

Spain's Immigrant Regularisation: Economic Aspects and Legal Implications

Vít Novotný and Rainer Muenz

Spain's recent mass immigrant regularisation has followed the example of numerous past regularisations undertaken by EU countries. The present exercise stands out because it has mostly concerned individuals who arrived legally under visa-free arrangements. The process has already increased the number of contributors to national insurance; it may also cost some newly regularised immigrant workers their jobs. The assertion that Spain's mass regularisation was a pull factor for the mass border breach in Ceuta remains an unproven hypothesis.

In recent months, Spain has been at the centre of European migration policy debate. Whereas the breach of the national border at Ceuta has reopened the questions of migrant instrumentalisation against Europe, border security and asylum, the country's regularisation exercise has concerned an incomparably higher number of people. It is the regularisation exercise that this In Brief focuses on.

Between 16 April and 30 June 2026, the Spanish government opened a pathway towards legal residence status to more than a million non-EU nationals already residing in the country. Irregular migrants were eligible for temporary residence permits if they could prove that they had arrived in Spain before December 2025, lived in the country for at least five months and had no criminal record. These two conditions aimed to exclude economically inactive migrants and discourage non-EU nationals from travelling to Spain after the announcement of this measure.

The measures follow the example not only of Spain's past regularisations (1986, 1991, 1996, 2000, 2001 and 2005) but also of large-scale mass regularisations undertaken by other European countries—including Belgium (2000), France (1981/82, 1997/98), Ireland (2022), Italy (1990, 1998, 2002 and ongoing since 2020), Greece (1998, 2001, 2005, 2024), and Portugal (2007, 2020).

The present regularisation conducted by Spain is likely the EU's largest ever. It has been paralleled and even, perhaps, surpassed in scale only by the effects of the accession of eight Central and East European countries to the EU on 1 May 2004. These countries' joining the EU resulted in *de facto* regularisation of stay (not necessarily the employment) of large numbers of their citizens already residing and illegally working in the existing member states up until 2004. Unfortunately, no robust estimate is available for the number of nationals of the acceding states who resided in the EU-15 at the time of the 2004 enlargement.

Returning to Spain, and regularisations more broadly, what are the economic impacts and legal implications of regularisation exercises?

Who is getting legalised

When announcing the measure, the Spanish government estimated that it would legalise half a million irregular immigrants. When the [authorities tallied the applications](#) in early July, they concluded that almost 1.2 million people had applied. 69% of applicants were from Latin America, predominantly Colombia, Venezuela, Peru and Honduras. 23% were from Africa, with Moroccans strongly represented. The rest were from Asia. Remarkably, only 20% of requests were submitted by applicants for international protection.

The initial permit granted to successful applicants is a one-year residence authorisation, described by [one observer](#) 'as a bridge towards ordinary immigration routes under the current Spanish immigration framework'. By July 2026, the government already granted 360,000 temporary work permits. People were allowed to work legally as soon as their applications were admitted for processing.

Economic impact

The Socialist-led government of Prime Minister Pedro Sánchez described the exercise as crucial for Spain, where migrant labour plays a key role in agriculture, tourism and services. Official data released just after regularisation was concluded stated that 87% of the applicants were of working age. The government also rightly [claimed](#) that the legalisation process increased the number of contributors to national insurance.

But this is not the full story. Other effects are in play. On the one hand, regularised migrant workers can more easily change employers and move within Spain, which leads to a more efficient allocation of labour. On the other hand, they become more expensive because regular wages apply, while taxes and social security contributions have to be paid. They can also fight for their rights in court.

This has multiple consequences. From the employers' viewpoint, the advantage of illegally hiring irregular migrants lies in the lower wage cost compared to regular migrants and natives. Therefore, obtaining legal statuses can make these workers less attractive.

As a result of the regularisation, the number of irregular migrants residing in Spain is now fairly small. This means that employers cannot immediately tap into an alternative pool of irregulars to replace those who just got a regular work permit.

Experience from past regularisations in Italy [suggests](#) that some workers lose their jobs after obtaining legal status. However, there is no indication that regularised migrants displace native workers.

It will be interesting to see, in the case of Spain, if and how quickly new inflows of Latin Americans and other migrants might create a new pool of cheaper irregular workers, displacing parts of the now regularised workforce.

Legal impacts

What is distinct about the current process in Spain is that the legalisation exercise concerned mostly people who had arrived in the country either through visa-free arrangements or with valid short-term permits. Most Latin Americans used their Schengen visa-exempt status to enter Spanish territory. Over the past 20 years, the EU has granted visa-free travel access to citizens of almost all Latin American countries. They can freely enter the Schengen zone when holding a valid passport (just like citizens of the UK, the Western Balkans, North America, Korea, Australia and Japan). In contrast, most regularised North Africans seem to have entered Spain with short-term permits issued, e.g., for seasonal work or family visits.

If the pull of the Spanish labour market continues and the EU continues offering visa-free access to practically all inhabitants of the Americas, new Latin Americans are likely to arrive. The logical consequence is that further regularisations are likely to follow, especially if demand for additional labour continues. Further regularisations would be less likely if Spain combined effective enforcement of immigration rules and returns of those without the right to stay with expanded legal labour migration channels in response to economic needs. The same logic concerns Italy, which has been receiving some Latin American arrivals in the same manner and also has a long history of regularisations.

In addition, there has been concern over the potential onward movement of those whose stay the Spanish government has legalised. So far, there has been no evidence that the individuals who have received the Spanish residence permit have been moving in any substantial numbers towards the other member states of the Schengen zone. That said, many EU's national leaders were taken aback by the scale of Spain's legalisation exercise and the fact that the Sánchez government had not consulted them. To date, national regularisation

exercises in the EU have not been subject to inter-governmental consultations. However, their implications for other member states deserve a close examination in the future.

Questions about the pull factor

Finally, some observers have claimed that Spain's 2026 regularisation has acted as a pull factor for the thousands of Moroccan and other youths who, on 30-31 July 2026, tried to reach Ceuta, Spain's exclave on the North African shores. Most of them arrived by swimming around the border.

Assertions of the existence of such a pull factor remain an unproven hypothesis. Generally, in academic literature, the evidence of regularisations acting as pull factor for further immigration remains inconclusive, with some [articles confirming](#) the existence of this type of pull factor under some circumstances, and others [denying it](#).

In our case, the Spanish police report on the events in Ceuta primarily referred to unsubstantiated rumours about a Spanish Supreme Court's [ruling](#) from 8 July ("if you arrive swimming across the sea, you must not be sent back"). The report also mentions the possibility that among the potential irregular migrants, Spain's legalisation process contributed to the spread of a false belief that "in Spain, you get your papers in the end".¹ A signalling effect of the regularisation process with regard to the Ceuta crisis cannot be excluded. But in the absence of in-depth interviews with those who crossed into Ceuta in July, we will never know.

Despite long-term and multi-level migration cooperation between Spain and Morocco as well as the EU and Morocco, the Moroccan government has proven several times that it is ready to deploy migrant pressure on the EU to extract concessions or send political messages and warnings. There are clear indicators that this has again been the case in July 2026. Given the desire of many Moroccans and other young Africans to work in Europe, the Moroccan authorities always have the capacity to instrumentalise this push factor at their will. Morocco's brazen act (or omission) has reopened the question of how the EU should design its migration and border management cooperation with its neighbours and whether a stronger conditionality of the funds that the bloc disburses to those countries should be put in place.

Conclusion

With the exception of highly visible but brief episodes of migration coercion organised by Morocco, Spanish efforts to contain irregular flows from Africa are considerable and apparently efficient. Looking at irregular arrivals in mainland Spain who remain on EU territory, Spain records far fewer than Italy.

¹ The authors analysed the Spanish police report on Ceuta with the assistance of Perplexity, an AI research tool.

Instead of advanced efforts to assess workers' skills ahead of their arrival, Spain gives a legal status to those who have already shown that they meet the country's labour market needs. This has already contributed to employment and increased social security revenues. In the month of September, social security enrolment in Spain [rose](#) by 92,327 people compared with August. Within this figure, 84,220 were foreign nationals entering the formal economy. At the same time, registered unemployment [went up](#) by 23,587 people in September, possibly due to regularised workers exiting the informal economy.

Whatever the economic figures might be, though, this regularisation has reaffirmed the perception that flouting the immigration law is being tolerated, thus undermining trust in immigration rules. On the statistical front, the present regularisation exercise has resulted in a number of newly legalised residents that is more than three times higher than the total number of people to whom the EU granted asylum (or other protection status) in 2025. The Spanish regularisation will significantly boost the statistically recorded immigration to the EU in the current calendar year 2026.

From the viewpoint of migration governance, regularisations are always the second-best solution. They demonstrate a gap between, on the one hand, European governments' avowed objective of preventing illegal stay and, on the other hand, the need for cheap labour. A persistent mismatch exists between workforce demand in certain sectors, the availability of domestic workers and the existence of an informal economy in which irregular employment remains economically attractive to some employers.

Most governments in the EU are reluctant to address this informal economy as many citizens profit from the availability of cheap goods and services provided by irregular migrant workers. A more sustainable approach would be one that specifically addresses the implications of visa-free access to the Schengen zone by the nationals of those countries that tend to overstay their legal 90-day stay. Appropriate policy tools include proper legal labour migration channels in combination with immigration enforcement and effective returns. In any case, the reasons for, and legal consequences of, illegal employment, require greater inter-governmental cooperation than has been the case thus far.

Vít Novotný is a Senior Research Officer at the Wilfried Martens Centre for European Studies.

Rainer Muenz is a Senior Research Associate at the Wilfried Martens Centre for European Studies.

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