

## BULLETIN

No. 99 (1039), 20 October 2017 © PISM

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## Romania's European Policy

## Jakub Pieńkowski

Delivering his State of the European Union speech, European Commission President Jean-Claude Juncker asked Romania, which will hold the presidency of the Council of the EU in 2019, to organise an extraordinary EU summit in Sibiu—the first one after the UK's withdrawal if it proceeds according to schedule. He also appealed to the Member States for accept Romania in the Schengen area immediately. Increasingly, EU partners are seeking Romanian support at a time of debate on the Union's future. Romania has avoided confrontation with the EU institutions and the bloc's largest Member States, and has declared its intentions to join a mainstream of closer integration, while Poland—the regional point of reference in the Polish neighbourhood until recently—is not active on this issue.

There is no significant political party on the Romanian political scene that questions the country's EU membership. Despite the ongoing power split between President Klaus Iohannis, the ruling coalition of the Social Democratic Party (PSD) and the Alliance of Liberals and Democrats (ALDE), there are no serious conflicts over European policy issues. Mihai Tudose has been prime minister since June, following the dismissal of Sorin Grindeanu, whose government avoided confrontation with the EU institutions even during its attempts to commute anti-corruption law. According to the Eurobarometer opinion poll carried out in May, 57% of Romanians trust the EU, and this is the fourth highest result among all Member States.

**Endeavours for Schengen Area Membership.** The Romanian authorities consider joining the Schengen area a domestic European policy priority. They argue that remaining outside of the zone harms the state's image. There is also evidence of some EU countries applying dual standards and treating Romania as a second-class partner. Romanian citizens can work in all EU countries, but border controls make the free movement of people difficult. The authorities also that Romania's borders are better guarded than those of some other Schengen countries, and that Bucharest's lack of full access to the Schengen Information System makes the EU borders less secure.

Romania has not been able to join the Schengen area since joining the EU in 2007. Yet the process of admitting countries that joined the EU in 2004 took only for three and a half years. In addition, Romania has fulfilled the technical criteria of Schengen membership since 2011, but Its accession was initially blocked by the Netherlands and Finland. Today, the Austrian, German and Dutch authorities are opposed to Romania's Schengen membership, citing concerns that their societies are against expanding the zone during the mass-migration crisis. Officially, these states say that Romania's progress in the fight against corruption is insufficient. However, the EU Cooperation and Verification Mechanism (CVM)—established in 2007 to support Romania, including in the fight against corruption—has evaluated progress positively each year. However, the significance of the CVM opinion is diluted because many Member States lump Romania together with Bulgaria on the issue of Schengen area enlargement, and the CVM states that progress in Sofia is significantly less than that in Bucharest.

**Response to the Mass-Migration Crisis.** Voting in the EU Council in 2015, Romania was opposed to the compulsory relocation quotas for asylum seekers. Despite this, Johannis declared, that his state would fulfil

its obligations. Until now, Romania has accepted 710 people—the most of any Central European state. Just before the visit of French President Emmanuel Macron to Bucharest in August, the Romanian government agreed to accept another 1,942 asylum seekers. Together, this would account for 63% of Romania's expected quota, and would be one of the highest rates in the EU. Although an INSCOP survey found in March that about 85% of Romanian citizens are opposed to receiving refugees, the authorities' strategy is to demonstrate solidarity with their EU partners.

**No Objection on Posted Workers.** The Romanian authorities expressed their willingness to negotiate on equal pay for posted workers, which was the primary focus of Macron's visit to Bucharest. The lack of Romanian protests against the French initiative is a result of the fact that, even though about 3.5 million Romanians emigrated to work in EU Member States (including 1.1 million to Italy, 700,000 to Spain, 600,000 to Germany, and 200,000 to France, and 200,000 to the United Kingdom) since accession to the EU, it does not send many posted workers. In comparison, Polish firms posted about 463,000 workers in 2016, while Romanian ones posted 46,000.

Dilemmas about Adopting the Single Currency. "The Convergence Report" published in 2016 by the European Central Bank showed that Romania, apart from its membership of ERM II, fulfils the other four convergence criteria for adopting the euro. Since 2009, Romanian governments have declared their willingness to join the single currency, but in fact have avoided real preparation and binding deadlines. This is also the policy of the current coalition, which argues that the most important criterion for euro adoption should be "real convergence"—a reduction of the disparities between Romanian salaries and those in the Eurozone. Although its economic growth is dynamic—in 2016, GDP grew 4.8%, and could reach 5.5% this year—Romania is still the poorest EU country except for Bulgaria. Among the 15 poorest EU regions (NUTS), six are in Romania (which has eight NUTS units in the country). Therefore, the adoption of the euro in 2022, suggested by the foreign minister Teodor Meleşcanu, should not to be considered a binding deadline. At the same time, the Romanian government does not support initiatives to establish a Eurozone budget. It considers that this would lead to the institutionalisation of multi-speed integration and the reduction of structural funds.

Iohannis urges the government to present a realistic plan for joining the single currency. Among the people of Romania, this idea enjoys quite wide support. According to a Eurobarometer survey carried out in April, 64% of them want to adopt the euro—which is the highest level of support among the EU Member States not currently in the Eurozone. In comparison, 57% of Hungarians, 52% of Croatians, 50% of Bulgarians, 43% of Poles and 29% of Czechs support the adoption of the euro.

Conditional Support for EU Security Policy. Romania is interested in EU defence cooperation, but also emphasises that this cannot be an alternative to NATO. Because of the worry caused by Russia's aggressive policy, Romania regards its alliance with the U.S. and NATO as the cornerstone of its security. However, to ensure the ongoing readiness of the Western European NATO and EU partners to fulfil their commitments to the Alliance, Romania also seeks to participate in their defence projects. That is why the integration of the Romanian 81<sup>st</sup> Mechanised Brigade with the German Rapid Response Forces Division within the NATO Response Force (NRF) was announced in February. Romania also participates in EU combined military and police operations, but apart EUMM Georgia (45 personnel) and EUFOR Althea (39), its contingents to other missions are currently symbolic. Romania has been a member of the cyclically-formed Balkan Battle Group since 2007. In April 2016, it became an associate member of Eurocorps. In addition, the Permanent Structured Cooperation mechanism (PESCO) is not criticised by Romania officials—with Iohannis describing this as a potential field of valuable defence cooperation within the EU due to its financial capacity and transfer of technologies.

**Conclusions.** Bucharest's settled European policy makes Romania a comfortable partner for talks on the future of the EU. This may be confirmed by Macron's visit to Bucharest during his Central European trip, as well as the prominent position given to Romania in the EC President's State of the EU speech. Romania avoids disputes with the European institutions and the most influential Member States of the EU, counting on their support on the issue of Romanian Schengen area membership. However, this strategy has not yet yielded concrete political results.

Romania opposes multi-speed integration within the EU. However, if the institutionalisation of divisions occurs, Romania would try to join the main centre of integration. But the Romanian authorities' effectiveness may be limited, because they have no realistic plan for euro adoption and are concentrated on Schengen membership. Meanwhile, Schengen accession is unlikely in the near future, due to Western European societies' expectations of tighter control of EU borders. As a result, the Romanian authorities have actually adopted a holding position in the debate on EU reform because they are aware of their own limited ability to influence the direction of these changes. In this way, Bucharest continues to maintain good relations with the largest EU Member States, treating these relations as the accumulation of political capital to help Romania adapt if closer European integration is introduced.