

Manuscript

What does the new member states mean for the trade situation?

TVMidtVest, Denmark

Team:

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Participants:

Lars Olesen, Manager, Diana Candles, Ventspils

Andris Treimanis, Ventspils

Olesja Nikolenko, Ventspils

Place of recording:

Ventspils, Latvia

Duration: 4'31

Translation

What does the new member states mean for the trade?

TVMidtVest, Denmark

0'00

It has just been six months since Europe was significantly enlarged. But the effect of the enlarged community can be felt even now. Both at the new and the older members.

0.10

We are at Ventspils in Latvia. This factory making candles has followed the new European heartbeat of Latvia since its first beat in May. The factory is owned by Danes and was started with just five employees in May – half a year later they have 150 employees.

0.25

The factory is an important part of the danish candle group. The opportunity to produce in a low wage area within the EU makes the group competitive.

0.36

Interview Lars Olesen:

"Some of the workplaces we had in Denmark are gone now, but they would have disappereared anyway due to the tough competition from abroad. Sure it has meant the loss of some workplaces in Denmark, but we would have lost more if we had not made the factory over here."

1.09

Diana Svecas is a clear example of the synergism between the new and old members of the EU. The Danes can produce at the right prices and the Letts gets their industry going. In Ventspils they are glad about their new workplaces.

1.23

Interview Olesja Nikolenko:

"I think it is good that more workplaces come to our town. People then get more money og the families will get a better life."

1.32

Andris Treimanis:

"I think that it is a good opportunity. There is a high rate of unemployment here in Ventspils. We have the harbour but now there is less oil coming from Russia, so it is very important that 120 – 160 workplaces are made here."

2.01

Foreign companies have been in Latvia before the country joined the union. But since the first of May the worst bureaucracy has been cleared off – the Latvian machinery has been oiled – so now it is significantly easier to cooperate across borders.

2.16

Interview Lars Olesen:

"We felt it very quickly. Late April we were moving some tanks to Latvia. It was very hard to get the first tank through customs, we used a lot of energy to do it. But just after Latvia had joined the EU we could drive right through customs – we got a stamp and drove right through. We were really shocked."

2.42

Latvia has other assets than just raw labour. Jeppe Lange Nielsen advises Danes about investments in forestry and agriculture in Latvia. In investments it has clearly been a positive psychological factor that Latvia now is member of EU.

2.57

Interview Jeppe Lange Nielsen:

"The last remnant of doubt has disappeared when you look upon investment in Latvia. They now apply to European law and order as we see it."

3.12

The foreign investment makes it much easier for the Letts to modernise their forestry and agriculture. The business has a positive impact on both sides of the Baltic Sea.

3.21

Back at the candle factory another quantity of candles are ready. The candles can expect a much shorter journey than before Latvia joined the EU – in the days when the tariff walls were high and effective.

3.32

Interview Lars Olesen:

"If you wanted to send parcels to Germany or Finland then there were these tariff walls so we chose to stock the parcels in Denmark at first. Now we are trying to open the system and send the parcels directly to our customers in Sweden, Norway and Finland."

3.56

The new members of the Community delivers new opportunities. New low wage areas that gives the opportunity to keep the money within the EU. The factories are within reach in contrary to for example the far east.

4.09

Interview Andris Treimanis:

"Latvia is a new opportunity. China is too far away – we are near by, we can deliver fast and our quality is better. That is our advantage."

4.22

Like a lot of other companies in Latvia the candle factory grows fast. The Latvian workers are now an established part of the European network. And Latvia is an equal partner to the other members of EU

