

Position Paper: Targeting a visa-free regime from Lisbon to Vladivostok

Introduction

We are living in times of geopolitical tensions, rising protectionism, the wide-spread building of trade barriers and the existence of complex sanction regimes. A simplification and potentially the abolition of the visa regimes in the geographical space from Lisbon to Vladivostok would be a signal that brings together businesses, people and societies. It would reduce bureaucratic costs, facilitate investments and trigger economic development.

Key Objectives

- Short-term: restart dialogue on visa facilitation with Russia/EEU; simplification of visa applications (reducing costs and number of required documents, introducing online applications, etc.)
- Middle-term: abolition of visa regime for young people up to 25 years, for short-term business trips, and tourism (Belarus model)
- Long-term: establishing visa-free travel from Lisbon to Vladivostok (see positive examples: Ukraine, Georgia, and Moldova)

Status Quo

The EU has always had a long-lasting visa strategy towards its eastern partners. For most of them individual “Roadmaps towards a visa-free regime” were developed. These documents contain a set of requirements for each country willing to get visa-free access to Schengen Area and are reviewed on a regular basis by the EU Commission. Due to the successful implementation of readmission agreements and to the state of reforms, by 2010 the EU had offered visa-free regime to five Western Balkan countries. Georgia, Moldova, and Ukraine as members of the EU Eastern Partnership Program were offered similar visa liberalization processes. As for Russia, until 2013 there were two visa dialogues that went parallelly: negotiations on the modification of the Agreement between EU and Russia on facilitation of the issuance of visas to EU and Russian citizens (signed in 2006) and negotiations on implementation of Common steps towards visa free short-term travel of Russian and EU citizens. In 2013 Russia and the European Union were very close to a modernized Agreement on Visa Facilitation, including allowing holders of biometric service passports (along with diplomats) to travel without visas. Also, some progress was visible relating to “Common steps”. For political reasons, these dialogues were suspended by EU in 2014. Conversely, the visa liberalization progress with Moldova, Ukraine and Georgia progressed successfully, with the EU approval of visa-free travel for Ukrainians in May 2017 being the most recent positive outcome. However, as a result today we have inconsistent visa regimes in place throughout the area from Lisbon to Vladivostok. This calls for action.

Economic Benefits

In 2018 consulates of Schengen area countries received 4,6 million applications from citizens of EAEU countries (Russia: 3,695,670) with a rejection rate of less than two percent¹. Conversely, 1,5 million EU citizens applied for visas to Russia alone². Assuming an average cost of EUR 100-200 per visa³, this amounts to approximately EUR 1 billion years on year. With regards to tourism, a EU study on the economic impact of short stay visa facilitation states that around four million of potential travelers from Russia, including 180,000 business travelers, were lost due to the Schengen zone visa regime. The study concludes a potential loss of profit of EUR 5.2 billion in direct contributions to GDP every year and up to 100.000 lost jobs in the EU.⁴ The effects to the Russian economy may be similar.⁵ This shows that visa regulations are a major cost factor in doing business and a key barrier to investment. In a 2011 survey by the German Committee on Eastern European Economic Relations 20 per cent of the participating companies stated that visa problems had already resulted in contracts being lost to competitors. For almost two thirds of them the sheer number of

¹ <https://statistics.schengenvisa.info.com/2018-schengen-visa-statistics-third-country/>

² https://www.kdmid.ru/opendata/MIDR_10/

³ Including visa charges, travel costs to/from the Consulate, costs for providing documents, etc.

⁴ European Commission, DG Enterprise and Industry: Study on the economic impact of short stay visa facilitation on the tourism industry and on the overall economies of EU Member States being part of the Schengen Area, August 2013, https://ec.europa.eu/growth/content/study-economic-impact-short-stay-visa-facilitation-tourism-industry-0_en

⁵ The Impact of Visa Facilitation on Job Creation in the G20 Economies, Report prepared for the 4th T20 Ministers' Meeting, Mexico, 15-16 May 2012, https://zh.wtcc.org/-/media/files/reports/policy-research/visa_facilitation-g20.pdf

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required documents and the processing time were the biggest problems with regards to visas.⁶ The visa regime therefore acts as a traditional non-tariff barrier to trade and a comparative disadvantage for companies from countries that need visas. Conversely, business travel is likely to stimulate local innovation, brings together entrepreneurs and facilitates exchange of know-how. Thus, there exist numerous economic benefits of visa-free travel, such as:

- Cutting cost for bureaucratic procedures for travelers, businesses and taxpayers (via reduced costs at consulates)
- Triggering investments and economic development, boosting tourism
- Eliminating competitive disadvantages for companies engaging in business between Lisbon and Vladivostok vis-à-vis companies from outside the region.

Political Benefits

- Important signal for dialogue between countries and their peoples in times of current widespread political tensions
- Promoting stability, democracy, rule of law and social wellbeing within the space from Lisbon to Vladivostok
- Using the momentum of visa-free travel for citizens of Ukraine and Georgia in 2017 and take the overall positive experience of its implementation in order to further enlarge the visa-free travel area
- Means for reciprocal simplification/abolition of visa regime after steps by Eastern European countries (most recently Belarus and cities of Russia)
- Tasks to be achieved for elimination of visa barriers often involve domestic reforms, stricter document protection systems and introduction of advanced technologies that help fight against illegal migration.

Societal Benefits

- Promoting better exchange for organizations of the civil society such as youth exchange, as well as people-to-people contacts and for families with relatives living abroad
- Facilitating free flow of people and ideas in the sphere of education and R&D
- Simplifying trips to major international events hosted in the area within Lisbon and Vladivostok by building on positive experiences with FIFA World Cup 2018.

Countering widespread misperceptions

Unfortunately, instead of focusing on the potential benefits, discussions about visa simplification often center on perceived dangers, such as uncontrolled immigration or rising crime. However, a closer examination reveals that these perceptions are mostly not justified, as shows the case of Moldova, whose citizens benefit from EU visa-free travels since 2014. Visa-free travel only allows for an up to 90 days stay in any 180 days period in a foreign country. A longer stay requires a work permit. Experience from existing simplified travel regimes between Poland and Ukraine or Russia and Norway shows that neither abuse nor rising crime rates can be observed. In those seldom cases of abuses there do exist repatriation/readmission agreements between the involved countries. Also, visa-free travel does not mean that border controls are abolished. Controls are still in place and the existing Schengen Information System helps to identify possibly dangerous persons. The introduction of biometric passports in many countries involved, additionally guarantees more security. Generally, criminal subjects might always find ways to circumvent the existing visa regimes and a few people potentially abusing visa-free travel should not constitute the reason to put millions of people under general suspicion.

Author: Working Group for the creation of a Common Economic Space from Lisbon to Vladivostok, Task Force "Targeting a visa-free regime from Lisbon to Vladivostok"

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Contact: Ulf Schneider, Co-Chairman of the Working Group, President & CEO SCHNEIDER GROUP & OWC Publishing House
us@schneider-group.com, +7 925 506 82 00

⁶ Committee on Eastern European Economic Relations: Roads to Visa-free Travel, July 2011, https://www.oaov.de/sites/default/files/pm_pdf/Position%20Paper%20Roads%20to%20Visa-free%20Travel_0.pdf

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