

European Community Association Agreements Statistics For Bulgaria and Romania 2005

23 August 2005

Introduction

The European Community Association Agreements (ECAA)¹ with Romania and Bulgaria allow nationals of these countries to come to the United Kingdom to establish themselves in business. An applicant will have to show that he has the means under his control to set up a viable business that will support him and any dependants without recourse to other employment or public funds. In the UK the establishment rights within the Agreements are provided for in paragraphs 211 -214 of the Immigration Rules HC395 as amended. A business in this context means operating as a sole trader, joining a partnership or running a company registered in the UK. The business can be any size, but it must be full-time and the individual is prohibited from undertaking any other work other than self-employment.

ECAA applicants must apply at the UK Embassies in Bulgaria and Romania before entering the country. Successful applicants are granted an initial 12 months leave and can subsequently apply for a further 3 years leave to remain and eventually Indefinite Leave to Remain (ILR) after they have completed 4 years and are still running a viable business. Applicants given leave in another immigration category are not permitted to switch into the ECAA category, unless in very rare circumstances they meet the "Clear and manifest test". This is a four point test to examine whether a person "clearly and manifestly" meets the substantive requirements of the ECAA, designed to inform decisions regarding proportionality.

This is the first publication of statistics on ECAA applications. They reflect the different ways in which an application can be made. It gives data on the applications made up until the end of June 2005. The start date from which the information is given varies depending on the origin of the application and reflects the time from which it has been available.

Only data for Bulgaria and Romania is currently available. Data on Turkish ECAA applications is not available due to reporting difficulties. Work is currently underway to solve these and the data may be available in future publications.

The data in this publication is based on Management Information and is provisional and subject to change. There are data quality issues with some of the figures which mean they should be used with caution.

Background

EC Association Agreements with various Eastern/ Central European and Baltic countries have been in place since 1994. The agreements, which have been extended to all Member States of the EEA, provide for nationals of these Central and Eastern European (CEE) countries to be treated on a par with EEA nationals for the purpose of establishing themselves in business in the Member States. Since EC Accession on 1 May 2004 only the Agreements with Bulgaria and Romania continue to provide establishment rights.

On 30 March 2004, following press and media allegations about their handling, the consideration of all ECAA applications was suspended on the instructions of the then Home Secretary, David Blunkett. A report of the investigation into these allegations made 15 recommendations on how the existing process could be improved. Following the implementation of these recommendations our Embassies in Sofia and Bucharest started to deal with ECAA applications again from 1 September 2004 and re-consideration of outstanding "switching" cases commenced on 1 October 2004. Consideration of Further and Indefinite Leave to Remain applications resumed in mid- February 2005.

This publication details those applications made since the consideration of ECAA applications was re-started up until the end of June 2005.

¹ There is also an EC Association Agreement with Turkey which dates from 1963 and enables Turkish nationals already in this country to either switch into self-employment or extend their leave on the basis of self-employment

Summary

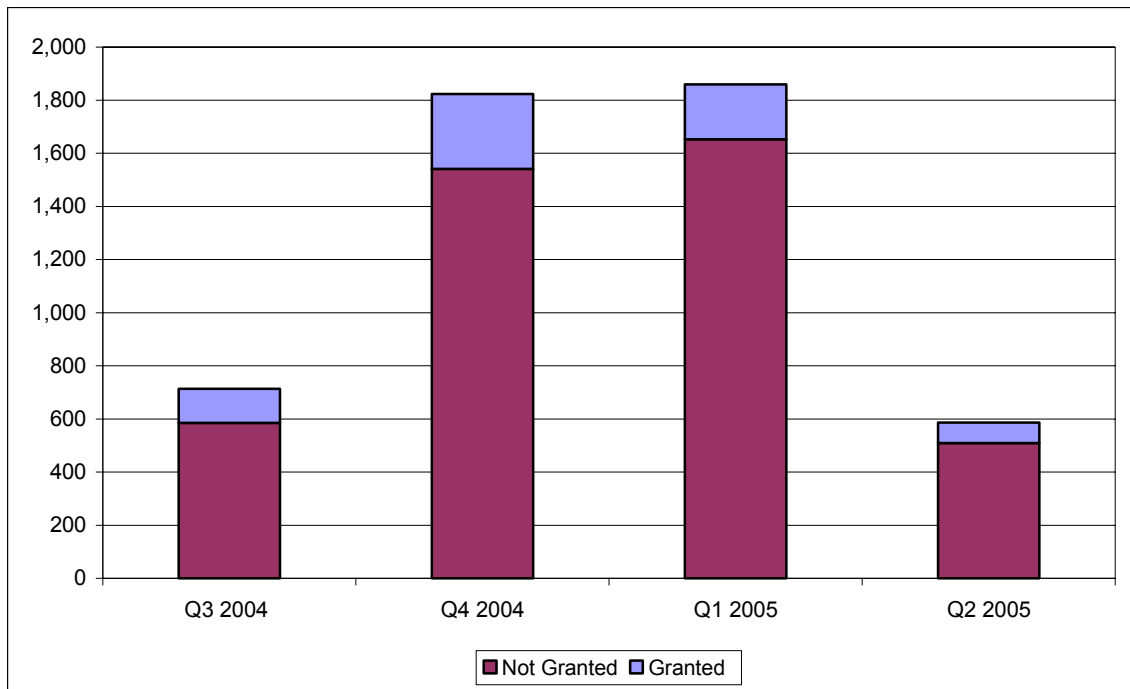
- These figures are based on provisional Management Information.
- From 23 August 2004 to 30 June 2005, 4,985 applications for Pre-entry ECAA were considered. Of these only 14% were granted.
- There were only 5 applications for on-entry ECAA at ports between 1 January and 30 June 2005.
- Between 1 October 2004 and 30 June 2005 consideration was given to 1680 applications to switch to ECAA from another entry category of these less than 5 were granted.
- Between 1 January and 30 June 2005 consideration was given to 1065 applications for Further Leave to Remain under ECAA, of which 195 were granted.
- Between 1 January and 30 June 2005 consideration was given to 100 applications for Indefinite Leave to Remain under ECAA, out of which only 5 were granted.

Technical Note

- All figures (other than percentages) are rounded to the nearest 5. † indicates 1 or 2.
- Because of rounding, totals may not sum.
- * indicates not applicable.

1. Pre-Entry Applications (Bulgaria and Romania)

Chart 1: Total number of pre-entry cases considered August 2004 to June 2005²³



- In total there were 4,985 cases considered in Sofia and Bucharest between August 2004 and June 2005. Numbers include the backlog brought forward from the period April to August 2004.
- Of these only 14% were granted, 72% refused and 14% withdrawn.
- There was a steady number of cases considered of around 600-700 a month until the 2nd quarter of 2005 when this slowed to about 200 a month. In Sofia, in the early months until the end of March 2005 most of the applications were the backlog from when the scheme was suspended, from April onwards the applications were for those new ones from after the scheme re-opened in September 2004. In Bucharest, almost all the backlog had been cleared by the end of December 2004 and from then on the majority of cases were new applications.
- Since the scheme re-opened in August 2004 there had been 1,165 new applications (not necessarily considered) until the end of June 2005.
- Around 120 appeals against ECAA pre-entry refusals were heard between October 2004 and June 2005. Of these appeals over 80% were refused and only 10% allowed.

² Data are provisional and subject to change.

³ Q3 2004 is August 23rd – 30 September 2004 only.

Table 1: Pre-Entry ECAA cases considered by quarter August 2004 – June 2005³

	Granted	Refused	Withdrawn	Total considered	New Applications (not necessarily considered)
Q3 2004 ²	130	545	40	715	30
Q4 2004	285	1380	160	1825	570
Q1 2005	205	1195	460	1860	315
Q2 2005	75	485	25	585	245
Total	695	3605	685	4985	1165

Table 2 Appeals to Pre-entry decisions on ECAA applications heard October 2004 – June 2005⁴

	Allowed	Withdrawn	Dismissed	Total
Q4 2004	0	†	†	5
Q1 2005	5	5	30	40
Q2 2005	10	†	70	80
Total	15	5	100	120

⁴ Data are provisional and subject to change

2. On-Entry Applications (Bulgaria and Romania)

Table 3: Applications under ECAA received at port Jan 2005 – June 2005⁵

	Granted	Refused	Withdrawn	Total applications
Q1 2005	0	†	†	†
Q2 2005	†	†	0	5
Total	†	†	†	5

- Only 5 applications for ECAA had been made on entry to the UK between January and June 2005.

⁵ Data are provisional and subject to change

3. In-country Applications considered (Bulgaria and Romania)

Table 3: In-country applications considered under ECAA October 2004 - June 2005⁶

	Q4 2004	Q1 2005	Q2 2005	Total	
<u>Switching to ECAA from another category</u>	Granted LTR	0	†	†	
	Granted travel extension ⁷	0	†	†	
	Refused	1215	290	75	1580
	Other ⁸	50	30	15	95
	Total Considered	1265	320	95	1680
<u>Further Leave to Remain</u>	Granted LTR	*	0	195	195
	Granted travel extension ⁷	*	155	410	565
	Refused	*	10	85	95
	Other ⁸	*	85	125	210
	Total Considered	*	245	820	1065
<u>Indefinite leave to remain</u>	Granted ILR	*	0	5	5
	Granted travel extension ⁷	*	30	55	85
	Refused	*	0	†	†
	Other ⁸	*	5	5	10
	Total Considered	*	30	65	100

- There were 1,680 considerations of applications to ECAA categories of stay during the period resulting from an application to switch from another entry category; of these less than 5 were granted.
- Of the 1,065 considerations of applications for Further Leave To Remain under ECAA, 195 were granted.
- Of 100 considerations of applications for Indefinite Leave To Remain under ECAA, 5 were granted.

⁶ Data are provisional and subject to change.

⁷ Short term grants of leave to enable applicants to travel were granted in many cases whilst the large backlog of cases was being processed. This facility has now been withdrawn.

⁸ The other category also includes many short term grants of leave as well as withdrawn cases.