

MORE MONEY, FEWER PROBLEMS? HOW THE 'MIGRATION CRISIS' AFFECTED FUNDING UNDER THE MFF

Executive summary

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The Asylum, Migration and Integration Fund (AMIF) has been a major instrument used by the European Commission to manage the sudden spike in asylum seekers arriving within the EU during 2015 and 2016. The so-called 'migration crisis' revealed a number of shortcomings in the structure of the EU's most relevant funding instrument for handling asylum and migration issues. This policy paper provides an analysis of the structural deficiencies that hampered the implementation of AMIF and draws relevant conclusions for the future of EU funding for migration under the forthcoming Multiannual Financial Framework (MFF).

The paper shows that a **dysfunctional political framework underpinning funding in the asylum and migration field** can undermine the added value won by managing migration policy at EU level. It further argues that there has been a **mismatch between the allocation of funds and the actual needs** of the member states. This mismatch was met with inadequate emergency funding and a **lack of flexibility instruments**. Furthermore, there are insufficient guarantees to ensure that any prioritization of AMIF objectives produces equivalent spending under the National Programmes of the member states.

Based on these observations, the paper makes four policy recommendations that should guide negotiations on the Commission's proposal for future funding for asylum and migration as part of the upcoming MFF:

- There should be a properly functioning political framework that guides funding for asylum and migration. This framework should be based on a **reform of the Common European Asylum System (CEAS)**, which enables several member states to strengthen cooperation through voluntary relocations that are in turn supported through the new Asylum and Migration Fund (AMF) as well as the EU's regional funds.
- The Commission should aim for a **more balanced distribution of funds** under the Border Management & Migration Heading. Raising the share of funding allocated to the new AMF is necessary to underpin the fund's role in financing a growing set of activities.
- The mechanism for allocating funds to the member states should be re-evaluated as part of an AMF mid-term review so as to **match available funding with changing needs**.
- Finally, to prevent any uneven implementation of National Programmes, the Commission should match mandatory allocations of funds to AMF objectives with **minimum spending targets**.

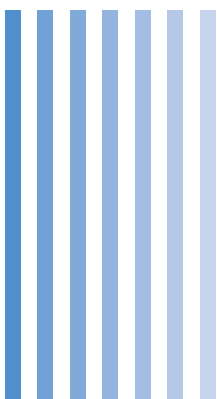


TABLE OF CONTENTS

Introduction	3
1. AMIF & the Added Value of EU Funding for Migration	4
2. Managing the ‘Migration Crisis’ under the current MFF	5
2.1. AMIF Allocations: Mismatch between Funding and Needs	6
2.2. Adjust through Flexibility: Budgetary Responses to the ‘Migration Crisis’	7
2.3. Implementation of AMIF National Programmes	8
3. The MFF Proposal on Migration: Learning the Lessons?	11
3.1. More Money & More Imbalance	11
3.2. The new Asylum & Migration Fund (AMF)	12
4. Policy Recommendations for Migration under the Future MFF	14
4.1. Political and Strategic Framework	14
4.2. Specific Funding Instruments	15
Concluding Remarks	17
On the same topic	17

INTRODUCTION

Asylum applications in the European Union increased from around 620,000 in 2014 to roughly 1.3m in 2015 and propelled the 'migration crisis' to the top of the EU's political agenda. The sudden rise in asylum seekers arriving predominantly within the EU's southern member states was met with a lack of preparedness and revealed shortcomings in the Common European Asylum System (CEAS).

In an attempt to mitigate evident structural deficiencies, the EU resorted to the use of different funding instruments available under the Multiannual Financial Framework (MFF), such as the Asylum, Migration and Integration Fund (AMIF). **The 'migration crisis' placed severe strain on the EU's most relevant funding instrument in the field of asylum and migration.** In particular, the use of AMIF as a tool to manage the rising number of asylum seekers revealed the crying need to reform the underlying political framework behind funding on migration and asylum.

Given its continued salience, migration is a priority in the Commission's recently published proposal for the upcoming MFF (2021–2027). The questions that this paper seeks to answer are whether the EU has drawn the right conclusions from the impact of the 'migration crisis' on the current MFF (2014–2020) and what lessons are still to be learned?

While the political debate reflects a broad consensus that strengthening border management and reducing the number of new arrivals to the EU is supposedly vital, there is still much disagreement within the debate over asylum and migration. Against this backdrop the policy paper places particular emphasis on the use of AMIF as an instrument for managing the 'migration crisis'. It argues that the 'migration crisis' revealed the fund's structural deficiencies such as its flawed mechanism for matching member state needs with adequate funding as well its lack of flexibility instruments and it suggests that minimum spending targets should be introduced to support how the AMIF operates. As for the Commission's proposal for a new MFF, the paper shows that maintaining a crisis-driven approach to migration has led to a skewing of funds towards border management and suggests that a reform of the political framework that underpins funding for migration and asylum is required.

This policy paper first discusses the added value of managing funds for migration and asylum at EU level and the contribution of AMIF in this regard. In a second chapter it then analyses in more detail how AMIF was used as an instrument in the Commission's response to the 'migration crisis'. This is done with a focus on the implementation of National Programmes and the use of flexibility instruments. The third chapter analyses to what extent the Commission has learned the lessons from experiences in the current financial period by discussing its legislative proposals for the upcoming MFF and concludes by providing specific policy recommendations.

1. AMIF & THE ADDED VALUE OF EU FUNDING FOR MIGRATION

The regulatory framework for an EU policy on asylum, immigration and external border controls is set by the Common European Asylum System (CEAS). The CEAS serves as the political basis for funding in the field of asylum and migration. The Asylum, Migration and Integration Fund (AMIF) was established under the current Multiannual Financial Framework (MFF) as a tool to facilitate the implementation of the CEAS and to support the migration policies of the individual member states.



EU-LEVEL FUNDING SHOULD ENCOURAGE A DEGREE OF SOLIDARITY

There are two central arguments underpinning the added value of EU funding in the field of migration and asylum. The first is the goal of greater harmonisation of relevant national policies. A Common European Asylum System can only function if member states are able to guarantee similar rights, asylum procedures, reception standards, access to social services and integration standards. If standards and conditions diverge, there are important incentives for irregular secondary movement across the Union. The second reason is that EU-level funding should encourage a degree of solidarity among the member states. Art. 80 TFEU provides that EU policies on border checks, asylum and immigration should be “governed by the principle of solidarity and fair sharing of responsibility, including its financial implications, between the Member States”. An allocation of funds centrally managed at EU level helps compensate for uneven responsibility-sharing when it comes to dealing with the reception, processing and integration of asylum seekers.

In line with these objectives AMIF aims at contributing to the efficient management of migration flows and to the implementation, strengthening and development of a common approach to asylum and immigration.¹ Three specific objectives delineate the areas for which AMIF provides funding:

1. **Asylum:** strengthening and developing the Common European Asylum System, including its external dimension;
2. **Legal migration and integration:** supporting legal migration to the member states in line with labour market needs and promoting the integration of non-EU nationals;
3. **Return:** enhancing fair and effective return strategies that help combat irregular migration.

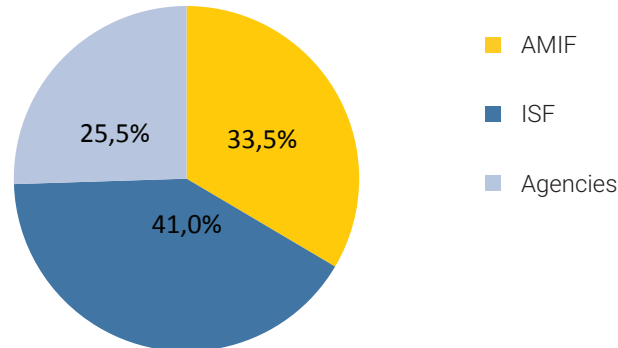
Reflecting the acknowledged added value of EU funding, the relevant financial envelope within the current MFF increased from roughly EUR 4 billion to EUR 9.3 billion compared to under the previous one (2007–2013). The budget for AMIF increased from EUR 2.1 billion to EUR 3.1 billion.² Together, AMIF and Internal Security Fund (ISF) make up 74.5 percent of the Home Affairs budget. As Figure 1 shows the allocation of funds for asylum and migration on the one hand and border management on the other is relatively balanced. With EUR 3.1 billion, 33.5 percent went to AMIF while the ISF received EUR 3.8 billion (41 percent). The remaining

1. The European Parliament & the Council, ‘Regulation (EU) No 516/2014 establishing the Asylum, Migration and Integration Fund’, 16 April 2014.

2. Directorate General for Migration and Home Affairs, ‘Asylum, Migration and Integration’.

EUR 2.4 billion (25.5 percent) were allocated to EU agencies active on the Home Affairs terrain: Frontex, Europol and the European Asylum Support Office (EASO).

FIGURE 1 ■ Home Affairs budget (2014–2020)



As soon as the current MFF had to deal with a sudden influx of migrants, several weaknesses came to the fore. Generally, there seemed to be a mismatch between the ambitious objectives enshrined in the Treaties (harmonisation and financial solidarity) and the available funding. Overall, the share of funds initially allocated under the Home Affairs Heading amounted to less than one percent of the entire MFF. More specifically, the degree to which AMIF could mitigate uneven responsibility sharing was limited. As argued in more detail below, during the ‘migration crisis’ the fund was unable to provide sufficient financial assistance to southern member states which had come under severe stress because of the responsibilities placed upon them through the CEAS – and especially through the Dublin Regulation which generally makes the country of first arrival responsible for processing a person’s asylum claim.

The apparent **shortcomings of the CEAS led to a fierce political debate on the added value of EU-level intervention in migration management** and on the effective implementation of financial solidarity. Central and Eastern European member states were particularly critical on both counts. As a result of ongoing disputes over the right course for dealing with the ‘migration crisis’, agreement over the added value of managing member state resources at EU level was by and large reduced to cooperation in the field of border management. The proper design of the political framework underpinning AMIF is therefore vital when it comes to determining the degree to which the fund can provide added value in managing asylum and migration policies.

2. MANAGING THE ‘MIGRATION CRISIS’ UNDER THE CURRENT MFF

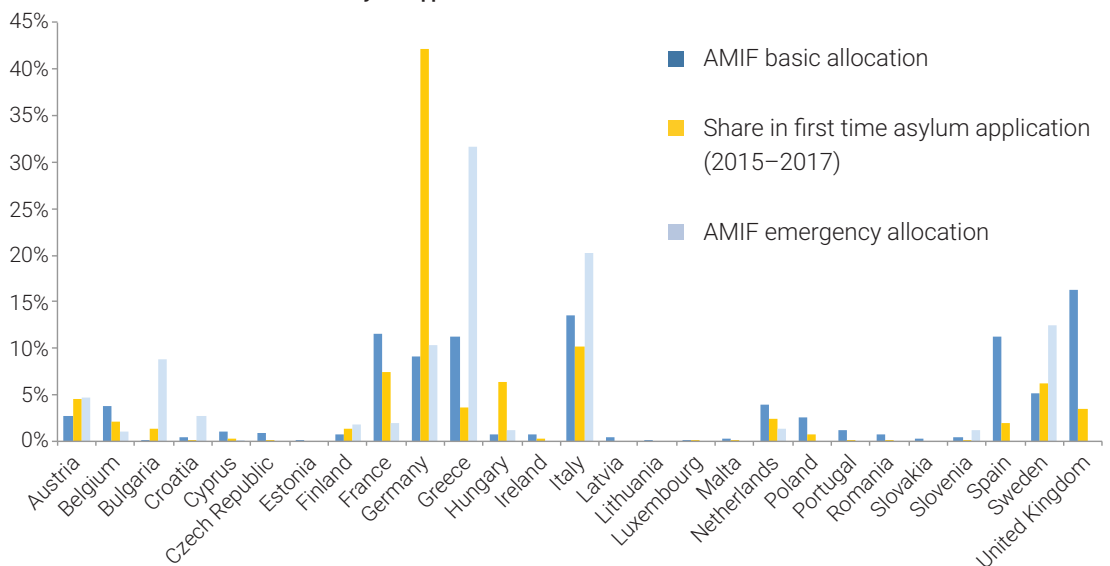
AMIF has been a core instrument in the Commission’s response to the rising number of asylum seekers reaching the EU in 2015. This chapter analyses to what extent the fund has served to make managing the ‘migration crisis’ any easier. First, the chapter outlines how the ‘migration crisis’ laid bare a mismatch between the allocation of AMIF funding and the real needs of member states. It then goes on to argue that AMIF was equipped with insufficient flexibility instruments to mitigate this mismatch. The chapter concludes by exploring the disparity between prioritisation of AMIF objectives and respective spending under the National Programmes of the individual member states.

2.1 AMIF Allocations: Mismatch between Funding and Needs

The share of AMIF funding that each member state receives is based on national statistics on the number of asylum applications, resident third country nationals and effective returns to countries of origin. These statistics cover the three years preceding the current budgetary period.³ Consequently, the amount that each member state is entitled to under AMIF reflects data on migration from the years 2011 to 2013.

Against the backdrop of a sharp increase in the number of asylum seekers arriving, especially at the EU's southern borders, over the course of 2015 and 2016, how funds are allocated under AMIF has led to a significant disparity between available funding and actual needs in some member states (see Figure 2). By allocating a fixed amount of funds for the entire financial period, AMIF supports the strategic planning of migration strategies yet fails to provide for any required adjustment to emergencies. While the 'migration crisis' thus revealed deficiencies in the allocation of AMIF funding, it also raised questions over the balance between longer-term planning and short-term flexibility under the MFF.

FIGURE 2 ■ Share of AMIF allocations & asylum applications (2015–2017)



Source: Eurostat; Updated Annex 8 (02-08-2018).⁴

The discrepancy between initial AMIF allocations and the real-time responsibility placed upon certain member states by the 'migration crisis' is particularly evident in countries such as Hungary and Germany on the one hand, and Spain and the United Kingdom on the other. Whereas the latter two received a large share of AMIF resources but only few asylum applications between 2015 and 2017, Germany received by far the most asylum applications (42.1 percent) while being assigned with comparably little financial assistance out of total AMIF resources (9.1 percent). Although Greece and Italy also display a mismatch between their respective share of AMIF resources and registered asylum applications, their over-and-above AMIF funding can be justified because they are immediately responsible for handling the reception of asylum seekers and processing claims for asylum.

³ The European Parliament & the Council, 'Regulation (EU) 516/2014: Annex I'.

⁴ The European Commission, 'Updated Annex 8 (02-08-2018) - Managing the refugee crisis: State of Play of the Implementation of the Priority Actions under the European Agenda on Migration', 2 August 2018.

2.2 Adjust through Flexibility: Budgetary Responses to the ‘Migration Crisis’

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EMERGENCY FUNDING
UNDER AMIF HAS
BEEN INSUFFICIENT

Given the mismatch between initial AMIF allocations and actual member state requirements, the sudden increase in mixed migratory flows in 2015 forced the EU to seek greater flexibility in its funding instruments. Even so, emergency funding under AMIF has been insufficient to mitigate the challenges posed by the sudden spike in asylum applications.

For the period from 2014 to 2017, the EUR 95 million initially set aside under the emergency assistance instrument (EMAS) were scaled up to EUR 929 million.⁵ The largest shares of assistance were allocated to Italy (20.3 percent) and Greece (31.7 percent). In total, 45 emergency actions took place under AMIF auspices between 2014 and 2017. Most of these activities were implemented in Greece (16), followed by Bulgaria (8) and Italy (6).⁶ Emergency funding helped cover additional costs arising in the reception of asylum seekers, supporting asylum processes and enhancing member states’ capacities to monitor and develop their asylum systems.⁷ The Commission further allocated emergency funding to Greece to provide shelter, accommodation, transport, healthcare for asylum seekers and to ensure fair access to asylum procedures. Nevertheless did the situation in the EU ‘hotspots’, which are supposed to facilitate the identification, registration and fingerprinting of incoming migrants, remain problematic. The Fundamental Rights Agency (FRA) pointed to capacity constraints, unequal conditions among hotspots and inadequate living conditions as persistent challenges in Greece and Italy.⁸ Human Rights Watch criticised the slow transfer of asylum seekers from Greek islands, particularly Lesbos, Chios, Samos, Leros, and Kos, to the mainland.⁹

The inadequacy of available emergency assistance under the Security and Citizenship Heading is further underlined by the fact that **a substantial amount of financial resources used to mitigate the effects of the ‘migration crisis’ had to be redeployed from other budgetary headings**. At the height of migratory flows to Europe in 2015 and 2016, the EU made use of two Draft Amending Budgets (DAB) and one amending letter to the annual budget in trying to adjust spending to the political realities of the ‘migration crisis’. In total, EUR 1.42 billion was committed to the objective of managing the mass arrival of asylum seekers (see Table 1) but not all this was necessarily new money. Both budget amendments in 2015 mobilised necessary resources from other funding instruments under the Security and Citizenship Heading (Heading 3). A substantial amount of emergency funding further had to be redeployed from other headings, such as Heading 1 (Smart and Inclusive Growth), Heading 2 (Sustainable Growth) and Heading 4 (Global Europe).¹⁰ In 2016, the scope for adjusting margins within Heading 3 or redeploying funds from other headings was exhausted, which again underlines the fact that insufficient resources were available to mitigate the initial miscalculation in the allocation of AMIF funding.¹¹ To cover costs for the Emergency Relocation Mechanism and the implementation of the European Agenda on Migration, which framed the Commission’s political strategy in response to the ‘migration crisis’, amendments to the 2016 budget had to be mobilised entirely from the EU’s Flexibility Instruments.¹²

5. The European Commission, ‘Interim Evaluation of the Asylum, Migration and Integration Fund 2014–2017’, SWD(2018) 339 final, 12 June 2018.

6. Ibid.

7. The European Commission, ‘Amending Budget No 5 of the European Union for the financial year 2015’.

8. European Union Agency for Fundamental Rights (FRA), ‘Current Migration Situation in the EU: Oversight of reception facilities’, September 2017.

9. Human Rights Watch, ‘Greece: Move Asylum Seekers to Safety Before Winter Hits’, 01 December 2017.

10. The European Commission, ‘Amending Budget No 7 of the European Union for the financial year 2015’.

11. The European Commission, ‘Amending letter No 2 of the Draft General Budget for the financial year 2016’.

12. Flexibility Instruments include the Emergency Aid Reserve, the EU Solidarity Fund, or the European Globalisation Adjustment Fund.

TABLE 1 ■ Summary of relevant budget amendments (2015 & 2016)¹³

BENEFICIARY	COMMITMENT APPROPRIATIONS (CA)	PAYMENT APPROPRIATIONS (PA)
Agencies (Frontex, EASO, Europol)	100.4	106.7
AMIF	425	34.2
ISF	5	
Relocation (two decisions)	890	399.9
Total	1,420,400	849.5

*Numbers in EUR million

Challenging conditions within the EU ‘hotspots’ support the argument that AMIF failed to compensate for the initial miscalculation in the way funds were allocated to the member states. Resorting to funds from other budgetary headings further demonstrates AMIF’s limited capacity to serve as a tool for managing the ‘migration crisis’.

2.3 Implementation of AMIF National Programmes

Whereas emergency funding is predominantly disbursed in response to short-term needs, attaining the objectives enshrined in AMIF requires longer-term planning. In that regard, it is argued here that the National Programmes of the member states are well adapted to the responsibilities placed upon them by the Dublin Regulation. Yet the way they are implemented is undermined by the absence of any mechanism ensuring that allocations to AMIF objectives are matched by adequate spending.

Approximately 88 percent (EUR 2.75 billion) of financial resources under AMIF are strategically allocated to the member states in support of the fund’s objectives in the form of so-called ‘basic allocations’. The European Commission and the member states share the management of dispensing these monies through Multiannual National Programmes that set out how member states allocate their share of funds to the specific objectives of AMIF (see above). These National Programmes make up some 87 percent (EUR 2.39 billion) of the EUR 2.75 billion.¹⁴ The remaining 13 percent (EUR 0.36 billion) is dedicated to supporting the Member State’s relocation and resettlement activities. Payments for activities under the National Programmes are based on eligible expenditure. Member states receive a pre-financing payment worth 4 percent of the total EU contribution to their respective National Programme at the start of the MFF and another 3-6 percent in annual pre-financing payments once annual implementation reports are submitted.

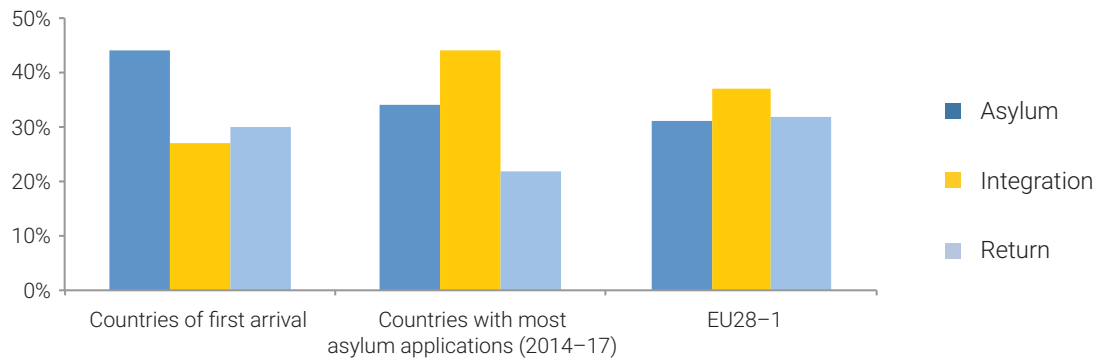
For ensuring that all three AMIF objectives (see above) are met equally, the Commission requires member states to allocate at least 20 percent of monies they receive to strengthening

¹³ Amendments listed include: Amending Budget No 5 & No 7 of the European Union for the financial year 2015; Amending letter No 2 of the Draft General Budget for the financial year 2016.

¹⁴ The European Parliament & the Council, ‘Regulation (EU) No 516/2014 establishing the Asylum, Migration and Integration Fund – Article 17’, 16 April 2014.

and developing the CEAS (i) and another 20 percent to supporting integration and legal migration (ii). All member states, apart from Greece, Poland and Portugal, adhered to this minimum threshold for the allocation of funds. Nevertheless, those three National Programmes were approved by the Commission. For Portugal and Poland, minor deviations were most likely the result of receiving top-ups for the integration and return objectives, which unintentionally lowered the share of funds allocated to the asylum objective. In the case of Greece, the Commission referred to its financial constraints and the pressing need to adjust its national asylum system allowing for the integration objective to be somewhat neglected.

FIGURE 3 ■ Share of funds allocated to AMIF objectives (National Programmes)



Source: National Programmes¹⁵

Figure 3 shows the allocation of funds across the three AMIF objectives – strengthening the European asylum system (1), supporting integration (2) and making return strategies more effective (3) – in the National Programmes. It can be seen that these are well adapted to the responsibilities placed upon certain groups of member states during the ‘migration crisis’. In countries of first arrival (Spain, Italy, Malta and Greece) along the EU’s southern border, the largest average share of funds was dedicated to projects implementing the CEAS (44 percent). Among those countries receiving the largest share of asylum applications between 2014 and 2017 (Germany, France, Sweden and Italy) Germany and Sweden allocated a particularly large share of their resources to the integration objective – 47 percent and 46 percent respectively.

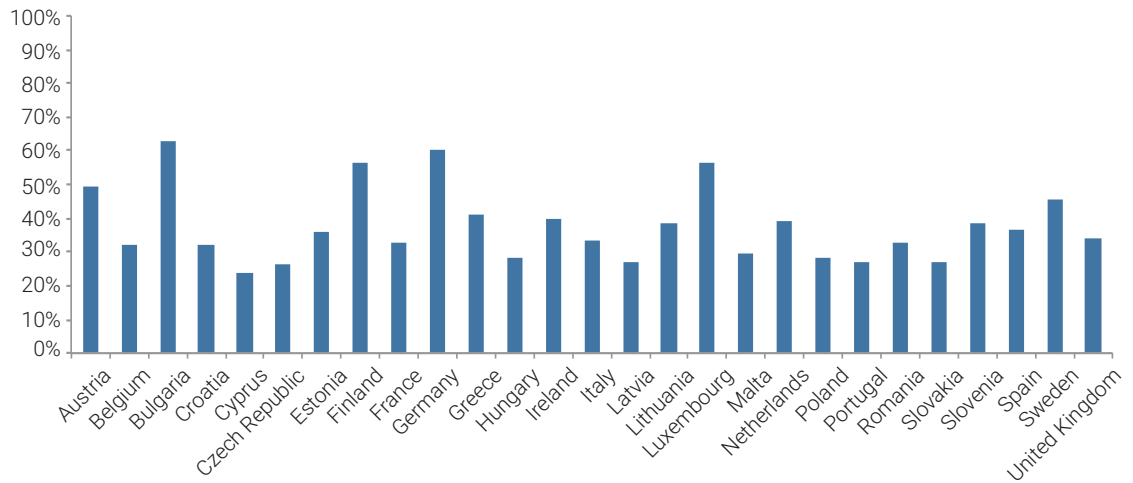
Unfortunately, the Commission does not publish data on the spending rate of individual member states, making it hard to draw conclusions on how National Programmes are implemented. The available data merely concerns cumulative AMIF payments made by the Commission to the member states, including those for resettlement activities and emergency payments.

The available data nevertheless provides an insight into the general prioritisation of AMIF objectives for which the member states issued a payment request to the Commission. The largest share of payments made by the Commission contributed to implementing the return objective (20 percent or EUR 943 million). Slightly less money has been spent on projects under the integration objective (19 percent or EUR 884 million), followed by only 16 percent directed towards the asylum objective (EUR 738 million).¹⁶ Despite a requirement to allocate at least 20 percent of resources to the asylum and integration objectives, issued payments on both priority areas fall short.

¹⁵ EU 28-1 describes all EU member states, except for Denmark which is not participating in AMIF.

¹⁶ The European Commission, ‘Interim Evaluation of the Asylum, Migration and Integration Fund 2014-2017’, SWD(2018) 339 final, 12 June 2018.

FIGURE 4 ■ AMIF payments made to member states (% of total allocations)



Source: Updated ANNEX 8 (25-06-2018).¹⁷

As shown in Figure 4, there is a considerable degree of variation in the share of payments requested by the member states. Four years into the MFF, Germany activated 60 percent of its share of payments, while countries such as, Cyprus (24 percent) Hungary (28 percent) and the Czech Republic (26 percent) requested a much smaller share of available payments. Possible reasons for this are the late approval of National Programmes in some member states, as well as administrative burdens and low pre-financing rates. In its mid-term review, the Commission further points to a time lapse between the implementation of activities on the ground and the request for payments, which are often issued only after projects are concluded. Human rights groups have highlighted the recurrence of more restrictive migration policies in some member states as another potential reason for a low level of payment requests.¹⁸ Taking into account these factors, a minimum threshold for spending would facilitate a more even disbursement of funds among the member states and across the three AMIF objectives. As for the added value of pooling financial resources on asylum and migration at EU level, an uneven application of AMIF resources can undermine the fund's ability to harmonise national asylum systems and strengthen the solidarity among member states.

By measuring the extent to which the 'migration crisis' affected funding for asylum and migration, the previous chapter has shown that there is a general mismatch between the allocation of funds under AMIF and member state needs during the sudden influx of asylum seekers in 2015. This mismatch was caused by an allocation mechanism that relied on outdated migratory statistics. In an attempt to mitigate the disparity between available funding and needs, the Commission had to revert to the use of flexibility instruments and the redeployment of funds from other budgetary headings. The 'migration crisis' thus showed that there were insufficient flexibility instruments available under AMIF. National Programmes prioritise AMIF objectives in a manner well-suited to the responsibilities placed upon member states by the 'migration crisis'. However, the prioritisation of funds across AMIF priority areas is not coupled with a mechanism to ensure equivalent allocations and spending. Furthermore, the level of payments requested by member states differs significantly – which tends to undermine the added value of AMIF.

¹⁷ The European Commission, 'Updated Annex 8 (02-08-2018) - Managing the refugee crisis: State of Play of the Implementation of the Priority Actions under the European Agenda on Migration', 2 August 2018.

¹⁸ Westerby, R., *Follow the Money*, European Council for Refugees & Exiles (ECRE), January 2018.

3. THE MFF PROPOSAL ON MIGRATION: LEARNING THE LESSONS?



THE COMMISSION PROPOSAL SHOWS AN IMBALANCE TOWARDS FUNDING FOR BORDER MANAGEMENT

Learning from the lessons of the past' is the mantra frequently repeated in the documents and at the press conference accompanying the Commission proposal on the future budget for migration. Accordingly, the Commission responded to some of the shortcomings outlined above. While there is an emphasis on greater flexibility in the new MFF, the Commission failed to reform the allocation mechanism that determines the share of funding available for each member state. It further missed the opportunity to set a spending target for National Programmes. Overall, the Commission proposal shows an imbalance towards funding for border management and serves as a reminder that reform of the political framework underpinning funding for migration and asylum is unavoidable.

3.1 More Money & More Imbalance

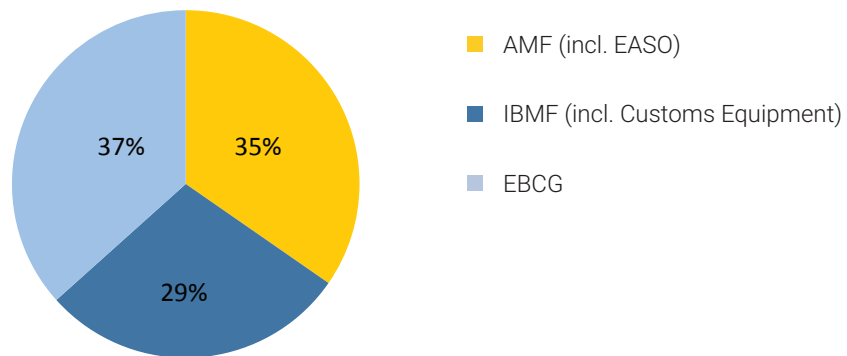
Now a budget heading in its own right, the proposed funding for migration jumps from around EUR 9.3 billion to EUR 34.9 billion under the upcoming MFF. This marks an increase from less than one percent of the overall budget to at least 2.7 percent. Despite a substantial rise in absolute terms but the relative share of the migration budget continues to be tiny given the issue's political salience. The additional financial resources are accompanied by an even stronger entrenchment of migration in other policy domains, most notably in the field of cohesion policy and the external affairs dimension.

A key outcome of the Commission's aforementioned 'learning process' is a substantial increase in the share of financial resources attributed to border management. Out of the EUR 34.9 billion under the migration heading, EUR 21.3 billion is dedicated to border management. Compared to currently around EUR 2.4 billion, the Commission plans to invest EUR 12 billion in the roll-out of the European Border and Coast Guard (EBCG) and EU-Lisa, the EU agency for the management of IT systems in the Home Affairs domain. A central objective of the additional funding is to increase EBCG personnel from today's pool of 1,500 border guards to a standing corps of 10,000. Another EUR 9.3 billion is scheduled to fund the newly established Integrated Border Management Fund (IBMF). Its priority area is the better equipment of member states in the effort to control their borders, including through the EBCG and a future entry/exit system, tackle migrant smuggling and trafficking as well as the support of Search and Rescue (SAR) operations.¹⁹ EUR 3.2 billion of the IBMF are envisaged as an emergency reserve – in the form of a so-called Thematic Facility – to provide funding in response to urgent needs and crises situations.²⁰

¹⁹ The European Commission, 'Securing the EU's External Borders – Factsheet', 12 June 2018.

²⁰ The European Commission, 'Proposal for a Regulation of the European Parliament and of the Council establishing, as part of the Integrated Border Management Fund, the instrument for financial support for border management and visa', COM(2018) 473 final, 12 June 2018.

FIGURE 5 ■ Budget for Migration & Border Management (2021–2027)



Taken together, the share of funds allocated to the IBMF and the EBCG amounts to 66 percent of the overall budget for migration. The objective of protecting and managing the EU’s external borders thus occupies a much more prominent place overall than it does under the current MFF, where its share of financial resources amounts to merely 41 percent. In comparison to the financial resources deployed on propping up border management activities, the area of asylum and migration receives ‘only’ EUR 10.4 billion. Even with this increase in absolute terms (EUR 7.3 billion more than for the period 2014–2020), asylum and migration funding within the Migration & Border Management Heading rose by merely 1.5% - from 33.5% to 35%.

This **imbalance relates to the maintenance of a crisis narrative in the Commission proposal on migration**, which rests on the premise of preventing a repeat of 2015 as the benchmark for future policies. While disagreement continues over the reform of the CEAS, the additional funding for border management activities is a response to the fact that member states have found their lowest common denominator in strengthening external border controls. Coordinating and managing control of common borders through collective funding is a prime example of a policy field in which the EU can provide added value. Strengthening the common management of external borders is therefore a necessary response to the ‘migration crisis’ and could become a partial stepping stone for a sustainable migration policy.

However, it is too easy to assume that more funding for border management alone can prevent a renewed ‘migration crisis’. More emphasis should therefore be placed on addressing insufficient support for the reception, processing and relocation of asylum applicants, as well as uneven burden-sharing among member states. These factors allow for a more nuanced explanation of the structural deficiencies contributing to the ‘migration crisis’ – and they are the key to preventing a similar situation in the future. Given the fact that the number of asylum applications in the EU has almost halved from around 1.3 million in 2015 to roughly 700,000 in 2017, strengthening the common management of external borders and efforts to harmonise national asylum systems should receive equal funding if the added value of coordinating funds for asylum and migration at EU level is to prove worthwhile.

3.2 The new Asylum & Migration Fund (AMF)

Whereas the general objective of AMIF was to create a common approach to migration and asylum, the proposed Asylum and Migration Fund (AMF) aims to ‘contribute to an EU migra-

tion policy that is robust, realistic and fair'.²¹ The new fund's prime objective is thereby less ambitious than the outgoing one. But specific objectives barely differ. The AMF thus aims to:

1. strengthen and develop all aspects of **the Common European Asylum System (CEAS)**, including its external dimension;
2. support **legal migration** to the member states including contributing to the **integration** of third-country nationals;
3. contribute to **countering irregular migration** and ensuring effectiveness of **return** and readmission to third countries.



AMF WAS RE-SHAPED
IN RESPONSE TO THE
'MIGRATION CRISIS'

Looking at its funding structure, one can nevertheless see how the AMF was re-shaped in response to the 'migration crisis'. Three developments deserve particular attention:

First, a re-definition of the integration objective separates funding for short-term and longer-term integration. Under the AMF, financial support for integration is reduced to funding for the immediate reception of asylum seekers via activities such as language training, information and orientation after arrival, as well as assistance to victims of human trafficking. Longer-term integration shifts to the domain of Cohesion Policy, most notably through the European Regional Development Fund (ERDF) and the European Social Fund+ (ESF+).

By including longer-term integration efforts within a wider set of policies and social programmes managed by DG Employment, Social Affairs and Inclusion as well as DG Home Affairs, the Commission is creating a budgetary framework for implementing its 'comprehensive approach' to migration. Mainstreaming integration within employment, housing, social services and general non-discrimination policies further offers an opportunity to underline the added value that funding at EU level can provide.²²

EU funding in support of regions that have taken in refugees can strengthen solidarity among member states. To prevent funding for integration projects competing with other objectives of the ERDF and the ESF+, both instruments require sufficient financial resources. However, the MFF proposal does not envisage any increased share of funds for Cohesion Policy. Apart from this lack of additional funding, making different DGs and different funding instruments responsible for integration risks fragmentation as well as a lack of prioritisation and monitoring.

Second, the Commission increased long-term funding for National Programmes from currently EUR 2.75 billion to EUR 6.3 billion and established a default allocation of funds for the AMF's three specific objectives. In its legislative proposal, it suggests that member states allocate 30 percent of monies they receive to strengthening the CEAS (1) and another 30 percent to supporting legal migration and integration (2). The objective of ensuring effective return and readmission (3) would receive 40 percent of available funding.

However, introducing a mandatory allocation fails to address the issue of inadequate spending and uneven payment requests across National Programmes. The late approval of these Programmes, restrictive national policies and administrative burdens may undermine the ob-

21. The European Commission, 'Proposal for a Regulation of the European Parliament and of the Council establishing the Asylum and Migration Fund', COM(2018) 471 final, 12 June 2018.

22. European Council on Refugees & Exiles (ECRE), 'The Price of Rights: Asylum and EU Internal Funding', 2018.

jective of spending an equal amount of resources as initially allocated in the National Programmes. While the 'migration crisis' has shown that it is helpful to raise mandatory allocations, introducing a minimum target for spending must go along with that.

Third, the proposed funding structure of the AMF embraces more flexibility. The Commission has responded to the lack of sufficient flexible funding instruments during the 'migration crisis' by introducing an emergency reserve in the form of a Thematic Facility worth EUR 4.2 billion to the AMF. The Thematic Facility is designed to provide targeted support for member states suffering urgent needs or challenging circumstances. It is also set to finance resettlement activities. In comparison, initial allocations for emergency funding under the current budgetary framework of AMIF amounted to just EUR 630 million.²³

Following a mid-term review, the Commission can disburse another EUR 1.3 billion in response to the member states' changing needs. By introducing these elements to the new AMF, the Commission recognises that a substantial amount of financial resources had to be redeployed from other headings in the course of 2015 and 2016.

As argued above, a fundamental reason for the mismatch between available funding and actual needs during the 'migration crisis' was that initial allocations to the member states were based on outdated statistics. This mechanism remains unaltered in the new AMF, thus leaving a structural deficiency in place that has rendered the AMIF incapable of mitigating pressures of the 'migration crisis'. While greater flexibility is indeed necessary to address emergencies, this does not replace the need to address the underlying factors behind the emergence of a crisis in the first place.

4. POLICY RECOMMENDATIONS FOR MIGRATION UNDER THE FUTURE MFF

To make funding on migration fit for purpose in the future MFF, the European Parliament and the Council should use the upcoming negotiations to make a number of adjustments to the Commission proposal. These should address the general political and strategic funding framework for migration as well as the specific funding instruments.

4.1 Political and Strategic Framework

I. Reform the CEAS to build a sustainable political narrative for future funding

Any final AMF Regulation should be based on acknowledging that the number of asylum applications in the EU has almost halved since 2015. Despite the possibility of a renewed rise in the number of asylum seekers, it is therefore misleading to speak of a continued 'migration crisis'. What the Commission has proposed is nevertheless based on buttressing existing measures to reduce arrival numbers. Instead of pursuing such a simple 'more of the same' strategy,

²³ The European Commission, 'Updated Annex 8 (02-08-2018) – Managing the refugee crisis: State of Play of the Implementation of the Priority Actions under the European Agenda on Migration', 2 August 2018.

it should admit that the pressure put on some member states during 2015 and 2016 was caused to a significant degree by the rigid framework of the CEAS, and more specifically the Dublin Regulation. The unforeseen rise in asylum seekers has furthermore laid bare AMIF's limited ability to mitigate structural deficiencies in the current CEAS. It should therefore be a priority for all EU institutions to work towards building a new political framework, one which backs funding for migration policy with a narrative promoting equitable burden-sharing and more adequately reflects the current reality of relatively few arrivals. This would account for the current situation of low arrivals and simultaneously lay the groundwork for preventing a renewed 'crisis' in case the number of arriving asylum seekers spikes again.

The cornerstone of a revised narrative should be the CEAS reform. Negotiations over such a reform remain blocked by contradictory member state interests on the Asylum Procedures Directive and on the Dublin Regulation, most notably on the ever-thorny question of relocation quotas. Since it now seems unattainable to align all member states' interests in a common reform package, it should be possible for some countries to move ahead on the lines of enhanced cooperation. This could include the voluntary relocation of asylum seekers to other communities and regions, which in return are supported with targeted funding from the AMF, ERDF and the ESF+ in a way that strengthens bottom-up solidarity among member states. Such a framework of cooperation would open the door for other member states to join.

4.2 Specific Funding Instruments

1. Re-balance funding for asylum and border management

Given that migration will continue to play an important role in future, the Commission's proposal to substantially raise the budget for this policy field is a positive step forward. However, the excessive skewing of funding towards border management does not adequately reflect the challenges facing the EU. Current disparities in the quality of national asylum systems, reception conditions and lack of legal pathways to the EU require a re-balancing of funds with greater financial resources allocated to the AMF.

The 'migration crisis' has shown that there is a lack of personnel at EASO able to support national authorities in processing asylum claims. With the Commission's plan to transform EASO into the EU Agency for Asylum (EUAA), which is supposed to ensure convergence in how asylum claims are assessed and provide operational support to the member states, there is a definitive need for increasing available funding.

Additional costs will also arise from a more recent proposal by the Commission that aims at establishing so-called 'controlled centres' in some member states; that allow for reception and asylum processing to be pursued within a single closed facility. Similar to the current relocation mechanism, the Commission promised a lump sum of EUR 6,000 for each person relocated from such centres to another member state. Given that the Commission held out the prospect of financing reception, registration and resettlement activities on what are to become 'regional disembarkation platforms' in third countries, there will most likely be additional costs that need to be covered – at least in part – by AMF funding. To avoid having to redeploy funds from other headings, **it would be helpful to re-balance the distribution of financial resources under the Migration and Border Management Heading.** In light of the wider set of tasks that are to be financed through the AMF, the Commission should thus consider moving the size of an AMF financial envelope closer to that of the EBCG and the IBMF.

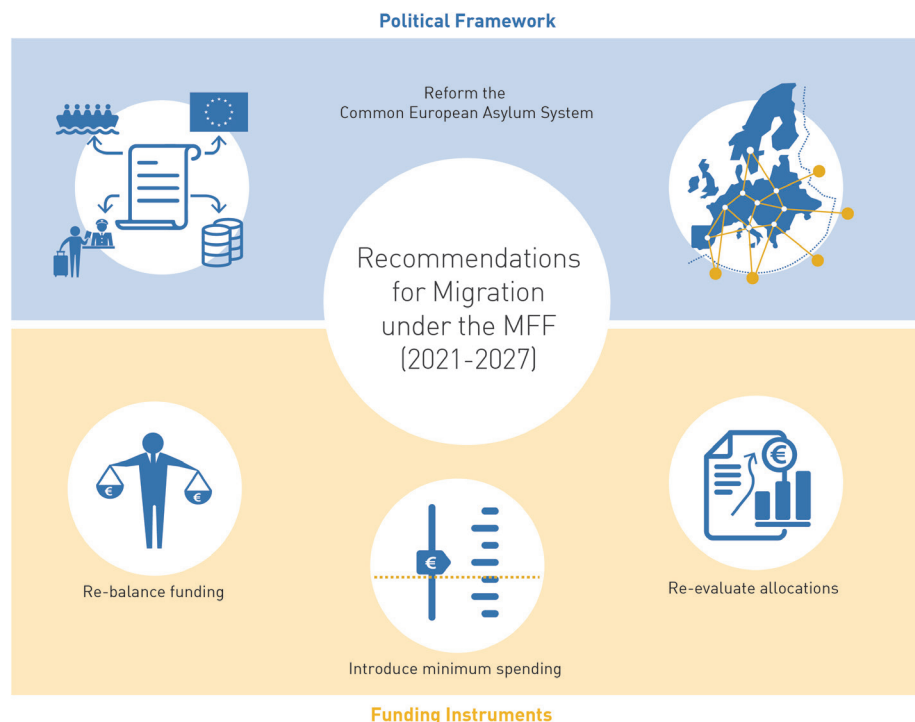
II. Re-evaluate allocations to the member states

A more balanced funding structure should be accompanied by a more flexible allocation mechanism that accounts for the changing migratory realities in the member states and averts any call on excessive emergency funding. The mismatch between available funding and needs should be tackled by **re-evaluating allocations as part of the AMF mid-term review**. Re-evaluating actual needs in the member states should be done using the most recent migratory statistics at the time. The Commission proposal currently sets aside EUR 1.3 billion for the mid-term adaptation to changing needs in the member states. This amount could be increased to EUR 4 billion with resources taken from a re-balanced Border Management & Migration Heading and an enlarged AMF envelope.

III. Introduce minimum spending targets to the National Programmes

The Commission should ensure that prioritisation of AMF objectives under the National Programmes is matched by equivalent allocations and spending. The overall share of requested payments under AMIF rests at 43 percent halfway through the funding period. Whereas the rate of payments issued to the member states has continuously gone up since 2015, there are significant differences in spending rates among member state National Programmes. To prevent an uneven distribution of payment requests from undermining the implementation and added value of the new AMF, **the Commission should introduce a minimum spending target for each of the three AMF objectives** in the National Programmes. The targets could be aligned with the mandatory allocations that are already proposed by the Commission. There would thus be a minimum of 30 percent of available funding for the objectives of asylum (I) and legal migration (II) respectively, while 40 percent would be spent on the return objective (III).

FIGURE 6 ■ Policy Recommendations



CONCLUDING REMARKS

The spike in the number of asylum seekers arriving in the EU throughout 2015 and 2016 has had a considerable impact on the Commission's proposal for the upcoming MFF. This policy paper has argued that the 'migration crisis' revealed both structural deficiencies within AMIF as well as the inadequacy of the CEAS to serve as a political framework for funding in the field of asylum and migration. The initial allocation of funds under AMIF did not match actual needs in the member states during the height of the migration summer of 2015. At the same time, AMIF lacked sufficient flexibility to support member states put under severe stress by the responsibilities placed upon them through the Dublin Regulation. The absence of a requirement to match allocations and spending under National Programmes further undermined AMIF effectiveness. Its structural shortcomings were reinforced by the fact that the fund was designed to implement a political framework (CEAS) that failed to account for the sudden increase in asylum seekers reaching the EU during 2015 and 2016.



MORE MONEY DOES NOT
AUTOMATICALLY LEAD TO
FEWER PROBLEMS

The Commission proposal is a helpful first step towards remedying these shortcomings. It substantially increases the overall financial resources available for funding for migration and provides the AMF and the IBMF with the required flexibility. These measures are timely and adequate, although more money does not automatically lead to fewer problems. The Commission proposal is characterised by a continued crisis-narrative in which preventing a second '2015' is the biggest priority. This is problematic, given the need to lend sufficient political and financial support to the integration of people benefitting from international protection and the harmonisation of national asylum systems. The allocation of funds should therefore be balanced more evenly between border management and asylum priorities.

Negotiations over the forthcoming MFF are unlikely to be concluded before the election of a new European Parliament on May 23–26 2018. The new Parliament should advocate a more balanced allocation of funds under the Border management & Migration Heading. It is vital that the new Parliament, together with the other EU institutions, works towards concluding a reform of the CEAS in order to guarantee more sustainable funding for migration under the future MFF.

ON THE SAME TOPIC

- Lucas Rasche, "[Migration: EU leaders agree on lowest common denominator](#)", Blog Post, Jacques Delors Institute, 29 June 2018.
- Lucas Rasche, "[Change and continuity in Germany's migration policy](#)", Blog Post, Jacques Delors Institut, 3 April 2018.
- Dr. Eulalia Rubio, Jörg Haas, Pola Schneemelcher, "[Multiannual Financial Framework – an assessment](#)", Blog Post, 22 May 2018.

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