

# RECEPTION OF REFUGEES IN FINNISH LOCAL AUTHORITIES



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# RECEPTION OF REFUGEES IN FINNISH LOCAL AUTHORITIES

The Association of Finnish Local and Regional Authorities emphasises that Finland should provide high-quality international protection for those who need it. In Finland, the state has the main responsibility for immigration policy, including the policy on refugees, but the humanitarian responsibility is shared by municipalities. Municipalities also have an important role in promoting the participation and non-discrimination of immigrants and in advancing good relations between different population groups.

The success of Finland's refugee policy and delivery of its humanitarian obligations largely depends on adequate state resources for measures promoting integration and employment. The state should invest more resources in the services for immigrants admitted to the country on humanitarian grounds, especially during their first years of resettlement.

## Establishment of new reception centres

In 2015, the number of asylum seekers entering Finland was 32,478. In 2014, their number was 3,651. The authorities could not prepare in advance for such an increase in applicant numbers, which has led the Finnish Immigration Service to set up new reception centres at a fast pace. The Immigration Service and the Finnish Red Cross assess potential facilities together, and the Immigration Service then negotiates with the facility owner. According to the Immigration Service, a municipality's approval will not be required, if the facilities are rented from a private company. The final decision on setting up a reception centre is made by the Finnish Ministry of the Interior.

The Association of Finnish Local and Regional Authorities considers it highly important that the Immigration Service informs municipalities about the plans to set up a reception centre within the municipality's area. It is desirable that a municipality should be given an opportunity to give its opinion on the matter if at all possible. Moreover, in the Association's view the aim should be to negotiate with the local authority concerned prior to setting up any units, temporary emergency accommodation units included. It is of particular importance to keep the local residents up-to-date with the matter.

## Arrangement of teaching for asylum seeker children

The State arranges and finances the reception services for asylum seekers; however, local authorities have an obligation to arrange basic education for asylum seeker children of compulsory school age and pre-primary education during the year preceding compulsory schooling. A municipality is provided with an imputed reimbursement from state funds for the costs of providing pre-primary and basic education for a pupil without a municipality of residence. In addition, in emergency situations or if circumstances so require, a municipality is obliged to arrange early childhood education to children residing in its area who are not residents of the municipality. Local authorities are not reimbursed for the costs of early childhood education services. The Association of Finnish Local and Regional Authorities notes that local authorities must be reimbursed for the full cost of arranging early childhood education for asylum seeker children.

If it so decides, a municipality may arrange teaching that prepares asylum seeker children for basic education. So far, the funding for preparatory teaching has been paid on the basis of pupil numbers on 20 September, the date when official statistics on student numbers are compiled every year (statistics compilation date). This funding system has failed to take account of pupils who participate in preparatory teaching after this date. The Association of Finnish Local and Regional Authorities proposed a change to the system to guarantee local authorities funding for all preparatory teaching that they arrange. The Ministry of Education and Culture prepared a bill to amend the criteria for the allocation of funding for teaching that prepares pupils for basic education. The bill was passed by the Finnish Parliament on 8 December 2015. It proposes a 50 per cent funding for municipalities for teaching provided for a period of four to eight months, and full funding for teaching provided for over eight months. The Act took effect on 1 January 2016 and will be in force until the end of 2016; however, education providers can be reimbursed for the costs of preparatory teaching arranged after 20 September 2015.

## Accepted asylum seekers' move to municipalities

Under the Act on the Promotion of Immigrant Integration, asylum seekers with a residence permit are assigned to municipalities by virtue of an agreement between the municipality and a Centre for Economic Development, Transport and the Environment (ELY Centre). A smooth move to the municipality is a good start for integration.

Today, the number of accepted asylum seekers moving to municipalities independently and on their own initiative with the support of reception centres, exceeds the number of those who agree on the move with local authorities. Accepted asylum seekers moving independently and on their own initiative have caused problems for municipalities: the number of homeless people has gone up especially in the Helsinki metropolitan area; there may be no prior knowledge of persons moving into the municipality; the integration process has been slow to start; and local authorities are

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struggling to provide services and housing. In many cases, local authorities have not been prepared for family reunifications. It is important to limit uncontrolled movement to municipalities of asylum seekers who have been granted a residence permit.

At present, more asylum seekers with a residence permit are moving to municipalities outside agreements between a municipality and an ELY Centre than local authorities are prepared for and voluntarily accepting. This uncontrolled, unplanned situation has forced some municipalities to give up accepting quota refugees. The State needs to ensure that asylum seekers with a residence permit are moving to municipalities according to a plan.

The reception centre, municipality and an ELY Centre must see to it that accepted asylum seekers are accompanied from the reception centre to their designated municipality. The employment and economic development centres must arrange in their area adequate integration training provided as labour market adult education. The State must secure sufficient resources for integration measures. Asylum seekers with a residence permit should be advised to move to localities offering a quick access to integration training, job opportunities matching their skills and qualifications, and housing.

## Selection of quota refugees

It is important that municipalities committed to receiving quota refugees be involved in the process already at the stage when quotas and selection are prepared. Training has been organised for municipal representatives to act as integration experts on trips to locations where quota refugees are selected. Municipalities have given feedback that the selection process should start with the state and a municipality agreeing on the reception of refugees, and only then would authorities travel to the location and select the quota refugees. This would give local authorities an opportunity to prepare for receiving quota refugees and for providing the right kinds of services. The state should bear more responsibility for the reception of quota refugees admitted as emergency cases, particularly at the early stages of resettlement.

## Municipal integration programme

Under the Act on the Promotion of Immigrant Integration, a municipality or two or more municipalities together shall draw up an integration programme to support the planning and implementation of immigrant integration in the municipality. The integration programme is approved by the municipal council of each local authority and reviewed every four years at the minimum. The integration plan may be drawn up in multi-sectoral cooperation between different administrative branches, employment and economic development offices, the police, NGOs and labour market organisations. The integration programme should be linked to the municipality's strategic planning and budget preparation.

A municipality's integration programme may include a plan on how the general services provided by the municipality's different administrative branches can be adjusted to the needs of the immigrants and a plan specifically covering measures promoting and supporting integration. It may also include a plan for the promotion of good ethnic relations.

Unless municipalities draw up an integration programme and an agreement with an ELY Centre they are not eligible to reimbursement for receiving quota refugees or asylum seekers with a residence permit.

## Action plan on integration to take account of increasing immigration adopted by the ministerial working group on migration

On 21 September 2015, the Ministry of the Interior, the Ministry of Employment and the Economy and the Association of Finnish Local and Regional Authorities issued a letter to all Finnish municipalities concerning a rapid increase in asylum seeker numbers. The letter estimated that in 2016 municipalities will need to take in a minimum of 10,000 persons, a figure several times higher than before. It urged municipalities to prepare in advance for this and start planning the reception of accepted asylum seekers already now, also in terms of accommodating unaccompanied minors in family care homes or providing them with other support. An integration programme, as required by the Act on the Promotion of Immigrant Integration, provides a good tool for integration planning. An information package enclosed in the letter detailed information on both the reception of asylum seekers and on their move to a municipality after a positive decision on asylum application.

On 27 November 2015, the ministerial working group on migration adopted the Action plan on integration to take account of increasing immigration, which emphasises the importance of identification of immigrants' skills, a smooth move to municipalities, and employment. According to the current estimate, municipalities need to take in 10,000 to 15,000 accepted asylum seekers, and about 800 quota refugees and persons arriving as part of the EU's burden-sharing scheme. The need for receiving and integrating immigrants has been increasing from the turn of 2015/2016 and will continue to increase.

The local authority functions listed in the action plan are laid down in the Act on the Promotion of Immigrant Integration, but the need for services is increasing along with rising immigrant numbers. The action plan emphasises that the increasing immigrant numbers are putting the service system and resources to a new kind of test. Services will be needed especially in large cities and growth centres, where immigrants are usually settling. The growth in immigration is affecting most severely the services related to housing, early childhood education and teaching, social and health care services, social assistance costs and municipal administration.

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A municipality may conclude an agreement with an ELY Centre on assigning persons applying for international protection to a municipality and on promoting their integration. This is voluntary for municipalities, but both the agreement and a municipal integration programme constitute a precondition for receiving reimbursements paid by the state. A municipality arranges housing for quota refugees and for persons assigned to the municipality by an ELY Centre. Some of the accepted asylum seekers find housing and move to a municipality independently. Others are helped with the move by the reception centre once housing has been secured. Independent moves and those facilitated by a reception centre have become the principal way of moving to a municipality for persons other than quota refugees or vulnerable groups. The Association of Finnish Local and Regional Authorities points out that municipalities cannot receive state reimbursement for receiving these persons unless they conclude an agreement with an ELY Centre in accordance with normal practice. Municipalities must also have an integration programme in place.

According to the action plan, growing immigration builds up pressure on the already difficult housing situation especially in the Helsinki metropolitan area, which has also seen increasing socio-economic segregation and immigrant homelessness over the past years.

## Views of local authorities on challenges in receiving quota refugees and asylum seekers with a residence permit

The Association of Finnish Local and Regional Authorities carried out a survey among Finnish local authorities about the reception of quota refugees and asylum seekers with a residence permit and the reimbursement of the related costs. Local authorities indicated the following as the greatest barriers to making an agreement with an ELY Centre on assigning persons to a municipality: inadequate imputed reimbursement, too short period of reimbursement, inflexible system of reimbursement, local authorities' shortage of personnel resources and strained housing situation, insufficient provision of integration training provided as labour market adult education in the locality, and an influx of asylum seekers with a residence permit moving to municipalities independently and on their own initiative. Furthermore, local authorities indicated their tight economic situation as one more reason preventing agreements with the ELY Centres.

Local authorities are hoping for a substantial increase in imputed reimbursement. They also need more support from the ELY Centres, more information on the situation of the quota refugees and asylum seekers with a residence permit moving into their area, nationally uniform reimbursement practices, and adequate integration training provided as labour market adult education.

Immigrants have encountered difficulties opening bank accounts, which has notably hampered their integration and the municipality's integration activities. If a person has been issued a residence permit containing a notation of the uncertainty of identity, in many localities banks decline to open a bank account for that person. This, in turn, restricts the person's participation in Finnish society. Salaries are not usually paid in cash in Finland, so special arrangements will have to be made. In some cases an inability to open a bank account has even led to termination of employment. Local authorities have been forced to depart from their standard practices and pay social assistance by cash or to some other person's account. A bank account is also required for receiving benefits and reimbursement paid by the Social Insurance Institution of Finland.

## Reimbursement for local authorities

The state pays imputed reimbursement to municipalities for receiving quota refugees and asylum seekers who have been granted a residence permit. At present, the imputed reimbursement paid to municipalities from state funds is 6,845 euros annually for children under seven years of age, and 2,300 euros for seven-year-olds and older. Reimbursement is paid for three years, for four years for persons accepted as part of the refugee quota. According to municipalities, the reimbursement paid is inadequate. They have calculated that especially during the initial stages of resettlement, local authorities use 1.5 to 2 times more time and personnel resources to serve immigrants compared with the indigenous population.

The level of imputed reimbursement was defined in 1993, and reimbursements have been increased twice since then: in 2010 they were increased by ten per cent, and in 2011, reimbursement for seven-year-olds and older saw an increase of ten per cent. According to the price index of public expenditure calculated by Statistics Finland, the costs of municipal social welfare services increased by 75.9 per cent between 1993 and 2014. For the current level of reimbursement to reflect the rise in social welfare costs after 1993, the sum should be 10,946 and 3,342 euros for children under seven and for seven-year-olds and older, respectively. A rise in the price index indicates a rise in wage and salary earnings and inflation. In reality, however, municipalities' social and health care costs have risen more than this, owing to the changes in service quality and quantity. For example, the net cost to a local authority of a child under three in full-time daycare is about 15,400 euros annually and that of three-year-olds and older about 9,400 euroa annually.

In addition to imputed reimbursement, municipalities are reimbursed for special costs for a maximum of ten years, for example for substantial costs incurred for the provision of medical care, if the person concerned has been in need of care upon entering Finland, and for measures similar to child welfare services. The costs arising from interpretation are reimbursed in accordance with actual costs. In terms of ensuring the municipalities' capacity for working, it is important that special costs



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should continue to be reimbursed under a separate system. The reimbursement practices of the ELY Centres need to be standardised throughout the country.

The Association of Finnish Local and Regional Authorities emphasises that imputed reimbursement paid to municipalities for receiving quota refugees and asylum seekers with a residence permit must be gradually increased during the government term so as to address the lag in the level of reimbursement. It is important to note the dire financial position of Finnish municipalities and its negative impact on all service sectors. The Association of Finnish Local and Regional Authorities wants to further emphasise that each municipality concludes an agreement with the state based on its own circumstances and ability to cope with challenges posed by integration.

## Integration training provided as labour market adult education

The most important means of integrating adult immigrants is integration training implemented as labour market adult education. Immigrants are given language training, information about the Finnish society and support for finding employment. Inadequate resources have led to a long waiting time for integration training especially in the Helsinki metropolitan area and in other growth centres.

The aim is that after having been issued a residence permit, immigrants could move to municipalities as soon as possible, gain access to housing, start integrating into society, and finally, find employment. The reception centres should start preparing asylum seekers for a move to a municipality immediately after a positive decision on asylum application. Integration training and employment services should be flexibly provided in the localities in which immigrants are settling. Businesses and employers should be informed about the skills and qualifications of accepted asylum seekers moving into the area and about opportunities for employing them. Immigrants have a great need for services provided in person, and the employment and economic development centres should be able to respond to this demand. Integration training resources must therefore be increased to meet the needs of immigrants across the country.

Because of a lack of integration training provided as labour market adult education, immigrants have been referred to seek self-motivated studies. This incurs costs for local authorities. In the opinion of the Association of Finnish Local and Regional Authorities, self-motivated studies cannot be considered as training parallel to integration training provided as labour market adult education unless there are specific reasons for it. Self-motivated studies do not usually include elements promoting employability and cannot thus replace integration training. Immigrants should not be referred to seek self-motivated studies for the reason only that the employment and economic administration lacks appropriations for integration training provided as labour market adult education.

## Role of NGOs and volunteers

There is a need to strengthen the role of non-governmental organisations and volunteer work in a coordinated manner. Third sector activities can complement services provided by public authorities.

Volunteer work is important especially for expanding immigrants' social network. Immigrant organisations play a pivotal role in helping immigrants maintain their mother tongue and culture, whereas residents' meetings and community living-rooms are a good way of bringing immigrant and indigenous populations together. The work of voluntary family mentors is worth supporting as well. The best integration practices gained through projects should be compiled in a guidebook, to be distributed to organisations. Additionally, third sector actors need funding tools that will secure the continuity of integration work.

## ASSOCIATION'S VIEWS ON RECEPTION OF QUOTA REFUGEES AND ASYLUM SEEKERS WHO HAVE BEEN GRANTED A RESIDENCE PERMIT

The Association of Finnish Local and Regional Authorities emphasises the role of integration policy as part of immigration policy, and considers that central and local governments should share the responsibility for the reception of quota refugees and asylum seekers who have been granted a residence permit.

Accepted asylum seekers' move from a reception centre to municipalities requires improved cooperation and information sharing between the reception centres, the ELY Centres and municipalities. Asylum seekers with a residence permit should be advised to move to localities offering a quick access to integration training, job opportunities matching their skills and qualifications, and housing.

Imputed reimbursement paid to municipalities must be gradually increased to correspond at least the current level of social welfare services costs, as indicated by the price index of public expenditure calculated by Statistics Finland. In reality, however, municipalities' social and health care costs have risen more than this, owing to the changes in service quality and quantity.

The Association underlines that municipalities must be fully reimbursed for the costs of early childhood education arranged for asylum seeker children.

The most important means of integrating adult immigrants is integration training implemented as labour market adult education. There is a long waiting time for integration training especially in the Helsinki metropolitan area and in other growth centres. Resources must therefore be increased to meet the training needs of immigrants across the country.

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The Association of Finnish Local and Regional Authorities considers it highly important that the Immigration Service informs municipalities about the plans to set up a reception centre within the municipality's area. It is desirable that a municipality should be given an opportunity to give its opinion on the matter if at all possible. It is of particular importance to keep the local residents up-to-date with the matter.

There is a need to strengthen the role of non-governmental organisations and volunteer work in a coordinated manner. Third sector activities can complement services provided by public authorities. Where possible, parishes may participate more actively in immigrant integration than they have so far done. The work of voluntary family mentors is worth supporting as well.

Investment of additional resources into integration generates savings in the long run, for example in expenditure related to employment and social assistance. Getting integration off to a good start and securing adequate resources lay the foundation for positive attitudes later on.

## Further information

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