


Bulgaria and the dimensions of the economic migration

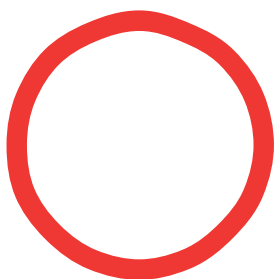
Political document





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FACES OF MIGRATION

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This political document builds upon the main findings of the Monitoring report and Case analysis in the field of migration and mobility prepared and published by the Bulgarian Platform for International Development in 2020. It seeks to shed light on the linkage between the Sustainable Development Goals (SDGs) and the economic migration as well as labour mobility in particular. In order to achieve that, this political document is based on available statistical data, desk research and in-depth interviews with Bulgarian citizens who live outside the country and foreign citizens residing in Bulgaria. The current document presents briefly the national context, elaborates on the country-specific challenges and comes up with several concrete recommendations for reducing inequality and better utilizing benefits resulting from migration in the broad context of United Nations' SDGs.

INTRODUCTION

Migration trends in Bulgaria continue to be characterized by clearly expressed emigration pattern and they are an integral part of the labour mobility within the European Union. Thus, they are determined by a combination of economic and social factors and reveal a significant seasonality in some geographical areas of the country. At the same time, the importance of the national policies and measures for social and economic integration of migrants, which Bulgaria as an EU member state should apply, is growing. These both aspects reveal direct and indirect linkages to United Nations' Sustainable Development Goals and are bound to achieve the corresponding national targets.

NATIONAL CONTEXT AND CHALLENGES

The National Development Programme: Bulgaria 2030 (NDPB 2030) – a strategic framework document of the highest order in the hierarchy of the national programming documents, sets out three strategic national goals – I) Accelerated Economic Development, II) Demographic Upswing and III) Reduction of Inequalities. The implementation of these strategic goals is envisaged through targeted policies and interventions, grouped into five interconnected and integrated development areas (axes). Within each axis, the respective national priorities are identified and their relationship to the specific Sustainable Development Goals is indicated. This complexity enables establishing the interlinkages between SDGs and economic migration and labour mobility.

As the NDPN 2030 points out, “the realized economic growth is not sufficiently inclusive to contribute to reduce social inequalities, and the relative share of people at risk of poverty is among the highest in the EU. Income inequality continues to increase, with social transfers showing only limited impact on poverty reduction and inequality.”

The ratio between the income of the richest 20% to the poorest 20% of households in Bulgaria shows that since 2016 the income inequality between the richest and the poorest in the country is the largest within the EU. Moreover, the income share of the poorest 40% of the population is the lowest in comparison with the other EU member states in 2017-2019 i.e. the income inequality in Bulgaria is deepening. This is confirmed by the Gini coefficient¹ – the value of the indicator is 40.8 in 2019 compared to the EU (27) average of 30.2², which ranks Bulgaria last among the EU member states in terms of income inequality of the population.

This data is complemented by the share of the Bulgarian population living at risk of poverty or social exclusion that continues to be very high in comparative terms. Despite the positive trend of a constant decline observed in the last several years, its share remains high in 2019 – 32.5% compared to the EU average of 20.9%³. Thus, Bulgaria registered the weakest performance in the EU. As a result, about 2.3 million Bulgarians are still at risk of poverty or social exclusion. At the same time, there are significant discrepancies between the regions in the country. For example, the percentage of those at risk of poverty or social exclusion in the North-Western region (44.4%) is almost twice as high as the percentage in the South-Western region (23.0%)⁴. What is more, 2019 Eurostat statistics show that the share of people aged 18 and over at risk of poverty after social transfers remains the highest among all member states – 21.6% compared to 15.1% in EU (27)⁵.

Against this backdrop, the National Statistical Institute reports that 39 941 people left the country in 2019, 90% of whom were Bulgarian citizens⁶. 37 929 people chose to settle in Bulgaria during the same period. The majority of them were returning Bulgarian citizens, 1 222 – citizens of another EU country, while 13 152 were third-

¹ The Gini coefficient measures to what extent the distribution of incomes in an economy deviates from the perfect one. The value of the coefficient varies from 0 to 100. If the coefficient is equal to 100, it would mean that one person receives 100% of the income (maximum inequality). If the coefficient is equal to 0, it would mean that everyone in the economy receives equal income (perfect equality). Therefore, the lower the value of the Gini Coefficient, the more evenly is distributed the income in the economy.

² <https://ec.europa.eu/eurostat/>

³ <https://ec.europa.eu/eurostat/>

⁴ European Semester's Report on Bulgaria 2020

⁵ <https://ec.europa.eu/eurostat/>

⁶ International migration by age and citizenship of migrants, 2019

country nationals. The profile of the Bulgarian citizens leaving the country is dominated by young people, while returnees are mainly aged 65 or above. Simultaneously, the majority of immigrants are at the age of 20-60 years. Interestingly enough, 2019 reports the highest number of issued resident permits of third-country nationals in a five-year perspective. In 2019 the issuance of Blue Cards registered also the highest volumes in the above-mentioned period. The latest figures contribute to improving Bulgaria's track record in dealing with immigration and reflects to a limited extent the trend mentioned in the National Strategy on Migration, Asylum and Integration (2015-2020). The document states that Bulgaria is expected to undergo at a sustainable pace a transition from a country of emigration, over a transit country, to a country attracting immigration.

Nowadays, immigration to Bulgaria is limited and it is determined by people coming from countries with lower economic and social stage of development. After reaching a peak of 17 113 foreigners who entered the country in 2014, the incoming flow of immigrants without Bulgarian citizenship has stabilized at about 12 000 people per year. For some groups, immigration in the country is temporary and Bulgaria is perceived as a transit point and a place for preparation for the next emigration⁷.

Comparing data on outgoing and incoming flows, however, comes to show that the transformation of Bulgaria from a country of emigration into a country of immigration will not take shape so quickly and that this process will be accompanied by tangible domestic social challenges. Thus, while Bulgaria has to speed up its efforts to overcome the deeply rooted social discrepancies, its governments are called to improve country's capacity to successfully manage migration processes, including the integration of immigrants. In this was, as it is stated in the strategy mentioned above, "Bulgaria seeks to turn migration and mobility into positive factors enabling economic and demographic growth".

In a short-term perspective, Bulgaria is to continuously face challenges resulting from the labour mobility within the European Union. In this line of thought, 85% of the surveyed people who envisage seeking employment outside Bulgaria, declare a clear preference for another EU member country⁸. According to the 2019 Annual Report on Intra-EU Labour Mobility Bulgaria is among the five countries having the highest number of emigrants within the EU after Romania, Poland, Italy and Portugal⁹. It is worth mentioning that when it comes to a short-term labour mobility, labour

⁷ NDP 2030. Part 1. Analysis of the socio-economic development of the country after its accession to the EU..

⁸ Impacts of Labour Migration on the Bulgarian Economy, Friedrich Ebert Foundation & Economics and International Relations Institute, 2018

⁹ 2019 Annual Report on Intra-EU Labour Mobility

migrants are not obliged to inform local authorities in their home countries, which impedes statistical offices from gaining up to date and accurate information on migration movements.

Data on Bulgaria within the 2019 Annual Report on Intra-EU Labour Mobility reveal that Bulgarian citizen aged 20-29 years who left the country in 2013-2017 with the purpose to have a temporary employment abroad constituted one third of all Bulgarian labour migrants in that period. Similar trends are shown by the National Statistical institute – the share of people aged 15-29 years who left the country amounts to one third of all citizens who administratively declared a change of their current address in favour a new one abroad.

A worrying fact in light of the deteriorating demographic structure can be seen in terms of the children who left school due to the family's departure abroad. According to data from the National Statistical Institute for the 2018-2019 school year, a total of 8 390¹⁰ children at school age from 1st to 12th grade left school due to the family's departure abroad. For the period 2016-2019 an average of 8 400 students went to another country. In these three years, the share of students in the primary school age is the highest and this trend continues also in the last three years. According to data from the Ministry of Education and Science a total of 53 304 children from the compulsory pre-school and school age left the educational system due to the family's departure abroad in the period 2003-2020¹¹. Neither the National Statistical Institute, nor the Ministry maintains data on the host countries.

On the one hand side, these processes additionally deteriorate the domestic demographic landscape, lead to a shortage of qualified labour and affect all sectors of the local economy regardless of the size of the enterprises. On the other hand side, positive effects could be seen in regards to the remittances that are sent back to Bulgaria since these money transfers positively impact social inequality, contribute to meeting month's ends for many families and support consumption¹². It has to be mentioned that emigration is not only due to search for higher incomes but results from a combination of factors. Thus, although higher wages are among the main drivers (according to 95% of the respondents), important pull factors include better services in the destination countries provided by the social security (50%) and the health care

¹⁰ National Statistical Institute: <https://www.nsi.bg/bg/content>

¹¹ The accumulated data are actual as of 06.02.2020 (the beginning of the second term of the school year 2019-2020) and are provided to the Bulgarian Platform for International Development by the Ministry of Education and Science under the Access to Public Information Act.

¹² Impacts of Labour Migration on the Bulgarian Economy, Friedrich Ebert Foundation & Economics and International Relations Institute, 2018

system (40%) as well as the availability of more career opportunities (19%), improved judiciary (14%) and better education (9%)¹³.

RECOMMENDATIONS

On the basis of the Monitoring report and Case analysis in the field of migration and mobility published by the Bulgarian Platform for International Development in 2020, and also as a follow up on the above-mentioned challenges and country-specific context, the following non-exhaustive list of recommendation was prepared.

I. Recommendations regarding Bulgarian citizens and Bulgarian communities living abroad

Preparation of measures aimed at facilitating re-integration of Bulgarian citizens who have lived abroad for a long period of time and might need administrative, legal or other support in regards to every-day life in Bulgaria.

Implementation of regular information campaigns targeted at Bulgarian citizens living and working outside the country that inform on the latest labour market trends and career opportunities in Bulgaria (resembling the career shows for Bulgarian students abroad).

Launching campaigns targeted at Bulgarian citizens living and working abroad on starting and doing business in Bulgaria regulations;

Creating a set of incentives including financial ones seeking to attract students, researchers and scientists of Bulgarian origin with an international experience to relocate back to the country and/or share their knowledge with local stakeholders.


II. Recommendations regarding labour mobility

Implementation of information campaigns of larger scale on labour conditions in destination countries and possible pitfalls related to labour mobility with the purpose to prevent frauds, labour market violations and/or human trafficking.

Facilitating the provision of legal assistance related to labour mobility.

III. Recommendations regarding public opinion and overall understanding on migration and integration processes.

¹³ Ibid.



Preparation and implementation of programs and campaigns on the possible side effects of migration that advocate for policies and measures that enable integration in the Bulgarian society.

Unfolding of a significant number of measures in the field of integration of foreign citizens, both third-country nationals and EU citizens.

Improvement of the efficiency of already adopted measures based on evaluating the feedback of foreign nationals residing in the country.



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