







# Addressing the Challenges of Labour Migration within the EAEU

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#### **ABSTRACT**

The Eurasian Economic Union (EAEU) is based on the Treaty signed by the leaders of Belarus, Kazakhstan and Russia on 29 May 2014 and came into force on 1 January 2015. Armenia and Kyrgyzstan joined the EAEU in 2015. The EAEU represents an integrated single market of 183 million people characterized by the free movement of goods, capital, services and people as well as common policies in various spheres. Nevertheless, the labour market integration among the five Member States is far from complete and the significant labour migration amongst them remains hampered by various factors that shall be further analysed in this report. The main aim of the report is to assess the efficiency of labour migration and its management within the EAEU and to identify the respective opportunities, risks and challenges for migrant workers.

The resulting policy recommendations propose a simplification of the administrative procedures for migrant workers, the introduction of a monitoring system, the harmonization of the national pension systems as well as an improved access to medical services for migrant workers and their families whose fundamental rights need to be properly protected. The establishing of a dedicated financial instrument and a vocational training program would represent further important steps. In the long term, the establishment of concrete strategic objectives of EAEU integration would be paramount.

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#### INTRODUCTION

The Eurasian Economic Union (EAEU) composed of Russia, Belarus, Kazakhstan, Armenia and Kyrgyzstan<sup>1</sup> has operated since 2015. The Russian Federation clearly represents the main destination country for labour migrants from within the EAEU. In 2017, the country received 377,000 labour migrants from Kyrgyzstan, 232.000 from Armenia, 125.000 from Belarus and 88.000 from Kazakhstan<sup>2</sup>. For comparison, Kazakhstan, being the second important country of destination, received 4.500 labour migrants from Russia, 3.000 from Armenia, 1.500 from Kyrgyzstan and 1.000 from Belarus. Kyrgyzstan has been the main catalyst for a swift elaboration of common migration policies within the EAEU, which will not only shape the (labour) migration processes throughout the region but also determine the further expansion of the EAEU. To date, the EAEU migration policies remain only partial, with the already developed mechanisms not always properly applied.

Assessing the labour migration within the EAEU remains difficult due to the lack of up-to-date statistics. Despite the experience accumulated at national level, the statistical coordination among the Member States in the field of migration is underdeveloped<sup>3</sup>. The website of the Eurasian Economic Commission features some limited statistics on temporary labour migration or educational migration within the EAEU4. Meanwhile, existing studies addressing labour migration within the EAEU have a narrow circle of users and are rarely reflected in the media<sup>5</sup>. In short, both the proper monitoring of migration within the EAEU and the dissemination of the established data require further improvements.

<sup>1</sup> In 2018, Moldova joined the EAEU as an observer country, while Vietnam, Iran, China and Cuba adhered to the free trade zone.
2 State Migration Service of the Ministry of Territorial Administration and Development of the Republic of Armenia; Ministry of Internal Affairs of the Republic of Belarus; Ministry of Education and Science of the Republic of Kazakhstan, Ministry of Health and Social Development of the Republic of Kazakhstan; Ministry of Internal Affairs of the Republic of Kazakhstan (information on the Union member state nationals who stated "employment" as their purpose upon entry); State Migration Service under the Government of the Kyrgyz Republic (has no data after accession of the Kyrgyz Republic), http://www.eura on.org/ru/act/finpol/migration/Pages/statistical\_data.aspx

Website of the Eurasian Economic Commission http://e

Analytical review Labour markets in the Eurasian Economic Union\* http://eec.eaeunion.org/ru/act/integr\_i\_makroec/dep\_stat/econstat/Documents/labourmarket\_2017.pdf; Socio-economic statistics of the Eurasian Economic Union http://eec.eaeunion.org/ru/act/integr\_i\_makroec/dep\_stat/econstat/Pages/population.aspx; Report "Barriers, Seizures and Restrictions of the Eurasian Economic Union" - "White Book" http://www.eurasiancommission.org/ru/Documents/BARRIERS,%20DEROGATIONS%20AND%20RESTRICTIONS%20IN%20THE%20EURASIAN%20 CONOMIC%20UNION%20ANNUAL%20REPORT%202017.pdf

See http://www.eurasiancommission.org/ru/Documents/Forms/AllItems.aspx, e.g. Labour Migration and Social Security of Workers in the Eurasian Economic Union: http://www. iancommission.org/ru/Documents/spreads.pdf

## **OVERVIEW OF RIGHTS OF LABOUR MIGRANTS** WITHIN THE EAEU

Along with the free movement of goods, services and capital, the freedom of movement of EAEU nationals forms an integral part of the EAEU Treaty (Section XXVI)6. The Treaty also provides the freedom to work across the member states and obliges the parties to cooperate on the harmonization of their labour migration policies. It further facilitates the recruitment and employment of EAEU nationals across the Union and ensures the portability of social benefits, health care and pension rights accumulated by the migrant workers. The Treaty also equips migrant workers and their family members with access to free emergency health care, regardless of their insurance status, including their possible evacuation<sup>7</sup>. The mutual recognition of educational degrees and certificates without additional procedures represents another important EAEU provision, as does the free access to education and pre-school institutions on behalf of the children of migrant workers.8

#### 1.1. RIGHT TO TEMPORARY RESIDENCE

The EAEU is currently discussing the possibility of granting migrant workers in possession of a long-term employment contract (minimum of one year) and their family members the right to temporary residence<sup>9 10</sup>. Such solution would bring the following advantages:

- It would improve the registration of EAEU migrant workers, as well as the related statistical coverage at national level;
- It would contribute to reducing the volume of undocumented labour migration, establishing more favourable conditions for the concerned migrant workers;
- It would facilitate the collection of tax, insurance and other payments linked to their employment.

Whereas the EAEU Treaty provides for the freedom of movement of EAEU nationals and their families, for equal and dignified employment conditions, as well as social security on a par with the local population, other important aspects remain unresolved:

- 1. Holders of a temporary residence permit are checked at each border crossing, even though the conditions of their stay did not change;
- 2. Social security (social insurance) for workers temporarily residing in the member states has not been fully implemented and access to medical care has not been harmonized;
- 3. Compared to the local population, migrant workers still face limitations with regards to business activities, financial services, loans or credits.

#### 1.2. ACCESS TO HEALTH CARE

The issue of the access of labour migrants to the medical services in their country of employment has not been fully resolved by the Union. EAEU citizens legally working in Russia, with a valid employment contract and taxes duly paid by an employer, in principle have equal access to the compulsory health insurance (CHI) as Russian nationals. However, the competent authorities neither promote nor distribute systematically

<sup>6</sup> The documents regulating labor migration in the EAEU include: Section XXVI "Labor Migration" of the Treaty on the Eurasian Economic Union and Appendix 30 "Protocol on Provision of Medical Assistance to Workers of the EAEU Member States and Their Family Members'; Agreement on Cooperation in Countering Illegal Labor Migration from Third Countries of 19 November 2010; Concept of the Draft International Agreement on Cooperation in the Field of Pension Security (approved by the Council of the Eurasian Economic Commission on 12 November 2014, No. 103). Documents developed for regulation of pension security for nationals of the EAEU member states: Draft "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States," draft "Agreement between the Authorized Bodies of the Member States on Implementation of the "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States"; Regulations for information interaction on implementation of the "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States" and "Agreement between the Authorized Bodies of the Member States on implementation of the "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States".

<sup>7</sup> Aliyev, Labor Migration and Social Welfare of Workers in the Eurasian Economic Union, 2016, p.10 (

8 Section XXVI "Labor Migration" of the Treaty on the Eurasian Economic Union. Appendix 30 "Protocol on Provision of Medical Assistance to Workers of the EAEU Member States and Their Family

Members': Agreement on Cooperation in Countering Illegal Labor Migration from Third Countries of 19 November 2010; Concept of the Draft International Agreement on Cooperation in the Field of Pension Security (approved by the Council of the Eurasian Economic Commission of 12 November 2014, No. 103).

Speech by O.V. Artamonov, Deputy Director of the Department for Labor Migration and Social Protection of the Eurasian Economic Commission "Labor Migration in the Eurasian Economic Union: Single Labor Market Prospects" at the Fourth Forum of Kyrgyz Compatriots Mekendeshter in Cholpon-Ata, Kyrgyzstan, 8 August 2018, 9 Speech by O.V. Artamonov, Deputy Director of the Department for Labor Migration and Social Protection of the Eurasian Economic Commission "Labor Migration in the Eurasian Economic Union: Single Labor Market Prospects" at the Fourth Forum of Kyrgyz Compatriots Mekendeshter in Cholpon-Ata, Kyrgyzstan, 8 August 2018.

10 The European Union had similar experience when, in accordance with Council Directive 68/360/EEC of 15 October 1968 "On the abolition of restrictions on movement and residence within the

Community for workers of Member States and their families", a special residence permit document was introduced for migrant workers, which was issued and extended under a simplified procedure

— "Residence Permit for a National of a Member State of the EEC" shall be issued (Para 2, Article 4). Further development of integration within the EU resulted in adoption of Directive 2004/38/EC of the European Parliament and of the Council of 29 April 2004, abolishing the obligation to obtain a residence permit and replacing it with a simpler address registration system (Article 8) and a possibility of exercising the right of permanent residence (Chapter IV).

any information about free CHI among the EAEU migrant workers. For their part, the Russian insurance companies do not inform them about the possibilities of free medical care either.

Studies show that migrants from Kyrgyzstan, for example, have little awareness of their right to get CHI in Russia. Whereas the information about free medical services spread rather quickly through the migrant community in the past, this has so far not been observed concerning CHI<sup>11</sup>.

Overall, the access to medical services is not equal across the different EAEU Member States. There is no compulsory health insurance system in Belarus or Armenia. In Russia, only the migrant workers have access to CHI, but not their family members. In Kazakhstan, the compulsory social health insurance system will become operational as of 2020<sup>12</sup>. In the Kyrgyz Republic, the CHI system is in fact dysfunctional and a share of the costs of CHI is to be borne by the patients<sup>13</sup>.

#### 1.3. ACCESS TO EDUCATION AND VOCATIONAL TRAINING

The EAEU Treaty does not contain provisions envisaging concrete cooperation in the field of education, which was neither included in the list of service sectors that form the EAEU common market. Nevertheless, the EAEU countries agreed on the mutual recognition of education certificates without the need for diploma recognition on the right of migrant workers' children to receive education in the country of employment <sup>15</sup>.

Under the terms of the Treaty, academic titles and degrees require recognition in accordance with the legislation of the state of employment. Consequently, the regulation on mutual recognition of academic degrees and titles is applicable only between Russia and Belarus<sup>16</sup>. Kazakhstan has been most cautious regarding EAEU integration in the field of education considering the EAEU only in economic terms. Belarus also adopted a cautious position and did not support a number of proposals by the Ministry of Education and Science of Russia to expand bilateral cooperation. This position arose from the significant outflow of recent school graduates and enrolees to Russia, especially from Kazakhstan. According to the Russian Federal State Statistics Service, the number of Kazakh nationals studying in Russian universities at the beginning of the 2016/17 academic year amounted to 67.400 students and thus increased by 50% compared to the beginning of the 2013/14 academic year.

#### Rights of nationals of EAEU Member States

**Labour market:** Right to work without facing the restrictions arising from the protection of the national labour market. No work permit required. Employment based on a civil contract.

**Migrant registration:** Migrant workers and their families have the right to stay in another EAEU state without registration for up to 30 days. The duration of their labour or civil contract determines the duration of their residence permit.

**Social portability:** Periods of employment, social security and insurance contributions are accounted for. Nationals of the EAEU Member States are covered by the national social security regime of their hosting state. An agreement on mandatory pension contributions and the right to carry over accumulated pension contributions upon departure is currently under development.

**Taxation:** The income tax for migrant workers is equal to the one for local workers.

**Education:** Mutual recognition of diplomas and qualifications among the EAEU Member States. The children of migrant workers are entitled to access pre-school institutions on an equal footing.

**Health care:** Emergency health care services are available to migrant workers and their families on an equal footing (free of charge), regardless of insurance status.

<sup>11</sup> Poletayev D., Zlobina T. Monitoring observance of the rights of Kyrgyz Republic labor migrants and current risks of irregular labor migration of Kyrgyz labor migrants in the Russian Federation (RF) and the Republic of Kazakhstan (RK) in accordance with the conditions of accession to the EAEU Protocol. Bishkek 2018
12 The rights of workers and their family members for medical care. EAEC 2016 http://www.eurasiancommission.org/kk/act/finpol/migration/social\_security/Documents/права%20трудящих-

<sup>12</sup> The rights of workers and their family members for medical care. EAEC 2016 http://www.eurasiancommission.org/kk/act/finpol/migration/social\_security/Documents/права%20трудящих-са%20и%20-иленов%20их%20-иленов%20иx%20-иленов%2

<sup>13</sup> Memo of a citizen of the Kyrgyz Republic in obtaining medical services under the State Guarantee Program, the Compulsory Medical Education Fund under the Government of the Kyrgyz Republic http://foms.kg/page/pamyatka#1; About the Compulsory Health Insurance Policy http://foms.kg/page/polis-OMS

Exceptions include education documents in the pedagogical, legal, medical and pharmaceutical areas.

<sup>&</sup>lt;sup>16</sup> Agreement between the Government of the Russian Federation and the Government of the Republic of Belarus on Mutual Recognition and Equivalence of Education Documents, Academic Degrees and Titles (Moscow, 27 February 1996) // Federal State Budgetary Institution "Main State Expert Center for Educational Evaluation". URL: http://nic.gov.ru/ru/docs/foreign/confirmation/idokb\_3247\_225515, free (access date: 12.04.2017).

## RISKS AND CHALLENGES FOR LABOUR MIGRATION WITHIN THE EAEU

#### 2.1. BLACK LISTS IN RUSSIA: ONCE IN. NEVER OUT?

TThe informally called "black lists" represent an electronic database of the Russian MIA containing the data of foreign nationals whose entry to Russia has been restricted. The list includes individuals who had no work permits, overstayed, or violated the Russian migration legislation in any other form<sup>17</sup>. Among the citizens of the EAEU States, the biggest number of entry bans was issued to Armenian and Kyrgyz nationals still prior to the accession of both countries to the EAEU Treaty. Quite often, the blacklisted EAEU nationals would discover the entry ban only while attempting to (re-) enter Russia. To lift the entry ban, one needs to establish the reason behind this decision by filing a request to the Russian MIA. In some cases, blacklisted nationals could request migration authorities to lift the ban, in other cases the issue would have to be resolved through court. However, even in the best-case scenario, the lifting of the entry ban could last for up to three months. Such entry bans represent a significant risk and challenge for the free movement of labour force across the EAEU.

To date, the situation with 'black- and whitelisting' of EAEU migrant workers remains volatile and acute. In this regard, the case of Kyrgyz nationals is illustrative 18: In the period 2014-2016, the Russian Ministry of Internal Affairs first imposed 145,218 entry bans on Kyrgyz nationals, of which 55,018 were lifted in the same period. For 51,578 Kyrgyz nationals from 90,200, who remained blacklisted, the ban could only be lifted through an appeal in court. Since November 2018, following bilateral negotiations between the Presidents of Russia and Kyrgyzstan, Kyrgyz nationals banned from entering Russia can check their respective status in the online database of the RF MIA and can return to Russia. Kyrgyz nationals who had violated the Russian immigration legislation but continued to reside on its territory had the opportunity of leaving and returning to the RF unimpeded between 16 October and 10 December 2018. In September 2018, the "black list" contained about 70.000 Kyrgyz nationals, of which only some 20.000 individuals expected amnesty<sup>19</sup>. Finally, in April 2019, another "migration amnesty" for blacklisted Kyrgyz nationals took place. In both cases, Kyrgyz nationals whose entry bans were issued by the court or subject to deportation decisions remained blacklisted.

#### 2.2. HEALTH RISKS AMONG EAEU MIGRANT WORKERS

Since 2015, nationals of Armenia and Kyrgyzstan do not require a patent for employment in Russia. Therefore, a physical examination, including chest X-ray and HIV tests, is no longer mandatory for them. Considering that these migrants often share apartments in great numbers, this novelty has clearly increased the risks to their health.<sup>20</sup> Since the access to health services for migrant workers from the EAEU countries in Russia remains limited, it complicates the control over the spread of dangerous diseases, such as HIV and tuberculosis, amongst them.

#### 2.3. THE GAP BETWEEN EDUCATION AND LABOUR MARKET NEEDS

The quality of education in the EAEU sending countries often does not correspond to the labour market demands of the destination countries. Studies show that the quality of education (rather than its quantitative indicators) is decisive in determining whether students acquire the skills actually required by employers. It ultimately also affects economic growth overall.<sup>21</sup> The following example of Kyrgyzstan is interesting in this regard.

<sup>17</sup> In accordance with the Federal Law "On the Procedure for Exiting the RF and Entering the RF" of 15 August 1996, No. 114-FZ (effective 2016 edition).

<sup>18</sup> Report on monitoring the implementation of the law of the Kyrgyz Republic "On the Principles of the State Policy for Support of Compatriots Abroad", Bishkek 2018

<sup>&</sup>lt;sup>19</sup> Karimov D. Illegals have been amnestied.

<sup>\*\*</sup> Raimflow D. Illegals have been amnestied.

2º see Poletayev D.V. Florinskaya Yu.F. (2015); Poletayev D.V. (2016) Analysis of the Labor Market Situation in the RF for Effective Employment of Migrant Workers from the KR and the RT

2º Hanushek, Eric A., and Ludger Woessmann (2008). The Role of Cognitive Skills in Economic Development. Journal of Economic Literature 46 (3): 607–68

#### **Education outcomes in Kyrgyzstan**

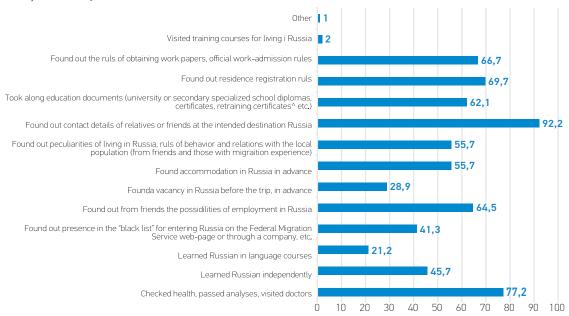
The percentage of completed education is generally high: only 4% of the population aged 25-29 years have no secondary education while 39% have higher education.<sup>22</sup> Within the overall working-age population, 27% have a higher education degree, which is even slightly higher than the average for the OECD countries (23%).<sup>23</sup> However, the degrees awarded by Kyrgyz universities frequently manifest a discrepancy between the competencies acquired and the actual labour market demands in Kyrgyzstan itself as well as in Russia or Kazakhstan. Kyrgyz students mostly specialize in services, health care, social welfare or education. Meanwhile, the labour markets rather require specialist in social sciences, business, law, humanities, design, manufacturing or construction, and other knowledge-intense fields.24

Moreover, the increase in the share of higher education in Kyrgyzstan has resulted in fewer students opting for a specialized secondary education.<sup>25</sup> While this trend corresponds to the dynamic expansion of the service sector, it is holding back industrial growth. The vocational education system in Kyrgyzstan has lost touch with the needs of the national production sector. The standards and teaching materials in specialized secondary schools are often outdated, of little relevance and poor quality, thereby further contributing to the destruction of the national vocational education system.<sup>26</sup>

Findings from the Russian labour market show that migrants would rather benefit from the skills and competences newly acquired in Russia than from the knowledge gained during their education back home. Only 62% of the Kyrgyz migrant workers in Russia presented an education certificate, which evidences their skepticism about the usefulness of their education for employment in Russia<sup>27</sup>.

In reality, the social networks of their fellow compatriots in Russia are far more decisive for Kyrgyz migrant workers than their skills and education (Fig. 1). Only 2% completed pre-departure courses, while 20% of them completed a specialized Russian language course. At the same time, about half of the polled labour migrants studied Russian independently.

Fig. 1. Distribution of Kyrgyz respondents by forms of preparation for leaving to work in Russia (%, 2016, N=1001)



Source: "Analysis of the Labour Market Situation in the Russian Federation for Effective Employment of Migrant Workers from the Kyrgyz Republic and the Republic of Tajikistan", Tian Shan Policy Centre, American University of Central Asia, 2016.

<sup>22</sup> World Bank (2013)

<sup>&</sup>lt;sup>23</sup> Ajwad et al. (2014).

<sup>&</sup>lt;sup>24</sup> Árias, Omar S. (2014).

<sup>&</sup>lt;sup>25</sup> In 2010, only 12.800 graduates were registered. In 2013, their number increased slightly to 17.900.

<sup>&</sup>lt;sup>6</sup> Baumann, Arne and others (2013).

<sup>&</sup>lt;sup>27</sup> Hereinafter, when it comes to the 2016 study, the data from the "Analysis of the Labor Market Situation in the RF for Effective Employment of Migrant Workers from the KR and the RT" research is used. Tian Shan Policy Centre AUCA. 2016. The total sample size in Russia is 1001 respondents. This includes 501 respondents in Moscow, 250 in St. Petersburg, 250 in Yekaterinburg. The sample was built by the following parameters: age (34% – between 18 and 25 years old; 33% – between 26 and 35 years old; 33% – between 36 and 60 years old); gender (70% are men, 30% are women); country of origin (50% from Kyrgyzstan, 50% from Tajikistan); experience in Russia (50% – with experience of 1-2 years, 50% – with experience of 3 years or more), and the main areas of employment (the maximum possible diversity). The survey was conducted in different areas of selected cities of Russia – central and peripheral. The survey covered labor migrants from Kyrgyzstan and Tajikistan in Russia aged 15 to 60 years old. At one survey point, no more than 2 people were polled.

The question whether Kazakh and Russian secondary vocational education institutions are ready to offer training to substantial numbers of foreign nationals is assessed by experts with a great deal of skepticism. While such training has already become attractive for young migrants in Russia, due to the excellent opportunities for integration, employment and even for citizenship that it offers to them<sup>28</sup>, vocational education of EAEU nationals in Kazakhstan is still of little relevance and of an ad-hoc nature. However, this may change in the near future when the need for well-trained workforce in Kazakhstan will increase. Meanwhile, Russia is facing a lack of quality teachers who can ensure that the training in secondary vocational schools remains competitive at international level. Securing a sufficient number of well-trained teachers and remodelling of existing vocational education institutions that comply with modern global standards will require major investments in this field.

Another important challenge in both countries relates to the necessary reimbursement of the training costs. Providing the training at the expense of the Russian and Kazakh employers would suggest adopting a law that would oblige the trainees to fill the vacancies offered to them by the employers who paid for their training. This should also apply to costs arising from partial (re)training. Should the costs for the vocational training of migrant workers be borne by the recipient state, there is no guarantee either that such investment would translate into an eventual employment of the trained migrants at state-owned enterprises, which are in need of the respective specialists. The latter could instead return to their homeland or leave to work in another country upon completing their education.

Russia is already experiencing a persistent shortage of medium-skilled workforce, which has led to conflicting views between the state and the large enterprises. The private sector has not been ready to invest in the vocational training of migrants. One possible compromise concerning the coverage of the costs would consist in collecting the necessary funding from both the states of origin and destination. Such approach could be applied when concluding international agreements within the EAEU. The family of the concerned migrant worker could potentially also vouch for the related costs (e.g. by using its property as a guarantee), a practice that has been successfully tested in Kazakhstan's "Bolashak" program<sup>29</sup>. Moreover, the process of training, retraining and certification of labour migrants does not correspond to the standards of the receiving states. The availability of short-term pre-departure courses, which would equip the migrant workers with the necessary certificates, would make sense. Such approach would be mainly supported by large companies in Russia. However, the involvement of small and medium-sized businesses remains doubtful. Internships represent another challenge for foreigners undergoing vocational education. Currently, this issue is mostly addressed at local level. The 'mass education' of foreign workers would require a more systematic approach.

Finally, there is also a need for states to offer adequate support programs to facilitate educational migration towards the appropriate secondary vocational institutions. Information campaigns across the EAEU sending countries, including the organization of exhibitions and fairs on the possibilities available in in the destination countries could be more efficient when actively supported by the receiving states. Moreover, awareness raising among potential migrant workers in the countries of origin, promoting pre-departure language courses and the secondary vocational education, are of particular importance to improve their professional and language skills, and increase employment. As the labour migration to Russia and Kazakhstan is increasingly originating from rural areas of Kyrgyzstan<sup>30</sup>, where people have had little experience of living abroad and especially in urban areas, efforts in this direction can be hardly overestimated. While the mutual recognition of diplomas among the EAEU member countries is already in place, further improvements in this area shall also be pursued.

#### 2.4. PORTABILITY OF PENSION RIGHTS ACROSS THE EAEU

The insufficient legislation on the portability of pension rights across the EAEU represents a significant deterrent in the formation of a common labour market and its overall integration.

While the harmonization of the pension funds and legislation across the EAEU has already began<sup>31</sup>, the pension systems among the Member States still differ significantly, especially regarding the national approaches to the funding of the pension system and distribution of pension funds. In Belarus and Russia, the

Dryga S.V., Poletayev D.V.
 See the "Bolashak" program website – JSC "International Programs Center" bolashak.gov.kz
 Masaliyeva Zh. Kyrgyzstan identified the regions from which most people leave for work, 30 November 2018
 Has following have been developed: a draft "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States" (under development); draft "Agreement the Authorized Bodies of the Member States" (under development); draft "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States"; Regulations for information interaction on implementation of the "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States" and "Agreement between the Authorized Bodies of the Member States on implementation of the "Agreement on Pension Security for Workers of the Eurasian Economic Union Member States"

law obliges the employer to pay the insurance premiums to the State Pension Fund. Through its contribution, the present working population finances the pensions of the previous generation. Kazakhstan has a mandatory funded pension system, where each employee makes own individual contributions equal to a certain percentage of his/her salary. Armenia and Kyrgyzstan have a mixed model. Interestingly, various degrees of mixed pension system models are slowly appearing across the EAEU, with Belarus remaining the sole exception.

The transfer and retaining of pension rights while working in another EAEU Member State represents another significant challenge. On 19 December 2016, the Eurasian Economic Commission (EAEC) approved a draft Agreement on Pension Security for Workers of the EAEU Member States<sup>32</sup>. The document provides for equal rights between migrant workers and nationals of the state of employment. In addition, each EAEU Member State shall ensure EAEU nationals with their right to a pension and secure the pension contribution for the periods of employment in its territory according to its national legislation and the norms of international treaties. The work experience acquired in the EAEU is added up and pensions are exported between the EAEU states. The draft Agreement was submitted to the Member States but is still pending approval.

#### 2.5. ACCESS OF MIGRANT CHILDREN TO EDUCATION: DEPENDENCE ON REGISTRATION AND LEGAL EMPLOYMENT OF PARENTS

Adequate statistics to estimate the number of children of migrant workers from the EAEU countries in Russia and Kazakhstan are extremely scarce. This is also the case for Kyrgyzstan, Armenia and Belarus, but the numbers of children of migrant workers there have been rather insignificant.

According to a recent poll, 51% of the Kyrgyz and 26% of the Armenian parents have signed up their children to public kindergartens<sup>33</sup>. The admission has proved challenging for 67% of the children from Armenia, 58% from Kyrgyzstan and 67% from Kazakhstan. In most cases, the parents still managed to solve the admission on their own.

Even though the schools in Moscow are easier to access than the kindergartens, some 12% of Kyrgyz children do not attend school. This is mainly due to the missing registration at the place of residence, the lack of vacant places<sup>34</sup> or missing medical insurance (medical card). Due to insufficient language skills of foreign children or the mismatch between their knowledge and the level of the envisaged grade and age group, the enrollment procedure into Russian schools may result in a loss of 1-2 years of education. The admission of Kyrgyz children to schools in Kazakhstan has also proved challenging. Upon concluding their secondary education, 31% of migrant children from Kyrgyzstan in Kazakhstan plan to pursue university studies, 26% want to support their families back home, 21% plan to start working, and only 16% would like to enter into college studies.

In terms of higher education, most parents would like to see their children enrolled into a university or college upon concluding their secondary education. In fact, 63% of parents from Kyrgyzstan and 59% of parents from Armenia would prefer their kids to study at a college, which seems the most promising educational pathway in view of Russia's acute shortage of specialists with secondary qualifications and the "overproduction" of specialists with a higher education<sup>35</sup>, especially in the humanities.

#### 2.6. PROTECTION OF EAEU MIGRANTS' RIGHTS IN RUSSIA AND KAZAKHSTAN

To date, Russia and Kazakhstan have neither an organized labour recruitment system, nor any data exchange on available vacancies or a unified labour exchange office for EAEU nationals. Further challenges relate to the licensing of private employment agencies (PEA), or the renting of an apartment as property owners are usually reluctant to register foreign labour migrants who consequently fail to register officially. Moreover, the EAEU has no systematic alignment of trade unions, which generally fail to address the issue of local and migrant workers' rights.

<sup>32</sup> See EAEC board approved a draft Agreement on Pension Security for Workers of the EAEU Member States, 20.12.2016

<sup>32 2017</sup> study: Issues of protecting the rights of children who do not have the Russian Federation citizenship in Moscow. - Moscow: Commissioner for Human Rights in of Moscow, NGO "Center for Migration Studies", 2018. The survey covered 529 migrant workers – parents aged 18 to 60 years old who have children aged 0 to 17 years old who do not have the Russian citizenship and stay in Moscow. Respondents were selected from among those residing in 11 administrative districts of Moscow. A representative sample was used, based on the data from the Main Migration Office of the

RF MIA on the number of migrants in Moscow. The sample was represented by the following parameters: gender, age, time of stay in Moscow <sup>34</sup> In 63% of parents from Kyrgyzstan and in 33% of parents from Armenia children were not admitted to school due to lack of vacancies.

<sup>&</sup>lt;sup>35</sup> D. Poletayev, Migration and Qualification Issues in North and Central Asia ESCAP 2016

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A 2016 survey showed that 71% of Kyrgyz migrants working in Russia (Fig. 2) had a formal (written) employment contract with their employer but only 43% of them received their salary in an official manner (Fig. 4). This implies that almost half of the labour migrants abstained from formally registering their contracts. As similar studies have repeatedly shown,<sup>36</sup> the lack of a formal employment contract largely results from the migrant's own decision. In this vein, a 2016 study (Fig. 3) showed that only 45% of migrant workers without a formal contract claimed that their employers refused to issue such document.

Fig. 2. Availability of a formal employment contract among Kyrgyz labour migrants (in %, 2016, N=1001) 37

Fig. 3. Reason for absence of formal employment contract (in %, 2016, N=1001) $^{38}$ 

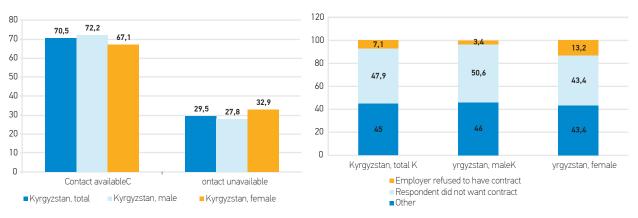
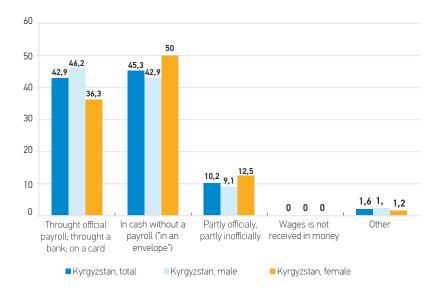


Fig. 4. Form of salary receipt (in %, 2016, N=1001) 39



 $<sup>^{\</sup>rm 36}\,$  See Tyuryukanova Ye.V. et al. (2011); Zayonchkovskaya Zhanna et al. (2014)

<sup>&</sup>lt;sup>37</sup> Analysis of the Labour Market Situation in the Russian Federation for Effective Employment of Migrant Workers from the Kyrgyz Republic and Republic of Tajikistan, Tian Shan Policy Centre AUCA. 2016.

<sup>38</sup> Ibid 39 Ibid

### **POLICY RECOMMENDATIONS**

#### 3.1 SHORT TERM MEASURES

The possibility of a further EAEU expansion makes the issue of the documentation needed for the **formal registration** of migrant workers ever more important, especially for the destination countries within the Union. In particular, the Russian system of residence registration, which has replaced the Soviet residence permit, seriously hampers the migration processes within the EAEU, as well as the free circulation of labour force within Russia itself. Changing the registration system to a notification-based one and the issuing of individual tax identification numbers for migrants workers could solve this problem while also strengthening the control over tax payments. Such focus on the payment of taxes rather than the address of residence may also represent a viable solution for Kazakhstan. In a broader perspective, such approach would also make the migration management system within the EAEU more transparent and comprehensive in terms of its economic and financial implications. This may eventually contribute to a better understanding of the economic benefits of migration. Most importantly, the EAEU needs to establish a continuous and comprehensive **migration monitoring system**, the results of which should be publicly available (online) and continuously reflected in the media.

There is a need to harmonize the **calculation of pension benefits** across the Member States and to record the work experience acquired in another Member State. An **integrated EAEU pension system** would be even more advisable as it would establish common rules concerning the documentation needed (e.g. common template for certification of pension contributions across the EAEU, common recognition procedures). The introduction of a standardized document reflecting individual employment records may further enhance the control mechanisms in this area. However, this would again require the establishing of a proper monitoring system, which would oblige the private sector to file all employment records.

The **protection of migrants' rights** within the EAEU requires further negotiations among the Member States. It relates closely to social protection issues covered by other EAEU agreements, ranging from migrant workers' access to basic social services, to social security and social insurance. The EAEU Member States shall further involve local NGOs dealing with migrant workers and human rights in their efforts and define their role in the policy-making process. The protection of migrants working in the informal economy and legalization of their work is of particular importance.

Although the **fight against xenophobia** (or so-called migrant-phobia) represents a long-term objective, efforts in this direction must begin immediately. Possible actions include capacity building for journalists of the EAEU countries and a stronger engagement of mass media, as well as targeted educational programs addressing xenophobia across the EAEU. Destination countries such as Russia and Kazakhstan are of particular relevance in this context. However, the source countries equally need to address the challenges of xenophobia and minority rights.

The **blacklisting of migrant workers from within the EAEU** intending to work in Russia persists in case of committing two administrative offenses. The Russian authorities could consider a liberalization of the related legislation and amnesty for those EAEU nationals blacklisted for minor administrative offenses.

A harmonized health insurance system across the EAEU and the availability of suitable and effective **health insurance programs** for migrant workers and their families, as well as for students and other types of migrants should be further sought and supported by the Member States. Not only would it contribute to improving the overall quality of health care but also to the gradual elimination of the informal market of medical services offered to migrants. Whereas Russia has already introduced free medical insurance programs for legal labour migrants, these do not cover their family members. Meanwhile, there is hardly any evidence that insurance companies across the EAEU would make a coordinated effort to promote health insurance programs for migrant workers. For example, in Kazakhstan and Belarus, migrant workers, like any foreigner, can only count on free emergency medical care. A strategic decision on behalf of Member States to ensure a proper medical insurance for migrant workers and their family members (and other types of migrants) would represent an important step in the right direction.

Improving the **legal and social protection of the most vulnerable family members** of labour migrants (e.g. women in unregistered or early marriages, children left behind) and the provision of free legal and advocacy services are equally important. Should the parents of children left in the country of origin remain abroad for a longer period, the custody should be transferred to the responsible caretakers. More generally,

the monitoring of EAEU Member States' compliance with existing international standards for the protection of vulnerable population categories needs to be ensured. The work of the CIS Inter-Parliamentary Assembly on harmonization of the legislation of the CIS countries<sup>40</sup> could be valuable in this regard. States should also involve civil society representatives in order to develop mechanisms for the prevention of early and forced marriages. The partnership between the governmental and non-governmental organizations operating in this field shall be formalized. Providing equal educational opportunities for boys and girls in the EAEU is another key requirement as are the measures needed to prevent any form of gender-based violence against women and girls and to ensure their security and respect of their rights and interests.

#### 3.2. MID-TERM MEASURES

The establishing of an EAEU fund for addressing issues relevant to the Union would represent an important step forward. Such fund could be mobilised for:

- addressing persisting challenges in the field of labour migration;
- monitoring of migration flows and processes within the EAEU;
- enhancing the efficiency of interaction between the national labour markets of the Member States and partner countries;
- advancing the harmonization of professional and educational standards;
- improving the EAEU statistical support.

The Kyrgyz-Russian Development Fund<sup>41</sup> has operated in Kyrgyzstan, aiming to accelerate the economic cooperation between both countries as well as the overall modernization and development of the Kyrgyz economy in the context of Eurasian economic integration. A similar fund could be expanded throughout the EAEU. Moreover, involving successful labour migrants who want to support their homeland and the overall diaspora of the EAEU Member States could be beneficial in this context.

The EAEU strategic objective to strengthen the joint economic projects within the Union points to the need of preserving, mobilizing and further expanding the skills and competences of migrant workers. The role of student mobility and educational migration is also key in regard, in particular concerning primary and secondary vocational education. Such training and retraining could facilitate the implementation of joint projects within the EAEU. It could therefore be organized within a single unified EAEU program, financed the aforementioned EAEU fund. The educational programs could focus on new disciplines, whereas the training and retraining could serve to raise the skills relating to new technologies and innovative products. Meanwhile, remittances spent on the education of migrants' children could be used in a more targeted way and bringing higher economic return by focusing on professions relevant for the EAEU labour market.

There is also a need to establish a special pre-departure training program for potential migrant workers in Kyrgyzstan and Armenia. Such program could entail language training and short courses on the legal, cultural and other country-specific aspects required for a smooth start in the new environment.

#### 3.3. LONG TERM MEASURES

Eventually, the EAEU would need to determine the prospects for the maximum possible integration among its Member States in the following policy areas: labour markets, education, medical services, migrant registration, statistics, protection of labour rights and pensions. This would require strategic decisions, long-term planning and a reliable monitoring system to steer the implementation of the agreed measures.

An effective and cost-efficient migration policy should build on scientific evidence, which could be established through regular studies, expert and public discussion, the implementation of pilot projects and proper analysis of their results and impacts. Eventually, these pilots shall result in the implementation of fullfledged programs producing the desired results.

Inter-Parliamentary Assembly of the CIS Member States http://iacis.ru/about/index.php
 Russian-Kyrgyz Development Fund http://rkdf.org/ru/

#### **CONCLUSIONS**

Migration policy and regulation within the EAEU has been gradually evolving, with Kyrgyzstan being the main proponent of further advancement in this sphere. Some of the mechanisms agreed among the Member States remain to be properly applied (e.g. the compulsory health insurance for migrants legally employed in Russia). Others are still under development (e.g. accumulation of pension years collected abroad).

Labour migration within the EAEU is of particular importance given the great number of migrant workers within the Union. Their significance as destination countries obliges Russia and Kazakhstan to modernize their migration regulation in order to remove existing barriers and facilitate mobility. Reliable statistical information and a sustainable migration monitoring system are key in this respect.

The protection of the rights of migrant workers and their family members in the EAEU has not received sufficient attention. Xenophobia and corruption have hampered the development of the EAEU. Their systematic countering remains a priority task for the EAEU. Meanwhile, the establishing of a functioning common labour market would require a restructuring of the trade union system, taking into account the best practices of independent trade unions, including foreigners' trade unions (e.g. Trade Union of Migrant Workers in Moscow).

The introduction of a differentiated approach to the different types of migration flows (e.g. labour migration, educational migration, seasonal migration) and the development of gender-sensitive policies linked to family migration in general and the (most vulnerable) family members of migrant workers in particular represent further key policy priorities.

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## NOTES

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