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A distinct Hungarian achievement: the Schengen accession of Romania and Bulgaria

The Schengen area is a cornerstone of European integration and one of its most successful initiatives. Together with the single market, this area of free movement is one of the EU's greatest attractions for aspiring Member States and their citizens. The Schengen Convention, which started as an intergovernmental treaty but is now part of the EU *acquis communautaire*, sets specific and strict requirements for entry, including that the Member States must unanimously accept the entry of a new country (even from outside the EU) into the Schengen 'club'. This is how it happened that after more than ten years of trying, Romania and Bulgaria had been unable to become members of the Schengen area, due to persistent vetoes. The turning point came with the Hungarian EU Presidency: in December 2024 it was decided that both countries would become full members of the Schengen area from 1 January 2025. However, the road to this point has been long and bumpy, so it is an undeniable achievement of the Hungarian Presidency that such progress has been made on such a long-drawn-out issue.

The blocking of Schengen membership for Romania and Bulgaria dates back to their accession to the EU in 2007. After the big wave of accessions in 2004, most of the old Member States developed 'accession fatigue', making them much more critical of potential new accessions. Although political pressures and expectations meant that Romania and Bulgaria's membership in the EU could not be reversed, their entry into the Schengen area raised serious concerns. In other words, this issue was already on the agenda during the previous Hungarian presidency. The Netherlands was a vocal opponent, but at the time the sceptics also included Germany, France, Denmark, Sweden and Austria—i.e. the fiscally conservative net contributors, alongside the Franco-German axis. By 2024, only the Netherlands and Austria were blocking entry, but the former had ceased to be an active opponent more than a year earlier, and the latter also finally agreed.

Opponents have argued that the two eastern European countries are in too much of a hurry to join, and that they are not ready to enter the Schengen area because of the risk to border security (linked

to illegal migration, smuggling) as well as corruption concerns that have arisen. In the early 2010s, it was typical that the Commission supported the countries' entry despite the fact that its own investigations had found the two countries to be unprepared. The situation was not helped by the outbreak of the migration and refugee crisis. Austria has blocked the entry of Romania (and therefore Bulgaria, as their entry is a 'package deal') on the basis that a significant number of illegal migrants intercepted at its own borders come via the migration route through Romania and partly Bulgaria.

Several years ago, the majority of Member States, the European Commission and other studies confirmed that the two countries were ready for Schengen membership. The reasons for the vetoes by Austria and the Netherlands were mainly political. The Dutch center-right parties were unhappy with the way Bulgaria and Romania were handling the issue of migration. There was a strong domestic political pressure from the anti-migration parties on the governing parties to avoid measures that would mean more immigrants arriving (but also to avoid the appearance of this).

On the other hand, as Austria and the Netherlands are also contributors, they are very concerned about the investments of domestic multinationals and the smoothness of their supply chains - so it matters to them who joins the European club that influences them most. The main concern for the Dutch was the Romanian and Bulgarian actions against corruption and organized crime. This situation was exacerbated by the ongoing internal political crises in Bulgaria. In particular, corruption, smuggling and the disappearance of large amounts of state aid at the triple Bulgarian-Turkish-Greek border crossing at Kapitan Andrejevo raised serious concerns.

The relations between Bucharest and The Hague were complicated by the fact that the agreement between the Dutch shipbuilding company Damen and the Romanian Navy for the production of warships was not without problems and legal disputes. And the conflict between The Hague and Sofia was further deepened by a documentary film showing Bulgarian citizens living in the Netherlands talking about how they had been defrauded of childcare or housing benefits by the Dutch system. The scandal has become known in the Netherlands as the "Bulgarian scam", and some estimates suggest that over 120 million dollars in aid may have been obtained by Bulgarians living in the Netherlands. This has only reinforced the perception that Bulgaria and Romania joined the EU too quickly, and that they have not yet caught up with the EU in terms of reforms, corruption and quality of governance.

A year ago, the Netherlands and Austria continued to oppose the accession of Bulgaria and Romania to the Schengen area, citing the same reasons. In spring 2024, both countries were granted partial membership, meaning they could join the Schengen area for air and water transport, but not for road transport. The reason for this is that, although progress has been made on corruption and judicial reforms, and all member states have acknowledged that the two countries have fully met the technical conditions for Schengen accession, the Netherlands and Austria have raised further objections. The Hague had a problem with Sofia—the Netherlands criticized the state of the rule of law in Bulgaria. Austria did not support the enlargement of the Schengen area because it did not consider it appropriate to reinforce the external borders of the two countries. Vienna's condition was to triple the number of border police, especially at the Bulgarian-Turkish and Serbian-Romanian borders. It also demanded that the two countries take in asylum seekers—mainly Syrians and Afghans. Austria has argued that more than 100,000 migrants have entered Austria via these countries in a year, so it will veto the accession of the two countries until external border protection is modernized.

Bucharest and Sofia have made every effort to become full members of the zone after partial accession. The Netherlands later stopped raising objections to Bulgaria, and after the number of asylum seekers had also fallen thanks to the restrictions, Austria vetoed Romania's accession—stressing that without the concerns they had raised, the reforms that would have allowed them to join the Schengen area would not have been implemented. All of this required the intervention of the Hungarian government, which was able to push through the political uncertainties and changes in the countries concerned during its EU presidency, so that the two countries could finally complete their accession to the zone.

The benefits of Schengen enlargement

Bulgaria and Romania's full membership of the Schengen area will bring many benefits not only for the two countries, but also for the EU. On the one hand, the EU's Schengen external borders will be more visible, allowing them to be reenforced. By eliminating border controls, the free movement of goods and products and labor will be smoother, and unnecessary waiting times, which have been an unnecessary burden on the economy, will be eliminated. This will have a number of positive effects: new regions that were previously lagging behind can be brought into the economic

mainstream, goods can move faster, new jobs can be created and unemployment can be reduced. It could also boost the EU's competitiveness. The 'second-class status' of these two countries could disappear—by not being allowed to enter the Schengen area for more than ten years, they have lost many of the advantages that some of their neighbors have enjoyed for some time. They have also lost out on a number of economic opportunities that could have helped them to develop.

The full Schengen accession of Romania and Bulgaria is also crucial for Hungary. Bulgaria has become a key partner for Hungary primarily in terms of energy security, and this has been shaped mainly by the Russian-Ukrainian war. Last year, 5.6 billion cubic meters of gas entered Hungary via Bulgaria, rising to 7 billion cubic meters by 2024 (while total Hungarian-Russian consumption is 9 billion cubic meters). It is also not possible to transport the fuel for the nuclear power plant via Ukraine, so Bulgaria has become one of Hungary's most important partners for fuel transport.

Romania's accession to Schengen has a much more symbolic significance. Membership of the Schengen area will enable the strengthening of contacts between the Hungarian communities living on both sides of the border, which, in addition to economic development, is also of great cultural significance. The interoperability of the border will allow the "reunification" of cultural and historical regions such as Bihor, Satu Mare, Arad and Csanád, which were previously integral parts of the border. There are several large cities along and in the vicinity of the Romanian-Hungarian border which could benefit from the interoperability of the border by improving the quality of life of the inhabitants. Oradea, with 183,000 inhabitants, and Arad, with 145,000, but also Timisoara, with around 340,000 inhabitants, Satu Mare, with 90,000, and Debrecen, with 200,000.

Schengen accession is also expected to boost the interconnection of roads and links between municipalities. At present, border controls mean that there are settlements on both sides of the border that are only a few kilometers apart, but the border crossing can be as much as 40–50 kilometers. This is the case of Geszt in Hungary and Nagyszalonta in Partium—there is a dirt road between the two settlements, but the border crossing point makes it take almost an hour to get from one town to the other, while the geographical distance between them is less than 5 kilometers. But there is also the case of Garbolc in Hungary and Szárazberek in Partium—there is a 4-kilometer road between the two towns, cut by the border, but there is no border crossing (it is blocked by concrete blocks), so it is a 40-kilometer detour.

Schengen accession could also boost labor flows—already many people are moving from Hungary to Romania to work, but this trend is expected to increase. It could also bring about a harmonization of property prices in border villages and towns: there is currently a big difference between Romanian and Hungarian property prices, but it is expected that property prices in Hungarian border villages will catch up with Romanian prices.

In order to further strengthen the co-development of these regions, infrastructure investments and the interconnection of existing ones will be needed. Oradea, Debrecen, Timisoara and Arad already have international airports, and their joint development has huge potential. Strengthening rail and road links between them is key. There are currently 12 road border crossing points between Romania and Hungary, but this will increase to 22 from 1 January 2025, where traffic can now cross without controls. The Hungarian EU Presidency has thus put an end to a saga that has been dragging on since 2011, a decision that will both strengthen Hungary's regional position and the potential of two economically disadvantaged countries, and boost the EU's economic potential and competitiveness.