

## BULGARIAN LABOUR MIGRATION: DO RESTRICTIONS MAKE SENSE?

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### EXECUTIVE SUMMARY

**T**he present report provides a review of available information on the basic characteristics of Bulgarian labour migration, as they evolved over the last few years, in an attempt to establish how and to what extent labour migration is influenced by the transitional arrangements restricting access to the labour market of certain EU Member States.

#### Main Conclusions:

- Bulgaria is still one of the poorest countries in the European Union, hence emigration to Western Europe remains an attractive solution for part of the population. However, the appeal of emigration is gradually declining, as unemployment rate in Bulgaria is now comparable to Western European levels, while differences in income have decreased: in the 1990s per capita income in Western Europe was 4 times higher than that in Bulgaria, while one decade later this ratio is 2.5 measured by purchasing power parity. As a result, emigration of Bulgarians has gradually declined.

- Internal factors motivating one's decision to emigrate, such as labour productivity and unemployment, have a much stronger impact on emigration decisions than existing labour market restrictions in target countries. The large wave of outward migration from Bulgaria happened in the 1990s when the country experienced a severe economic crisis and had not yet become a member of the EU. For most Bulgarians labour market restrictions in recipient countries simply imply that they would be working illegally for a longer period of time. The EU Member States receive

ing the greatest share of immigration from Bulgaria are Spain and Germany. The former has opened its labour market to Bulgarians, while the latter imposes restrictions. Nevertheless, the number of Bulgarians living in the two countries is increasing at comparable pace. Therefore, it makes no sense to extend the validity of transitional arrangements, as this would only keep a greater number of Bulgarians on the illegal labour market.

- There is no evidence that the migration of Bulgarian citizens of Romani background differs from that of ethnic Bulgarians; the main reason for both Bulgarians and Roma living abroad, is employment. According to a recent survey 84.2% of Roma who had spent time abroad, have done so in order to work. This has been the case for 73% of Bulgarians who had been abroad in the last 20 years, which suggests that employment is even more important reason for emigration among Roma than among Bulgarians. The 10% difference can also be explained with the fact that another important reason for Bulgarians to spend time abroad is education, which is rather rare reason for immigration among Roma. The perception that there is mass emigration of Bulgarian Roma for social benefits abroad does not reflect an actual tendency but is rather the result of media overexposure of individual incidents.

- When considering the extension or termination of transitional arrangements, Bulgaria and Romania should not be treated as a whole. The potential inflow of Bulgarian immigrants is far less significant in volume and it is less likely that it would cause labour market disruption in recipient countries.

## INTRODUCTION

Free movement of people within the European Union (EU) is one of the fundamental freedoms guaranteed by European Union legislation and an important element of the internal market. In both European Union enlargements, in 2004 and 2007, the right to free movement of workers from New Member States<sup>1</sup> was limited by the introduction of transitional arrangements restricting access to the labour market in certain Old Member States. The restrictions were introduced for a maximum period of seven years and are subject to further negotiation in three phases of 2+3+2 years. The legal implications of these arrangements are that access to the labour market in Old Member States remains subject to national measures and existing bilateral agreements<sup>2</sup>.

At the end of the first two years (phase one) of the transitional periods Member States inform the European Commission (EC) whether they would continue to implement their national legislation for an additional term of up to three years or would abolish restrictions to the free movement of people.

Transitional arrangements should expire no later than five years after the accession of New Member States. At the end of the five-year period, each Member State may request permission from the European Commission to continue to implement its national measures for another two years but only in case of serious disturbances of its labour market or threat thereof.

For the countries, which joined the EU in 2004, the seven-year period expired on April 30, 2011. For Bulgaria and Romania the second transitional phase ends on December 31, 2011 and the validity of transitional arrangements can be extended by no more than two years.

Currently, Bulgarian workers have free access to the labour market of 16 Member States: Denmark, Cyprus, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Poland, Portugal, Romania, Slovenia, Slovakia, Spain, Sweden, and the Czech Republic.

<sup>1</sup> See for example: Annex VI to the Treaty of Accession of Bulgaria and Romania to the European Union. The text is available on the Internet at: [http://eur-lex.europa.eu/LexUriServ/site/en/oj/2005/l\\_157/l\\_15720050621en01040128.pdf](http://eur-lex.europa.eu/LexUriServ/site/en/oj/2005/l_157/l_15720050621en01040128.pdf)

<sup>2</sup> According to the Treaty of Accession these arrangements are introduced “[b]y way of derogation from Articles 1 to 6 of Regulation (EEC) No 1612/68”. The Treaty makes an exception for workers who had been admitted to the labour market of a given Member State for an uninterrupted period of 12 months or longer.

The remaining ten Member States implement restrictions mainly by requiring workers to obtain work permits (see Annex 1). Transitional arrangements regulating the access of Bulgarian and Romanian nationals to the labour market apply in some non-EU states as well, whose migration policy is in some way connected to that of the European Union. For instance, under an agreement between the European Union and Switzerland concerning the free movement of people<sup>3</sup>, Switzerland can impose restrictions on the access of Bulgarian and Romanian nationals until 2016. EEA countries such as Iceland, Lichtenstein and Norway also coordinate their national policies with that of the European Union and impose restrictions on the access of Romanian and Bulgarian nationals to their labour markets.

After the end of the first transition period, some EU Member States opened their national labour markets to Bulgarian and Romanian nationals: Denmark – as of May 1, 2009; Greece, Portugal and Hungary – as of January 1, 2009<sup>4</sup>.

By the end of 2011, the remaining Member States should decide whether they would either take no additional measures, whereby the transitional arrangements restricting the access of Bulgarian and Romanian citizens to their national labour markets would be automatically abolished, or submit a motivated request to the EC to extend the transitional period of implementation of the national legislation.

On October 25, 2011 the European Parliament adopted a Resolution on promoting workers’ mobility within the European Union (2010/2273 (INI)<sup>5</sup>, calling upon Member States to eradicate the existing transitional barriers regarding free movement of workers for the Member States who joined in 2007, and noting that these barriers impose double standards on European citizens.

On November 1, 2011 the Government of Iceland asked the national parliament to abolish restrictions for the access of Bulgarian nationals to the country’s labour market. On August 11, 2011 the European Commission approved Spain’s request to temporarily restrict access

<sup>3</sup> For more information, see: <http://www.europa.admin.ch/themen/00500/00506/00519/index.html?lang=en>

<sup>4</sup> See Summary table of Member States’ policies, available at: <http://ec.europa.eu/social/main.jsp?catId=466&langId=en>.

<sup>5</sup> The text of the Resolution is available at: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+TA+P7-TA-2011-0455+0+DOC+XML+V0//EN>

to its labour market for Romanian nationals until 31 December 2012 due to serious disturbances of its labour market.

On November 11, 2011 the European Commission published a report<sup>6</sup>, highlighting once again the overall positive role that Bulgarian and Romanian workers have played in the economies of Old Member States, and claiming that their participation in recipient countries' labour markets has produced no negative impact and that there is no evidence of a disproportionate use of social benefits.

The present paper provides additional arguments in support of this claim.

## DEVELOPMENTS AND DEMOGRAPHIC PROFILE OF BULGARIAN EMIGRATION

The information and conclusions presented hereinafter are based to a great extent on the results of two studies of Bulgarian migration policy, conducted by the Open Society Institute – Sofia in the last few years: "Bulgarian Migration: Incentives and Constellations", Dr. Krasen Stanchev at al., Institute for Market Economics, 2005, and "Trends in Cross-border Workforce Migration and the Free Movement of People – Effects for Bulgaria"<sup>7</sup>, OSI–Sofia, 2010.

Bulgaria's profile is gradually changing from a country of origin and transit to a recipient country for immigrants. Emigration from Bulgaria has reduced significantly over the last few years, while immigration has increased. Net migration is still negative, i.e. emigration prevails, but its value is quite low.

The 1990s were marked by migration of young and highly-educated people for whom emigration was a long-term life choice; they left Bulgaria forever. After 2000 there was a shift in the profile of Bulgarian emigration, expressed in a growing number of middle-aged women with either secondary or higher educa-

tion, who are married but move to the recipient countries alone (without their husbands or children). They perform low-qualified jobs and send up to 40% of their income back to Bulgaria. The period after 2000 is also characterised by intentions for temporary migration with available field research suggesting that only 1/5 to 1/4 of Bulgarian nationals living abroad intend to stay permanently in the country they have emigrated to.

After Bulgaria's accession to the European Union, the tendency for a greater number of female emigrants remained. However, there was a significant change in the share of entire families emigrating to another country, which increased compared to the period prior to 2007.

Changes also occurred in the status of Bulgarian nationals living abroad: before Bulgaria's accession to the EU many women performing low-qualified jobs were working illegally, while after 2007 the number of Bulgarian migrants, who had legalised their status in the recipient Member States, increased. As a result, their integration into recipient societies improved, which is evidenced by a significant decrease in the number of female emigrants who live permanently in the household for which they work and make their living as housekeepers or caregivers for elderly people, a common occupation for Bulgarian female emigrants in Greece and Italy. The economic sectors in which Bulgarian workers are employed clearly suggests that Bulgarian emigration remains predominantly temporary or seasonal.

Both studies conducted by OSI–Sofia indicate that the main employment sectors for Bulgarian labour emigrants are hotel and tourism, domestic work, care services, construction and trade, while 2009 interviews with Bulgarian workers in the United Kingdom suggest that agriculture is an important start-up sector as well. On the whole, the share of self-employed Bulgarian nationals remains small in all main destinations for Bulgarian emigration in the European Union. No cases of migration were registered with the sole purpose of obtaining access to social benefits. All respondents have migrated in order to work or study and most of them were employed at the time of the survey.

Economic conditions, the large difference in salaries between Bulgaria and recipient countries in particular, have been a major factor for Bulgarian emigration over the last 10–15 years. Additional reasons for emigration, cited in the 2010 study, also include permanent defi-

<sup>6</sup> Report from the Commission to the Council on the Functioning of the Transitional Arrangements on Free Movement of Workers from Bulgaria and Romania, Brussels, 11.11.2011, COM(2011) 729 final, <http://ec.europa.eu/social/main.jsp?langId=en&catId=457&newsId=1114&furtherNews=yes>

<sup>7</sup> The full text of the report is available at: [http://www.osi.bg/cyeds/downloads/Migracia\\_english.final.pdf](http://www.osi.bg/cyeds/downloads/Migracia_english.final.pdf)

cits in the social support and public service provision systems in Bulgaria, as well as personal circumstances such as fear of poverty or unemployment, illness in the family that requires money to be treated adequately, threats to physical survival (due to delayed salaries for instance), lack of opportunities for the future, lack of security and order, accumulation of debts.

In the last 10–15 years, Spain, Germany, Italy, Greece and the United Kingdom clearly stand out as the main recipient countries for Bulgarian emigrants in the European Union. For lack of reliable statistics, it is difficult to establish the exact number of Bulgarian nationals in these countries, but Eurostat data on the number of Bulgarian nationals residing legally in other EU countries as of 2009, suggest that their share is highest in Spain, followed by Germany, Italy and Greece. It should be noted however that these statistics does not include Bulgarian nationals who have acquired citizenship in the recipient country through naturalisation.

Few studies differentiate migration among Bulgarian citizens by ethnic groups. A nationally representative survey of the Roma community in Bulgaria, conducted by the Open Society Institute – Sofia,<sup>8</sup> suggests that only 12% of the interviewed Roma and 16.5% of the members of their households have worked abroad in the last 20 years. The main reason for Roma migration abroad is employment<sup>9</sup>. 84.2% of Roma who had spent time abroad, have done so in order to work. This has been the case for 73% of Bulgarians who had been abroad in the last 20 years, which suggests that employment is even more important reason for emigration among Roma than among Bulgarians. The 10% difference can also be explained with the fact that another important incentive for Bulgarians to spend time abroad is education (for 7% of Bulgarian migrants), while among Roma this is seldom cited as a reason for migration.

According to the same survey, migration among Roma is mostly temporary and circular: nearly 2/3 of Roma migrants have returned to Bulgaria within less than 6 months (46% have been abroad for less than 3

months, while 26% have spent between 3 and 6 months in a foreign country).

The main target destination for Roma emigrants is Greece: almost 30% of those surveyed have worked in this country during their latest stay abroad, while 23% intend to choose it as a desired employment destination in the future. Other desired destinations for Roma labour migrants include Germany (21% of the Roma respondents who intend to seek employment abroad, would choose Germany), Spain (19.4%) and Italy (14.3%). In this sense Roma emigration differs from the emigration of Bulgarians. The most desired destinations for Bulgarian labour migrants are Germany (18.2% of Bulgarian respondents who intend to seek employment abroad, would choose Germany), Spain (15.5%), Italy (13.6%) and the United Kingdom (10.9%). Greece ranks fifth among the desired destinations for Bulgarians, while the United Kingdom, along with Belgium, ranks ninth among the destinations preferred by Roma.

The attractiveness of Greece as a destination for Roma labour migrants can be explained with the fact that the country is close to Bulgaria and hence, travel costs are low. Roma emigration is poverty-motivated emigration and the choice of destination is much more influenced by the emigrant's economic status than is the case with the average Bulgarian emigrant. Moreover, Greece offers many opportunities for seasonal employment in tourism and agriculture, which are accessible to Roma.

France, which in 2010 deported a large number of Roma from Romania and Bulgaria, is the country in which only 6.4% of Bulgarian Roma have spent their latest sojourn abroad. Interestingly, it seems that deportation has not affected their motivation to migrate to France since approximately the same number of respondents (6.3%) indicate that they would seek employment in this country in the next 12 months.

Data suggest that the perceived mass emigration of Bulgarian Roma for social benefits abroad does not reflect an actual tendency but is rather the result of media overexposure of individual incidents. For Roma as well as for Bulgarians, emigration is very much determined by the economic situation in Bulgaria and is less influenced by external barriers such as the possibility of deportation or the existence of transitional arrangements.

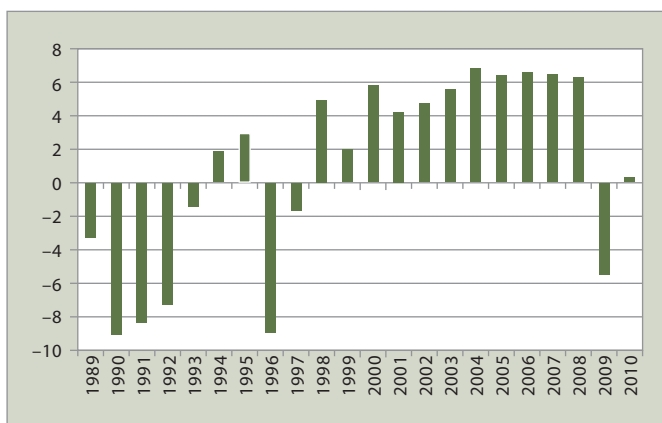
<sup>8</sup> The survey was conducted under the project "EU INCLUSIVE. Data transfer and exchange of good practices regarding the inclusion of Roma population between Romania, Bulgaria, Italy and Spain". Publication is pending.

<sup>9</sup> Results of an omnibus survey conducted by the Open Society Institute – Sofia in July 2011. More information (in Bulgarian) is available at: <http://www.opendata.bg/>

## DEVELOPMENTS IN THE ECONOMIC INCENTIVES FOR MIGRATION

For most of the 1990s Bulgaria's economy experienced severe crisis brought about by the default on foreign debt and the delay in conducting the necessary reforms for the transition from communist to market economy. Substantial decline in GDP was registered virtually every year throughout the decade, while inflation was high and in 1996–1997 spiralled into hyperinflation, coupled by currency devaluation and bank crisis.

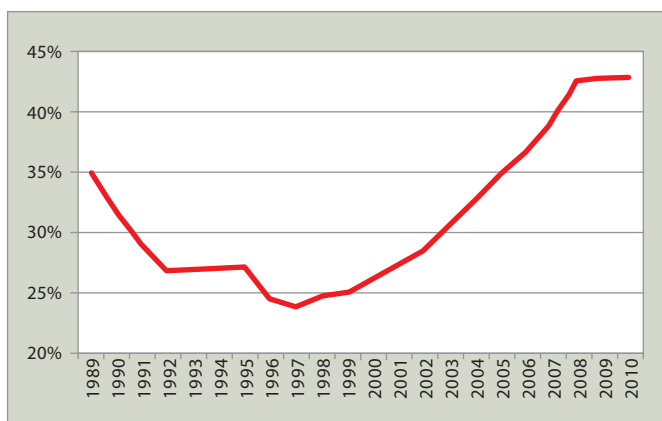
Fig. 1. Economic growth/decline, % annually



Source: World Bank, World Databank

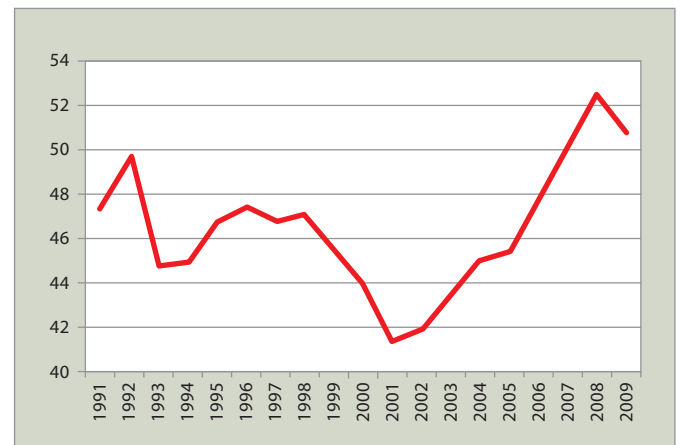
The cumulative decline in GDP reached nearly one third in the crisis years, while per capita income kept decreasing almost throughout the entire decade. By

Fig. 2. Per capita GDP in Bulgaria as a % of per capita GDP in Italy, PPP



Source: World Bank, World Databank  
(indicator GDP per capita, PPP constant 2005 international \$)

Fig. 3. Share of employed persons among the population above 15 years – data for Bulgaria



Source: World Bank, World Databank

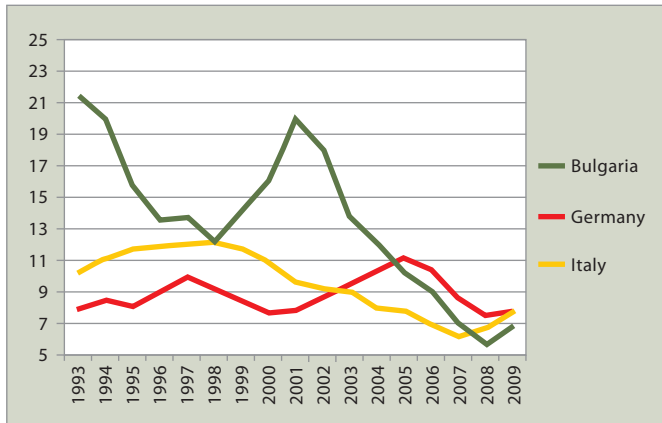
the end of the 1990s per capita income in Bulgaria, measured by purchasing power parity, had dropped to approximately one fourth of that in Italy.

The severe economic crisis also led to substantial job losses. Nearly one million jobs were lost in the 1990s. Unemployment in Bulgaria was significantly higher than that in Western Europe, although the severity of the situation was not registered by official statistics because many unemployed persons were not covered by statistics and part of the population emigrated.

Since the end of the 1990s, the situation has changed significantly. After 1997 Bulgaria has been registering rapid and sustained economic growth (except in 2009 due to the global economic crisis). Real per capita income has been on the rise throughout the period, starting from 25% of that in Western Europe at the end of the 1990s and reaching 40% one decade later. Compared to Italy, for instance, per capita income in Bulgaria has increased from 24% to 43% in the last ten years. After a decade of growth, employment in Bulgaria reached significantly higher levels, while unemployment declined to figures, comparable to those in Western Europe (actually before the 2008–2009 crisis, unemployment in Bulgaria was even lower than that in Western Europe).

Nevertheless, Bulgaria is still one of the poorest countries in the European Union, hence emigration to Western Europe remains an attractive solution for part of the population. However, the appeal of emigration is gradually declining, as unemployment rate in Bulgaria is now comparable to Western European levels, while differences in income have decreased: in the 1990s per capita income in Western Europe was 4 times higher

**Fig. 4. Unemployment, %**



Source: World Bank, World Databank

than that in Bulgaria, while one decade later this ratio is 2.5 measured by purchasing power parity. As a result, emigration of Bulgarians has gradually declined.

## IMPACT OF VARIOUS RESTRICTIVE MEASURES

After the fall of communism, during the first ten years of transition, Bulgaria was isolated from other European countries. In the 1990s, the country was neither a member of the EU, nor of NATO, nor of WTO; it had no free trade agreement with the EU, while the movement of Bulgarian citizens to EU countries was restricted by a stringent visa regime.

The next ten years of transition marked a decade of integration: trade was liberalised, visas for EU countries were abolished, Bulgaria joined NATO and the EU, and many EU Member States opened their labour markets for Bulgarian citizens.

It would be logical to assume that emigration of Bulgarian nationals would be smaller in the period of international isolation and would increase as the country becomes integrated with the EU and NATO. With the removal of such serious restrictions to travel as the visa regime with EU Member States, one would presume that Bulgarian nationals would start to emigrate in greater numbers. Data however do not support such assumption.

Between the 1992 and the 2001 censuses, 217,809 Bulgarian citizens have emigrated from the country<sup>10</sup>, while between the 2001 and the 2011 censuses this

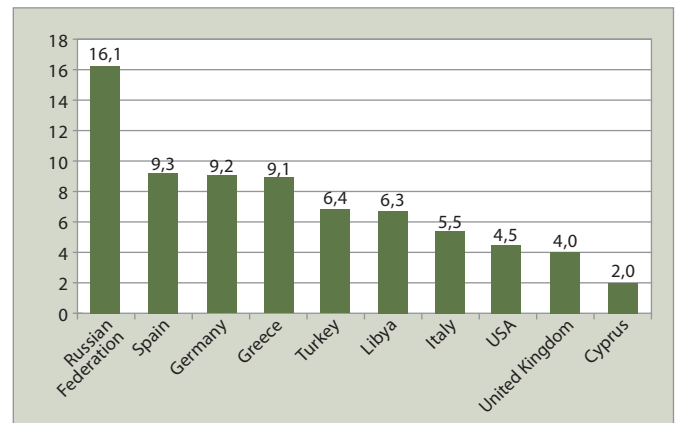
<sup>10</sup> National Statistics Institute, Bulgarian Population and Housing Census as of February 2, (express results), April 6, 2011. Available at: <http://www.nsi.bg/eventen.php?n=849>

number is estimated to be 175,244<sup>11</sup>. In other words, despite greater integration and abolition of travel restrictions to the EU, emigration has in fact decreased. Figures suggest that an average of 24,201 Bulgarian citizens per year emigrated between the 1992 and the 2001 censuses, while the annual average between the 2001 and the 2011 censuses was 17,524 persons. Therefore, average annual emigration marked a 28% decline despite the removal of travel restrictions.

Available population statistics and data from the EU Labour Force Survey suggest that the number of Bulgarian and Romanian citizens resident in the EU-25 increased from around 690,000 at the end of 2003 to about 1.8 million at the end of 2007, a process which had started well before the accession of both countries to the EU in January 2007. This amounts to an average net growth of about 290,000 persons per year. Romanian nationals accounted for around 19% of all recent intra-EU movers who took residence in another EU Member State over the past 4 years, Bulgarian citizens for about 4%.<sup>12</sup>

This suggests that Bulgarian emigration is not influenced by travel restrictions but by economic factors. In the 1990s when Bulgaria went through difficult times from an economic perspective – recession, job losses,

**Fig. 5. Bulgarian citizens who have stayed abroad, by country of residence, %**

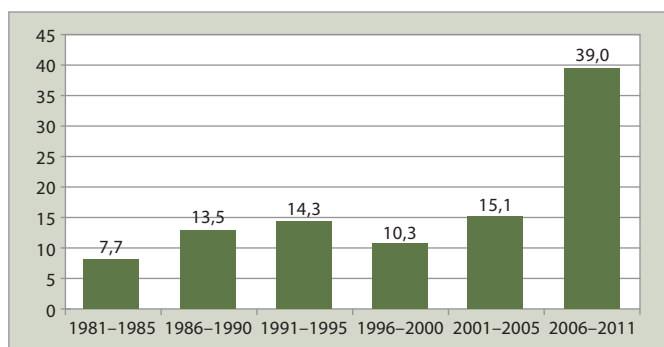


Source: National Statistics Institute, 2011 Census (final data), July 21, 2011.

<sup>11</sup> National Statistics Institute, 2011 Census (final data), July 21, 2011. Available at: <http://www.nsi.bg/census2011/pageen2.php?p2=179>

<sup>12</sup> "The impact of free movement of workers in the context of EU enlargement". Report on the first phase (1 January 2007 – 31 December 2008) of the Transitional Arrangements set out in the 2005 Accession Treaty and as requested according to the Transitional Arrangement set out in the 2003 Accession Treaty. Brussels, 18.11.2008, COM(2008) 765 final, page 5 Available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0765:FIN:EN:PDF>.

**Fig. 6. Bulgarian citizens who have stayed abroad, by year of return to Bulgaria, %**



Source: National Statistics Institute, 2011 Census (final data), July 21, 2011.

inflation, decline in real income, bank crisis, even hyperinflation – the incentives for emigration were much stronger and people emigrated despite visa restrictions and other barriers to travel.

Conversely, after the end of the 1990s, the Bulgarian economy gradually improved, new jobs were created, and income and living standards increased. This led to a decline in migration although it had become much easier to travel, as visas were abolished, the country joined the EU and many EU Member States opened their labour markets for Bulgarian citizens. This tendency is also reflected in NSI data, which suggest that the number of Bulgarian emigrants returning to Bulgaria has gradually increased, reaching its peak from 2006 onwards, after the country joined the EU.<sup>13</sup>

Travel and labour market restrictions has never been a deterring factor of Bulgarian emigration. The abolition of visas and borders, on the other hand, did not lead to an increase in the number of Bulgarian emigrants. Taken alone, barriers play no significant role in regulating migration flows.

According to the EC, free movement, rather than transitional arrangements, contributes to managing non-regulated migration, as restrictions on labour market access can only delay labour market adjustments and may even exacerbate the incidence of undeclared work<sup>14</sup>. This is confirmed by the results of the studies

<sup>13</sup> National Statistics Institute, 2011 Census (final data), July 21, 2011. Available at: <http://www.nsi.bg/census2011/pageen2.php?p2=179>

<sup>14</sup> "The impact of free movement of workers in the context of EU enlargement". Report on the first phase (1 January 2007 – 31 December 2008) of the Transitional Arrangements set out in the 2005 Accession Treaty and as requested according to the Transitional Arrangement set out in the 2003 Accession Treaty. Brussels, 18.11.2008, COM(2008) 765 final, page 5 Available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2008:0765:FIN:EN:PDF>

conducted by the Open Society Institute – Sofia: the large wave of outward migration from Bulgaria happened in the 1990s before the country's accession to the EU, while for most Bulgarians now, labour market restrictions in recipient countries simply imply that they would be working illegally for a longer period of time.

## IMPACT OF TRANSITIONAL ARRANGEMENTS RESTRICTING LABOUR MARKET ACCESS IN TRADITIONAL RECIPIENT COUNTRIES FOR BULGARIAN EMIGRANTS

Spain and Germany are two countries which traditionally have been attracting a large number of Bulgarian emigrants. In 2009, Spain opened its labour market to Bulgarian nationals, while Germany benefited from the opportunity to postpone labour market liberation. Statistics, however, show no difference in the flow of Bulgarian migrants to these two countries after Bulgaria's accession to the EU on January 1, 2007.

According to Eurostat data, between 2006 and 2010 Bulgarian immigrants in Spain increased by 64.6%,

**Table 1. Bulgarian citizens in other EU countries**

Geo/Time	2006	2007	2008	2009	2010
Spain	101 975	124 973	154 886	164 784	167 849
Germany	39 153	41 947	50 282	57 555	66 238
Italy	17 746	19 924	33 477	40 880	46 026
Belgium	:	:	6753	10 410	13 171
Netherlands	2076	2202	6378	10 190	12 340
Portugal	:	3575	5076	6456	7202
Czech Republic	4153	4285	5046	5926	6402
Sweden	834	828	1838	2655	3252
Denmark	572	583	823	1533	2321
Ireland	:	:	:	2100	1518
Slovakia	552	547	985	1355	1515
Hungary	1140	1123	1128	1133	1211
Poland	:	1023	1039	1350	1122
Slovenia	72	118	780	599	770
Finland	342	357	477	618	721
Latvia	27	32	328	562	570

Source: Eurostat

while those in Germany increased by 69.2%. Hence, the liberation of Spain's labour market did not trigger greater immigration that that registered in Germany, which is yet to open its labour market to Bulgarian nationals.

Spain has received more Bulgarian migrants (168,000 by the end of 2010) than Germany (66,000). This difference, however, reflects previous migration prior to Bulgaria's accession to the EU. As already mentioned, since January 1, 2007 the dynamics of Bulgarian migration to the two countries are comparable. Moreover, due to Spain's policy to legalise immigrants, statistics reflect more accurately the number of Bulgarian migrants, which also explains the difference with Germany.

In 2007–2009, in addition to Spain, 14 other EU Member States opened their labour markets to Bulgarian nationals. This however, did not trigger a large flow of Bulgarian migrants. Available data suggest that in most countries the number of immigrants coming from Bulgaria between 2006 and 2010 range between several hundred and several thousand.

## BULGARIA AND ROMANIA ARE DIFFERENT

Due to the fact that Bulgaria and Romania joined the EU together in 2007, policymakers, by force of habit, still tend to consider and discuss them as a pair. The media also often mention Bulgaria and Romania together as if the two countries are the same.

The tendency peaked with the onset of the financial crisis in 2008, when Romania became one of the first countries in need of external assistance (from the IMF). Misled by the false perception that Bulgaria and Romania are the same, external observers were convinced that within months Bulgaria would also need external assistance from the IMF. This, however, never happened. Bulgaria has requested no such assistance because its fiscal and economic policy has traditionally been more prudent than that of Romania. It is only then that the tendency to treat and discuss Bulgaria and Romania as a whole began to change. The differences between the two countries are simply too great for them to be considered as a pair.

Even by sheer size alone, Romania and Bulgaria are two very different countries. Romania with its 21 million population is the seventh largest country in the EU and

the second largest in Eastern Europe, after Poland. Bulgaria, on the other hand, with a population of a little more than 7 million, is much smaller, comparable in size to countries like Austria. Romania's population equals the combined population of Bulgaria, Slovakia, Slovenia, Lithuania, Latvia and Estonia, while Bulgaria's population accounts for only 1.5% of the population and only 1.3% of the workforce in the EU.

In terms of emigration numbers, Bulgaria and Romania differ considerably. In Spain and Italy, for instance, there are approximately 1.7 million Romanian immigrants, while Bulgarian immigrants are only 0.2 million, or 8.5 times less. Compared to Romanian nationals, Bulgarians represent a neglectfully small percentage even in leading destinations for emigration like Spain and Italy.

**Table 2. Remittances in million Euro**

Country	2009
Italy	-6550
Germany	-2996
Spain	-2311
France	-2084
Netherlands	-552
Czech Republic	-466
Austria	-463
Belgium	-342
Luxembourg	-61
Hungary	-46
Cyprus	-19
Finland	-18
Latvia	0
Slovenia	0
Estonia	39
Sweden	136
Greece	250
Lithuania	349
Bulgaria	683
Portugal	1723
Poland	2715
Romania	2852

Source: Eurostat

This is also evidenced by available statistics on remittances. In 2009, for instance, Romania was the biggest recipient of remittances from emigrants, with 2.9 billion Euro (followed by Poland with 2.7 billion Euro and Portugal with 1.7 billion Euro). Bulgaria also receives significant emigrant remittances but their total amount is only 0.7 billion Euro (four times less than Romania).

Not incidentally, in 2011 Spain imposed restrictions on the free movement of workers from Romania, but not from Bulgaria. According to the EC Decision,<sup>15</sup> Spain is authorised to temporarily restrict the free movement of workers from Romania due to serious disturbance in the labour market. Such restrictions, however, were not imposed on Bulgaria, which suggests that the country presents no threat for the labour market in Spain (although Spain is a preferred destination for Bulgarian emigration).

<sup>15</sup> Commission Decision of 11 August 2011 authorising Spain to temporarily suspend the application of Articles 1 to 6 of Regulation (EU) No 492/2011 of the European Parliament and of the Council on freedom of movement for workers within the Union with regard to Romanian workers, 2011/503/EU. Available at: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2011:207:0022:0024:EN:PDF>

This decision effectively separated Bulgaria and Romania: neither Spain, nor the European Commission consider the two countries as a pair with regard to emigration. This marks an important change because

initially Spain opened its labour market at the same time for both Bulgaria and Romania. The practice, however, showed that the two countries are quite different.

## ANNEX 1

### LABOUR MARKET RESTRICTIONS FOR BULGARIAN WORKERS BY COUNTRY

<b>Belgium</b>	Nationals of new EU Member States must have a work permit to be able to work in Belgium. Four lists of professions with a shortage of candidates have been compiled for nationals of new EU Member States who benefit from an accelerated procedure for obtaining a work permit when the job to be awarded is among those professions.
<b>Germany</b>	A work permit is required.
<b>Ireland</b>	A work permit is required.
<b>France</b>	A work permit is required. French employers can use a simplified procedure for introducing foreign labour for 61 occupations from seven major fields of activity: Construction and public works, Hotels, restaurants and food, Agriculture, Mechanical engineering, metal-working and other industries <sup>16</sup> . For these occupations, the job situation in France cannot be raised as an objection. The employer is in this case exempt from advertising the job in France first.
<b>Italy</b>	A work permit is required. Any employer wishing to hire a Bulgarian citizen must apply for a work permit for all sectors except the following: agriculture, hotel and tourism, domestic work, care services, construction, engineering, managerial and highly skilled work, and seasonal work.
<b>Luxembourg</b>	A work permit is required. In some sectors such as agriculture, viticulture and the hotel and catering sector, work permits are readily granted under a minimal and simplified procedure. The same flexibility measures apply in the financial sector, for people with specific qualifications for which there is a need that is not met on the labour market.
<b>Netherlands</b>	A work permit is required. The permit is issued only if no employees are available in the Netherlands or the other EU Member States and the employer is offering adequate employment conditions and accommodation. The employee must be paid no less than the full minimum wage. The working conditions and conditions of employment in the employing business must be in line with the minimum standards required by law and/or that are customary in the sector in question.
<b>Austria</b>	A work permit is required. The employer must comply with the pay and working conditions applicable in Austria. He must not have dismissed older workers in order to employ new, foreign workers and may employ foreign workers only in his own business. The employment agreement must not have resulted from the use of illegal labour services. A foreign worker for whom a work permit has been requested must not have been guilty of repeated violations of the Aliens Employment Act.
<b>United Kingdom</b>	Bulgarian nationals wanting to work in the UK need to obtain authorisation to work before starting any employment, unless they are exempt from doing. The employer must apply for work permit (with the exception of certain categories of employment), while the worker must apply for an Accession worker card. Bulgarian workers with particularly high levels of skills and experience may be admitted under the Highly Skilled Migrants Programme. Low-skilled migration from Bulgaria is restricted to those sectors of the economy where the UK already has low-skilled schemes (agriculture and food processing) and is subject to a strict quota which does not exceed 20,000 workers per year. Bulgarian workers on these schemes have the rights to work up to six months and, therefore, have no access to benefits and public housing.
<b>Malta</b>	Work permits are granted for positions that require qualified and/or experienced workers and for those occupations for which there is a shortage of workers in the Maltese labour market.

Source: EURES – European Job Mobility Portal<sup>17</sup>

<sup>16</sup> See full list at: <http://ec.europa.eu/eures/main.jsp?acro=free&lang=en&countryId=FR&fromCountryId=BG&accessing=0&content=1&restrictions=1&step=2>

<sup>17</sup> <http://ec.europa.eu/eures/main.jsp?acro=free&lang=bg&countryId=MT&fromCountryId=BG&accessing=0&content=1&restriction=1&step=2>

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Since 1999, the Law Programme of the Open Society Institute – Sofia has been committed to upholding the principles of the rule of law and human rights protection in Bulgaria. The Programme supports the implementation of the judicial reform in areas that are directly relevant to modernisation of criminal procedure, facilitation of Bulgarian citizens' access to justice, and adoption of the *acquis communautaire*.

Now that Bulgaria is already an EU member state, the Law Programme aims to guarantee the continuation and irreversibility of reforms in the judicial system and emphasizes on improving transparency and accountability in the work of the judicial and law-enforcement institutions. The Programme is conducting surveys, civil-society monitoring of the operation of institutions, evaluation of the effectiveness of the application of newly adopted legislative amendments, and promotion and adaptation of successful foreign practices for effective management in the judiciary and law enforcement.

The Law Programme has established successful partnerships with a wide network of national non-governmental organisations specialised in providing legal aid to vulnerable social groups and in protecting fundamental human rights, as well as with a number of institutions, such as Bulgaria's Ministry of Interior, Ministry of Justice and Supreme Judicial Council.