

# **Migration Flows, Sustainable Development and Neighborhood Policy in the New EU Countries**

## **Research Paper**

### ***I Introduction***

#### ***The enlargement of EU***

The new enlargement of EU at 1 January 2007 with Romania and Bulgaria continues the challenge of the Union, started in 2004, when EU absorbed 10 new members.

Beside the increase of the Union's territory, of its population and its economy, the enlargement will give to EU a new role in the world and its global interests will increase, also. The New EU has new borders and new neighbors and the Neighborhood Policy has an important role.

Mr Gunter Verheugen, member of European Commission mentioned in his speech at the Diplomatic Academy in Moscow, in 2003 that European Union "contributed decisively to transform a large part of our continent, previously ravaged by devastating wars and nationalist divisions, into an area of peace, freedom, integration and prosperity."<sup>1</sup>

The great difference between Europe and European Union is that while one is definite by culture, history and geography, treaties, policies and laws define the second. The new member states in central and Eastern Europe have close relationships through history, culture and language with Eastern Europe and parts of western Balkans. Just as Spain and Portugal pressed for closer relations with Latin America, so the new member states are pressing the case of their neighbors in the east and south.

The enlargement is the key in projecting stability across the Europe. The enlargement of 2004 and 2007 consolidated the reunification of a Europe divided in 1945. All the new EU countries (of 2004 and 2007) undertook extensive reforms prior to accessions in fields like law and economics) so the economies of the First 15 Member States are not being destroyed by unfair practices of these new countries of EU.

The new member states have moved far further towards the Union than Union itself has moved. The conditionality associated with accession was never so strong as that applied to the central and east European countries. The new state had to meet the political and the economic conditions and take on the whole of the *acquis communautaire*. All 27 countries are now working on the same legal basis and above all sharing the same values.

In conclusion, the enlargement is part of the solution to European economic problems, and not the cause of them.

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<sup>1</sup> "EU Enlargement and the Union's Neighborhood Policy", Gunter Verheugen

## ***II Migration Flows***

The migration is a fact of life. For centuries Europe itself was a source of migration and EU is now an attractive destination for migrants.

### ***II.1 Migration Flows – Current trends***

The 15<sup>th</sup> annual report for the Council of Europe described last year (19-21 April 2006) at Strasbourg the main current trends in international migration in Europe.

The increasing incorporation of Central and Eastern Europe into the European migration system as a whole characterized the middle and late 1990s. In political terms attention turned more and more to the management of migration. By the middle of 1990s it was possible to say that Europe had largely adapted to a changed migration regime although there was great uncertainty how to handle the fall-out from the Yugoslavian crisis. Elements of the picture were still blurred, especially in Eastern Europe and the former USSR where data systems remained inadequate. Furthermore, the growing significance of illegal migration, human smuggling and migrant trafficking were already causing concern. As the formerly separate Western and Eastern European migration systems fused into one, some eastern countries had also become ones of immigration.

Today, the burning issues are no longer those of ten years earlier. Recorded migration is now relatively stable, with the exception of the incorporation of large numbers of amnestied former illegal migrants in some countries. Western European countries are growing more concerned with the challenges of their aging demographics and the role that international migration might be called upon to play. There is also a realization that the demography of immigrants is an important element in future population developments in Europe. The response to some skill shortages at home is increasing openness to those from abroad and there is ample evidence of global competition for highly qualified people. Unrecorded and irregular migrations continue to pose challenges, but there is no hard evidence that their scale is increasing. Indeed, some data suggest the numbers might be declining, although this may reflect the diversion of irregular flows into new and less policed routes.

Past experience and several studies of the prospective enlargement for the most part failed to indicate that further large scale movements from the new to the existing member states would occur, although there is bound to be some redistribution of population as the economies of the Union become more integrated. Already there is evidence from the UK and Ireland of substantial westward labor movement from the new members where policies have allowed. What may confidently be anticipated is that the attraction of the European theatre, as a whole will increase?

The migration flows started to be a problem by the middle of 1990's, after the fall –out of former Yugoslavia and after the collapse of Communism in Eastern European Countries. The migration is now relatively stable with the exception of the incorporation of large members of former illegal migrants in some countries.

The enlargement of EU in 2004 and 2007 has brought 12 countries with around 100 million people into the Union.

Past experience and several studies of the prospective enlargement for the most part failed to indicate movements from new EU countries to Western EU countries.

Flow data are perhaps more difficult to measure accurately as, conceptually, they attempt to measure a movement across a border which only takes a short amount of time and yet to provide a flow figure for a specific year, measurements must be made continuously for that year. Emigration figures are notoriously problematic as in most cases they rely on people “unregistering” from a population register before they leave the country. Many people do not do, especially as there are not the same incentives and potential benefits as registering and very often there is no effective legal or administrative mechanism to enforce deregistration.

Discrepancies between data may also exist within states, as statistics are gathered by a number of different agencies that have often had to set up new procedures for gathering migration data. Specific problems are generated by the absence of well-controlled frontiers that make it difficult to estimate entry and exit figures, especially in those countries that have suffered armed conflict and where terrain makes it difficult to monitor border crossing. In some Transcaucasian countries, the registration of migration has virtually ceased to exist. A further problem, especially in the Russian federation, is the differing registration policy and practice of regional administrations. In some regions, discrepancies between the reported number of registered migrants and their actual numbers are particularly high. It is estimated that the actual number of refugees and forced migrants in the Russian Federation may be one and half to threetimes higher than reflected in official statistical data.

As a general rule, however, immigration figures are more complete than emigration figures since state benefits are, by and large, directly to registration of place of residence. The procedures for registering the entry and registration of foreign citizens, asylum seekers and labor migrants are also extremely disorganized.

As an interesting issue of migration flows, across the Europe 7.8% of the population was born outside the country in which they are now residing, compared with about 4.5 per cent who are foreign nationals. Proportionately, the smaller countries had the largest proportions of foreign-born, especially Luxembourg and Switzerland. Overall, in ten countries the foreign-born constituted over 10% of the population.

Migration flows data for European country remains difficult to analyze because the statistics for all the countries are not available for every year and it is impossible to use available data.

Nevertheless the assessment shows that the largest inflows is to Germany – 780.200 in 2004. Spain was in second place, followed by the UK. Of the other countries, only Italy and France had an inflow in excess of 100.000. Inflows in Central and Eastern Europe were much lower. The Czech Republic’s inflow has recently risen rapidly; reaching 60.000 in 2003 but fell back to 53.500 in 2004.

By the other side, the data for outflows are fewer than inflows. In 2004, Germany lost almost 700.000 to emigration, followed by UK with 310.400. Data for Central and Eastern Europe shows a permanently emigration record. Russia continued to be the main source of emigration, 79.800 in 2004, followed by the Ukraine with 46.200.

Central and Eastern Europe presents a varied picture with several countries showing marked fluctuations. There was evidence of increase in 2003, in Czech and Slovak Republics, Poland and Slovenia, falls in Lithuania and Romania, while Croatia and Latvia show no discernible trend. By 2004, inflow to Chech Republic seems to have gone down, in contrast to the Slovak Republic and Slovenia.

The trends described are complex and indicate considerable variations from country to country and at different time periods. The explanations are also complex related to general economic conditions, stage of economic development, the effects of Balkan wars, individual national policy, initiatives and other factors.

The followed tables will show the countries that receive the immigrants from within Europe and countries that send emigrants in EU countries.

Table no.1

Receiving predominantly from EEA states	Cyprus, Denmark, Finland, Lithuania, Poland
Receiving predominantly from Central and Eastern Europe	Belarus, Czech Republic, Latvia, Slovenia, Ukraine (plus Germany)
Receiving predominantly from other Europe	Croatia
Receiving predominantly from the Rest of the World	Luxembourg, Moldavia, Netherlands, Norway, Slovenia, Spain , Sweden, UK (plus Austria)

Table no.2

Sending predominantly to EEA states	Denmark, Finland, Lithuania, Luxembourg, Netherlands, Norway, Poland, Slovakia, Sweden
Sending predominantly to Central and Eastern Europe	Belarus, Czech republic, Latvia, Moldavia, Slovakia, Ukraine
Sending predominantly to other Europe	Croatia
Sending predominantly to the rest of the World	Austria, Cyprus, Luxembourg, Slovakia, Spain, UK

It is difficult to generalize these data because of the absence of statistics in many countries, but we can say that the migration flows across the Europe illustrate that migration system continues to interact strongly with the rest of the world.

We can also tell a lot of things about labor migration flows because it is one of the important reasons of migration. After the collapse of Communism, the CEE countries developed their owns migration flows, the workers from these countries are still working in small firm, generally insecure jobs. Foreign workers from further east work illegally in the agriculture and constructions industries and in the low-skilled and low-paid service sector.

After the enlargement from 2004 (and also from 2007) most Western European states have instituted a transition period before allowing free movement of the new EU countries into their labor market, the exceptions being the UK, Ireland and Sweden.

In the following table I present the official OECD Raport from 2003 about inflows of foreign population into selected OECD countries:

Table nr.3

	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
	..	..	..	..	..	..	59.2	72.4	66.0	74.8
	55.1	53.0	56.0	53.1	51.9	49.2	50.7	68.5	68.6	66.0
	..	..	..	5.9	7.4	9.9	7.9	6.8	4.2	11.3
	16.9	15.4	15.6	33.0	24.7	20.4	21.3	20.3	22.9	25.2
	10.4	10.9	7.6	7.3	7.5	8.1	8.3	7.9	9.1	11.0
	1 207.6	986.9	774.0	788.3	708.0	615.3	605.5	673.9	648.8	685.3
	15.1	16.4	12.8	14.0	13.7	13.3	16.1	20.2	20.2	19.5
	267.0	234.5	237.5	209.9	225.4	274.8	265.5	281.9	345.8	351.2
	9.8	9.2	9.2	9.6	9.2	9.4	10.6	11.8	10.8	11.1
	83.0	87.6	68.4	67.0	77.2	76.7	81.7	78.4	91.4	94.5
	17.2	22.3	17.9	16.5	17.2	22.0	26.7	32.2	27.8	25.4
	39.5	54.8	74.7	36.1	29.3	33.4	35.7	34.6	42.6	44.1
	112.1	104.0	91.7	87.9	74.3	70.1	72.4	83.9	85.6	99.5
Permanent inflows	107.4	76.3	69.8	87.4	99.1	85.8	77.3	84.1	92.3	88.9
Temporary inflows	..	93.2	115.2	124.4	130.2	147.1	173.2	194.1	224.0	340.2
Permanent inflows	252.8	255.8	223.9	212.9	226.1	216.0	174.1	189.9	227.3	250.3
Temporary inflows	60.5	57.0	58.9	60.4	60.9	63.7	68.1	75.5	86.2	..
	116.6	99.2	91.5	77.0	75.5	102.4	139.5	114.9	126.8	141.0
	..	..	..	..	..	..	38.2	..	..	..
	..	..	13.3	13.6	21.5	23.5	20.8	21.6	24.1	28.0
	..	..	..	..	..	..	111.0	268.0	271.5	232.8
	25.5	28.9	36.5	46.7	58.6	52.0	38.7	36.2	38.8	62.1
	13.7	9.9	5.7	5.0	3.6	3.3	6.5	10.5	15.9	14.2
	175.0	179.2	206.2	228.0	224.2	237.2	287.3	337.4	379.3	373.3
Permanent inflows	974.0	904.3	804.4	720.5	915.9	798.4	654.5	646.6	849.8	1 064.3
Temporary inflows	..	..	1 468.8	1 433.3	1 636.7	..	2 141.4	2 363.4	2 741.3	2 948.3
	<b>1 727.6</b>	<b>1 506.0</b>	<b>1 308.8</b>	<b>1 304.5</b>	<b>1 211.2</b>	<b>1 155.6</b>	<b>1 247.1</b>	<b>1 358.1</b>	<b>1 416.3</b>	<b>1 465.7</b>
	<b>1 856.9</b>	<b>1 632.2</b>	<b>1 418.4</b>	<b>1 408.8</b>	<b>1 302.7</b>	<b>1 247.7</b>	<b>1 346.2</b>	<b>1 474.2</b>	<b>1 529.7</b>	<b>1 590.7</b>
	<b>1 226.8</b>	<b>1 160.1</b>	<b>1 028.3</b>	<b>933.3</b>	<b>1 142.0</b>	<b>1 014.4</b>	<b>828.6</b>	<b>836.5</b>	<b>1 077.1</b>	<b>1 314.7</b>

Netherlands, Norway and especially Germany include substantial numbers of asylum seekers. For more details on sources, refer to the notes at the end of the Annex.

Source: OECD, 2003, [www.oecd.org](http://www.oecd.org)

Europe needs migration because its population is getting smaller and growing older. In many European countries the net increase in population is already entirely due to immigration. By 2050, the population of Austria would shrink by a quarter if there were no immigration. In Italy, one of three Italians would be over 65 years old in 2050. There would be also vacant jobs and services unfulfilled. The immigration is an important part of the solution, which help EU to make a transition to a new economic situation. The Strategy from Lisbon adverts to the aging problem. The EU need legal migration for attracting brains and labor from outside, to maintain the dynamism of the countries.

On 16<sup>th</sup> March 2007, European Commission Vice President Franco Frattini visited Romania. European Commissioner Franco Frattini is responsible for Justice, Freedom and Security. During his visit, the Vice-President met the Romanian President Traian Basescu, Prime Minister, Minister of Justice and Minister of Administration and Home Affairs. During his visit in Romania, Vice President Franco Frattini attended the Conference on “Romanian economic migration at the outset of the European integration project”, organized by Aspen Institute Romania.

### ***III The Neighborhood Policy***

The principle core of the European Neighborhood Policy is to extend the prosperity, stability and security enjoyed by EU’s members to the EU neighbors, to reduce uncertainty and insecurity. An important component of the Neighborhood Policy is co-operation at the enlarged Union’s external borders. The Union of 27 acquired two neighbors to the East: Belarus and Ukraine and a third one, Moldavia.

Russia’s border with the EU is almost double in length so it will benefit from the EU’s enlargement. It also will be a challenge for EU to be the neighbor of Russia and this is the reason for EU to explore ways to improve local border traffic, border management, transport and energy corridors, Black Sea pollution, fight against drug trafficking and other forms of organized crime. After the 2007 enlargement, EU share border with Moldavia, Black Sea, Morocco, Algeria, Tunisia, Libya, Egypt, Israel, Palestine, Lebanon and Syria.

Russia is the eastern neighbor with which the Union has the longest border. With enlargement, this border will rise from 1300 to more than 2200 kilometers. In addition to Finland, four new Member States are the EU direct neighbors. The Kaliningrad oblast of the Russian federation will find itself surrounded by the EU. Russia answers for around 40% of the population and the GDP of countries covered by the EU initiative. With enlargement, the EU share in Russia’s foreign trade will increase from around 35% to 50%.

On the St.Petersburg summit in 2003, EU set the objectives to gradually establish four common spaces of freedom, security and justice, a space of co-operation in the field of external security and a space of research and education, including cultural aspects.

It is very important the political dialogue, the energy dialogue and co-operation in the area of environment. EU is playing also a leading role in the negotiations for Russia’s accession to the WTO.

The European Union and Russia have been working together on numerous international issues, for example in the context of the difficult international problems and challenges that EU and Russia have been facing in recent years.

Russia will benefit from the European Union’s enlargement:

- Russia will benefit from the extension of the area of stability and prosperity in the European continent
- It will benefit from the opportunities created through the enlargement of our Internal Market.
- It will benefit from a European Union that will become stronger and more active on the international scene.

Regions on both sides of EU common frontier will benefit from the planned. New Neighborhood Instrument, which is an important element of Wider Europe approach.

In Neighborhood Policy, the borders have an important role to play. The ENP (European Neighborhood Policy) was founded on the premise that by helping our neighbors we help ourselves. It provides us with a new framework and new tools for promoting good government and economic development in EU's neighborhood. The EU is working with neighbors to ensure better living conditions in their countries and beyond. EU is providing assistance for educational and economic reforms, exchanges of officials to share EU's experience and technical assistance for legal and government institutions.

The Action Plans signed with Jordan, Morocco and Tunisia are supporting political reform, including by setting up the first ever for a to discuss democracy and governance issues. EU is establishing a new "governance facility fund" (from 2007) offering extrafinancial assistance to those countries that make impressive progress in implementing political reforms and promoting human rights. By helping the neighborhood countries to move their legislation closer to EU, harmonize standards and increase cooperation on transport and energy, EU facilitate their access to EU internal market and opportunities for trade.

Only by opening EU up to the world will protect EU long-term interests. The "European Family" must be open, above all to its immediate neighbors. Borders have an important role to play. EU must to work flexibly, as a facilitator of economic, social and cultural exchanges. EU should not create dividing lines between peoples and ideas but rather promote a network of interconnected interests. Borders are not only about protecting our citizens, but also about breaking down barriers between peoples and cultures in its essence, The ENP is about making the borders work better, not only in terms of protocols and procedures but through EU relations with and assistance to the neighbors.

EU works with its neighbors to ensure better living conditions in their countries and beyond. EU are providing assistance for educational and economic reforms, exchanges of officials to share the EU's experience, and technical assistance for legal and governmental institutions.

EU also is tackling illegal immigration head on by assisting the neighborhoods to improve their migration management and refugee protection capacity; enhance document security and increase border control capacity. EU signed agreements with Morocco and Ukraine and discussed on visa facilitation. EU wants businessmen, officials, students and tourists from neighborhood to travel to the EU more easily. This will send an important signal that we are not a Fortress Europe, EU simply seek to manage migration.

ENP is also making a major contribution to economic growth and increased prosperity. By helping countries move their legislation closer to EU's, harmonize standards and increase cooperation on transport and energy, EU facilitate their access to European internal market and opportunities for trade.

In 2006 it was planned to adopt five Action Plans with Armenia, Azerbaijan, Egypt, Georgia and Lebanon.

In EU there are three groups of countries: the three candidate countries, Turkey, Croatia and the Former Yugoslav Republic of Macedonia, the second, there are the potential candidate countries of the Western Balkans – Albania, Bosnia and Herzegovina, newly independent Montenegro, Serbia and Kosovo. Switzerland, Norway and Iceland, of course, form a category apart, with their own ways of relating to the European Union.

### ***III Sustainable Development***

#### ***III.1 European Funds 2007-2013***

Starting with 1 January 2007 Romania participate as member with full rights to the Cohesion Policy and Common Agricultural Policy and benefit, within the programming period 2007-2013 of an indicative financial allocation of approx. 30 billions Euro.

The Cohesion Policy of the EU has three objectives: Convergence, Regional competitiveness and employment, European territorial cooperation and it is financed through the Structural Instruments: European Regional Development Fund and European Social Fund (known also as Structural Funds) and the Cohesion Fund.

Within the programming period 2007-2013, Romania is eligible under the Convergence Objective, due to the fact that the per capita GDP is less than 75% of the Community average. The aim of this objective of the Cohesion Policy is the speeding up of the convergence of the least-developed Member States and regions by improving conditions for growth and employment, and in this purpose Romania benefit of a financial allocation of 16.912 billions Euro.

Also, Romania has been allocated 404 billions Euro for European territorial cooperation objective, aiming the increasing strengthening of the regional cooperation on three levels: cross-border, transnational and interregional cooperation.

Besides the investments through the Structural Instruments related to the Cohesion Policy, are available financing through the Common Agricultural Policy and Common Fisheries Policy of the European Union. During the programming period 2007-2013, Romania benefit of the European Agricultural Fund for Rural development and European Fisheries Fund, having allocated a budget of approx. 12 billions Euro.

Beside the Structural Funds, European Union sustains the new EU country through The European Association of Regional Development Agencies (EURADA). EURADA was created in December 1991 in the form of a non-profit organization under the Belgian law, the purpose being to:

- encourage exchanges of experience between members and promote “best practice” in the field of local and regional economic development
- promote the recognition of the development agencies as specific mechanisms and economic development entities
- participate in the development and delivery of territorial development programs and/or support programs for companies and in particular small and medium sized enterprises
- reinforce and better organize technical cooperation both with the European Commission and other Community institutions
- assist the development agencies newly set up in the non European Union countries
- Promote the emergence of cooperation projects between development agencies of several countries.

Even if in the Member States of the European Union, development agencies have developed at different times and under different legal forms, the common concerns identified are sufficiently strong and convergent to justify a federative association.

In spite of their diversity, the development agencies have developed original forms of economic intervention amongst that are principally those of:

- assisting in company creation
- the counseling of companies and the training of their management cadres
- the promotion of enterprise zones or the attraction of local or foreign investors

- the stimulation of technology transfer and intercompany partnership
- the creation and management of company incubators
- the provisions, in certain countries, of risk capital
- the conducting of studies and territorial planning initiatives
- the re-generation of areas made derelict by industrial blight

### ***III.2 The Romanian North East region – the Far East border of EU***

I Live in Iasi – Romania, a town who is situated in the Romanian North East Region. Seven of the 8<sup>th</sup> regions of Romania are through the last 15<sup>th</sup> European regions and the Nord-East region is considered the poor region of European space, beside another six regions from Bulgaria, one region from Poland and another from Slovakia.

Knows also by its traditional name of Moldavia, the North East region of Romania is an area in which history, culture and traditions complement the attractive surroundings. This area has long been seen as a romantic and unknown outpoints of Europe. Since 1 January 2007 it is form part of the eastern border of the European Union and NATO>

The General Director of North East Regional Development Agency specify that this region will absorb 1-2 billion Euro European funds within 2007-2013 for infrastructure, medium protection strategy, rural and urban development, tourism, human resources development.

On the other side, this region registered the most important absorption level of pre-aderation European funds from all 8<sup>th</sup> regions of Romania: 200 million Euro PHARE, 300 millions Euro Sapard, 250 millions Euro Ispa.

At this moment are existing around 1000-1200 projects for sectorials operational programs and 1/3 of them finalized the projecting process.

The Project “Development of an Innovative Strategy Continuously Oriented Valorisation of the Economic Resources in North East Romania (Discover NE Romania no.014623) is financed by the European Commission in Sixth Framework Program, Specific Support actions (SSA), Regional Innovation Strategy Projects (RIS) in Associated States.

The general objective of the project is to develop and implement an innovative strategy in North East Region of Romania, which contributes to the region competitiveness rising, through the development of a regional innovation support system and the regional innovation culture and awareness. As strategic objective, the project will stimulate the policy makers as regards research and innovation polities and will facilitate the integration of the Universities and Research Institutes along with SMEs and specialised companies for SMEs support in regional, national and European networks of innovation.

The implementing period of the project has 32 months, beginning with 1 June 2005, divided in 3 stages: stage one with a period of 12 months, the second stage of 12 months and the third stage of 8 months. The budget of the project is 446.667 EURO, the financial amount allocated by the European Commission being of 335.000 Euro. The project DISCOVER NE ROMANIA is initiated by North East RDA and developed in partnership with the institutions METRON from Abruzzo Region, Italy and FUNDECYT from Extremadura Region, Spain and the technical assistance is INFYDE, Spain.

An important role of the EU partners and the International Process Consultant is to provide the methodology, contacts and connections to integrate the existing

regional development and R+D+I organizations into the EU networks and to promote the cooperation between regional and EU companies, Technological centers and Universities.

Primarily because of its low labor costs, the North-East Region of Romania is one of the most cost-effective investment locations in Europe.

Land and industrial buildings can be acquired at low prices and the existing banking and telephone infrastructure can support modern commercial operations. With three university centers in the region, the workforce is relatively well educated and highly skilled. The roads connecting the region with other areas being improved and there are an extensive train network as well as airports in Bacau, Iasi and Suceava.

The textile industry is currently seen as the fastest growing sectors in the region and tourism as the industry of the future. Most of the foreign investment in Moldavia comes from Holland, France, Italy, Luxembourg, Spain, Switzerland, Belgium, Finland, USA, Germany, Cyprus, Israel.

### ***Conclusion***

At the beginning of the last decade, the Cheek's political opening made possible new strategies concerning the European integration's outlook. The decisions of the European Council (Copenhagen, June 1993) on the EU's enlargement to CEECs initiated a process with ample implications both for the member countries and for the candidate countries. Cyprus, Malta and 10 countries of the Central and Eastern Europe asked for accession to EU. For these countries, the accession to EU became a priority and it stimulates a series of economic and institutional reforms in order to accomplish the accession criteria. A vast system of agreements, institutions, negotiation frameworks, financial Programs and funds constituted elements of the pre-accession strategy.