

Visa-free travel for the EU's Eastern partners: time to act

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»» One of the biggest carrots of the European Union's (EU) Eastern Partnership (EaP) offer is visa-free travel. Although some EaP countries already benefit from visa facilitation agreements with the EU, their key goal is to abolish 'the visa wall' altogether. To achieve this, however, EaP countries first have to carry out comprehensive domestic reforms and convince the EU that they are not a source of unwanted migration.

Ukraine was the first EaP country to begin visa liberalisation talks (visa dialogue) with the EU in September 2008. Despite having introduced visa-free travel roadmaps for Western Balkan countries, the EU hesitated to offer Ukraine a similar plan towards full visa liberalisation. Instead, an Action Plan on Visa Liberalisation (VLAP) was put in place in November 2010. The VLAP envisaged a more gradual, two-staged process in which adoption of legislation would be followed by implementation. In addition, the European Commission is to assess migratory and security risks of future visa-free travel. Unlike the Western Balkan roadmaps, the VLAPs with EaP countries do not envisage a visa-free regime upon completion of all reforms, but rather speak of the possibility of a visa-free regime.

The action plans require that EaP countries implement a wide range of reforms, from improving security of travel documents and effective migration management to fighting against organised crime and corruption and protecting minorities. The EaP countries have to meet

HIGHLIGHTS

- Among the six Eastern Partnership countries, Moldova is the closest to a visa-free regime with the EU, surpassing Ukraine that needs to speed up reforms.
- EU fears of irregular migration, aggravated by an increase in unfounded asylum requests from the Western Balkans, remain an obstacle to the visa-free goal, despite a lack of evidence for these concerns and envisaged EU legislation to mitigate this risk.
- Visa-free travel will bring political and economic benefits for both sides.

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»»»»» up to sixty benchmarks. Although the European Commission is responsible for monitoring and evaluating progress, EU member states remain in full control of this overly technical process. After a partner country has adopted the necessary legislation, it is both the Commission and the Council of the EU that decide if the applicant can be promoted to the second 'implementation' stage of the action plan.

Having received the VLAP in January 2011, Moldova moved to the second stage in June 2012, surpassing Ukraine. Chisinau hopes to receive the Commission's final assessment of successful implementation of the VLAP before the EaP summit in Vilnius on 28-29 November 2013. This makes Moldova the top candidate for visa-free travel in the region.

Ukraine is lagging behind and is still in the first 'legislative' stage. Kiev has so far failed to adopt important legislation to combat discrimination and corruption. Georgia, which signed visa facilitation and readmission agreements after Ukraine and Moldova, received its VLAP in February 2013, and had already started implementing some reforms in advance. Armenia has to begin implementing its visa facilitation and readmission agreements in order to be eligible for a visa dialogue. Azerbaijan has not yet concluded negotiations, whereas Belarus keeps rejecting the EU's offer of visa facilitation.

Whereas Macedonia, Montenegro and Serbia started to enjoy visa-free travel to the Schengen zone already in December 2009, and Albania and Bosnia and Herzegovina a year later, EaP citizens still have to queue to get permission to enter the EU. Beyond the lack of accession perspectives for EaP countries and the geographical proximity of the Western Balkans, this is also due to escalated fears of illegal migrants, the more intricate two-stage visa liberalisation process, as well as weaker support for reforms in some EaP countries.

What are the obstacles for visa-free travel with EaP countries and what are the potential benefits of visa liberalisation? This document looks at the

pros and cons of visa-free travel with the EU's Eastern neighbours. In particular, it focuses on Moldova and Ukraine as the most advanced partners in visa liberalisation with the EU.

**VISA-FREE TRAVEL:
WHAT ARE THE RISKS?**

Although the EU has promised a visa-free regime to EaP countries conditional upon a successful reforms record, visa liberalisation as such lacks genuine support within the EU. Whereas the European Parliament and the Commission are supportive of visa liberalisation, several member states are hesitant to allow visa-free travel with a new set of countries to the East. The most supportive member states are those neighbours who see the clear political and economic benefits of a visa-free regime, which was abolished when they acceded to the EU in 2004 and 2007. More recently, due to the economic crisis, some countries have begun to see visa-free travel as an opportunity to boost their tourism industry. However, some member states, in particular those affected by the massive increase of unfounded asylum requests from Western Balkan citizens, mainly of Roma origin, after visas were lifted, are wary of illegal migration and the spread of organised crime stemming from the former Soviet republics. The main argument against a quick abolition of visas is that visas are still seen as a tool to control flows of unwanted immigrants. Interior ministries fear that the EU will lessen control over migration flows from an impoverished and poorly-governed region with frozen conflicts and less built-up borders to the East.

Whereas several loopholes in European asylum systems have been largely remedied and the EU has put more emphasis on the integration of Roma and on anti-discrimination legislation in its action plans with EaP countries, a fear remains that those entering the EU as 'tourists' will stay to work illegally. Whereas Moldova, with a population of 3.5 million, has a small migration potential given that between a quarter and a third

of its labour force is already working abroad, Ukraine, with 45 million people, is seen as a bigger source of illegal labour force. Another concern in removing visa barriers for Eastern Europeans was reflected in a 2011 Europol (European Police Office) report, which argued that the abolition of visa-regime for Russia, Ukraine and Georgia would present new opportunities for organised crime groups involved in illegal immigration, human trafficking and smuggling of illicit commodities.

Granting visa-free travel to Moldova will be the most powerful encouragement to other Eastern partners to speed up reforms

But there are counter-arguments as well. According to Frontex (European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union), in 2012 only 2 per cent of all illegal border crossings to the EU was reported on the EU's Eastern borders,

including with Russia. Moreover, the visa refusal rate, which is an indicator of the illegal migration threat, has been in decline in the past few years. For Ukrainians, the Schengen visa refusal rate is 3.3 per cent, which is close to what the EU considers 'safe' (3 per cent); for Moldovans, it significantly decreased from 11.4 per cent in 2010 to 6.5 per cent in 2012. Furthermore, the number of asylum seekers in the EU coming from Moldova and Ukraine is statistically insignificant (440 from Moldova and 1,095 from Ukraine out of over 335,000 requests in 2012).

Supporters of visa-free travel also say that those who wanted to migrate to the EU are already there, referring to 632,000 Ukrainians and over 200,000 Moldovans legally residing in the EU (this is without counting the over 200,000 Moldovan citizens who have received Romanian citizenship since 1991). Most of Ukrainian and Moldovan migrants live in few neighbouring EU

member states (Czech Republic, Poland, Hungary and Romania) or in countries which are or have been relatively open to migration from the East (Italy, Germany, Spain and Portugal). At the same time, the migration potential of rapidly ageing societies in Moldova and Ukraine is drying up. According to EU statistics, the level of flows from Moldova and Ukraine to the EU has declined due to the economic crisis and the shrinking of the job market in key destination countries.

A growing number of studies also argue that there will be no influx of migrants in the event of the abolition of visas for EaP countries. A study on labour migration published in 2013 by the think-tank CASE concludes that visa liberalisation with EaP countries will not lead to massive migration. CASE experts suggest easing the procedures to issue employment permits in order to lower the costs of legal employment in comparison to illegal employment, which would also make migration more circular, to the benefit of EU employers and migrants and their families. Indeed, the Polish experience shows that an easier employment system makes migration more circular. A study focusing on Ukraine and Moldova published by the Migration Policy Centre at the European University Institute came to a similar conclusion: visa-free travel will lead to more circular migration rather than migration *en masse*. The authors argue that visa policy has been an ineffective tool in managing labour migration and recommend that the EU implement a 'smart borders' concept (automatised registration of entry and exit of third-country nationals to tackle over-stays and facilitation of border crossing for frequent *bona fide* travellers) and develop programmes of short-term employment.

Another argument in favour of visa-free travel is the good functioning of small border traffic regimes, permitting visa-free crossing for inhabitants of a 30 km border zone to border regions of a neighbouring EU state. Poland, Hungary and Slovakia have such agreements with Ukraine, and Romania with Moldova. In 2012, there were 6 million border crossings among border zones in Poland and Ukraine, and

»»»»» Ukrainians have proven to respect the rules of travel which they benefit from.

Advocates of visa-free travel also argue that a visa policy is not an effective instrument to fight illegal migration. The European Asylum Support Office annual report shows that not all EU member states were faced with an increase of asylum demands from the Western Balkans when visas with these countries were lifted, while the UK, which has a visa requirement, was. A 2013 Europol report also states that organised crime groups use 'tourist agencies, corrupted visa officers, and even shell companies' to 'aid large numbers of irregular migrants in obtaining visas to overstay the validity period'. A study conducted by the Ukrainian NGO Europe without Barriers points to the proliferation of agencies that for a certain fee 'issue' the necessary documents for applying for a visa (e.g. fake invitations, letters from employers etc.), sell a free spot in the visa queue and guarantee a long-term multi-entry Schengen visa even to a client without previous travel history. The abolition of visas is expected to put an end to 'visa shopping', thus stopping feeding corruption in EaP countries. NGOs working to prevent human trafficking argue that visa-free travel will reduce the demand for services of facilitators, something which has already been observed in the Western Balkans.

Finally, an important argument to deal with EU fears of illegal migration is the planned introduction of a visa waiver suspension mechanism in EU legislation which would allow for re-imposing the visa regime on a temporary basis in emergency situations, for example, in the case of a substantial and sudden influx of irregular migrants or unfounded asylum seekers. Such a clause would serve as a warning for the EU's neighbours to prevent possible abuses of the visa-free regime.

**VISA-FREE TRAVEL:
WHAT ARE THE BENEFITS?**

Visa-free travel is expected to have a positive impact on the democratisation and European integration of EaP countries in the medium to

long terms, as well as promote economic growth on both sides.

The basic assumption is that increased travel will promote greater people-to-people contacts, which implies that frequent travellers who have been exposed to good standards of governance, an open economy and high-quality education abroad will demand and work towards similar practices at home. Visa-free travel is also of a greater symbolic value, demonstrating the EU's openness to its neighbours that desire to be a part of the Union.

There is some evidence to suggest that travelling and stays abroad may indeed relate to political behaviour at home. A case study on Moldova by the Kiel Institute for the World Economy comes to the conclusion that the destination of labour migration has an impact on the voting preferences of those left behind: in those communities from which labour migrants had gone mostly to Europe, support for the Communist Party diminished substantially. According to a recent survey conducted by the Democratic Initiatives Foundation and the Razumkov Centre, there are more Ukrainians who have been to a Western country among supporters of openly pro-European opposition parties. A similar poll carried out by the Belarusian Institute for Strategic Studies in 2010 showed that support to European integration was 20-30 per cent higher among Belarusians who had visited the EU more than twice during the last three years and had alternative sources of information about it.

Some in the EU also claim that visas pose an obstacle to economic growth, in particular in the area of tourism. Visa facilitation and liberalisation is seen to boost the European tourism industry, creating jobs and increasing tax revenues. Affected by the economic crisis, Schengen countries that have a significant tourism sector, mostly from southern Europe, have improved visa issuance practices and advocate for visa-free travel solutions for Eastern European countries with eager tourists, mainly Russia, but also Ukraine. According to the NGO Europe without Barriers, Greece and Spain have shown the most dynamic

progress towards friendlier visa practices and have significantly increased the number of visas issued to Ukrainians. These two countries are the most popular destinations in the Schengen area for Ukrainian tourists.

Though Russia remains the most attractive EU neighbour for the EU's tourism markets, the potential of other Eastern European countries should not be discarded. According to Ukrainian tourism operators, the number of Ukrainian tourists who travel abroad is steadily growing and approaching 2 million annually, with visa-free Turkey remaining the most popular destination. Visa-free travel could spur Ukrainian tourism to the EU, while the money spent by travellers on consular and other fees collected by private companies to which visa-related services are increasingly outsourced (which may reach up to €75) could be invested in the EU tourist sector.

Eastern Europeans also account for another growing market in neighbouring EU member states: they are 'shopping tourists'. For example, in 2012 Belarusians spent nearly €200 million in shops in the neighbouring eastern Poland region, contributing to the development of trans-border trade. Polish consulates in Belarus and western Ukraine have even introduced visas for shoppers. Business associations in some EU member states, including those that maintain a cautious position on the visa issue such as Germany and France, have urged the EU to remove visa barriers with Russia and Eastern Europe, calculating that that they cost hundreds of millions of euros per year to European economies.

The 'economisation' of the EU's visa policy was the main trend in the European Commission communication to the Council and the European Parliament of November 2012 on the implementation and development of the common visa policy to spur growth in the EU. It is the first EU document in which EU visa policy is analysed from the perspective of its impact on the wider EU economy and which presents a break from the security-dominated view on visas by interior ministries. Studies showing the impact

of visas on travel, trade and investment are still few (e.g. works of Eric Neumayer from the London School of Economics), but the economic argument is likely to be increasingly mobilised by those advocating for the abolition of the visa-regime for the EU's Eastern neighbours.

CONCLUSION

Security-based thinking still dominates the EU's visa policy, but there are more voices in support of a relaxation of the visa-regime and full liberalisation in some cases. The arguments in favour are several. First, visa-free travel would promote people-to-people contacts, which in the long term may help democratisation and European integration in the region. Second, it would be a win-win situation, because it would boost tourism and create more favourable conditions for trade and business on both sides. Finally, empirical evidence tends to indicate that visa-free travel would not lead to an influx of illegal migrants to the EU, while visas do not prevent criminals from entering. Thus, smart border control policies, short-term employment opportunities and closer cooperation between law enforcement agencies in the EU and in partner countries may prove a more efficient way to guarantee European security.

Whereas a visa-free regime is still a distant perspective for most EaP countries, Moldova aspires to receive a final positive assessment of its reform record from the European Commission before the EaP summit in Vilnius to be held on 28-29 November 2013. The EU should keep its promise and reward the progress made by Moldova by conceding Moldovan citizens the right to travel freely to the EU as of next year. Granting visa-free travel to Moldova will be the most powerful encouragement to other Eastern partners to speed up reforms.

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