REGIONE DEL VENETO

Statistiche flash

Year 7th - March 2007

EUROPEAN UNION ENLARGEMENT

THE ACCESSION OF ROMANIA AND BULGARIA

On 1st January 2007, Romania and Bulgaria became the latest two countries to join the European Union (EU) bringing the number of member states to 27. The accession of Bulgaria and Romania is the result of the continual progress made by these two nations over the last year and, in particular, since the report last May. The go-ahead was given for their accession to the European Union because both countries had met the political and economic conditions established by the Copenhagen Agreement. Aspiring EU members are required to demonstrate that they have stable, democratic institutions, respect the principle of legality, protect and promote human rights, recognise the rights of minorities, have a strong, efficient market economy, and have political and administrative organisations in a position to implement all aspects of the Community acquis, i.e. current European norms regarding market, economy, social policy, culture, education, environment, justice, finance and institutions.

Romania and Bulgaria

Romania

Romania is located in the north of the Balkan Peninsula and its territory is characterised by extensive fertile plains and the Carpathian mountains. Its population of 21,610,213 inhabit an area of 238,391 km2 and more than 50% live in urban areas. The population is relatively young when compared with EU figures, and even younger compared with those for Italy and the Veneto. Romania's level of university education is similar to the Veneto's. GDP per capita, however, is much lower than the European average.

Bulgaria

Bulgaria is located in the south-east of the Balkan Peninsula and covers an area of 110,994 km2. Its geography is predominantly mountainous with plains to the north and south-east. It has a population of 7,718,750 inhabitants and an ageing index that is higher than the European average. It vaunts a very high level of university education, whereas its GDP per capita is about one third of Europe's.

2005	Resident popolation	Ageing index (a)	Tertiary education (b)	GDP per capita in PPS (c)
Bulgaria	7.718.750	124,0	16,5	7.700
Romania	21.610.213	92,4	8,3	8.000
Veneto	4.738.313	137,3	8,6	27.400 (d)
Italy	58.751.711	137,8	9,1	23.600
EU25	463.523.396	102,8	20,0	23.500
EU27	492.852.359	102,6	19,3	22.500

(a)=(pop.65+/pop. 0-14)*100 - 2004
(b) The ratio is referred to the International Standard Classification (ISCED) - tertiary education is the non-compulsory educational level following the completion of school providing secondary education, including undergraduate and postgraduate education. The ratio has this formula: (pop. >=15 years old with tertiary education/pop. >=15 years old)*100
(c) PPS= purchasing power standard
(d) 2004

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Eurostat data

Web flash

also available
- Tourist flow 2006
- Cartoveneto. Cartographic of statistical data
- Foreign trade - 3rd trimester 2006

Migration flows

Foreign residents by citizenship on 31 December 2005

	%
Albania	13,1
Morocco	12,0
Romania	11,1
People's Rep. China	4,8
Ukraine	4,0
Philippines	3,4
Tunisia	3,1
Serbia and Montenegro	2,4
Macedonia	2,4
Ecuador	2,3
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Bulgaria	0,7

	%
Morocco	13,6
Romania	13,4
Albania	10,4
Serbia and Montenegro	6,7
People's Rep. China	5,1
Macedonia	4,3
Moldova	4,2
Bangladesh	3,3
Ghana	3,2
Nigeria	2,7
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Bulgaria	0,3

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Istat data

Enlargement is characterised by two major features: migration flows and the new opportunities for investment and trade with these two countries.
With the accession of Romania and Bulgaria, Europe has gained around 30 million citizens and consumers, thus broadening its internal market and creating new business opportunities.
Migration flows, and the possible influx of labour from new member states, are one of the most sensitive issues of the enlargement process. Indeed, free movement of persons is considered to be one of the fundamental liberties guaranteed by community law, as well as a cornerstone of the internal market and European citizenship. Furthermore, the demographic trends in many EU states where society is ageing and labour requirements dictate a need for experience in certain sectors make free movement of labour increasingly desirable for the future in order to ensure the economy continues to improve. On the other hand, labour from new member states is also feared and tends to whip up public opinion. In order to ease these worries, the accession agreement for Romania and Bulgaria has placed some restrictions on the free movement of labour from these two countries for a transitory period after 1st January 2007. In Italy, where Romanians are the third largest migrant population (297,570 Romanian residents, which is 11.1% of the overall foreign resident population), some restrictions on the free flow of migrants from these two countries will be in place for a one-year transitory period.

Economy

Structural reforms and trade with the EU have enabled the Bulgarian and Romanian economies to make up some of the ground between them and other central-eastern European countries. Today Romania and Bulgaria offer the rest of Europe extremely competitive labour costs, specialisation, a good knowledge of English, a strategic position between Asia and Europe, low taxes for companies and physical persons.
The main economic indicators for the two new member states illustrate the global growth of their economies and the positive effects that their policies have had.

Main economic indicators

Romania

	2002	2003	2004	2005	2006*
GDP at current prices (billions of US$) (a)	48,4	52,6	60,7	78,0	91,0
Real growth rate (%)	5,1	5,2	8,4	4,1	6,9
Inflation (%)	22,5	15,3	11,9	9	6,8
Unemployment rate	8,1	7,2	6,3	5,9	6,1

Bulgaria

	2002	2003	2004	2005	2006*
GDP at current prices (billions of US$) (a)	16,5	17,7	19,5	21,5	24,9
Real growth rate (%)	4,9	4,5	5,7	5,5	5,8
Inflation (%)	5,8	2,3	6,1	5,0	7,4
Unemployment rate	12,7	13,2	12,0	11,5	11,5

* forecast
(a) Value converted from US$ to € using the average annual exchange rate

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Economist Intelligence Unit (EIU) data, Country Report, October 2006

Added value per sector (millions of current €) - Years 2002:2004

Regarding production sectors, Romanian industry has long been the powerhouse of the economy, especially within the fields of heavy industry, refineries and the petrochemical industry. Today, these sectors are suffering the consequences of technological lag with industry contributing to only 35% of added value. Half of its national income is created by the tertiary sector and the remaining 14% by agriculture.

Bulgaria's recent history is characterised by a major overhaul of its economic structure, which has led to a considerable downscale in the role of its agricultural industry. As recently as 1990, agriculture contributed about 20% to national wealth, whereas its contribution had fallen to about 11% by 2004. At the same time, industry - especially the electrical, chemical, food, gas, petrol refinery and tobacco industries - and the service sector developed, and today they make up 30% and almost 60% of added value respectively.

Romania

	2002	2003	2004
Agriculture and forestry	5.535,0	6.084,9	7.769,2
Industry	16.437,3	16.237,5	18.945,8
Services	21.936,2	24.388,4	27.488,5
Total	43.908,5	46.710,8	54.203,5

Bulgaria

	2002	2003	2004
Agriculture and forestry	1.774,8	1.794,9	1.837,8
Industry	4.252,4	4.603,5	5.073,0
Services	8.607,3	9.110,9	10.070,4
Total	14.634,5	15.509,3	16.981,2

Added value per sector (%) - Year 2004

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Eurostat data

Trade (millions of €) - Years 2003:2005

Romania and Bulgaria are countries with which Italy shares extensive commercial relations.
Trade with Bulgaria has increased substantially over the last few years and the current flow of Italian direct investment has made Italy one of Bulgaria's main foreign investors.
Italy has even better relations with Romania, which today is a key partner of Italy's economy; indeed Italy is a major presence in terms of capital and businesses.

Italy-Romania

	2003	2004	2005
Exports	3.870,2	4.288,0	4.673,4
Imports	3.894,9	4.043,2	4.073,0
Balance	-24,7	244,8	600,4

Italy-Bulgaria

	2003	2004	2005
Exports	931,8	1.057,1	1.236,0
Imports	1.034,7	1.081,3	1.222,9
Balance	-102,9	-24,2	13,1

Veneto-Romania

	2003	2004	2005
Exports	1.234,4	1.324,7	1.283,4
Imports	1.504,4	1.393,8	1.325,7
Balance	-270,0	-69,1	-42,3

Veneto-Bulgaria

	2003	2004	2005
Exports	159,1	186,2	223,5
Imports	207,6	193,6	234,3
Balance	-48,5	-7,4	-10,8

Veneto trade with Romania (top five product groups) - Year 2005 (millions of euro)

Veneto trade with Bulgaria (top five product groups) - Year 2005 (millions of euro)

Although the Veneto has only minor trade links with Bulgaria, its economic relations Romania are flourishing. In 2005, Romania was the sixth largest exporter to the Veneto (1,325 million euro, equal to 4.1% of total Veneto imports) and the seventh largest importer of Veneto goods (1,283 million euro, equal to 3.2% of total Veneto exports). Regarding the type of goods traded between Veneto and Romania, footwear and clothing were the main imports, and footwear, once again, as well as the leather preparation and tanning industry, were responsible for the main exports.
Analysis of the main product groups traded revealed a sort of production network between the Veneto and these two countries; figures for temporary exports suggest that there is a consistent delocalisation of Veneto fashion businesses, especially to Romania.

Source: processing by Regione Veneto - Direzione Sistema Statistico Regionale on Istat data

Direzione Sistema Statistico Regionale

Regione del Veneto
- Assessorato alle politiche dell'economia, dello sviluppo, della ricerca e dell'innovazione e politiche istituzionali
- Segreteria generale della programmazione
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