



PISM

POLSKI INSTYTUT SPRAW MIĘDZYNARODOWYCH
THE POLISH INSTITUTE OF INTERNATIONAL AFFAIRS

BULLETIN

No. 87 (937), 14 December 2016 © PISM

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Can Development Assistance Solve the Refugee Crisis?

Patryk Kugiel

Though the inflow of refugees to Europe has been halted in 2016, the root causes of massive migration did not disappear. One of the European Union's methods of dealing with this challenge is to provide foreign aid to countries of origin and transit of migrants. This will not solve the refugee crisis, but might help to ease the pressure on the EU. To strengthen the impact of such assistance would require a radical increase in funding and improved cooperation with third countries. Yet attempts to subordinate development cooperation to migration policy goals will incur certain political costs and undermine the EU's international credibility.

By 1 December 2016, the number of migrants arriving in European Union countries via the Mediterranean Sea had decreased to 350,000, compared to more than 1 million a year earlier. As this is, to a great extent, due to the EU deal with Turkey, the root causes of the refugee crisis remain and there is still a significant risk that more migrants will arrive. The chronic shortage of funding for refugee camps, and limited assistance in the region, were among the reasons for the massive migration flows to Europe in 2015. Only 56% of the total requirements for UN-led programmes to the Syrian crisis (Syria Humanitarian Response Plan and Syria Regional Refugee and Resilience Plan) were met in 2015. Besides wars and persecution, hard living conditions and a lack of hope for improvement pushed many people to flee to Europe. This illustrated the need to increase Official Development Assistance (ODA) as one of the tools for tackling the root causes of migration. ODA is composed of life-saving, short-term humanitarian aid, as well as structural development assistance that helps create conditions for economic growth and the eradication of poverty. Therefore, many European politicians were calling for the EU to engage more beyond its own borders.

European Support. The European Union has long been the main source of ODA for countries of origin and transit of migrants. For instance, between 2004 and 2014, Afghanistan received aid of \$14.5 billion, Iraq received \$19.8 billion, and Syria got more than \$3.3 billion. Since the start of the Syrian civil war, the EU has disbursed more than €5 billion to Syria and neighbouring states hosting refugees, and an additional €3 billion was committed at the donors' conference in London in early 2016.

As the refugee crisis worsened in 2015, the EU undertook additional efforts and initiatives to deal with the challenge. To generate extra support for Syrian refugees, the EU Regional Trust Fund in Response to the Syrian Crisis (with a budget of €1 billion) and the Facility for Refugees in Turkey, (€3 billion for 2016 to 2017) were created. In order to ease migratory pressure from 23 countries of Northern Africa, Sahel and the Horn of Africa, the EU established in November 2015 the Emergency Trust Fund for Africa, with a planned budget of €3.6 billion. In addition, the European Commission has recently announced the creation of the European External Investment Plan, to encourage private investments in Africa and its neighbourhood, with an initial capital of €3.35 billion. Among the EU Member States, the biggest donors for Syria are Germany (\$276 million in 2014), the United Kingdom (\$213 million) and Sweden (\$49 million). Poland's humanitarian assistance for the Syrian crisis amounted to \$1.34 million in 2014, rising to \$3 million in 2015 and expected to cross the \$8 million mark in 2016. In addition, Poland committed to a €57 million contribution to the European fund for Turkey (the first installment of €16.9 million was paid in 2016), €3 million to the Syrian crisis, and €1 million to the trust fund for Africa.

Development assistance emerged as a key element of a comprehensive European Commission response to the refugee inflow. This has been clearly envisaged in strategic documents, and linked to the EU's foreign policy aims. The European Agenda for Migration (May 2015) stated that EU external cooperation assistance plays an important role in tackling "the main root causes of irregular and forced migration." Similar observations are present in the proposal for

reform of the European Common Asylum System of 2016. The European Union Global Strategy (June 2016), and the proposal for a revised European Consensus of Development, also suggest stronger links between development cooperation and migration policy. It means, in practice, that financial aid is becoming a tool for leverage and pressure, to persuade developing countries to sign readmission agreements, cooperate on the return of illegal migrants, and improve border controls. The October 2016 agreements with Afghanistan, in which the EU promised increased development assistance and the government in Kabul agreed to accept thousands of Afghan citizens who had been refused international protection in Europe, are an example of this.

Challenges. Despite increased EU engagement in humanitarian and development assistance, there is a risk that this will not bring about the expected results in the short term. First, the provision of adequate financial resources remains a problem. According to UN data, only half of the funding required for the Syrian crisis in 2016 was raised by November, leaving a \$3.8-billion gap. In practice, “new” EU funds do not generate much extra money, as they are more often the result of redirection within existing programmes. Also, EU Member States are slow to contribute to new instruments. Until June this year they had paid only €81.81 million of an expected €1.8 billion for the trust fund for Africa, and only €69.30 million of a €1 billion budget for the regional fund for Syria. It also seems that the goals of assistance for Africa are too broad and over-ambitious in relation to limited resources.

In addition, only a small proportion of Syrian refugees (approximately 10%) live in the camps and depend exclusively on international support. Increasing aid may not be enough to discourage others from fleeing to Europe, especially those Syrians who are better off, live outside camps, and can afford to pay for the trip. Neither can greater support for Syrians solve the entire migration problem and stop other migrants coming. In 2015, 29% of EU asylum applications were completed by Syrians, followed by Afghans (14%), Iraqis (10%) and other citizens of Asian and African states. According to demographic trends, the population of Africa will double by 2050, and one may expect rising migratory pressure from this direction, through the Central Mediterranean route to Italy. By the end of November alone, more than 171,000 people had used this route, 18% more than a year earlier.

Importantly, past experiences show that development aid can cause a temporary increase in migration flows (a phenomenon known as the “migratory hump”), which will increase rather than ease pressure on the EU. This is because people’s aspirations rise faster than real improvements in their standard of living and employment prospects begin to be felt. In addition, recent changes to development policy, which is becoming subordinated to migratory goals, can incur serious costs, having a negative impact on the EU’s political standing and global image. This could lead to accusations of the politicisation of aid, and undermine the Union’s international credibility. For instance, many international organisations and experts have been harsh in their criticism of the EU deal with Afghanistan, and of the proposed Partnership Framework with third countries. Many African states pointed out that the EU ignores their interests and impose its will, broadening the trust deficit and potentially complicating cooperation on migration in the longer term.

Conclusions: Not Only Aid. Increased humanitarian aid for refugees outside Europe may help to ease migratory pressure, but will not remove the root causes of the problem. Neither is development assistance for Africa and the Middle East enough to stop irregular migration to the EU. Bearing in mind demographic and economic trends, one can expect increasing pressure on the southern borders in the years to come. The EU must be better prepared to face this challenge, in particular by strengthening its borders, completing reform of the common asylum system, and better coordination of migration policies between Member States. Ending the conflict in Syria and helping stabilise Libya, Iraq and Afghanistan are key priorities in addressing the root causes of the refugee crisis.

Humanitarian and development assistance is one of the few main instruments that can shape the situation in countries of origin and transit of migrants. In the long term, it can help to create environments conducive to economic growth, lower development disparities, and stabilise the EU neighborhood. But, in order to have a real impact, the EU must radically increase its financial allocation for aid and meet its own commitments. If more EU Member States achieved their ODA financing goals (the average across the EU is 0.7% of GNP), this would generate additional resources for development programmes for southern and eastern neighbours. Besides helping victims of wars and conflicts, the Union must concentrate on strengthening states’ capacities, the creation of jobs, and the re-integration of migrants.

At the same time, it is important to secure greater coherence of development cooperation with trade, migration and security policies. The EU should, however, refrain from making aid conditional on concessions on migration issues (re-admission, border controls, etc.). Though such conditions may work towards meeting the EU’s short-term goals, they will in the longer term raise questions about the Union’s credibility and undermine the effectiveness of its development assistance, damaging international trust. The EU’s approach must be more balanced, and should take into account the interests of partner countries. Opening channels for legal migration from refugee camps and developing countries could be part of this solution. Moreover, more humanitarian aid beyond Europe does not release the Union from its responsibilities towards refugees who are already on its territory.