

ICPS newsletter[®]

Readmission treaty is unlikely to make Ukraine a migration buffer of the EU

The International Centre for Policy Studies has launched a research project to disseminate the experience of EU countries in instituting readmission treaties, that is, treaties that govern the return of illegal migrants. Project Manager Viktor Chumak speaks about the situation with illegal migration, solutions to current problem, and the implications of readmission treaty between Ukraine and the EU

The EU has made a readmission treaty a prerequisite for Ukraine to be granted a simplified visa regime with the country. How will such a treaty benefit Ukraine?

Such treaties are not beneficial at all to countries of origin such as Ukraine. In addition to being a transit country for illegal migrants from China, Pakistan, Afghanistan, and Sri Lanka, Ukraine also supplies its own migrant workers to the EU. The flow of illegal migrants from Ukraine is not especially large and the current scale of illegal migration is not so much a threat to the EU, as simply burdensome. In fact, Ukrainian workers are in high demand in EU countries and are, in a sense, beneficial to the European Union. Still, there is a risk that the current channels for illegal migration will be used by criminal rings for trafficking in drugs, people and human organs. These potential threats are what makes the EU insist on signing a readmission treaty with Ukraine.

With such a treaty in place, will illegal migrants end up remaining in Ukraine or will they be forced to establish alternate routes through other countries?

Both of these scenarios are possible. If Ukraine does not have readmission treaties with other countries of origin, there is a risk that they will settle in Ukraine. However, the prospect of being deported to Ukraine rather than staying in the EU, illegal migrants will most likely look for alternate routes through countries that have not signed readmission treaties with the EU.

There are also other possible scenarios. For example, Germany made an offer to Poland to take on all the costs of detaining and transferring illegal migrants, while Poland took on the cost of identifying and handling the legal aspects of returning illegals to their countries of origin. Poland has offered Ukraine the same bilateral principle for cooperation. However, the legal processing

clearly requires a readmission treaty. After such a treaty is signed, it will be possible to discuss co-financing, technical assistance and so on.

What can illegal migrants detained at the Ukrainian border expect right now?

After detaining illegals, the border patrol keep them for proper identification: name and country of origin. Then, Ukraine begins negotiating with the relevant embassy, often with the help of that country's local diaspora, about returning the trespassers to the government of their country of origin. As a rule, however, it is very difficult to identify illegal migrants. Most of them do not cooperate with border officials and do not have any documents, often because they have deliberately destroyed any identification documents.

Illegal migrants are not kept in very good conditions. Until recently, border officials were forced to finance the detention of illegals out of their own budget. The State Budget began to allocate funds for the detention of illegal migrants only two years ago. Today, this amounts to UAH 19 per person per day. For comparison, the detention of an illegal migrant in Hungary costs US \$25–35 per person per day. To ensure the detentions of illegal migrants in accordance with international standards that Ukraine is expected to adhere to, daily expenses for detaining illegal migrants should be around US \$15 per person daily.

What is the main consequence to illegal migrants of under-financing?

As a matter of fact, they are deprived of everything except food: telephone calls, personal care items, and, above all, decent accommodation. Basically, they are kept in unfurnished barracks. Although these barracks are called "points of temporary detention," illegal migrants often find

How to avoid new sugar crunches

The crisis on the domestic sugar market was primarily due to the lack of a comprehensive policy to reform Ukraine's sugar refining industry. Refining sugar from domestic sugar beet is much more expensive than using imported sugar cane. Yet the Government set a high import duty for raw sugar in order to protect domestic producers, placed a quota on sugar deliveries on the domestic market, and set minimum prices for both sugar beet and refined sugar.

A consumer-friendly approach to overcoming this problem would be to cancel import duty on raw sugar and remove other restrictions on sugar imports to Ukraine. The benefit would be an increase in the supply of sugar and a gradual decline in the production cost of sugar refined at domestic refineries by re-orienting them towards cheaper sugar cane. The drawback would be the collapse of those refineries whose costs are too high to survive in an open market. Those sugar beet growers who are unable to switch to growing different crops would also be negatively affected.

A producer-friendly approach would be to preserve the quota for discounted raw sugar imports, to remove the requirement for sugar refined from imported raw sugar to be re-exported, and to preserve restrictions on imports of refined sugar. However, this will require a mechanism to ensure the transparent distribution of discounted raw sugar among refineries and effectively oversee the operations of major market players. The downsides of this option are that it does nothing to significantly lower sugar prices, it fails to stop the subsidization of inefficient sugar production, nor does it remove opportunities for abuse and contraband.

There is little chance that traditional refining will survive in Ukraine, as refining sugar from beets is more expensive and less environment-friendly, while the final product is actually inferior.

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themselves living there for long periods of time.

How do embassies respond to applications for the return of their nationals?

They aren't thrilled. Take the Embassy of China: for the Chinese, population expansion is almost state policy, so there is covert resistance to accepting returned illegals. Other countries respond similarly, as it is beneficial for their nationals to go to rich countries. When their emigrants can legally register and receive residency in a richer country and they begin to earn money and support their relatives back home, that is a direct benefit.

Does Ukraine have readmission treaties with the countries that are the biggest suppliers of illegal migrants?

No, it does not. Currently, Ukraine is still negotiating with Russia, Uzbekistan and Kazakhstan. But Russia, for instance, has

agreed only to admit its own nationals and the issue of transit illegals has been taken off the agenda so far.

What makes people leave their homeland: the search for a better life or the evasion of physical danger?

In the case of Ukraine, people are definitely looking for a better life. Those who are in danger in their home countries for political, ethnic, religious, or other reasons generally are granted refugee status and are protected by UN conventions and legislation. After entering the European Union, such individuals are not subject to readmission and are not kept in special detention points. They can be easily identified, they have freedom of movement, and they are allowed to work while waiting for the conclusion of their cases for refugee status. If refused, they can appeal the decision and continue to stay in the EU without obstruction. However, the majority of people who are trying to get to

the EU through Ukraine illegally cannot be categorized as refugees. ■

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The September shuffle has given Ukrainian politics a new push

The new issue of Political Commentary published last week sums up political events in September. In this issue, you can read about the main results, trends and changes in Ukraine's international relations, political struggles, policy decisions, and economy as viewed by specialists from the ICPS

Politics

President Yushchenko formed a new Government of people loyal to him and, for all intents and purposes, he is effectively the new premier. Mr. Yushchenko is counting on stopping the economic slowdown in the run-up to the Verkhovna Rada elections. However, it will be much harder to launch reforms right now than it would have been immediately after the victorious Orange Revolution. Public support has fallen off and President Yushchenko can count on at most 40% of the vote in the legislature. Moreover, having a politician like Yulia Tymoshenko in the opposition would be a major headache for the leader of any country. Still, neither Viktor Yushchenko's political forces, nor those of Yulia Tymoshenko are likely to be able to independently form a majority in the new Verkhovna Rada. For this reason, the one-time partners are starting to look at a possible alliance with their former enemy, Viktor Yanukovich.

Foreign relations

Russia welcomed the dismissal of Ms. Tymoshenko. The split up of the “Orange” coalition is in the interests of the Kremlin, which is eager to see the failure of “the country that is spreading colored

revolutions.” Whereas Moscow was on the warpath against Tymoshenko the premier, it might even consider supporting Tymoshenko the opposition leader. The EU and the US were calm about the dismissals in Ukraine, a country whose success, for them, means the success of democratic and market values in the region. The results of parliamentary elections in Germany and Poland mean that Ukraine can count on the lobbying of its European ambitions in Brussels by these countries' politicians to grow stronger.

Government policy

The president has cut back the powers of the National Security Council Secretary in terms of issuing orders to the executive branch and approving the appointments of law enforcement officials, prosecutors and judges. These powers were granted to the previous Secretary, Petro Poroshenko, to balance the influence of Yulia Tymoshenko. The dismissal of both officials eliminated the need for a set-up that had roused considerable criticism on the part of other politicians. The new secretary of the National Security Council will have to fulfill a very important objective: to establish the new democratic function of government policy coordination. The draft 2006 Budget presented by the Government made clear

that there were no plans to institute reforms. If the Budget is approved in its current form, the overhaul of the social security and the residential services systems, as well as reforms to the health care system, will have no state financing for 2006. The current draft Budget includes raising the minimum wage by 21%, compared to 40% in 2005. The share of social payments in the 2006 Budget has been shaved from 80.7% to 79.6%.

Economic environment

The pace of economic growth continues to slow down. Over January–August 2005, GDP grew a mere 2.8%. During H1'05, foreign investment shrank by 14.4%, compared to the same period of 2005. After price rises slowed down somewhat in Q2'05, annual inflation picked up again in July–August. ICPS has downgraded its forecast for GDP growth in 2005 to 4%. ■

*For the complete review of the political situation in Ukraine, read **political commentary**, a publication that provides the international community with a monthly review of trends and forecasts for the development of the situation in Ukraine and makes it possible to better understand the level and direction of transformations taking place in the country. This makes it easier for foreign investors to evaluate political risks. If you would like to subscribe to **political commentary**, contact Andriy Starynskiy by telephone at (380-44) 484-4410 or via e-mail at marketing@icps.kiev.ua.*

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