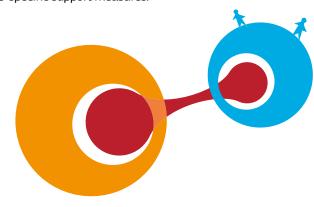
In the spring of 2016, an innovative approach was launched by the Finnish Ministry of Employment and Economy. The so-called Social Impact Bonds (SIB) allow institutional and private investors to finance projects that improve the integration of refugees. The social impact model has been designed as a randomised experiment managed by the company Epigus Oy, which was selected through a competitive process. The target group of the trial project consists of 2,000 to 2,500 motivated participants selected by Epigus Oy who have obtained a residence permit on the grounds of international protection between September 2016 and May 2017. Due to restrictive asylum permits, the project was opened to all immigrants in June 2017. Two immigrant groups are compared: participants of the trial and those in a control group who follow 'the normal path' (integration training, other employment-services to find a job place etc.). Applicants are selected for the experiment by random sampling: 70% are allocated to the experiment whereas 30% to the control group.

The aim of offering performance-based financing contracts to private investors is to show the benefit of labour market integration, also in financial terms, to society. Social impact investing provides a means to increase effective cooperation between the private, public and third sector in preventing and solving various kinds of problems relating to well-being and the environment. In the first round of fund-raising, \in 3.4 million were collected from private investors. In the second round, \in 10 million

were collected with a large amount coming from the European Investment Fund. The objective of the trial is bi-fold: to help participating immigrants find full-time employment within three years, and to help employers find the employees they need. Public money saved through the initiative is then given back to private investors from 2020 onwards. From the State's perspective, the trial is a success if the taxes paid by those participating in the experiment are higher and unemployment benefits they received are lower than in the control group. In the external evaluation commissioned by the Ministry of Economic Affairs and Employment, taxes paid and the unemployment benefits received are compared between the SIB trial and control group participants.

Immigrants participating in the trial start with a skills survey. To this end, new training and employment models are tested to speed up the employment of immigrants and to combine training and work in a flexible way. Vocational training is customised according to participants' and employers' needs. Jobseekers also receive language and other training that often includes a short three to six-week work placement, during which employers can make recruitment decisions. Service providers support immigrants throughout their journey from training to employment. In September 2016, 350 people have started SIB training in one region. So far, 80 refugees have found work and 200 received SIB training over 70 days. There will also be a randomised experiment for long-term unemployed jobseekers and jobseekers who have been out of the labour market for at least 6 months.

Although evaluation results will only be available after 2020, the SIB project is an interesting approach worth looking at for other countries. This refers not only to the funding approach but also to the randomisation approach of assessing the impact of refugee-specific support measures.





8. Conclusions and further discussion points

Further discussion points with visiting PES

Discussions between visiting PES and the Swedish PES highlight the need to provide solutions for those who are low skilled or/and face multiple barriers to enter the labour market. As many initiatives have been focussing on highly qualified people or newly-arrived people who have skills that are in demand, a major concern therefore remains to organise support measures for newly arrived with low educational levels or illiteracy. Here, PES services like career guidance, post-placement support and help to advance in career trajectories, tailored to individual needs (so often in cooperation with social and health services, employers and training providers) might be possible solutions.

The Slovenian PES also raised the point of distinguishing between destination and transition countries when assessing countries' strategies and integration policies. However, more and more transition countries are turning into destination countries such as Italy or Greece.

The problem of a regional mismatch of housing possibilities and job opportunities was raised by the Austrian PES. In Austria, the distribution of refugees is very uneven with about 70% of recently arrived asylum seekers and refugees located in Vienna. There is a large discrepancy between job vacancies in Western Austria and oversupply of jobseekers in Eastern Austria. Obligations to settle in designated regions, which is the case in Sweden or Germany, might relieve this uneven distribution of refugees.

Conclusions

With an increasing number of asylum seekers since 2014, Sweden introduced several measures to reduce the number of new arrivals, such as temporary residence permits and restricted family reunification opportunities. At the same time, initiatives for better and quicker labour market participation have been implemented. The current economic and labour market conditions in Sweden are favourable for integrating a large number of new arrivals into the labour market.

In order to stimulate a closer cooperation between PES and the social partner representatives and to ensure more efficient ways of labour market integration of newly arrived migrants, the Swedish Government launched the Fast track initiative in 2015. It seeks to coordinate existing measures into a streamlined package and speed up the labour market entry of skilled immigrants who have been granted Swedish residency permit. It is focused on occupations with labour shortages and offers a combination of skills assessment, work practice, vocational training or bridging courses to gain a qualification. The implementation of Fast tracks is a good example of tripartite cooperation between the government, trade unions and employers' organisations. Fast tracks are just one notable example where actively involving employers is deemed to be a success factor in integrating newly arrived migrants into the labour market. Other government initiatives such as 'Sverige tillsammans' and '100-klubben' also try to actively involve employers into the integration of refugees by appealing to CSR motives. The 100-klubben initiative is facilitated by effective cooperation between single employers and the Swedish PES.

Finally, alongside approaches that target highly qualified refugees or people with skills that are needed on the labour market, there is also a need to focus service provision on people with lower levels of education and who face multiple barriers to enter the labour market. Here, intensified support, often in cooperation with social and education services, could help to address the needs of this group.

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