



*Cultivating the human capital  
of the Central Baltic Sea region*

## **POLICY RECOMMENDATION**

*Expatriate-project*



EUROPEAN UNION  
EUROPEAN REGIONAL DEVELOPMENT FUND  
**INVESTING IN YOUR FUTURE**



**CENTRAL BALTIC  
INTERREG IV A  
PROGRAMME  
2007-2013**

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# EXPAT project



*Innovative services  
for International Talents  
- Easier Access  
to the Central Baltic Sea Region*

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# INTRODUCTION

## **Background**

The Central Baltic Sea Region (CBSR) is located in Europe's peripheral north. Despite possessing very few natural resources, it has performed well in the global competitiveness index. With Sweden and Finland among the top 5 and Estonia and Latvia placed in the top 60, the region has succeeded by building strong, knowledge-based societies. However, with globalisation reshaping the ways in which business is done, the success of an economy now relies on how well the region can retain and attract international talent. The importance of cultivating the human capital of the region has slowly been recognised at the national, regional and municipal levels in the Central Baltic Sea Region.

The CBSR is a small area but it is competing for the same resources as big countries. Although the Central Baltic Sea regions face more or less the same challenges when trying to attract and retain

international talents, services tend to be developed locally and the best practises are seldom shared. In addition, in order to efficiently optimise the human capital of the CBSR, a satisfying life is needed in order to attract and retain the talent.

The Expat-project aims to improve access to the local social and professional networks and thus improve the standard of living for expats living in the CBSR. Both efficiency and effectiveness in service delivery can be improved through focused and operational cross-border cooperation among universities, municipalities and other service providers in the CBSR and by involving the expats themselves directly.

Altogether 10 partners, representing the regional, municipal and academic stakeholders, were brought together during the Expat-project of 2012-2013. The project was led by Uusimaa Regional Council and the

thematic work was carried out by Turku Science Park Ltd, Riga Planning Region and the City of Uppsala. Alongside the University of Latvia, e-Governance Academy, the Institute of Baltic Studies, Culminatium Innovation Oy Ltd, Laurea University of Applied Sciences and the Regional Council of Southwest Finland, all of the actors have contributed to the implementation of this project and are enthusiastically driving towards a welcoming CBSR.

During the project approximately one hundred institutions from the CBSR and Amsterdam, The Hague, Toronto, Shanghai, Seoul and Tbilisi have contributed their precious time to the research work as interviewees or participants in the workshops. Moreover, there are more than 1000 expats from the CBSR involved in an extensive questionnaire survey and several workshops designed to help the development of the Expat-platform pilot and policy recommendations.

## **About this report**

This report presents the results of the Expat-project's various studies and contains abstracts of the Expat-project Inventory Report. It starts by giving an overview of the human capital of the CBSR on a global scale and then defines the ecosystem of the CBSR with regards to the effort of talent retention, including soft-landing services and possible soft-departure services in the sourcing country.

Later, the report presents a common summary of the policy recommendations from Finland, Estonia and Latvia. Finally, its future regional actions are prioritised by the regional actors before their suggestions regarding what should be taken further in order to develop our regions so that they can become truly international and attractive for international talents in today's global economy are stated.

The policy recommendations in this report are not end results. They are just one stage of an on-going process and hopefully they serve to inspire the regions to take the issue further. The significance of the talent retention issue is growing by the day and the Expat-project hopes that the recommendations and established

contacts and networks cemented during the project will continue to live and flourish.

Based on the findings of the Expat-project, our future will be prosperous if we cooperate with each other, not only at the local level but also at the cross-border level. Through joining our forces, there is strength and the possibility for us to grow.

## **Acknowledgements**

This report has been made by the Expat-project: Innovative Services for Internationals – Easier Access to the Central Baltic Sea region, which is an ERDF project funded by the Central Baltic Interreg IV A Programme 2007-2013. The Expat-project studies the development needs of the Central Baltic Sea regions from the viewpoint of human capital as regional competence regional talent retention.

We would like to sincerely thank the funding programme for generously providing the Expat-project with the funding resources necessary to conduct its work. Without funding, it would not have been possible to achieve what we have done. And, most importantly, we would like to extend our deepest gratitude to all the people who have contributed to the Expat-project's work, including stakeholders, individuals, institutions and especially the expats who have expressed their wishes for the future development of the talent retention service in the region.

We hope this work helps the Central Baltic Sea Region become a welcoming and inclusive society.

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**CULTIVATING THE HUMAN CAPITAL OF  
THE CENTRAL BALTIC SEA REGION**

Human capital is a decisive factor for both the Central Baltic Sea Region (CBSR) and Europe if they are to succeed in today's global economy. During the process of internalisation, Europe and the CBSR need to harness the full potential of the international talent<sup>1</sup> (hereafter referred to as expats) available in the regions and cities in light of strong global competition.

Based on Richard Florida's theory, countries with a high level of human capital grow quickly. People attract people and human capital produces positive knowledge

externalities that spill over into the economy. Therefore, urban development and policy which brings creative people together will spark news ideas, new innovation, attract new companies and therefore build strong clusters and strengthen the economy. This can be seen in the tables below, where the global migration flow 2000-2005 is presented alongside Richard Florida's illustration of how economic activity spikes globally. It could be argued that there is a strong correlation between migration and economic prosperity.

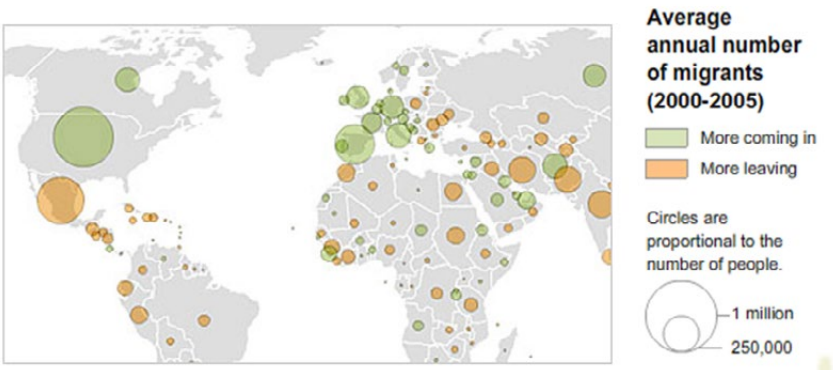


Figure 1: UN population Division and the World Bank 2005



Figure 2: Economic activity in a spiky world, by Richard Florida

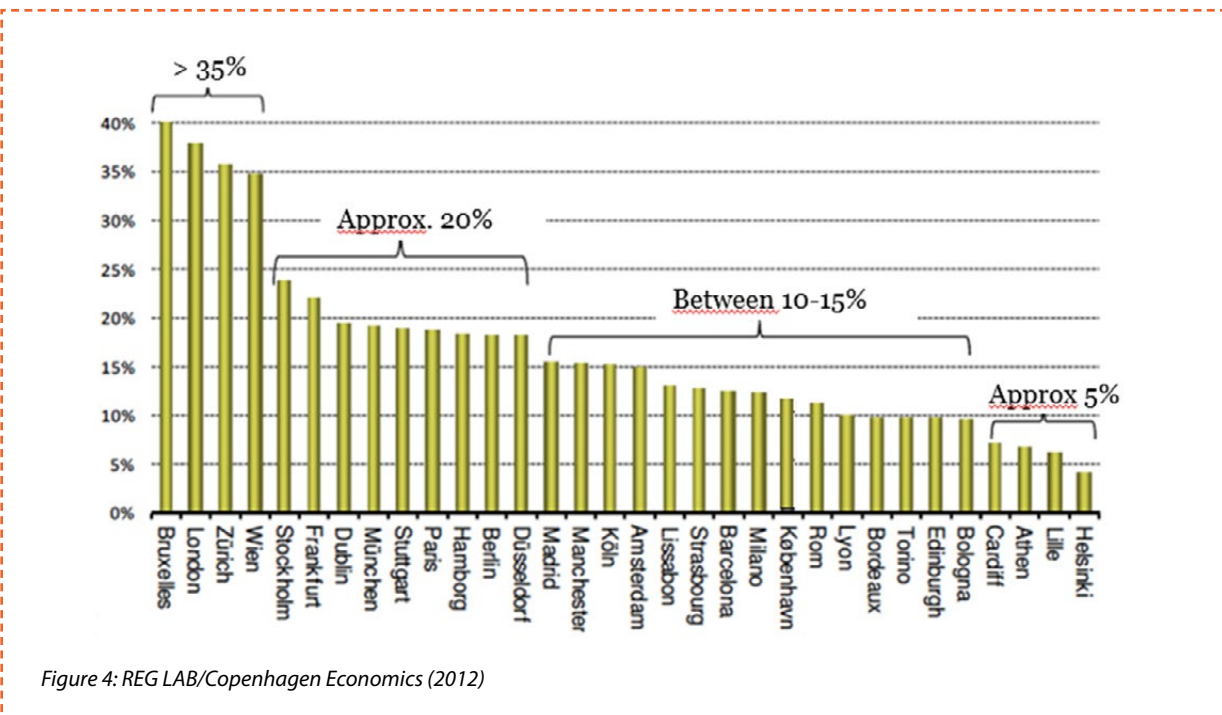
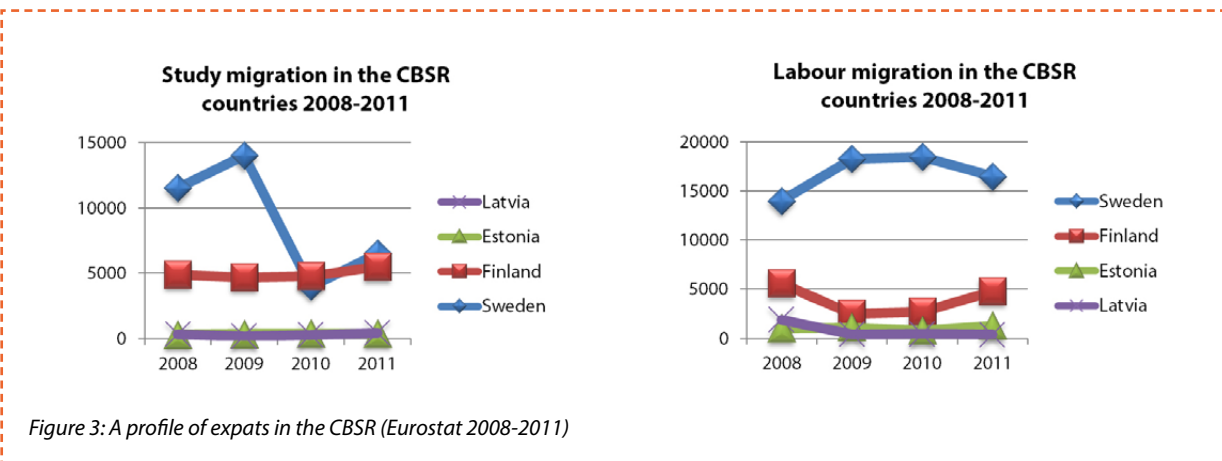
<sup>1</sup> 'Expat' refers to international knoweledge workers who are professionals, job seekers, students and academics, as well astheir spouses and families who are already in or planning to come to our region.

## Challenges faced by the CBSR

In order for the CBSR to become competitive in a globalizing world, the countries supported by Richard Florida must emphasise the building of a knowledge-intensive economy. The size and resources of the area cannot compete in a production-concentrated economy. The main challenges for the CBSR are attracting and retaining highly educated people. As the figures below show, this clearly does not correspond to today's situation. Looking at the statistics regarding foreign students and labour migration, there is clearly a flow of expats into the area. However, when examining the

share of international knowledge workers in the EU metro regions it is clear that the area is unable to fully exploit the opportunity it has to build a knowledge-based economy.

According to the statistical figures from REG LAB in Copenhagen, most European metro regions host a high share of international knowledge workers. Of the CBSR regions, only the Stockholm region is listed as having more than 20% of international knowledge workers employed in their region while Helsinki, with nearly 5%, Riga and Tallinn are not listed on the chart. In fact, only Sweden and





Finland have more immigration than migration; in Latvia and Estonia the opposite is true. However, even though Finland has a positive immigration flow, it is still lacking the capability to exploit the knowledge workers of this international population, according to the argument laid out by REG LAB.

In conclusion to this brief introduction, it is clear that the CBSR needs to react and act on the issue of its attractiveness to expats in order to maintain and increase its competitiveness in the global economy. Therefore, the issue of talent retention and attraction should be high on the agenda of the CBSR – as explained in the Expat-project.

### ***The institutional role of soft-landing actors in an expat's integration process***

In order to welcome and accommodate expats who come to the CBS regions, the ideal situation in the field of soft-landing services would consist of a well-considered policy and services which include an expat's integration experiences. An inclusive society is a place where its citizens can be what they want to be socially, politically, culturally and economically; and the conditions should be the same for its citizens regardless of their backgrounds.

In order to gain a holistic understanding of the services needed to help expats settle in, the Expat-project has applied Maslow's needs of hierarchy in its research activities, including a questionnaire survey, workshops and interviews. The precondition is that a welcoming and inclusive region is a place where expats can fulfil their different levels of needs corresponding to the Maslow's hierarchy of needs. The service includes a service pack and social networking opportunities and begins with assistance with basic formalities, accommodations, etc., and concludes with possibilities of self-actualisation, recognition and the feeling of belonging to the new, even if temporary, home country.

Therefore, the governmental and non-governmental institutions, based on their functions in the immigration ecosystem, are viewed in the following fashion:

#### ***Basic needs***

By and large, regardless of which level of the hierarchy a newcomer has reached prior to emigration, once they move to a new country they are pushed by various factors toward the bottom of the hierarchy. To start from scratch, services or conditions are needed to fulfil the basic needs of internationals, namely physiological safety needs, is the entry stage to the integration process. The settlement

service, police and administrative services provided by the state government and the general municipal services, including housing, schooling and so on, are able to meet these two needs. Language has been seen as a barrier to both the internationals and the service providers if there is no sufficient resource or capacity dedicated to internationals. The other related issues emerging from the safety needs are physical security and financial security, with the former concerning a possible physical threat to visible minorities due to racism, as well as income insufficiency.

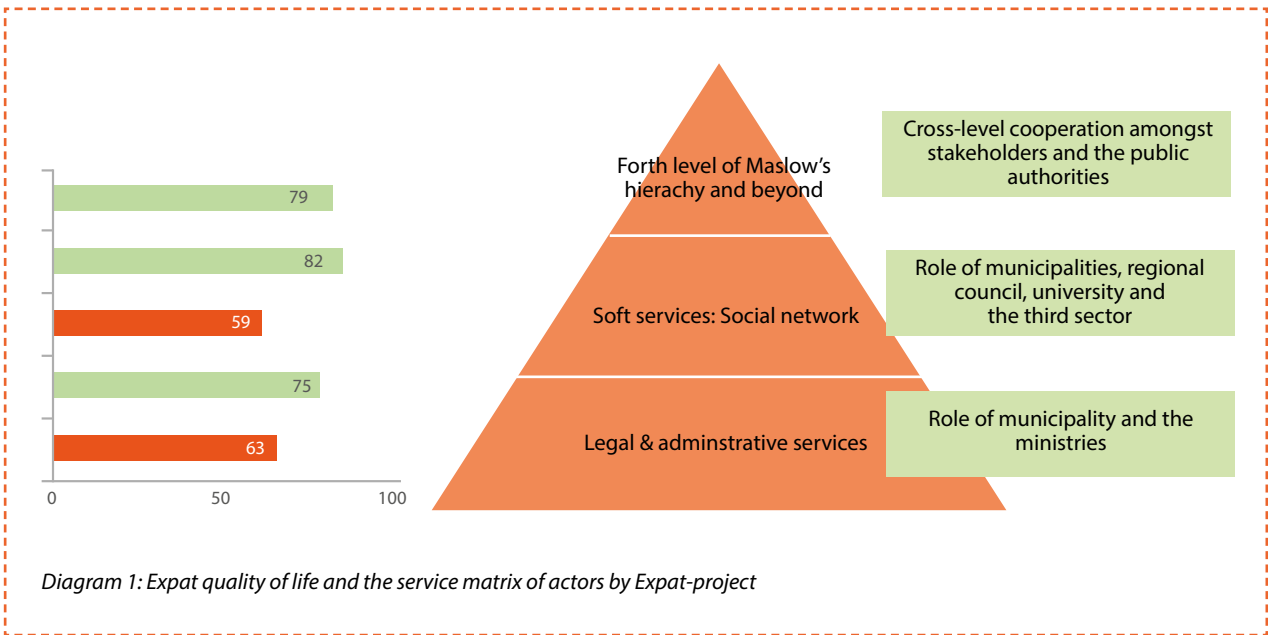
#### ***Psychological needs***

Moving up the hierarchy pyramid, the next level represents the need of internationals to belong on a social level. The desire of belonging to a community derives from family, a social club or the society. Through the establishment of belonging, the internationals will easily find support and respect from their international peers. However, outside the liked-minded or family community, it's the workplace and public attitude that constitutes the international's perception of him and therefore how he values his presence in the society. On many different levels of immigration strategies, social integration has been prioritised. It generally focuses on employment, language learning and the possibility for the internationals to maintain their own culture, meaning the national clubs could receive funding from the Minister of Education and Culture, local municipality or other culture foundations in order to support their operation. But in most cases, these types of national club operate individually and in the interests of its members, and only occasionally interact with the local community.

Based on the outcome of the Expat-project's questionnaire, the social needs of expats have been graded poorly, and critical reasons for this include poor connections with the local community, racism towards visible minorities and cultural identity. There is also a clear need to improve this level of service and to achieve this requires better coordination amongst the actors.

#### ***Self-fulfilment needs***

Once all the previous goals have been met, the hierarchy moves toward the highest level: self-actualisation. On the self-actualisation level, the individual focuses on what matters most when defining who they truly are. From an expat's point of view, he must be highly appreciated by the local community – whether that may be the local



society appreciating the culture the expat represents or his employers advocating the value, networks and expertise the expat has brought with him. In a society where expats can generally feel that they can be what they want to be, it requires the society to accept the expats as who they are. To reach this, a change in attitude should be on the agenda of the actors, but to succeed it will require a fully-functioning system where expats are truly welcome in the society.

**Working towards an inclusive region - the talent retention service model**

While evaluating the attractiveness and livability of the Riga, Tallinn, Tartu, Helsinki and Turku regions to the expats who live in these areas, the first and most important observation is that, despite the significant differences in size and characteristics among these regions, the identified obstacle preventing them from settling in every region was, more often than not, social integration. A lack of local networks and social events, as well as a weak sense of belonging to the local community, hinders the integration of expats.

The Expat-project studied and visited two pioneering expat regional models based around the Baltic Sea,, in Amsterdam/The Hague and Stockholm, and one ultimate pioneer region, Toronto in Canada. The idea of creating a benchmark was conceived in order to give "expat communities" new development ideas and allow them to learn different ways to develop service models

for expats and explore possible ways of developing new service models in each of the partner regions. This task was challenging, as the complexity of the immigration ecosystem of each region had to be taken into account. However, a number of guidelines have been established and some common ground found, – including cooperation among different actors who are working with these immigration issues and cooperation among the society, the aforementioned actors and the expats themselves. The proposed future development of the CBS regions is based on the very idea of cooperation and utilizing the existing networks.

**Needs driven**

All of the studied models have been developed on the basis of regional needs. While observing the development of these models, the initial ideas behind these services usually seem to be driven by the expats themselves. In most of the services identified by – the Expat-project in the partner regions, at least when it comes to social networks and connections, are managed and developed by the expats themselves. The Stockholm Global Expat Centre and Hague Access models, for example, are originally informal expat networks which have been turned into formal expat services that involve public officials. (See separate study reports about benchmark models).

The needs of internationals have been studied in many statements in recent years. The results are always region-specific but universally, or at least within the CBSR,



the following areas need to be placed under careful review when developing expat services:

1. Language study possibilities during different stages of expatriation
2. Spouse support
3. An expat officer who can provide help
4. Social and professional networks

All of these identified challenges can be simplified and solved through service development and coordination. It has been noticed during the Expat-project that many services and networks for internationals exist but that finding them is not easy. The developed Expat-platform, devised by the Expat-project, could support the coordination and promotion of an expat centre and deliver the information to expats in a more customer-oriented way. However, creating an image of an expat-friendly region and developing the competence of the region to capitalize on the available expat work force in the region are considered to be the area's major challenges at present. Studies show that employers are often totally unaware of the possibilities of using regional internationals as internationalization experts.

***The future of the cooperation: utilising the fourth sector***

The fourth sector is a rather new concept to the CBSR. *Its main idea is to pursue social purposes while engaging*

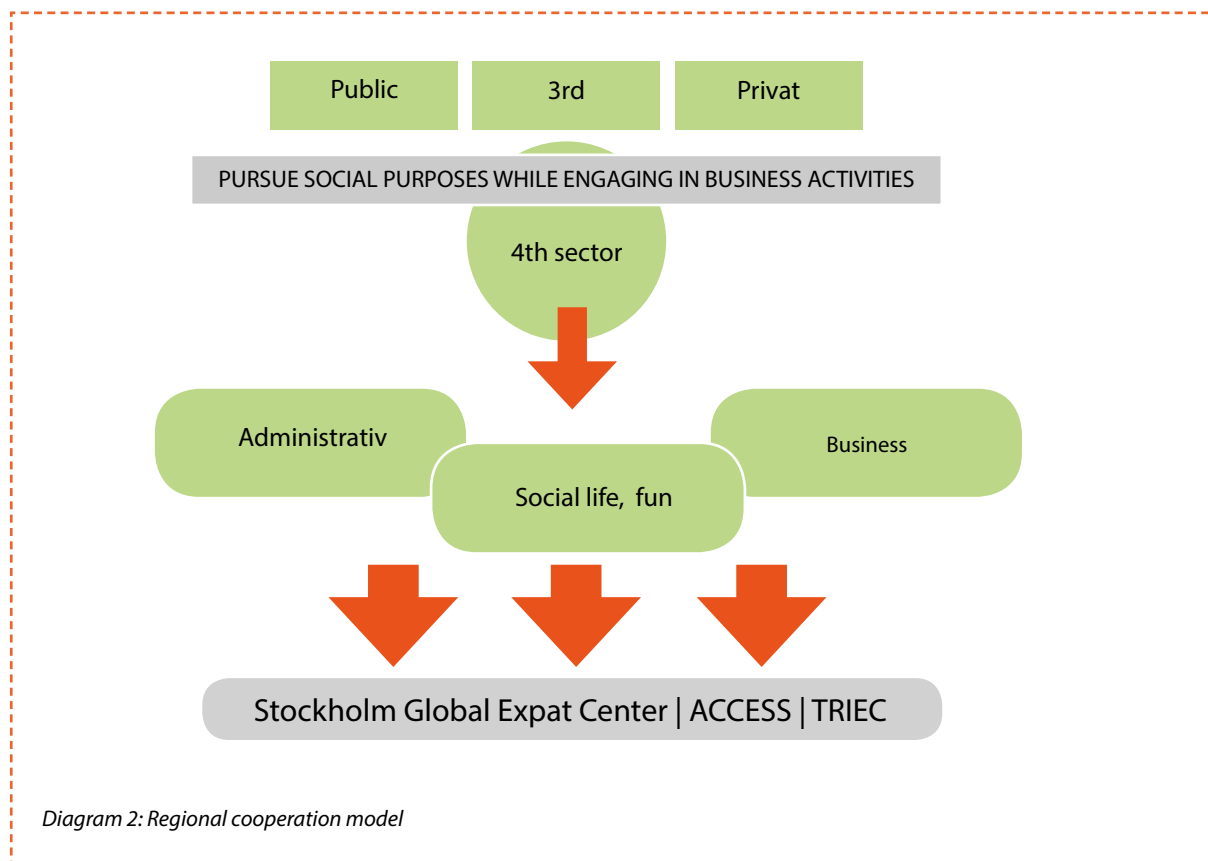
**Common approach among**

Stockholm global expat centre  
Amsterdam Expat Center,  
Hague International Center and  
Toronto Region Immigrant Employment Council

They all

- Recognise and embrace the value that expats bring to the society.
- Have a dedicated political will and immigration policy in place
- Focus on delivering a solution-oriented service
- Work on coordination among actors and the building of a network of networks
- Involve expat communities in the service development and deliverance

*in business activities.* At this point, the definition of the fourth sector is still an open question, and will be further questioned during the development process, but the main difference between traditional service models and the fourth sector is the possibility for NGOs, businesses and public institutions to work together towards a common goal. In the case of talent retention, this would be to serve the international community better, utilise their potential in the local labour market and engage them in community development. It is clear from studying the service models in The Netherlands,



Stockholm and Toronto that they had all included these ideas in their strategies and actions. The utilisation of the fourth sector constitutes two main benefits: 1) income can be divided into funding, profit and voluntary work and 2) the fourth sector institute breaks the silos and amalgamates the best sides and resources from different sectors.

### **Forming a regional service model**

Expat-project's had tried to gather the necessary phases and steps required to start the next development stage related to expat activities in the region. It all starts with the most crucial question: Who **should** be involved, who **can** we get involved and **how** can we get them involved? During the first phase, it's crucial to contact all the different institutions working with international issues and coordinate with them. The most crucial point of development has to do with cooperation between different schools which provide integration services for internationals. Practical problems start with the notion of a lack of information about other institutions and their activities.

The next question then, potentially even before the first phase, is the question of the market. The only

problem seems to be that creating expat services is somewhat creating demand. Expats' needs are so varied that in order to really get to know the field you'd have to start coordinating and working with expats to get the real picture. One of the most challenging issues is contacting internationals. As the networks are so numerous and the big picture is missing, you would have to start from scratch by creating the image of an international community. This is, of course, a huge task and has to be taken into account when budgeting. The Global Expat Centre in Stockholm said that around 150 members as a threshold to run their activities. The amount of potential customers and active customers is always tightly connected to the very idea of the model; even really small quantities can add up to profit if the counseling is done thoroughly with each expat. If this happens, then expats will stay longer and pay more taxes.

The other facts that alter development are competition, the impact of future politics and scenarios in the field. At this point competition mainly means finding out whether the public side is stepping on the toes of relocation companies. The right way would be to cooperate with relocation firms in order to find customers for them and help them find all the activities and networks already working in the region. However,

## Developing a regional model

### Check list

1. Choosing development officials / institutions
2. Analysing the size of the market
3. Competition?
4. The impact of politics on the model
5. Scenarios of future development in the service area
6. Activities (Existing and new)
  - a. Mission statement
  - b. Action idea
  - c. Customers
  - d. Services
  - e. Development work
  - f. Indicators
  - g. Ownership, organisation and staff
  - h. Funding
7. Mission and strategies
  - a. Main targets
  - b. Turnover
  - c. Competitors
  - d. Funding
  - e. Marketing plan
8. Customer targets
9. Relations to other institutions
10. Risks
11. An economic and financial plan
12. Testing of the model



the future of the politics involved is a somewhat difficult task to grasp – in Finland, for example, the discussion regarding the tuition fee agenda is really polarised. Statements show that free education is one of the true reasons Finland is getting skilled immigrants, but still there are scenarios which would involve introducing tuition fees for internationals. That is why the developed model should take into account the fact that the quantity of internationals is variable.

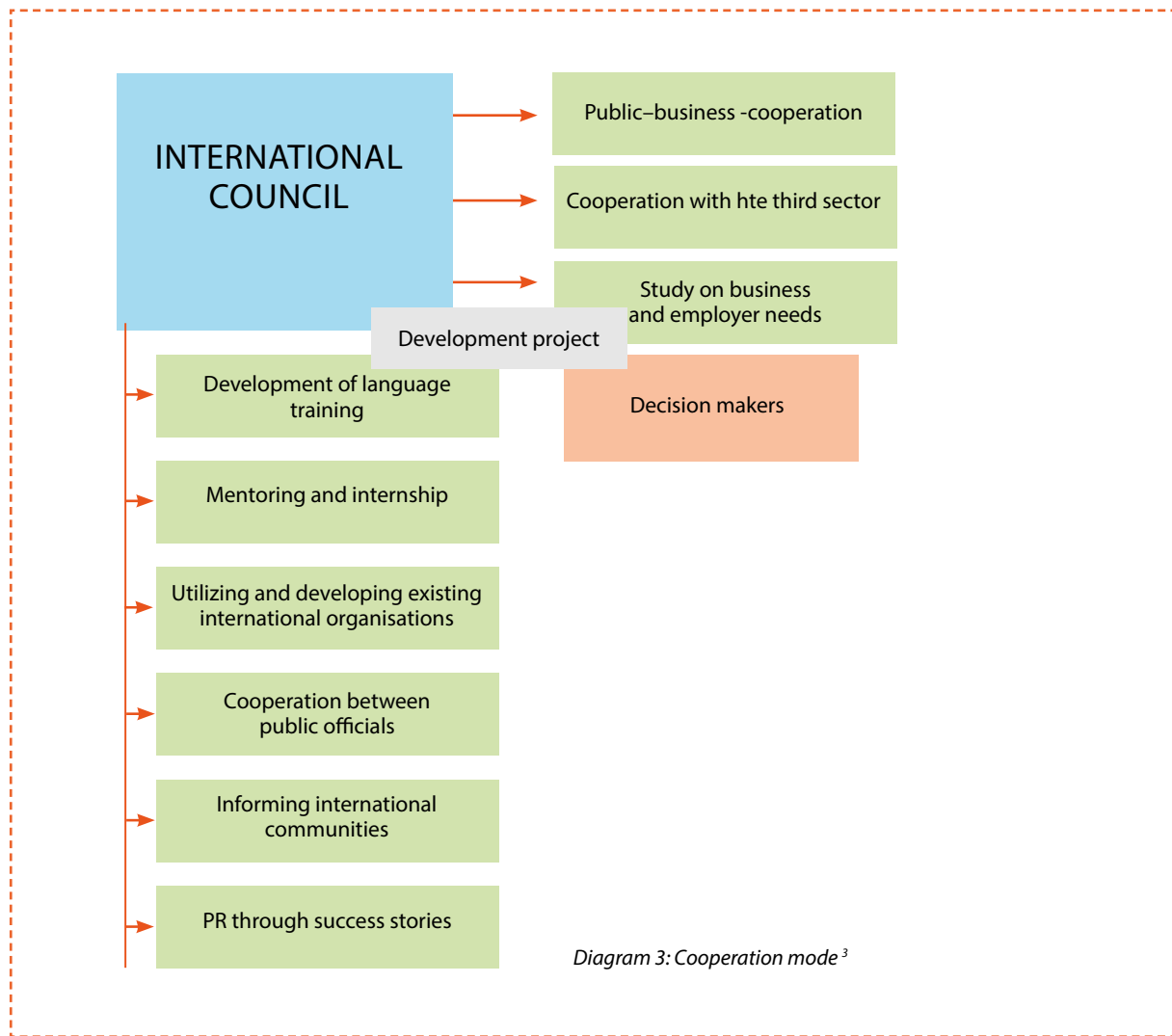
The existing activities should then be examined carefully and any new ideas planned in conjunction with the officials already working in the field. It is crucial to understand each idea's and institution's customer base and targets. Every existing indicator that offers results is a great way of developing new indicators of how to show that the model is efficient.

One of the most important factors in the Expat service model development is the marketing plan. As proven by

the Expat-project already, there's no use in developing services if you can't reach your potential customers. Even though the Expat-project has conducted its studies on a regional level, it is clear that the involvement of ministerial offices also plays a significant role. Would it be possible to develop a way of getting information from the Police, Tax Office or Registry Office in order to get in touch with internationals, or vice versa, to enhance a better interaction and information flow between the expat community and the local society?

### **Future aspects of the Central Baltic Sea regions in expat issues**

To further develop the Central Baltic Sea region as an inclusive and welcoming region for expats requires continuous cooperation among the Central Baltic Sea regions. To carry out the project's recommendations, the



Expat-project suggests that the regions continue the format of international cooperation and organise a cross-border project<sup>2</sup>.

The following diagram is an operational model outline based on a project called HERIEC (Helsinki Region Immigrant and Employment Council) and the lessons learned from the Expat-project. The development of this project would involve several institutions. Taking the Turku region as an example, the organisations involved in the development of this service platform are: schools with international students (from universities to adult education), the Chamber of Commerce, the Migration

Institute, regional state authorities, NGOs, Turku City Council, Turku Development Centre, and different existing immigrant services, etc.

Practical development areas would be language courses and their coordination, cooperation with businesses interested in internationalisation and international students associations, and the cooperation between international organisations. Practical new ideas involve mentoring models for different international groups – for example, in Turku there is a mentoring programme for expat women but not for men.

<sup>2</sup> CB money has been proposed so that peer comparison and further benchmarking could be possible.

<sup>3</sup> The implementation of the model requires separate positions for a development manager and a project coordinator in a regional institution as well as partner agreements with regional institutions and actors.

### **Risk: stakeholder commitments and trust**

The idea of the plan is to give a structure to the building and developing of the international community in your region. The flagrant and toughest obstacle to overcome is the risk that the stakeholders will not commit to the development work. This is not so big a risk that the stakeholders would not be willing to commit but rather a question of finding enough resources for every stakeholder to be able to work in the different stages of the project. Another definite challenge is to find a neutral enough partner to manage the work so that partners feel that there's no hidden agenda.

Overall, the project plan should be carefully designed with possible partners in order to commit different actors to the work. The most important tasks are to create the neutral office, hire officers already familiar with the expat field in the region and make sure the office knows who to contact in different situations. This field of development is highly dependent on silent knowledge.

As already mentioned, the quantity of customer is not the main risk. Projects are meant to test ideas and even small streams add up in this field. If the project can convince even a couple of expats to stay longer it's easy to estimate the savings in tax, consumption, image of the region, etc.

### **A pre-departure service in sourcing countries**

During the process of migration, big challenges arise for the expats trying to settle in their new country, due to the lack of knowledge of the new country and expectations not corresponding to the reality they meet there. These problems could be reduced by acquiring better pre-departure knowledge about the new country. This challenge has been a major topic and the Expat-project made the effort to visit Shanghai, Seoul and Tbilisi (Georgia) in order to gain an overview of the available services that support potential immigrants' soft-landing in the Central Baltic Sea region.

These three field studies were limited to the investigation of the official information providers, and, in the case of Georgia, also the target groups. Interviews were conducted with the official organisations from the CBSR countries in place there.<sup>4</sup> Based on the interview

results, the findings are focused on achieving better information delivery to the potential immigrants and promoting cooperation among actors in the sourcing countries.

In conclusion, with regards to the distribution of information from the interviewees' point of view, the supply of information is not a problem. But as the general setting of strategy and target group for the services, most of these organisations in Shanghai or Seoul are serving companies. In the case of Tbilisi, the potential information providers are mostly embassies belonging to the CBSR countries, thus their range of services is rather limited.

There was not much information directed towards the individual migrants. However, in the case of Shanghai and Seoul, information targeting incoming students has been activated online through websites or social media by alumni networks or governmental bodies that are trying to assist students who are coming to study in the CBSR. In the case of Tbilisi, students generally use internet search engines and their home universities' resources to look for education opportunities abroad.

To ensure efficient information delivery that can assist incoming immigrants who move to the CBSR, it has been suggested that the regions should aim to have more tailored information for individuals and take advantage of innovative information channels. This could be put into practise by making the CBSR countries join forces.

In terms of cooperation amongst CBSR actors in the sourcing countries, in Shanghai, Seoul and Tbilisi the actors deem cooperation very useful and the different organisations cooperate with each other to a great extent. Although cooperation is fairly common, it happens mainly within organisations of the same nationality. When it comes to actors' attitudes towards cooperation with other CBSR actors, it varies considerably - from the opinion that cooperation between the countries is absolutely essential to an attitude of "we will lose, the other will gain".

While evaluating the potential for future cooperation, some local organisations list actual obstacles for cooperation - for instance, the cooperation may be watered down by compromises or complicated project coordination. There is also a sense of competition between the countries, which most interviewees pointed out, but opinions differ when it comes to whether or not

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<sup>4</sup> The information and support given to an assigned foreign employee from his employer and from relocation companies were not looked into during these studies, nor did the project investigate a migrant's personal opportunities, skills or the motivation required to prepare him for moving abroad.

competition should prevent cooperation. To promote a fruitful cooperation among CBSR actors in the sourcing countries, it is clear that a “national political agreement” would make the goal of cooperation legitimate.

Based on Maslow’s hierarchy of needs, migrants form attitudes, perceptions and expectations of a new country in the pre-migration stage. A cognitive preparedness, as well as a familiarity with the new language, would lower the stress levels of the migrants and shorten the adaption process. Successful integration into the new country has two sides that work together: “soft-departure” with a pre-departure service before leaving, and “soft-landing”, which uses the services described in the previous chapter. In order to make the soft landing services as efficient as possible, they should be complemented by a soft departure service prior to the relocation to the new country.

### ***The CBSR joining forces: Distributing PR materials in the sourcing countries***

As for PR material, at least in the case of Finland and Sweden, there is an abundance of information and PR material already available via the Internet. Therefore, there is no need to recommend the production of new material. The recommendation would rather be to translate relevant parts of the available material into the languages of the most important source countries. Such a measure seems rather obvious, but in fact the comprehensive information available on the websites is only occasionally translated. This more or less goes for all the CBSR countries, but during this study we have identified the official Estonian and Latvian websites as the most urgent cases as they both need to be translated into Chinese and Korean.

Furthermore, the information providers could, to a higher extent, consider such information channels as networking and personal meetings, and hence be more focused and directed towards the identified target groups. This implies more project-based work (such as exhibitions, delegation visits, campaigns, etc.), which may perhaps be limited in time and scope, and the use of more innovative information channels. However, short-term activities should be based on more permanent cooperation platforms in the source country. Again, it is

not new information material that needs to be produced, but rather new ways in which the available information is spread. Since this is more resource-consuming than publishing information on websites, this kind of PR would preferably be a matter of joint action and collaboration between the CBSR countries.

### **A very simple model for cooperation would include**

*- the foreign ministries of the CBSR countries announcing a statement in which they advise the official bodies located in the source countries to collaborate.*

The embassies and consulate-generals are ruled by their foreign ministries, and it has to be clearly articulated that it is not only allowed but also desirable that the governmental bodies representing the separate CBSR countries collaborate. It goes without saying that sensitive areas of national security, defence etc., have to be excluded from cooperation.

*- the foreign ministries specifying focus areas within which this collaboration should take place.*

These focus areas would be the basis for coordinated actions between the CBSR bodies at place in the source countries. It may be neither desirable nor meaningful that the local organisations cooperate on a general level; what we are talking about here is cooperation focused on specific areas which are both limited in time and run in the form of a project. It is as important for the ministries to govern and point out what is important in the CBSR countries as it is for the local organisations to understand for what purpose they should collaborate and what is to be achieved in the home country.

Possible focus areas could include attracting students and researchers to CBSR universities, or attracting, for instance, ICT or Life Science company establishments.

*- the local organisations at place in the source countries forming an action plan involving projects based on these focus areas*

The joint actions would be coordinated within specified cooperation projects formed by the local organisations at place. The cooperation projects would thus be based on the local conditions, already known by the organisations at place, but deal with the topics identified as most urgent to the CBSR countries.





POLICY RECOMMENDATIONS  
OF THE EXPAT-PROJECT

ΕΥΑΥΧΕΡΑΔΕ

## **Summary of the policy recommendations for the CBSR**

- 1. Bring the issue of labour immigration to the forefront of the political agenda**
  - 1.1. Develop clear governance and cooperation among stakeholders.
  - 1.2. Set up a priority system for expats' employment and integration support in immigration policy and services.
  - 1.3. Increase the cultural intelligence of the society and champion the success story of expats by enabling the actors to carry out the actions.
- 2. Utilise social networks as a pathway to social and professional integration**
  - 2.1. Improve soft-landing information accessibility and visible expat services through the establishment of an Expat Liaison Officer/Office (ELO) in the region.
  - 2.2. Employ a digital service to improve communication efficiency and further develop the Expat virtual platform of social networks and unpagged e-governance service.
  - 2.3. Support the third sector and exploit the fourth sector as part of social and professional integration services.
- 3. Extend the service network in talent retention-CBSR and Europe in joint forces**
  - 3.1. Promote cooperation and the establishment of a joint representation of governmental agencies or consulates of the CBSR, so that they may provide soft-departure services/information to individuals in the sourcing country.
  - 3.2. Prioritise expats' welfare in policies and monitor the progress regularly.

## **Stakeholder feedback on the policy recommendations**

Based on the results of Expat-project workshops, survey and studies, sets of policy recommendations were developed for the Helsinki-Uusimaa region and the Region of Southwest Finland on a regional level and for Latvia and Estonia on a national level.

Despite the disparities between the immigration policies and in the quantity and quality of the existing soft-landing services from the Expat-project partner countries, the common goals which unite the regions of the CBSR are:

1. the recognition of the importance of labour immigration to the competitiveness of its economy and growth
2. a holistic approach to developing immigration policies and services
3. the ability to take soft-departure into account while developing talent attraction strategies. Under each headline, the regions must follow these concrete action points to achieve its goals.

From the joint policy recommendations, the local stakeholders from the Helsinki-Uusimaa region, the region of Southwest Finland, Tallinn and Tartu have prioritised immediate action for their regions through their participation in opinion voting. Priority actions for each region are as follows:

### **Priority actions in the Helsinki-Uusimaa region**

In order for the region to best retain and utilise the talents available in the Helsinki-Uusimaa region, the local stakeholders suggested that the following primary actions should be taken:

1. The establishment of an Expat Liaison Office or Officer in the region
2. Develop a priority system for expat employment and social integration support
3. Increase the cultural intelligence of the society
4. Support the third sector and exploit the fourth sector as part of social and professional integration services.



### ***Priority actions in the Region of Southwest Finland***

The stakeholders in Turku suggested the following actions to ensure the further development of the region's competence with regards to the talent retention issue:

1. Increase the cultural intelligence of the society and champion the success stories of expats by enabling the actors to carry out the actions
2. Develop a priority system for expat employment and social integration support

### ***Priority actions in Tallinn***

The stakeholders in Tallinn prioritised the following actions for Tallinn

1. Increase the cultural intelligence of the society
2. Employ a digital service to improve communication efficiency through the further development of the Expat virtual platform of social networks and unpagged e-governance service

3. Develop a priority system for expat employment and integration support in immigration policy and services

### ***Priority actions in Tartu***

The stakeholders in Tartu believe that the following actions will improve the region's talent retention capabilities

1. Develop a priority system for expat employment and integration support in immigration policy and services
2. Increase the cultural intelligence of the society and champion the success stories of expats by enabling the actors to carry out the actions,
3. Improve soft-landing information accessibility and visible expat services through the establishment of an Expat Liaison Officer/Office (ELO) in the region



## Policy recommendations by countries

### FINLAND

The policy recommendations for Finland are summarised from the respective regional policy recommendations of the Helsinki-Uusimaa region and the Region of Southwest Finland and highlight suggestions for improvement in the following areas: 1) information accessibility, 2) social connection, 3) employment, 4) champions

#### **Improve soft-landing information accessibility**

To summarise the service matrix in the Helsinki and Turku regions, the settling-in services, networks and advisory services in the Helsinki region cover many expat needs but the customer's awareness of the existing services varies a lot. Therefore, targeted events and innovative tools that reach out to the internationals should be presented in a user-friendly way. Even though at present it is not clear whether social media can be seen as an official channel of public service communication, the possibility to offer social media as a platform and a public service should be investigated.

#### **Recommendations:**

- Better coordination of information so it is available for talented expats and service providers
- Easy access service point: a one-stop-shop which covers administrative and advisory services
- Promotion of the city service in general

#### **Empowering integration through social connection**

Expats have graded their social connections to the community poorly, meaning they feel left out of the society. While reviewing the service matrix of the Helsinki region and Turku regions, it became apparent that the social needs sector is also an area in which the public is rarely involved. Most services and activities are initiated on a voluntary basis and, in addition, there are also social entrepreneurs who are eager to contribute to the public good. But, in most cases, their life span was short and the scale marginal. It would be worthwhile for the public authority to investigate whether services that improve an expat's social connections could be organised in a more sustainable fashion and if they could be integrated into the region's public services. For example, the Access from The Hague International Center, which was the voluntary host at The Hague International center, is supported by the City of The Hague.

#### **Policy recommendations**

- Supporting an expat networking organisation and the possibility to combine it with public services, as the Hague International Center has done, to create a meeting place for expats
- Increasing expat interaction through hobbies and sporting services to the local sports club and leisure time groups are in place

- Matching marking between the expats and the companies for specified themes
- A welcome package in a relevant language for expats
- Expanding the Welcome Weeks concept. Promote welcome events organised by the cities and a welcome café by run by the resident city

### ***Leveraging over the glass ceiling: integration support in employment opportunity***

During the workshop, the common challenges for working expats included the possibility to learn Finnish and life-long learning. In addition, the lack of professional networks also seemed to hinder their career development. While in Finland, integration plans and services are only provided, by the Employment Office, to those who are unemployed. A working expat's exposure to a language training course or professional training course largely depends on the employer's company policy.

#### **Policy recommendations:**

- Integration support for working expats should be offered in an equal manner in order to create a life-long learning opportunity
- Recognition of the professional qualifications of talented expats
- Advanced Finnish courses for working professionals and international university students

The rather poor labour market position might be due to either a lack of human and social capital or discrimination and in Finland it appears that both of these components play a role. On the one hand, despite educated immigrants bringing their professions with them, their experience was hardly recognised. And they do not have a social network, which would offer them information about the labour market and jobs. On the other hand, discrimination exists in Finland and negative attitudes towards foreigners are still relatively common.

#### **Policy recommendations:**

- Develop a smooth employment bridging programme designed for expats and international students to help them land their first job in Uusimaa.
- Support employers so they can develop the capacity to employ and accommodate the expats
- Set up a labour union for professional expats
- Support and develop the existing professional networks for expats, such as Otaniemi International Network, InterNation Helsinki and so on.

- Information regarding traineeships, voluntary work and employment should be better channelled to the expats in a customer-oriented manner.

### ***Championing the success – a positive expat image in the making***

Immigration is increasingly referred to as one of the solutions that will sustain and enhance the growth of the Finnish economy in governmental strategies and policies. The topic itself remains controversial and negative in the public debate for economic and political reasons. In light of the labour shortage in Finland, and for global competition reasons, it is necessary to take measures to create an open and rational dialogue where positive images and expat success stories are recognised within the society. In order to remove the barriers, stereotypes and even discrimination from an expat's daily life and working life, the cultivation of cultural intelligence should be on the agenda of governmental immigration programmes which receive funding support.

#### **Policy Recommendations**

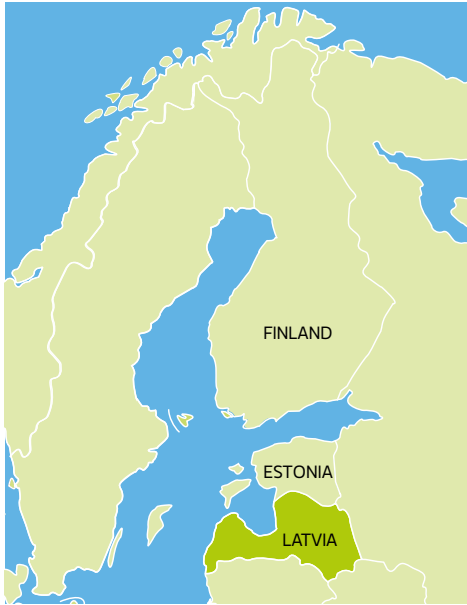
- Create a green light for skill immigration with regards to wellbeing and specify guidelines for implementation
- Support Expat PR initiatives and allocate funding to them
- Involve existing actors and initiatives and investigate the possibility of setting up a multi-level stakeholder working group
- Include mandatory cultural intelligence training for employers in labour policy

### ***Setting the compass: a regional immigration programme in need***

Based on the project work, it is clear to the internationals that there are already some services available from the governmental, municipal and third sectors, but they lack a common approach and coordination. For the region to benefit from the inflow talents, it is necessary to navigate the immigration issue using a common platform for actors and this should be achieved through policy and an active working group. The immigration policy should take into account the variable reasons for moving to the region and assist the actors in sharing the knowledge and sources together.

#### **Policy recommendations**

- Set-up a "labour migration" working group at the regional level, where the aspects of an expat's social integration could be discussed and developed.



## LATVIA

Latvia is the lowest performer, when it comes to factors that attract highly skilled immigrants, compared to Estonia, Finland and Sweden. The importance of foreign knowledge workers has not been acknowledged on the political agenda, meaning a number of services are not sufficiently developed – including both immigration formalities and social integration services.

In order to attract more knowledge workers, Latvia should develop a focused migration policy. The country should also make its economy more appealing to highly skilled immigrants by providing better services to ensure that they stay in Latvia and contribute to economic growth. Governmental, municipal, educational institutions, private organisations and NGOs all should be part of this effort.

The following recommendations have been developed for the various groups of stakeholders operating at various levels of decision-making related to the attraction of knowledge workers and students:

### 1. Public institutions (governmental bodies)

- 1.1. To highlight the importance of the incoming talent to the national economy
- 1.2. To provide focused services for international talent
- 1.3. To improve the quality of services provided by

Latvian embassies to potential skilled immigrants and students

- 1.4. To improve the marketing activities of Latvia in source countries
- 1.5. To improve the quality of services related to receiving residence and work permits in Latvia
- 1.6. To develop social networks directly targeted at expatriates and provide them through a private-public partnership
- 1.7. To widen the number of languages in which governmental services for incoming skilled immigrants and students are available

### 2. Municipalities

- 2.1. To develop public services directly targeted at expatriates at the municipal level
- 2.2. To improve information and advice regarding safety issues for immigrants
- 2.3. To provide focused services for international talent
- 2.4. To develop social networks directly targeted at expatriates and provide them through a private-public partnership
- 2.5. To widen the number of languages in which municipal services for incoming skilled immigrants and students are available

- 2.6. To improve the availability of information for incoming knowledge workers and students regarding gathering places where they can meet locals and attend local/national events
- 2.7. To support events where expatriates can share their culture with local people

### **3. Directly involved stakeholders (e.g. education institutions)**

- 3.1. To develop study programmes in English
- 3.2. To provide focused services for international talent
- 3.3. To widen the number of languages in which services are available to incoming knowledge workers and students
- 3.4. To provide more information for foreign students in English
- 3.5. To improve the availability of information for incoming knowledge workers and students regarding gathering places where they can meet locals and attend local/national events
- 3.6. To organise and support events where expatriates can share their culture with local people

### **4. Private enterprises providing paid relocation services**

- 4.1. To widen the number of languages in which services are available
- 4.2. To develop social networks directly targeted at expatriates and provide them through a private-public partnership

### **5. NGOs and informal networks**

- 5.1. To organise and support events where expatriates can share their culture with local people
- 5.2. To widen the number of languages in which services are available
- 5.3. To improve the availability of information for incoming knowledge workers and students regarding gathering places where they can meet locals and attend local/national events



## ESTONIA

### 1st recommendation

In addition to Estonia's lower salary level, compared to other EU countries, one of the obstacles encountered when recruiting skilled labour in Estonia is the deficiency of support services throughout the migration process and its adaptation, including adaptation programmes and functioning support networks<sup>5</sup>. The project has shown that one of the major reasons for this is the lack of coordination - the authorities are engaged in their field and comprehensive coordination does not take place. Coordination is absent and the roles of state, local governments, the private sector and the third sector is not agreed.

**Recommendation:** Designate one state agency to coordinate the policy, under whose leadership the roles of the parties involved in implementing the policy will be agreed upon.

**Action Point:** Either the Ministry of Economic Affairs and Communications (business policy), the Ministry of the Interior (migration and local government policy) or the Ministry of Culture (integration policy).

### 2nd recommendation

The project has shown that the second important reason for this is the lack of a comprehensive policy - the authorities are dealing with their own field and there is no united approach.

**Recommendation:** An overview of the field and, if necessary, an action plan should be prepared under the leadership of a policy-coordinating state agency.

**Action Point:** A policy coordinating state agency.

### 3rd recommendation

The project has failed to actively involve local governments; also, the survey shows that local governments do not deal with the policy.

**Recommendation:** The State, in cooperation with local governmental associations, should carry out an information campaign which introduces a policy area. The goal is to create an understanding, at the local government level, that professionals arriving in Estonia

<sup>5</sup> Hereafter, we refer to a policy area dealing with support services for migration process and adaptation, including adaptation programmes and functioning support networks, as "Policy"



are above all local residents, and that the developments related to them should be reflected in local government development and action plans.

**Action Point:** The Ministry of the Interior (local government policy) and local governmental associations.

#### **4th recommendation**

The project study showed that the necessary sources of information that introduce Estonia as a destination country, including adaptation information, are not sufficient. The study showed that the main sources of information for immigrants are friends and web-based forums.

**Recommendation:** Increase the state and local government's role as a provider of information and implement "a single gateway" project. Furthermore, a support system of volunteer individuals should be established.

**Action Point:** The Ministry of the Interior (local government policy) and local governmental associations.

#### **5th recommendation**

The study conducted during the project showed that it is not possible to internally apply for a residence permit to stay in Estonia either to work or continue studying after graduation or a master's/doctoral thesis defence.

**Recommendation:** Amend the Aliens Act and establish a legal basis and the opportunity to apply for a residence permit internally to stay after graduation or a master's/doctoral thesis defence in Estonia.

**Action Point:** The Ministry of the Interior (migration policy) and the Ministry of Education and Science (education policy).

#### **6th recommendation**

The study conducted during the project showed that services which support the migration adaptation processes are not known and that there is no experience when it comes to using e-services.

**Recommendation:** To create a "smart" information channel known as 'm-expat' (either a mobile app or special SIM card), which they can put into operation immediately upon entering the country. This would allow the immigrants with digital certificates on their SIM card to immediately access the virtual residence possibilities.

**Action Point:** Either the Ministry of Economic Affairs and Communications (business policy), the Ministry of the Interior (migration and local government policy) or the Ministry of Culture (integration policy).

#### **7th recommendation**

The study conducted during the project showed that the availability, and level, of Estonian language teaching is not satisfactory – there was even a wish to cancel any language requirement. At the same time, the study showed that expats have difficulty finding local friends, and one reason for this may be the lack of local language skills they possess.

**Recommendation:** To develop and implement language learning programmes for different target groups and ensure that the criteria needed to learn the language is provided free of charge; to create language immersion clubs to allow expats to practice the Estonian language; and to pay a salary to those participating in Estonian language training courses.

**Action Point:** A policy-coordinating state agency, the Ministry of Culture (integration policy) and local governmental associations.

#### **8th recommendation**

The study conducted during the project showed that expats do not have any flexible opportunities to either change employer or work for several employers (for scientific research, writing articles, etc.). There is a lack of trust in both employees and employers, while at the same time the Ministry of the Interior has information about reliable employers as well as employees.

**Recommendation:** To regularly analyse the reliability of employers when using smart foreign labour, and make an overview available online, as well as developing reliable employer regulations and allowing the free movement of employees between these employers without additional restrictions.

**Action Point:** A policy-coordinating state agency, the Ministry of the Interior (migration policy) and the Ministry of Economic Affairs and Communications (business policy).

### **9th recommendation**

The study conducted during the project showed that expats have had difficulties finding suitable kindergarten and school places and child care.

**Recommendation:** To create an information and advisory system designed to help expats apply for kindergarten and school places.

**Action Point:** A policy-coordinating state agency, the Ministry of Education and Research and local governmental associations.



# ABOUT THE EXPAT-PROJECT

The Expat-project (2012-2013) was co-financed by EU Central Baltic Interreg IVA Programme 2007-2013. Its ultimate aim was to make the Central Baltic Sea Region a more attractive destination, a more welcoming region to settle in and a home for international talent.

Human capital is one of the decisive factors that contribute to the high competitiveness of the Central Baltic Sea Region. In today's interdependent world economy, the regions and cities need to cultivate their human capital and work out how best to retain the international professionals available at place in order to maintain and increase their global competitiveness.

While Europe is a relatively attractive destination for highly skilled immigrants, the Central Baltic Sea regions are not benefitting fully from the international talent moving and living here – nor are the internationals benefitting from the opportunities the region should have on offer. The Expat-project addressed the factors that hinder expats' smooth arrival and quality of life in the Central Baltic Sea Region and has developed methods and solutions designed to improve the identified challenges, in order to serve the interests of both the expats and the region as a whole.

The Expat-project conducted various research activities, including the best practices of soft-landing service models in The Hague, Amsterdam, Stockholm and Toronto; three field studies on soft-departure services available in sourcing countries in Shanghai, Seoul and Tbilisi; an online questionnaire regarding the internationals' opinion of their quality of life; and

a pilot development of a virtual service platform for internationals. The project's results are presented in a series of reports that provide the aforementioned benchmark results, as well as analysis and policy recommendations.

## ***Expat-project partners:***

- Uusimaa Regional Council, Finland (Lead Partner)
- Culminatium Innovation Ltd, Finland
- Laurea University of Applied Sciences, Finland
- Turku Science Park Oy Ltd, Finland
- Regional Council of Southwest Finland, Finland
- City of Uppsala, Sweden
- Riga Planning Region, Latvia
- University of Latvia, Latvia
- Institute of Baltic Studies, Estonia
- eGovernance Academy, Estonia

## ***More information:***

[www.expatproject.info](http://www.expatproject.info)

## ***Terminology:***

'Expats' refers to international knowledge workers, students and their families and spouses.

