

DIRECTORATE-GENERAL FOR INTERNAL POLICIES

POLICY DEPARTMENT **C**  
CITIZENS' RIGHTS AND CONSTITUTIONAL AFFAIRS

WHAT SYSTEM OF BURDEN-SHARING BETWEEN MEMBER STATES FOR THE RECEPTION OF ASYLUM SEEKERS?



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BURDEN-SHARING BETWEEN  
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RECEPTION OF ASYLUM  
SEEKERS?

STUDY





**DIRECTORATE GENERAL FOR INTERNAL POLICIES**

**POLICY DEPARTMENT C: CITIZENS' RIGHTS AND  
CONSTITUTIONAL AFFAIRS**

**Civil Liberties, Justice and Home Affairs**

# **What system of burden-sharing between Member States for the reception of asylum seekers?**

## **STUDY**

### **Abstract**

In view of possible European mechanisms for sharing responsibilities in receiving asylum seekers, there is little information on the pressures of asylum reception borne by the Member States. This study looks at differences in asylum related costs and pressures between Member States, allowing for a discussion on which of these costs should be shared at European level. Finally, this study examines policy options for how these costs could be shared between Member States.

22.01.10

PE 419.620

EN

This document was requested by the European Parliament's Committee on Civil Liberties, Justice and Home Affairs

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## **LINGUISTIC VERSIONS**

Original: EN  
Translation: FR

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Manuscript completed in January 2010.  
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## LIST OF ABBREVIATIONS

<b>EP</b>	European Parliament
<b>EMN</b>	European Migration Network
<b>IOM</b>	International Organization for Migration
<b>UNHCR</b>	The Office of the United Nations High Commissioner for Refugees
<b>ECRE</b>	European Council on Refugees and Exiles
<b>MS</b>	Member State
<b>NMS</b>	New Member States
<b>BE</b>	Belgium
<b>BG</b>	Bulgaria
<b>CZ</b>	Czech Republic
<b>DK</b>	Denmark
<b>DE</b>	Germany
<b>IE</b>	Ireland
<b>EL</b>	Greece
<b>ES</b>	Spain
<b>FR</b>	France
<b>IT</b>	Italy
<b>CY</b>	Cyprus
<b>LV</b>	Latvia

- LT** Lithuania
- LU** Luxembourg
- HU** Hungary
- MT** Malta
- NL** Netherlands
- AT** Austria
- PL** Poland
- PT** Portugal
- RO** Romania
- SI** Slovenia
- SK** Slovakia
- FI** Finland
- SE** Sweden
- UK** United Kingdom

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## EXECUTIVE SUMMARY

### Background

The large numbers of refugees since the 1980s have put forced migration high on Europe's political agenda. The vast majority of the world's refugees are hosted by neighbouring countries (in 2007 over 80 per cent of refugees remained within their region of origin). Europe only hosts a fraction of this population; in 2007 Europe only hosted 14 per cent of the world's refugees or people in refugee like situations<sup>1</sup>. In 2007 about 220,000 asylum applications were received within the EU27, about half of the 2001-02 peak figure of over 420,000 asylum seekers<sup>2</sup>, and a third of the applications during the Bosnian war in 1992<sup>3</sup>. **This is equivalent to one asylum seeker per 2200 EU inhabitants<sup>4</sup>.**

Moreover, although asylum figures today are higher than in the mid 1980s, the number of asylum applications has not been steadily increasing as many assume<sup>5</sup>. After being faced with 650,000 asylum applications during the Bosnian war in 1992, Western European countries received less than 300,000 applications in 2000, despite the worsening situation in Afghanistan and in many other regions<sup>6</sup>. Asylum flows are clearly influenced by the situation in countries of origin, with those associated with the highest number of asylum applications characterised by conflict and human rights abuses.

There has been increased concern in tackling irregular migration among the European Member States, which has led to an increasing focus on preventing irregular migrants from reaching the EU. Consequently, joint efforts at border management, under the auspices of FRONTEX, have exposed grey areas in the international protection regime. For example, the extent of States' responsibilities towards asylum seekers rescued or intercepted in international waters has been subject to debate. Operation Nautilus in 2008 illustrated the difficulties Member States face in agreeing on who should be responsible for asylum seekers amongst irregular migrants intercepted at sea<sup>7</sup>. Member States have also been hampered by

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<sup>1</sup> See UNHCR Global Report 2007 Annex

<sup>2</sup> Source: Eurostat

<sup>3</sup> Thielemann, E. (2004), *Why European Policy Harmonization Undermines Refugee Burden-Sharing*, European Journal of Migration and Law, Vol. 6, No. 1, pp. 43-61.

<sup>4</sup> Source: Eurostat

<sup>5</sup> Thielemann, E. (2004), *Why European Policy Harmonization Undermines Refugee Burden-Sharing*, European Journal of Migration and Law, Vol. 6, No. 1, pp. 43-61.

<sup>6</sup> Ibid.

<sup>7</sup> The 2008 Nautilus operation focused on the flow of migration between North Africa and Italy and Malta. However, the operation was by some considered unsuccessful, as it 'failed' to divert anyone back to North Africa. The failure was attributed to "the difference of opinion concerning the responsibility of migrants saved at sea". See [http://www.hrw.org/en/node/85582/section/9#\\_ftn86](http://www.hrw.org/en/node/85582/section/9#_ftn86) and [http://www.frontex.europa.eu/newsroom/news\\_releases/art36.html](http://www.frontex.europa.eu/newsroom/news_releases/art36.html)

the lack of an agreed protocol to assign responsibility for any asylum seekers amongst the irregular migrants.

Some Member States, notably Malta, have protested at the uneven distribution of asylum seekers between EU Member States, and their experiences of particular pressures resulting from their geographical situation. Linked to this, European parliamentarians, NGOs, some Member States and other stakeholders have repeatedly pointed out that the Dublin system allocates responsibility for asylum seekers without attempting to share it equitably. The pressures on EU border countries have been a particularly contentious part of this discussion, but the discussion is not limited to these. In the last six years, Sweden has for example received 40% of the 100,000 Iraqis who have claimed asylum in the EU<sup>8</sup>.

In spite of the EU commitment to create a Common European Asylum System, standards vary widely between Member States and the chances of being granted protection are so different that it has been compared to a lottery<sup>9</sup>. As a result Member States, interest organisations and European Institutions have all called for a European solidarity approach to address current **substantial responsibility-sharing problems**.

### **Aim of the study**

The current study aims to provide information and evidence to inform the ongoing debates. This is largely based on three overarching questions:

- What are the asylum related costs borne by Member States?
- Which of these costs could be shared at European level?
- How could these costs be shared?

The first question includes a discussion of how to measure asylum related costs and how to compare them. It also involves empirical evidence on the value of these costs, and aims to provide benchmarks that can be used to evaluate the effective balance of effort between Member States.

The second question relates to a distinction between EU competencies and Member State responsibilities.<sup>10</sup> An important aspect of this distinction is to consider the difference between costs associated with implementing European asylum legislation and national policy responses beyond complying with set standards. Such responses may relate to certain activities that are particularly costly (e.g.

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<sup>8</sup> Oweis, K. Y. (2009), Sweden urges Europe to take more Iraqi refugees, Reuters 5 March 2009.

<sup>9</sup> ECRE (2009), Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered, policy paper, 31 March 2008.

<sup>10</sup> It should be noted that the term “competencies” is not used in its strict legal sense throughout this study.

detention) or the duration of certain activities, which will have implications for the costs involved (e.g. duration of the application procedure). To answer this question, this study aims to provide information on relative asylum costs in areas that are relevant for a European responsibility-sharing debate.

The third question is forward-looking, and implies a discussion of different policy options for responsibility-sharing of asylum reception between Member States and examining how different options will have different levels of impact. The political feasibility of the policy options plays an important role in this regard.

This study focuses on two different measures of pressures on the Member States: **costs** associated with the reception of asylum seekers up to and including the point of decision and possible return, and **relative measures of capacity**, particularly with regards to numbers of asylum applicants. Where relevant, resettlement is used to inform the study.

This study makes a distinction between **direct and indirect or intangible costs**, as well as between **costs associated with implementation of European legislation** and **national policy responses**. The focus of this study is on direct costs and as far as possible on costs associated with the implementation of European legislation.

In doing so, this study also looks at different types of mechanisms for sharing responsibilities that remain within the European competencies as set out in the Treaties.

### **Why should Member States share asylum responsibilities?**

With each Member State being a party to the **Geneva Convention, the European Convention on Human Rights and other human rights instruments**, they have a duty to respect refugees' rights and a particular responsibility to ensure minimum standards for asylum seekers. This has been reinforced at European level by Article 78 TFEU and instruments have been established to deal with asylum related challenges, such as the migration solidarity funds. Additionally Article 80 TFEU ("**Lisbon Treaty**") states that 'The policies of the Union set out in this Chapter and their implementation shall be governed by the principle of solidarity and fair sharing of responsibility, including its financial implications, between the Member States'<sup>11</sup>.

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<sup>11</sup> <http://www.lisbon-treaty.org/wcm/the-lisbon-treaty/treaty-on-the-functioning-of-the-european-union-and-comments/part-3-union-policies-and-internal-actions/title-iv-area-of-freedom-security-and-justice/chapter-2-policies-on-border-checks-asylum-and-immigration/347-article-63a.html>

Moreover, there are grounds for responsibility sharing beyond legal commitments and calls for European solidarity.

Firstly, the current system presents a clear risk to the **Single Market and its free movement provisions**. Although the Schengen agreement, along with the 2004 European Parliament and Council Directive<sup>12</sup>, has led to a unified external border of the Schengen area, there are few obstacles for asylum seekers. Imbalances in the distribution of responsibilities for asylum seekers that result from their secondary movements within the Schengen area, challenges the principle of free movement. Given concerns about becoming overburdened as a result of such flows, individual states might even be forced to contemplate reintroducing or enhancing internal border controls in the absence of joint initiatives to share the responsibility for asylum seekers. **It is necessary to share responsibilities for asylum seekers coming into Europe to maintain existing European principles and agreements**. As without such policies, there is a risk of some of the most fundamental principles and proudest achievements of the Single Market to be called into question again.

Moreover, there is a need to practically coordinate a European response. In the case of border management, a unilateral response from one Member State in managing its external border will most likely only shift the pressure to other Member States. Increased sea controls of the Spanish border in 2008, which was supported by Frontex, was considered to have added pressures on other Mediterranean countries<sup>13</sup>. While the number of irregular boat arrivals to the Canary Islands was said to have dropped by 74 percent from 2006 to 2008, boat arrivals were said to have increased by 64 percent in Italy in the same period<sup>14</sup>. Hence, there is a need for practical mechanisms that coordinate the European response to **manage not only asylum seekers coming into Europe but also other migrant groups in line with international commitments** to international protection.

There is also an **insurance based logic** for responsibility-sharing. States with more capacity now may be willing to make a greater contribution if that would guarantee assistance from other Member States in the event that they faced higher pressure in the future. The motivation for a country disproportionately affected by asylum flows is obvious, but even if a country is currently in that situation, participating in responsibility-sharing measures can be seen as insurance against the risk of unilaterally having to deal with disproportionate pressures in the future. A Common European Asylum System provides a fundamental framework for

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<sup>12</sup> See Council Directive 2004/38/EC

<sup>13</sup> Østergaard, M. (2008), Europe's 'Boat people': Mixed Migration Flows by Sea into Southern Europe - Report of the Rapporteur to the Committee on Migration, Refugees, and Population, Parliamentary Assembly, Council of Europe, July 11, 2008.

<sup>14</sup> UNHCR (2009), Refugee Protection and international migration: A review of UNHCR's role in the Canary Islands, Spain, April 2009.

Member States for this. The unpredictability of asylum flows as the result of geopolitical situations makes such motivations particularly relevant. As an example, the number of asylum seekers coming into the UK dropped to 25,930 in 2008<sup>15</sup> from a peak of 84,130 in 2002)<sup>16</sup>. It is clear that patterns are likely to change again and that there is no guarantee that a Member State with relatively low asylum numbers today will not experience disproportionate pressures at some point in the future.

Moreover, responsibility-sharing initiatives discourage free-riding. Asylum and refugee protection can be seen as an 'international public good'. By granting refuge to displaced persons, host countries provide a public good from which all Member States benefit. Enhanced security and stability can be regarded as the principal collective benefit that is accruing to Member States. However, in practice this can create an incentive for countries to try and free-ride on the protection efforts of others and, in this situation, refugee protection contributions can be expected to be provided at suboptimal levels. As States often fear that the expression of willingness to contribute might mean that they will also be the ones who end up footing the bill, collective goods such as refugee protection are undersupplied. **A Common European Asylum system is in this sense essential to counteract such tendencies and to ensure that asylum reception remains to be seen as a collective responsibility.**

There is unfortunately a widespread belief among host countries that states with relatively more lenient asylum and refugee policies will come to be regarded as a 'soft touch' and will consequently have to cope with a disproportionately high number of refugees. To counter this, destination countries which have been concerned about their reception capacities have engaged in attempts to outperform each other when it comes to the introduction of new restrictive policy measures. The aim of these efforts has been to make a country's asylum rules more restrictive relative to other potential host countries and ultimately to deter displaced person from applying in a particular country. With a European commitment to the **Geneva Convention, the European Convention on Human Rights and other human rights instruments**, and in particular **Article 63.1 of the Treaty of Nice**, EU Member States have a duty to respect the rights of refugees and asylum seekers.

Past efforts to share Europe's responsibility for refugee protection have at best not been very effective and at worst are far from realisation. The **Council Directive on Temporary Protection in the Case of Mass Influx**<sup>17</sup> has yet to be invoked, and ad hoc examples have been more symbolic than anything else, as they have had a negligible impact on costs and overall pressures on the country in question<sup>18</sup>. While

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<sup>15</sup> Home Office (2008), Control of immigration: Statistics United Kingdom 2008, Statistical Bulletin 14/09, August 2009.

<sup>16</sup> ICAR (2004) Asylum in the election: Bulletin No. 1, Speech by Mark Oaten, 20 September 2004.

<sup>17</sup> Council Directive 2001/55/EC of 20 July 2001

<sup>18</sup> See for example France offering to take a limited number of asylum seekers from Malta in 2009, and the Netherlands doing the same in 2006

**proposals for EU responsibility-sharing mechanisms have been made, Member States have failed to reach agreement on them**<sup>19</sup>. Proposals for reform of the Dublin Regulation that include responsibility-sharing elements appear not to have been well received by Member States. The legislative work in progress setting standards for asylum reception will have little value without a meaningful form of responsibility-sharing between Member States. Hence, there is an imperative need to find equitable solutions for sharing asylum responsibilities that are proportionate to the challenges. Also, the European Parliament has now called clearly for "an open debate on the various options available with a view to the establishment of a compulsory mechanism to provide for effective solidarity, in particular by means of internal reallocation."<sup>20</sup>

#### KEY FINDINGS

- Overall refugee numbers in Europe are relatively low. **In 2007 Europe only hosted 14 per cent of the world's refugees or people in refugee-like situations.** In 2007 about 220,000 asylum applications were received within the EU27, only just over half the 2001-02 peak of over 420,000 asylum seekers, and about a third of the peak of 1992. **This is equivalent to less than one asylum seeker per 2200 European inhabitants.**
- **The total size of asylum spending reported by Member States is relatively low.** The total size of direct spending by each Member State has generally not been more than the equivalent of 1/14<sup>th</sup> of the international aid target of 0.7 per cent of Gross National Income. At €4,160m EU wide, these total asylum-related costs to EU Member States in 2007 are less than what UK citizens spent on pets and pet food in the same year<sup>21</sup>.
- **Asylum pressures pose different challenges for different countries.** For some countries the physical constraints of national systems, such as the capacity to accommodate asylum seekers, will outweigh the actual expenditure on asylum as the most important challenge. In others the costs

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<sup>19</sup> See the Finnish proposal of 2004 and German proposal of the early 90s.

<sup>20</sup> European Parliament resolution of 25 novembre 2009 on Communication from the Commission to the European Parliament and the Council – An area of freedom, security and justice serving the citizen – Stockholm programme, paragraph 55 25/11/2009 T7-0090/2009 (not yet published in the OJ)

<sup>21</sup> See UK Office of National Statistics (2009), Family Spending and Family Expenditure Survey 1997–2007, 15 September 2009, p. 84. According to this survey is the total weekly expenditure on pets and pet food £82m which is equal to about €115m a week and €5,966m a year.

of receiving asylum seekers will be more important than the existence of infrastructural capacity to receive them. This is often combined with social and political challenges associated with asylum reception, i.e. the pressure of the national political environment.

- In some countries, asylum applications only constitute a small part of undocumented migrants coming into and / or residing in the country, whereas in others this is proportionally a large group. There is hence an issue of asylum related vs. refugee related costs; i.e. costs for new-comers and costs for established refugee communities. For example, this study has shown that Germany and the Netherlands experience more pressures from a refugee perspective than from an asylum perspective. For this reason European asylum measures need to be **coordinated and aligned with other measures** in managing immigration challenges and migration flows into Europe.
- While the public debate tends to focus on absolute numbers of asylum seekers, the pressure on member states and their capacity to handle those numbers can **only be meaningfully assessed by looking at relative numbers**. If the numbers of asylum seekers are compared to capacity indicators, such as GDP, population size and population density, a different picture of asylum pressures emerges. **This means that certain European countries face disproportionate asylum pressures compared to others, and that numbers must be compared to capacity.**
- **An effective responsibility-sharing mechanism would need to consider both the number of asylum seekers, as well as asylum costs.** Financial compensation or administrative support will not change the physical constraints of Member States in receiving asylum seekers.
- **Some countries face disproportionately high asylum costs**, with the share of asylum spending in relation to GDP being **1000 times higher** in some Member States (e.g. Malta) than others (e.g. Portugal) in 2007. When cost of living is taken into account, the differences remain large.
- **Countries with low numbers of asylum seekers tend to have high unit costs.** Compared to cost of living, Estonia has for example the third highest unit cost, while the number of asylum seekers in 2007 was limited to 15 applications.
- **Some high cost characteristics of national asylum systems could be regarded as avoidable, such as a greater use of detention or long asylum procedures.** The UK spends two thirds more per asylum application than Sweden, but detention accounts for 25% of the total, while in Sweden it represents less than 4% of the total costs reported.
- If no additional responsibility sharing measures are introduced and current proposals are not implemented, **there will continue to be a highly**

**uneven distribution of asylum costs and pressures across Europe.**

This study shows that there are critical differences between Member States and the costs they carry for receiving asylum seekers.

- **Current measures in place or under discussion are not enough to provide for equitable responsibility-sharing.** The relative contribution of these measures will have little impact on the costs and responsibilities of Member States for asylum seekers.
- **To make a significant impact, funding for financial compensation needs to increase notably.** For example, an increase of nearly one billion EUR would result in some changes, but countries under particular pressure (such as Malta) would still carry disproportionate costs.
- **A financial compensation mechanism, for example an expanded European Refugee Fund (ERF), could reduce some inequalities in the distribution of asylum costs.** A capacity-based fund model would potentially be more effective than a per application compensation mechanism. **This would require a substantial expansion of the ERF or an equivalent funding mechanism.**
- A mechanism based on **relative measures will be more effective at evening out differences in relative pressures/capacities**, rather than absolute measures (e.g. number of applications).
- Small **variations in the type of indicators** or in the weight given to them when calculating asylum pressures produces noticeable differences in results. This means that agreeing on common indicators for measuring pressures on Member States **risks becoming politicised**. At the same time this is a precondition for achieving meaningful responsibility-sharing.
- Only physical relocation of asylum seekers will make a significant contribution to a more equitable distribution of asylum costs across Member States. **If this is to avoid generating significant human costs and additional costs to the Member States, it is crucial that this is based on a voluntary relocation of the asylum seeker.**
- **Ensuring that relocation is voluntary on the part of the asylum seeker will make a responsibility-sharing mechanism more effective.** As soon as the system requires asylum seekers to remain in a country against their will, costs escalate (e.g. of detention, determination of MS responsible and transfer). The Member State will therefore require more compensation. Allowing movement within Europe will reduce the overall costs of asylum reception.
- Relocation schemes require mutual recognition of positive asylum decisions. **For the distribution of asylum seekers to be fair, relocation schemes**

**would also require implementation of common standards in reception conditions and qualification.**

## Recommendations

This study has shown that a combination of actions is required. These actions should reflect the different challenges faced by different countries. Challenges, options and possible impact have been systematised in the chart below.

**Table 1: Challenges, options and possible impact**

	Centralisation of services / practical support	Voluntary dispersal	Financial compensation	Capacity building	Dublin waiver
Capacity	Medium	High	Low	Low	Low
Costs	Low	High	Medium	High	Low
Political / social impact	Medium	High	Medium	Low	High

Based on this framework and existing discussions on responsibility-sharing mechanisms, **Members of the European Parliament and other EU policy-makers could consider the political feasibility of the following recommendations:**

Any potential responsibility sharing system will need to be able to cope with significant changes in asylum pressures, such as those resulting from major conflicts and other major humanitarian developments.

The use of emergency measures in the event of mass influxes of refugees could be expanded. The draft budget for 2010 (see Chapter 18 03 on Common Immigration and Asylum Policies) shows that this is technically feasible.

The role and budgets of the migration solidarity funds (particularly the European Refugee Fund and the Integration fund) could be expanded. This requires increased commitment and expenditure by Member States.

The role and budget of the European Asylum Support Office could be expanded. The draft budget for 2010 does not adequately reflect the resource need of the EASO to have real impact.

Member States under particular pressure could be eligible for greater financial compensation, either under the migration solidarity funds or funding available in the event of mass influxes of refugees.

Member States and European Institutions could promote capacity-building for systems that do not have economies of scale, as well as systems that have low numbers of asylum seekers. This could be administered / coordinated by the EASO.

The Dublin regulation could address inequitable distribution of asylum seekers and costs in assigning the responsibility of a Member State to receive asylum seekers. This could be implemented by waiving responsibilities of the Member State responsible if that country is under particular pressure. Other revisions could include introducing time limits for take back requests.

Additional measures could be considered for physical (re-) distribution of asylum seekers within the European Union.

Any distribution mechanisms could be based on relative numbers rather than absolute numbers. The measure could include GDP and population size, as well as the actual number of asylum seekers.

Measures such as financial compensation, practical cooperation and capacity-building could trigger ad-hoc actions at European level or coordinated actions, such as administrative support on assessing applications or voluntary dispersal mechanisms.

A common monitoring framework could be developed to monitor the implementation of responsibility-sharing measures and asylum legislation, by expanding the 2007 regulation on Migration Statistics. This could be implemented by the European Asylum Support Office.

Internal relocation may need to be explored thoroughly as a distribution mechanism, with particular attention to the preconditions for such a measure to be successful and the practical implications for Member States. The costs and benefits of various options for physical distribution of asylum seekers may need to be assessed.

Costs and benefits of allowing asylum seekers free movement within the European Union could be explored.

The budgetary impact of distribution mechanisms (e.g. financial compensation, support when there are particular pressures on specific Member States) needs to be thoroughly assessed in an impact assessment. This includes costs and benefits of joint processing of applications.

A detailed comparative assessment could be made with regards to the rights and benefits of asylum seekers and refugees in different Member States so as to assess the indirect costs and benefits of asylum reception. This could include long-term costs and benefits beyond the point of decision.

**National policy makers could consider the political feasibility of the following recommendations:**

Member States could provide emergency accommodation to alleviate pressures on Member States under particular pressure. This could be based on agreed principles for measuring challenges.

Member States could increase their commitment to and funding for the European migration solidarity funds and the European Asylum Support Office.

Member States could take practical steps towards a more equitable sharing of responsibility by strengthening the capacity of national systems through pooling more of their resources and expertise. For example, this may include:

- sharing information, such as country of origin information
- making resources (e.g. staff, funding, translation) available to support teams
- taking on specific case loads
- gathering initial information and carrying out initial analysis of asylum applications
- providing information to new arrivals.

## 1. INTRODUCTION

The following six chapters and five Appendices present the results of the study 'What system of burden-sharing between Member States for the reception of asylum seekers?'

In order to facilitate the interpretation of findings, this introduction includes a summary of the background and aim of the study, followed by a clarification of the scope and terminology of the study and an overview of the contents of the report.

### 1.1. Background

An overall rise in the number of refugees since the 1980s has put forced migration high on Europe's political agenda. The vast majority of the world's refugees are hosted by neighbouring countries (in 2007 over 80 per cent of refugees remained within their region of origin) and **Europe only hosts a fraction of this population**; in 2007 Europe only hosted 14 per cent of the world's refugees or people in refugee like situations<sup>22</sup>. In 2007 about 220,000 asylum applications were received within the EU27, only just over half the 2001-02 peak of over 420,000 asylum seekers<sup>23</sup>. **This is equivalent to one asylum seeker per more than 2200 European inhabitants**<sup>24</sup>.

Moreover, although asylum figures today are higher than in the mid 1980s, the number of asylum applications is not steadily increasing as many assume<sup>25</sup>. Asylum flows are clearly influenced by specific (often violent) conflicts in specific countries of origin. After being faced with 650,000 asylum applications during the Bosnian war in 1992, Western European countries received less than 300.000 applications in 2000, despite the worsening situation in Afghanistan and in many other regions<sup>26</sup>.

Nevertheless, there has been increased dissatisfaction with the system for international protection among European stakeholders, culminating in situations such as the operation Nautilus in 2008 because of a lack of protocol for determining responsibilities of intercepted migrants by Frontex<sup>27</sup>. A range of European institutions, international organisations and States have considered the degree to

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<sup>22</sup> See UNHCR Global Report 2007 Annex

<sup>23</sup> Source: Eurostat

<sup>24</sup> Source: Eurostat

<sup>25</sup> Thielemann, E. (2004), Why European Policy Harmonization Undermines Refugee Burden-Sharing, *European Journal of Migration and Law*, Vol. 6, No. 1, pp. 43-61.

<sup>26</sup> Ibid.

<sup>27</sup> The 2008 Nautilus operation focused on the flow of migration between North Africa and Italy and Malta. However, the operation was not successful, as it failed to divert anyone back to North Africa. The failure was attributed to "the difference of opinion concerning the responsibility of migrants saved at sea.", see [http://www.hrw.org/en/node/85582/section/9#\\_ftn86](http://www.hrw.org/en/node/85582/section/9#_ftn86) and [http://www.frontex.europa.eu/newsroom/news\\_releases/art36.html](http://www.frontex.europa.eu/newsroom/news_releases/art36.html)

which **the distribution of asylum seekers among European countries has been uneven**, with some countries dealing with disproportionate numbers relative to their capacity to receive asylum seekers. The pressures on EU border countries have been a particularly contentious part of this discussion, but the discussion is not limited to these. For example, in the last six years, Sweden has received 40% of the 100,000 Iraqis who have claimed asylum in the EU<sup>28</sup>.

In spite of EU commitment to create a Common European Asylum System, standards vary widely between Member States and the chances of being granted protection are so different that it has been compared to a lottery<sup>29</sup>. As a result Member States, interest organisations and European Institutions have all called for a European solidarity approach to address current **substantial responsibility-sharing problems**.

## 1.2. Aim of the study

The current study aims to provide information and evidence to inform the ongoing debates. This is largely based on three overarching questions:

- What are the asylum related costs borne by Member States?
- Which of these costs should be shared at European level?
- How should these costs be shared?

The first question includes a discussion of how to measure asylum related costs and how to compare them. It also involves empirical evidence on the value of these costs, and aims to provide benchmarks that can be used to evaluate the effective balance of effort between Member States.

The second question relates to a distinction between EU competencies and Member State responsibilities.<sup>30</sup> An important aspect of this distinction is to consider the difference between costs related to the implementation of European asylum legislation and national policy responses. Such responses may relate to a reception model that goes beyond the minimum standards defined in European legislation and should arguably not be subject to sharing at European level. For example, legal aid, potentially a significant cost for Member States, is not guaranteed for initial decision under the Procedures Directive, yet it may make a vital contribution to ensuring the safety of decisions, as well as helping to avoid unnecessary and costly appeals and thereby contributing to a more efficient system. To answer this

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<sup>28</sup> Oweis, K. Y. (2009), Sweden urges Europe to take more Iraqi refugees, Reuters 5 March 2009.

<sup>29</sup> ECRE (2009), Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered, policy paper, 31 March 200

<sup>30</sup> It should be noted that the term “competencies” is not used in its strict legal sense throughout this study.

question, this study aims to provide information on relative asylum costs in areas that are relevant for a European responsibility-sharing debate.

The third question is forward-looking, and implies a discussion of different policy options for responsibility-sharing of asylum reception between Member States and examining how different options will have different levels of impact. The political feasibility of the policy options plays an important role in this regard.

In answering these three questions, the aim of this study is to provide initial recommendations to the EU institutions and national governments to achieve a more appropriate and equitable distribution of asylum related pressures on the Member States.

### 1.3. 'Burden-sharing' or 'Responsibility-sharing'?

The term 'burden-sharing' is often used to reflect the way the debate about the **perceived and real inequalities in the distribution of costs** that accrue when dealing with displaced persons and refugees has been conducted. While governments refer to asylum seekers mainly as a cost category and therefore discuss "burden"-sharing, non-governmental organisations (NGOs) tend to focus on the need to protect and prefer the term "responsibility"-sharing.

NGOs such as ECRE have repeatedly called for more positive political leadership against the widespread misperception that refugees and asylum seekers necessarily place "burdens" upon their host societies.<sup>31</sup> Publications since the mid 1990 prefer to refer to "responsibility"-sharing instead of "burden"-sharing. The argument is based on Article 14 (1) of the Universal Declaration of Human Rights which states that "Everyone has the right to seek and to enjoy in other countries asylum from persecution." This is also endorsed by the UNHCR.

This study, undertaken for the European Parliament's LIBE committee, was contracted under the title "What system of burden-sharing between Member States for the reception of asylum seekers?" The authors recognise the fact that debates on asylum seekers are held indeed as debates on "burdens" by most politicians and media but would also like to emphasise their commitment to the principle of human rights and solidarity which form the underlying argument to refer to "responsibilities" instead. This defers for the potentially negative connotations that 'burden' may have on the understanding of Member States with regards to the reception of asylum seekers. Furthermore, as the Geneva Convention underpins the legislative framework of the European Institutions, it is considered more effective to use the term "responsibility" than "burden".

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<sup>31</sup> EU Policy on Minimum Guarantees for Asylum Procedures: NGO's Shared Concerns, 1995. "Safe Third Countries": Myths and Realities, 1995. Position on Sharing the Responsibility: Protecting Refugees and Displaced Persons in the context of Large Scale Arrivals, 1996. Protection Beyond Europe, 2009

#### **1.4. Scope and terminology of the study**

The scope is defined by three main variables: who and what to include, as well as the framework of EU competencies in this area.

A relatively wide definition of 'persons of concern' could be adopted in accordance with existing EU legislation. For example, Article 3 of the European Refugee Fund Decision identifies the target groups covered by the European Refugee Fund II actions as follows<sup>32</sup>:

- (1) any third-country nationals or stateless persons having the status defined by the Geneva Convention of 28 July 1951 relating to the Status of Refugees and the 1967 Protocol thereto and permitted to reside as refugees in one of the Member States;
- (2) any third-country nationals or stateless persons enjoying a form of subsidiary protection within the meaning of Council Directive 2004/83/EC of 29 April 2004 (Official Journal L304 of 30/9/2004) on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons, who otherwise need international protection and the content of the protection granted;
- (3) any third-country nationals or stateless persons who have applied for one of the forms of protection described in points 1 and 2;
- (4) any third-country nationals or stateless persons enjoying temporary protection within the meaning of Directive 2001/55/EC.

This terminology includes asylum-seekers, refugees, and persons given subsidiary protection. Existing legislation, like the ERF regulations, do not make a distinction between these different individuals in terms of 'burdens/responsibilities' imposed on receiving countries.

For the purpose of the study, asylum seekers are seen as one stage of a process that includes the wider population of undocumented migrants coming into Europe. There are two main challenges associated with this. Firstly, there is a question as to whether costs incurred in dealing with asylum seekers before they apply for asylum, or after their claim has been made and they are no longer asylum seekers, should be considered.

Secondly, 'up-stream' actions tend to be aimed at undocumented migrants in general, and costs relating exclusively to asylum seekers in e.g. rescue at sea operations is often not possible to disaggregate. Similarly, 'downstream' costs relating to the support and integration of refugees and other persons qualifying for protection (asylum seekers who receive a positive decision on their claim) may not be separable for asylum seekers. If the asylum seeker is granted protection, this

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<sup>3232</sup> See Council Decision 2004/904/EC

becomes an integration discussion, where services and costs are often not separated from those of other migrants.

This study considers **public expenditure** disaggregated for asylum seekers **from the point of arrival up to and including either the granting of protection or the return of declined applicants**. With the help of Member State officials, the approach of the study has been to focus on annual direct costs borne mainly by national authorities during these stages of the asylum process. This approach leaves the matter open as to what kind of protection is granted at the end of the process, or indeed whether the person seeking protection is granted protection or not.

A distinction is made between minimum direct costs as required by EU or international legislation and costs associated with specific national policy responses. In addition to this, one should consider **indirect costs** such as costs to the education or health care system (beyond those required by EU legislation and falling outside explicit budget lines for asylum seekers), as well as **intangible costs to local, regional or national communities** for example in the form of social impact. In addition to the costs, there are also considerations to make for benefits to the host country, such as long term contribution to the economy if granted protection. Along with the human costs of the different responsibility-sharing options considered in this study, these issues are indirectly addressed when discussing both the political feasibility of options and their effect on asylum seekers.

To make a useful contribution to the European debates on responsibility-sharing, the third variable looks at the **European competencies** in the area of asylum and compares this to what remain **national competencies**. This is to clarify **what the common costs are that should be shared**, and what asylum costs constitute matters of national policy. Specific attention is paid to both the legal power of the European communities as grounded in the Treaties, and specific instruments either in place or under discussion. For this discussion, a distinction is made between legislative, financial and coordinative instruments. These are all mapped to the different European competencies as set out in the treaties.

This study focuses on two different measures of pressures on the Member States: **costs** associated with the reception of asylum seekers up to and including the point of decision and possible return, and **relative measures of pressures and capacity**, particularly with regards to numbers of asylum applicants. Where relevant, refugee and resettlement debates are used to inform the study.

This study makes a distinction between **direct, indirect and intangible costs**, as well as between **costs associated with implementation of European legislation** and **national policy responses**. The focus of this study is on direct costs and as far as possible on costs associated with the implementation of European legislation.

In doing so, this study also looks at different types of mechanisms for sharing responsibilities that remain within the European competencies as set out in the Treaties.

To facilitate the reading of this report, the table below provides definitions on the terminology used.

**Table 2: Definitions of terminology used in this report**

Terminology	Definition
<b>Asylum Seeker</b>	Refers to persons who move across international borders in search of protection or who have applied for protection as a refugee under the 1951 Geneva Convention and <b>are awaiting the determination of their status</b> .
<b>Refugee</b>	Individuals who have left their country in the belief that they cannot or should not return to it in the near future, although they might hope to do so if conditions permit. In this usage, the category <b>includes those recognised under the Geneva Convention but also those who have applied for refugee (or a subsidiary) protection status</b> .
<b>Geneva Convention refugee</b>	Refers to persons who have been granted protection under the 1951 Convention on the Status of Refugees.
<b>Pressures on Member States</b>	Refers to the <b>costs and impact experienced by Member States</b> with regards to reception of asylum seekers in particular and refugees in general. This is at times used interchangeably with ‘costs’.
<b>Responsibility-sharing</b>	Refers to <b>mechanisms for the distribution of pressures</b> across the Member States based on a number of different solidarity mechanisms. This is often known as

	'burden-sharing'.
<b>Distribution key</b>	Refers to <b>formula that aims to distribute pressures</b> with defined indicators and weighting of indicators

### 1.5. Structure of the report

The second chapter of this report picks up on the scope section of this introduction. It provides further detail of motivations for Member States to share asylum pressures, who and what should be included in measuring costs associated with asylum reception, as well as mechanisms in place and under discussion that are within the European competencies to share such costs.

The third chapter of this report introduces an index methodology that allows for the measuring of both asylum pressures and the capacity of the Member States to receive the asylum flows. In this section, the number of asylum applicants is used as an indicator of asylum pressure.

The fourth chapter of this report contains the cost analysis of data collected from public authorities (and publicly available sources) on the costs associated with asylum reception. An important focus of this chapter is on making the costs comparable between Member States.

The fifth chapter of this report identifies four policy options for contributing to the achievement of the objectives of the Common European Asylum System, and provides analysis on how costs and pressures are likely to change if these options are implemented. It also looks at the political feasibility of those options.

The sixth chapter of this report contains the conclusions of the study, and the recommendations that the study team are making for the future of a Common European Asylum System.

In addition to the chapters above, this report includes the following annexes:

- Annex 1: Theoretical considerations for defining the scope and typologising responsibility-sharing at European level
- Annex 2: Theoretical approach to developing an index methodology for differences in responsibilities between Member States
- Annex 3: Overview of asylum trends
- Annex 4: Methodology of the study

## 2. SETTING THE SCENE

Before embarking on an analysis of the pressures involved in asylum reception for the Member States, this chapter provides a conceptual framework for the study. In other words, before looking at the level of costs and pressures on the Member States and discussing these costs and how they could be shared at European level, it is important to clarify the following:

- **Why should Member States share asylum responsibilities?** The first section focuses on possible Member State motivations for sharing;
- **Who and what is relevant to include?** The second section focuses on the limits of a responsibility-sharing mechanism, with a clear distinction between common European costs and general costs borne by Member States; and
- **What can the European Community do?** The third section focuses on the European instruments available to achieve a more equitable sharing of costs, considered within the framework of the EU competencies as they have been set out in the treaties.

In addition to these key questions, this chapter also provides examples of practices at national level on dispersal schemes and principles for allocation.

### 2.1. Why should Member States share responsibilities

Sharing responsibilities of asylum flows entering Europe is not only a commitment of solidarity between Member States, although this is prominent in political developments. A Common European Asylum System is necessary for several reasons.

Firstly, there are clear risks associated with the **Single Market and its free movement provisions** within the current system. Although the Schengen agreement, along with the 2004 European Parliament and Council Directive<sup>33</sup>, has led to a unified external border of the Schengen area, without sharing the responsibility for asylum seekers the principle of free movement is challenged. Individual states might even be forced to contemplate reintroducing or enhancing border controls in the absence of joint initiatives in this area, as asylum seekers are not free to move between Member States. **It is necessary to share responsibilities for asylum seekers coming into Europe to keep in line with existing European principles and agreements.**

Moreover, there is a need for practically coordinating a European response. In the case of border management, a unilateral response from one Member State in

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<sup>33</sup> See Directive 2004/38/EC on the right to move and reside freely

managing its external border will most likely only shift the pressure to other Member States. Increased sea controls of the Spanish border in 2008, supported by Frontex, were considered to 'almost certainly [have] had an impact, in particular during the periods the operations have been in operation'<sup>34</sup>. While the number of irregular boat arrivals to the Canary Islands, was said to have dropped by 74 percent from 2006 to 2008, boat arrivals was said to have increased by 64 percent in Italy in the same period<sup>35</sup>. Hence, there is a need for practical mechanisms that coordinate the European response to **manage not only asylum seekers coming into Europe but also other migrant groups in line with international commitments** to international protection.

There is also an **insurance based logic** for responsibility-sharing. The motivation for a country disproportionately affected by asylum flows is obvious, but even if a country is currently not disproportionately affected by asylum flows, participating in responsibility-sharing measures can be seen as insurance against the risk of unilaterally having to deal with disproportionate pressures in the future. A Common European Asylum System provides a fundamental framework for Member States for this. The unpredictability of asylum flows as the result of geo-political situations makes such motivations particularly relevant. As an example, the number of asylum seekers coming into the UK has dropped to 25,930 in 2008<sup>36</sup> since its peak in 2002 (84,130)<sup>37</sup>, thus making it less critical for the UK to participate in European responsibility sharing measures today. However, looking back to the 2002 peak as well as the steady increase of the numbers during the 80s, it is clear that patterns are likely to change and that there is no guarantee that a Member State will not experience disproportionate pressures in the future.

From a traditional state perspective, the uncontrolled mass movements of displaced persons across international borders can undermine the **security objectives** of countries in the region of destination. Hence, Member States can be assumed to have an interest to contribute to refugee protection and hence asylum reception as a common European system.

Moreover, a number of scholars, most prominently Suhrke (1998: 399-400), have suggested that refugee protection (and hence asylum reception) has important 'international public good' characteristics which means that receiving countries are faced with significant collective action problems. Suhrke (1998) argues that by granting refuge to displaced persons, host countries provide a public good from which all states benefit. She underlines the positive externalities (spill-ins) resulting

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<sup>34</sup> Østergaard, M. (2008), Europe's 'Boat people': Mixed Migration Flows by Sea into Southern Europe - Report of the Rapporteur to the Committee on Migration, Refugees, and Population, Parliamentary Assembly, Council of Europe, July 11, 2008.

<sup>35</sup> UNHCR (2009), Refugee Protection and international migration: A review of UNHCR's role in the Canary Islands, Spain, April 2009.

<sup>36</sup> Home Office (2008), Control of immigration: Statistics United Kingdom 2008, Statistical Bulletin 14/09, August 2009.

<sup>37</sup> ICAR (2004), Asylum in the election: Bulletin No. 1, Speech by Mark Oaten, 20 September 2004.

from one country's refugee protection effort to another. From this perspective, enhanced security and stability can be regarded as the principal collective benefit that is accruing to countries in the region of destination. Accommodation of displaced persons (in particular in the case of mass influx) can be expected to reduce the risk of them fuelling and spreading the conflict refugees are fleeing from. **As a collective benefit, Europe has made international commitment to refugee protection with e.g. the Treaty of Nice.**

However, in practice this creates an incentive for countries to hope for positive spill-ins and they may try to conceal their true preferences as to the extent to which they would like to see asylum issues to be addressed. By avoiding such issues, they may be able to **free-ride on the efforts of others**, and hence refugee protection contributions can be expected to be provided at suboptimal levels. There are powerful incentives for individual states to avoid contributing resources to international collective goods. As they fear that the expression of willingness to contribute might mean that they will also be the ones who end up footing the bill, collective goods such as refugee protection are undersupplied. **A Common European Asylum system is in this sense essential to counteract such tendencies.**

Arguably even more compromised as a result of collective action problems, however, are the security interests of individual protection seekers and states' interests in protecting those. Attempts by states to escape disproportionate pressures in this area have frequently led to responsibility-shifting dynamics in the wake of which established protection standards have been undermined. There is a widespread belief among host countries that states with relatively more lenient asylum and refugee policies will come to be regarded as a 'soft touch' and will consequently have to cope with a disproportionately high number of refugees. To counter this, destination countries which have been concerned about their reception capacities have engaged in attempts to outperform each other when it comes to the introduction of new restrictive policy measures. The aim of these efforts has been to make a country's asylum rules more restrictive relative to other potential host countries and ultimately to deter displaced person from applying in a particular country. As countries have sought to copy deterrence measures introduced by other states, the result has been a '**race to the bottom**' in protection standards that has fundamentally challenged and is in some cases undermined the security interests of forced migrants.

With a European commitment to the **Geneva Convention, the European Convention on Human Rights and other human rights instruments** and in particular **Article 63.1 of the Treaty of Nice**, EU Member States have a duty to respect refugees' rights and a particular responsibility to ensure minimum standards for asylum seekers.



management costs for other migrant groups such as economic migrants as well as post-decision costs of integration / qualification measures.

Starting on the left with **border management** (e.g. interception at sea, customs control etc.), the figure emphasises that these are not costs that are exclusively related to asylum reception. Not all arrivals will be asylum seekers and hence costs relate to e.g. managing the arrival and entry of economic migrants or other legal migrants. With regards to the arrival of a possible asylum seeker (far left), it is important to highlight that this does relate to both undocumented migrants and migrants arriving with different kind of statuses (visa for work, spouse, study etc.) and that the person may only feel compelled to apply for asylum years after arriving, once their visas expire or when circumstances change in their country of origin. The group of non-asylum seekers hence covers a wide range of people. That said, the arrival of new asylum seekers in Europe remains an important step of the asylum process. Particular costs associated with Member State border management have not been collected as part of this study, but costs associated with the coordination of border management under Frontex are considered.

The next steps include the registration of the asylum application, which leads to specific processing costs. After the registration of the application, there may be a **determination of responsibility** according to the Dublin II regulation, where asylum seekers may be transferred to other Member States. Determining responsibilities under the Dublin regulation implies physical relocation of the asylum seeker, and implies costs of transfer from one Member State to another. From this point, the person is a valid asylum applicant as long as he or she is in the procedure. This means that the applicant will go through the next steps of the assessment of their claim, where in the case of refusal, the applicant has a right to appeal the decision. If the application is accepted the person is recognised as a refugee and consequently no longer an asylum seeker, as indicated in the figure above. If the application is declined, there could be appeal and / or return costs that should also be considered as part of the process.

During this whole process, the Member States are committed to providing certain **reception standards** such as accommodation, schooling of minors and health care. The figure shows that such costs are relevant all the way up to actual return or acceptance of asylum application, although the asylum seekers' entitlements to housing, health, education etc. vary greatly between Member States<sup>38</sup>. Parallel to the provision of reception standards, there are often explicit costs associated with the **use of detention**. Similarly to providing reception standards, such costs are also relevant all the way up to actual return or acceptance of the asylum application.

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<sup>38</sup> See e.g. EC impact assessment for the proposal to reform the Reception Directive SEC(2008)2944

Post-decision, integration or **qualification measures** can also be considered relevant (e.g. accommodation, social security, vocational training) although similarly to border management, such costs are overlapping with other policy areas (immigration in particular).

The latter raises a discussion on whether there should be **a cut-off point for carrying costs**, and possibly at what point a Member State should stop carrying the costs of asylum reception, for example at the point of decision or after a specific time-period after the asylum seeker has been granted international protection. Although this is not within the scope of the current study, it is important to factor in the restricted movement of an asylum seeker before and after being granted protection on the long-term costs in a Member State. Similarly, it is also important to factor in the **long-term benefits** to a country in granting protection to asylum seekers.

### 2.2.2. Direct, indirect and intangible costs

The costs associated with asylum reception can be categorised into three groups, namely **direct, indirect** and **intangible costs**. This distinction sets the first parameter for what costs to consider when discussing options for responsibility-sharing mechanisms. With particular relevance to the current assignment, this distinction says something about **what can be measured** and hence their **relevance to European responsibility-sharing**. It is also important to note that some measures will impact on all of these costs (e.g. relocation schemes), whereas others will only impact on direct costs (e.g. centralised country of origin information under EASO). For this reason, the next two chapters look at both the relative number of asylum seekers as well as the costs involved.

Direct cost refer to explicitly defined costs and budgets for asylum reception in each Member State. In this category, one can make a further distinction between minimum costs as defined in the EU legal framework, and **Member State 'voluntary' costs** that is national policy which goes beyond the EU legal framework (i.e. independently of EU legislation), such as the use of detention / custody. Such a distinction highlights the necessity of considering national policy responses as an important factor when discussing the basis for a more equitable distribution of asylum costs across Europe. An example of a direct national policy response cost is the use of detention. As detention has been showed to be a costly activity, the extent to which detention is used in a Member State will have an important impact on the overall direct costs borne by that country.

Indirect costs refer to costs that are not directly measurable, as costs are borne by a wide range of stakeholders and relate to the asylum seekers access to general public services. In many countries, these costs are neither specifically budgeted for nor are they recorded. An illustration of the difference between direct and indirect costs can be found in the UK, where initial health care provision is an identifiable cost but ad-hoc use of the NHS is not recorded. For example, if an asylum seeker walks into an accident and emergency room, his or her status as an asylum seeker is not recorded.

In addition to these two categories, it is useful to consider intangible costs as a separate category. This is to account for issues like the impact of asylum reception on the local community or other types of social costs. More importantly, there are significant intangible costs for the asylum seeker themselves. This is however beyond the scope of the current study.

### 2.2.3. Some factors to consider

While considering these costs, there are certain **variables that** are particularly important to take into account as they will **have specific impact** on a Member States asylum related costs. It is important to note that this section is not exhaustive, but that it highlights some significant factors to take into account when considering asylum costs.

Looking towards the European legislation, Member State **compliance to the asylum related Directives** is imperative. Although there is no exhaustive information on this topic, several studies have shown that the level of compliance varies greatly between Member States, and that certain countries are far from providing the standards as they have been set out in the European Directives. Low costs in some Member States may be an indicator of non-compliance with minimum standards.

Related to the national policy response argument above, the **use of detention** is another variable that will have an important impact on the asylum related costs in a country. Studies have not only showed that detention is much more costly than open accommodation, but also that the use of detention is disproportionate in certain countries.

Another important element is the **effectiveness of the asylum processing system**, where the duration of the application assessment can be a useful indicator. Certain countries have particularly long assessment periods, which will have a significant impact on such costs as for the provision of reception conditions. An example can be found in Austria's response to the Green Paper on the future Common European Asylum System, which highlights the problems of backlogs of asylum applications:

"At the start of 2006, there was a backlog of 27 000 files pending appeal. The *avoidable* additional cost of providing for asylum seekers while waiting for this backlog to be cleared will be approximately €325 million" <sup>39</sup>

On the other hand, systems that over-emphasise speed may risk making unsafe decisions (e.g. in NL). In 2003, for example, Human Rights Watch warned that the

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<sup>39</sup> Correspondence of the Austrian Chamber of Commerce, Vienna to DG JLS, 27 August 2007, Ref. Rp 1587/07/DrES/MH, Response to the Green Paper. Italic not in original version.

Dutch accelerated procedure carried “an unnecessarily high risk that the procedure will result in violations of the Netherlands' non-refoulement obligations”<sup>40</sup>. Since then, the Council of Europe has noted the proliferation of accelerated asylum procedures across Europe, problematic aspects of which include the use of safe country notions, procedures at the border for dealing with asylum seekers and the (absence of) a right of appeal with suspensive effect. This brings the risk of *refoulement* and “increases the risk of asylum procedures in Europe becoming a lottery for asylum seekers”<sup>41</sup>, ECRE argues that the length and expense of asylum systems as a whole can be reduced by ‘frontloading’ investment in high quality initial decisions, with all the necessary safeguards.<sup>42</sup> Moreover, the study survey showed that certain countries have particularly high costs associated with the set up of new systems, such as fingerprinting under EURODAC and Dublin II. Annual costs in the early years may therefore be high, compared to long-term costs.

#### 2.2.4. Individual cost items associated with asylum reception

As part of this study, individual cost items were mapped based on existing asylum regulations and presented to Member State representatives, who were asked to rate the highest costs in their country (and validate conclusions in a second survey round). The results of this consultation are shown in the table below, as individual cost items have been grouped into two groups: *particularly high costs* and *other costs*.

The results are based on responses from policy related representatives from 21 Member States in the first survey round, and 16 Member States in the second round.

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<sup>40</sup> Human Rights Watch (2003), *Fleeting refuge: The Triumph of Efficiency over Protection in Dutch Asylum Policy*, April 2003.

<sup>41</sup> Council of Europe, Parliamentary Assembly of the Council of Europe Resolution 1471 (2005): *Accelerated asylum procedures in Council of Europe member states*.

<sup>42</sup> ECRE (2005), *The Way Forward: Europe's role in the global refugee protection system. Towards Fair and Efficient Asylum Systems in Europe*, September 2005.

**Table 3: Overview of particularly high and other costs associated with asylum reception**

	<b>Council Directive 2003/9/EC (Reception conditions)</b>	<b>Council Regulation EC no 343/2003 (Dublin regulation)</b>	<b>Council Directive 2004/83/EC (Qualification)</b>	<b>Council Directive 2005/85/EC (Procedure)</b>	<b>Council Directive 2005/85/EC (Return)</b>
<b>Particularly high costs</b>	Housing Material reception conditions (food, clothing, communication) Health care (emergency care, treatment, rehabilitation, medical screening) Translation, interpretation	Taking and storing fingerprints Detention / custody Costs of travel and escorts	Family reunion Social security Health care Accommodation Integration facilities	Assessment of application Translation / interpretation Legal aid Interviews Appeals Legal costs (hearings etc.)	Travel costs Escorted return Custody Financial incentives
<b>Other costs</b>	Schooling of minors Financial allowances Special needs assistance for vulnerable groups Legal assistance Employment related / vocational training / practical employment experience Staff training Information material	Preparing proof and evidence for transfer requests Processing transfer requests Transit zones	Issuing of residence permits Issuing of travel documents Vocational training Education Social welfare Support of unaccompanied minors Special needs health care	Preparation of documentation/info Reporting during application process CoI information material Negotiations with third countries Staff training Detention Provision of ad-hoc humanitarian protection to refused applicants	Translation / interpretation Medical support Negotiations with third country Staff training Accommodation (voluntary) Schooling for minors Life skills training

### **2.3. EU competencies and Member State responsibilities**

The previous section set out some parameters for who to consider and what to include. The following two chapters will build on this framework, and look explicitly at the pressures on the Member States.

However, before doing so it is useful to look at what the European Community can do to address inequitable distribution of asylum pressures across the Member States. This section therefore looks at the legal foundation of EU competencies on asylum policy, policy instruments and how these reflect the different cost items. It also looks at the extent to which responsibility sharing is currently being addressed. Moreover, this section proposes a typologisation of policy instruments to consider.

#### **2.3.1. The legal foundation of EU competencies on asylum policy**

Until the entry into force of the Amsterdam Treaty in 1999, asylum policy was located in the intergovernmental Third Pillar of the EU, where initiative is shared between the Commission and the Member States, Council voting is unanimous, and the European Parliament's role is limited to a consultation partner. The available legislative tools in this pillar are common positions, framework decisions, decisions, and conventions.

With the entry into force of the Treaty of Amsterdam, asylum policy was moved to the First Pillar with a five year transition period. Following this, the European Commission was granted the sole right of initiative and the European Parliament co-decision powers, while voting in the Council was based on qualified majority. This continues after the entry into force of the Lisbon Treaty where the ordinary legislative procedure applies. As a result, the European Parliament is able to take an active role in the debates on asylum related responsibility-sharing, as it has particularly with the new proposals on e.g. the Reception Conditions Directive and Dublin III.

In its resolution of 2 September 2008 on the evaluation of the Dublin system the European Parliament asks "the Commission to bring forward proposals for burden-sharing mechanisms which could be put in place in order to help alleviate the disproportionate load which could fall on certain Member States, in particular the border Member States, but do not fit into the Dublin system".<sup>43</sup> It further asks the Commission to amend Articles 19 and 20 of the Dublin Regulation on 'taking charge and taking back', so as to provide applicants with an automatic suspensory right of appeal against a decision to transfer responsibility to another Member State under the Dublin Regulation"<sup>44</sup>.

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<sup>43</sup> European Parliament, European Parliament resolution of 2 September 2008 on the evaluation of the Dublin system, Point 5.

<sup>44</sup> Ibid., Point 10

The Lisbon Treaty provides that the tasks of the EU should be to develop a *common policy* on asylum, subsidiary, and temporary protection to ensure that third country nationals requiring protection are offered appropriate status.

### 2.3.2. EU competencies and policy instruments

Now in the second phase of the Common European Asylum System, European asylum legislation has not only been introduced but is also currently under revision<sup>45</sup>. Moreover, increased practical cooperation, joint processing of asylum applications and centralising functions such as country of origin information are currently under discussion under the Commission adopted proposal for a European Asylum Support Office (EASO), as is the expansion of the solidarity funds such as the European Refugee Fund<sup>46</sup>. Although the specific functions of EASO remains to be confirmed, it opens up a wide range of opportunities for supporting Member States under particular asylum pressure.

The following table links the specific competencies of the EU as set out in the treaties<sup>47</sup> to specific policy instruments.

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<sup>45</sup> The Justice and Home Affairs Council discussed the five proposal of the asylum package in its Luxembourg meeting on 4-5 June 2009 according to Council of the European Union (2009), Press Release 10551/09, ECRE (2009), Weekly Bulletin 05 June 2009.

<sup>46</sup> Council of the European Union (2009), Press Release 10551/09, ECRE (2009), Weekly Bulletin 05 June 2009. and Vucheva, E. (2009), Cool reception to compulsory EU sharing of asylum 'burden', EUObserver.com, 5 June 2009.

<sup>47</sup> See Consolidated versions of the Treaty on European Union and the Treaty on the functioning of the European Union (2008/C 115/01)

**Table 4: EU competencies mapped against policy instruments implemented / discussed**

Treaty	Legislative instruments	Financial instruments	Coordination measures
Uniform status of asylum for nationals of third countries	<b>Council Directive 2004/83/EC</b> of 29 April 2004 on qualification – minimum standards		<b>European Asylum Support Office</b> <i>(e.g. joint processing, asylum expert teams for MS under particular pressure, coordinated country of origin information, voluntary internal reallocation)</i>
Uniform status of subsidiary protection for nationals of third countries	<b>Council Directive 2004/83/EC</b> of 29 April 2004 on qualification – minimum standards		<b>European Asylum Support Office</b> <i>(e.g. joint processing, asylum expert teams for MS under particular pressure, coordinated country of origin information, voluntary internal reallocation)</i>
Common system of temporary protection	<b>Council Directive 2001/55/EC</b> of 20 July 2001 on the event of a mass influx of displaced persons	<b>European Refugee Fund</b> (e.g. for policy harmonisation, emergency measures)	<b>European Asylum Support Office</b> <i>(e.g. joint processing, asylum expert teams for MS under particular pressure, coordinated country of origin information, voluntary internal reallocation)</i> Practical training
Common procedures for the granting and withdrawing of uniform asylum or subsidiary protection status	<b>Council Directive 2005/85/EC</b> of 1 December 2005 on procedures – minimum standards	<b>European Asylum Support Office</b> <i>(e.g. joint processing, asylum expert teams for MS under particular pressure, coordinated country of origin information, voluntary internal reallocation)</i>	<b>European Asylum Support Office</b> <i>(e.g. joint processing, asylum expert teams for MS under particular pressure, coordinated country of origin information, voluntary internal reallocation)</i>

<p>Criteria and mechanisms for determining which Member State is responsible for considering an application for asylum or subsidiary protection</p>	<p><b>Council Regulation (EC) No 343/2003</b> of 18 February 2003 on determining the Member State responsible.  <b>Council Regulation (EC) No 2725/2000</b> of 11 December 2000 on establishment of 'Eurodac'   <i>Temporary suspension of Dublin II for MS under particular pressure</i></p>		<p><i>Call for using the regulations for more equitable sharing (Green Paper)</i></p>
<p>Standards concerning the conditions for the reception of applicants for asylum or subsidiary protection</p>	<p><b>Council Directive 2003/9/EC</b> of 27 January 2003 minimum standards for the reception of asylum seeker</p>	<p><b>European Refugee Fund</b> (e.g. for policy harmonisation)  <b>European Fund for Integration of third-country nationals</b> (e.g. for policy harmonisation)</p>	
<p>Partnership and cooperation with third countries for the purpose of managing inflows of people applying for asylum or subsidiary or temporary protection</p>	<p><b>Council Directive 2008/115/EC</b> of December 2008   Readmission agreements</p>	<p><b>External Borders Fund</b> (e.g. enhanced coordination of border management)  <b>European Return Fund</b> (e.g. integrated return management, common standards for return, enhanced cooperation)</p>	<p><b>Frontex</b> (e.g. enhanced coordination of border management)   <i>Enhancing reception capacity in country of origin, combined with resettlement</i></p>

### 2.3.3. Relevance to European responsibility-sharing

The next step of this assessment is to look at the costs involved as described in section 2.3.1 above against the framework of European competencies and instruments currently implemented or under discussion.

The table below provides an overview of these distinctions and the types of costs that are involved, and highlights the relevance of these different types of costs to European responsibility-sharing.

Types of costs	Specific costs involved	Relevance to European responsibility-sharing
Direct costs associated with <b>implementation of European legislation</b>	E.g. translation, interpretation, application assessment, preparation of documentation, development of service standards as set out in Directives (e.g. staff training)	<b>Ensuring standardisation:</b> Policy harmonisation, monitoring of compliance  <b>Sharing of actual costs:</b> Practical cooperation Centralisation of services Project funding / financial compensation Physical relocation
Direct costs associated with <b>national policy responses</b>	E.g. extended reception costs due to long application period, use of detention	<b>Ensuring standardisation:</b> Policy harmonisation, monitor compliance  <b>Encouraging compliance:</b> Practical cooperation Centralisation of services Capacity building Project funding to upgrade and comply with agreed standards
Indirect costs	E.g. access to public services such as general health services	<b>Sharing of costs:</b> Physical relocation
Intangible costs	E.g. social costs to local communities	<b>Sharing of costs:</b> Physical relocation

The **focus of this assignment has been on direct costs**, i.e. collecting primary empirical data on direct costs borne by Member States for asylum reception. However, as the table above demonstrates, Member States are likely to bear costs that cannot be found easily in explicit budget lines. For this reason, this report also looks at the relative numbers of asylum seekers as well as relocation as a policy option. One can argue that this is the only option that will impact on all costs borne by Member States on asylum reception.

More specifically, the table below looks at individual cost items that lend themselves to sharing at European level. The main criteria in developing this table has been the degree to which costs are subject to national policy responses, and the degree to which European measures are likely to impact on costs.

**Table 5: Costs associated with European competencies and Member State responsibilities**

Stage of the asylum process	Cost areas associated with European competencies	Cost areas associated with Member State responsibilities
Arrival	Coordinated border management activities	General border management
Determining responsibilities	Travel costs Implementation of EURODAC Processing of transfer requests (e.g. EASO) Preparation of proof and evidence for transfer requests (e.g. EASO)	Detention / custody Transit zones General return costs
Reception	Translation, interpretation (e.g. EASO) Development of service standards as set out in Directive (e.g. ERF) Monitoring of transposition (e.g. EASO)	General provision of reception standards (e.g. housing, material reception conditions, health care, schooling of minors, special needs assistance for vulnerable groups) when not specifically prescribed by European Legislation
Procedure	Assessment of application, translation / interpretation, preparation of documentation / information, information material about countries of origin, negotiations with third countries, staff training (e.g. EASO)	General procedural costs (e.g. for appeals, hearings etc.), use of detention during application assessment
Return	Integrated return, financial incentives, translation / interpretation, negotiations with third country, staff training, life skills training (e.g. ERF and Return Fund)	Custody Medical support Accommodation (voluntary) Schooling for minors

In addition to the stages above, the EU has the competency to provide financial support to integration measures, which should reduce overall costs associated with the qualification of third-country nationals (e.g. social security, health care, and accommodation).

The survey showed that it is generally **national public authorities** bearing the largest burden in each of the Member States, with a few exceptions, such as the in Portugal where national authorities reported that the NGO community bears the

largest burden with regards to reception of asylum seekers. For this reason, cost collection has focused on mainly national public expenditure, with the exception of Germany, where regional expenditure at Land level has also been included. In addition to liaising with Member States official, the data has been complemented by the use of national accounts to fill as many gaps as possible.

#### 2.3.4. Status quo

There have been some **ad-hoc examples of responsibility-sharing**, such as France offering to take a limited number of recognised refugees from Malta in 2009 and the Netherlands doing the same in 2006. There are however strong arguments that these measures are more symbolic than anything else, as they have had negligible impact on the costs and the overall pressures experienced by Malta.

In addition to this, the **Council Directive on Temporary Protection in the Case of Mass Influx**<sup>48</sup> is a regulatory example of a responsibility-sharing mechanism already in place. The directive develops a range of mechanisms based on the principle of *double voluntarism* which means that the agreement of both the recipient state and the individuals concerned is required before protection seekers can be moved from one country to another. However, the Temporary Protection Directive has yet to be invoked. Hence, the impact of this instrument on the costs associated with the reception of asylum seekers in each of the Member States is non-existent. There is also a possibility that this provides an indication of the feasibility of any physical distribution mechanism for the alleviation of particular pressures on specific Member States.

The ERF, currently in its third round covering the period 2008-2013, totals €628 million, with €566 million being distributed among Member States according to **“objective criteria relating to the number of asylum seekers and integrating persons benefiting from international protection”**<sup>49</sup>. The objective of the fund is “to support and improve the efforts of Member States to grant reception conditions to refugees, displaced persons and beneficiaries of subsidiary protection, to apply fair and effective asylum procedures and to promote good practices in the field of asylum so as to protect the rights of persons requiring international protection and enable Member States asylum systems to work efficiently”<sup>50</sup>. The ERF is thus not explicitly a mechanism aiming to primarily reduce the disparities in asylum responsibilities, although there is a responsibility-sharing element. Furthermore, it is important to note that given that relative responsibilities were emphasised throughout this study as more relevant for the responsibility-sharing discussion than absolute responsibilities, the way the funds are distributed under the ERF (i.e. using absolute application numbers) might not constitute a fully effective mechanism to use for responsibility sharing. Furthermore, the **ERF currently targets a larger population than asylum seekers.**

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<sup>48</sup> See Council Directive 2001/55/EC of 20 July 2001

<sup>49</sup> See [http://ec.europa.eu/justice\\_home/funding/refugee/funding\\_refugee\\_en.htm](http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm)

<sup>50</sup> Ibid.

Moreover, the **total amount distributed to the Member States (for all the target groups) over five years constitutes only 14% of the total asylum costs in the EU27 in 2007**. As was pointed out in the impact assessment for the EASO proposal, "the ERF clearly lacks the resources needed to effectively finance the real efforts made by Member States to implement refugee policy. As an example, the French asylum administration (OFPRA) alone costs approximately €50 million a year, while the total resources of the ERF for 2008, to be allocated to the 27 Member States are approximately €75 million"<sup>51</sup>.

With regards to Frontex, the responsibility-sharing effect is most likely a limited one, due to the size of European expenditure on border management. The table below provides the breakdown of the 2009 Frontex budget by type of operation:

**Table 6: Frontex expenditures per type of operation<sup>52</sup>**

<b>Expenditure per operation</b>	<b>Budgeted for 2009 in €m</b>
Operations and pilot projects at land borders	4.25
Operations and pilot projects at sea borders	36.00
Operations and pilot projects at air borders	2.65
Return cooperation	2.25
<b>Total: Operational</b>	<b>45.15</b>

Although the national figures pertaining to border management are difficult to obtain, especially in the area of asylum, one can expect that the total budget of just over €45 million might not make a significant difference with regards to easing the pressures on EU Member States, especially with regards to managing land and sea borders. A possible exception are Member States with significant costs of managing sea borders, since most of Frontex budget is focused on sea border projects. In theory, Frontex operations can thus ease the burden of some Member States like Malta, although there are also suggestions that Frontex operations in the Mediterranean could have the opposite effect, by actually increasing the pull factor of Malta or Italy as reception countries.<sup>53</sup>

<sup>51</sup> See European Commission (2009), Commission staff working document accompanying document to the Proposal for a Regulation of the European Parliament and of the Council establishing an European Asylum Support Office, Impact Assessment, SEC(2009) 153, Brussels, 18 February 2009.

<sup>52</sup> See [http://www.frontex.europa.eu/gfx/frontex/files/justyna/budget\\_2009\\_final.pdf](http://www.frontex.europa.eu/gfx/frontex/files/justyna/budget_2009_final.pdf)

<sup>53</sup> See Brundsen, J. (2008), Frontex chief warns about failure to reduce migration, European Voice 11 September 2008.

This is not the first time responsibility-sharing is on the table. **Germany put forward a proposal in the early 90s** which suggested an allocation of responsibilities based on population size, similar to the German national model for dispersing asylum seekers between the Laender. The proposal coincided with the large number of Bosnian asylum applications in Germany in 1992<sup>54</sup>. This was later followed by a **Finnish proposal in 2004** for financial compensation of asylum costs. However, both proposals failed to gain adequate support. Distributing responsibilities for asylum reception remains a contentious and highly political issue. The recent proposal by the European Commission of an EU programme for resettling refugees illustrates the sensitivity of these discussions. Offering a monetary incentive from the European Refugee Fund, Member States are encouraged to resettle refugees under this proposal. This is contested by Member States as diminishing the authority of national governments, and by interest organisations concerned about Member States being selective in their recruitment of scheme participants.

Any discussion on equitable sharing of asylum pressures across Europe must be based on sound evidence. **Migration statistics** are an important area in this regard. A 2007 regulation stipulates that Member States are required to provide information on e.g. numbers of asylum seekers, applications rejected, unaccompanied minors and applications and transfers under the Dublin II regulation.

#### 2.3.5. Typologising responsibility-sharing models and activities

Boswell (2003) argues that responsibility-sharing mechanisms can be divided into four main categories. These include:

- dispersal mechanisms (physical relocation);
- financial flows;
- common standards; and
- mechanisms for determining which Member State is responsible.

Whether the latter is a form of responsibility-sharing mechanism is an issue under discussion, as the Dublin II regulation does not stipulate responsibilities for the asylum flow in general, but rather concentrates on shifting responsibilities from one Member State to another<sup>55</sup>. This leaves three types of mechanisms, based on physical relocation, financial flows and common standards.

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<sup>54</sup> Uricher, M. (2002), 'Persons persecuted for political reasons shall enjoy the right of asylum...': asylum policies in Germany – myths and realities.

<sup>55</sup> European Commission (1994), Communication from the Commission to the Council and the European Parliament on Immigration and Asylum Policies, 23 February 1994, REF - COM (94).

Thielemann (2008) argues that there are two substantively different types of international responsibility-sharing regimes and four principal responsibility-sharing mechanisms, emphasising the difference between binding rules and voluntary pledging mechanisms, as well as one-dimensional (aiming to equalise efforts on one particular contribution dimension) and multi-dimensional mechanisms (across several contribution dimensions<sup>56</sup>. Table 2 below provides an overview of the types of mechanisms.

**Table 7: Types of Responsibility-sharing Mechanisms**

		Dimensionality	
		One-dimensional	Multi-dimensional
Distribution Rule	Hard	Binding rules	Explicit compensation
	Soft	Voluntary pledging	Implicit trade

Source: E. Thielemann (2008)

The current study aims to take both these approaches into account when deriving the following typologisation:

**Physical relocation:** this is in line with Boswell's dispersal mechanism, and would fall under Thielemann's one dimensional mechanisms. A clear example of this type of mechanism can be found in the Temporary Protection Directive. The directive develops a range of mechanisms based on the principle of *double voluntarism* which means that the agreement of both the recipient state and the individuals concerned is required before protection seekers can be moved from one country to another. Another example is the temporarily suspending the application of the Dublin rules for transfers of asylum-seekers to a Member State whose reception system cannot adequately deal with the transferred persons

**Practical cooperation, capacity-building and common EU functions** based on initiatives such as current EASO discussions and practical cooperation funded by the ERF, are measures that tend to target one dimension of asylum reception. At the moment this is based on voluntary pledging. Border control and border management is another example relevant to practical cooperation, encouraging e.g. coordination of border control between countries as well as the provision of resources for Member States under particular pressure. Border management is therefore an important area where there have in fact been clear examples of 'responsibility'-sharing, most recently in the spring of 2008 when Malta was assisted by an Italian vessel that rescued 27 migrants and asylum seekers from a sinking boat some miles south of the Maltese coast.

<sup>56</sup> Thielemann, E. (2008), The Future of the Common European Asylum System: In Need of a More Comprehensive Responsibility-sharing Approach, European Policy Analysis 1-2008.

**Financial compensation** based either on explicit compensation (in one contribution dimension) such as ERF funding to countries under particular pressure, or on an implicit trading logic which recognises that states contribute to international collective goods such as international protection in different ways (either by pro-active measures, such as for example peace keeping or reactive measures such as admitting asylum seekers in a host country). Financial compensation schemes include in particular the migrations solidarity funds, and the European Asylum Support Office as the administrative unit of executing financial compensation.

In addition to the mechanisms listed above, **policy harmonisation** is considered as a form of sharing responsibilities, insofar as it aims to ensure a common set of rules to overcome the distribution of inequalities. This would include the existing asylum related Directives (and proposals for revising these), the Dublin II regulation (and the Dublin II proposal), the proposal for a Common asylum procedure and status across the EU and the role of the ERF in promoting convergence between Member States.

Further discussion on these measures is provided in Annex 2 of this report.

In the table above, certain cost areas are more suitable for practical cooperation and capacity-building. The current discussion on the responsibilities of the EASO and the Communication COM (2006) 67<sup>57</sup> is a useful context to consider in this regard, where discussions have focused on:

- supporting **practical cooperation** on asylum, such as country-of-origin information, supporting intra-Community transfers of persons accorded international protection, support for training and support for the external dimensions of asylum policy, including resettlement;
- **joint processing** in the EU of specific caseloads, as requested by the Hague Programme, which would also examine how joint processing might alleviate the pressure on specific 'overburdened' Member States;
- **support for Member States under particular pressure**, by providing support in gathering and analysing information and coordinating action to support Member States, such as support to carry out initial analysis of asylum applications under examination by competent national authorities and by the provision of emergency accommodation;
- **asylum expert teams** who would be coordinated by the EASO and could be called upon to assist overburdened Member States, on a temporary basis, in performing the initial profiling of asylum-seekers. In particular, the expert teams could provide support through interpretation services, as well as case-

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<sup>57</sup> European Commission (2008), Policy Plan on Asylum. An Integrated Approach to Protection across the EU, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions, COM (2008) 360, 17 June 2008.

working and country of origin expertise, and as the UNHCR suggests in their comments, assistance with gathering initial information from/on new arrivals, identifying persons with special needs and in providing information to new arrivals on asylum procedures. Suggestions have been made to draw such resources from a pool of personnel seconded by Member States (and possibly national / international organisations); and

- **EU guidelines** on gathering and exchanging information.

## 2.4. Examples of practices from dispersal schemes

An important aim of the case studies undertaken as part of this study was to identify examples of practices from national dispersal schemes. In this section the examples from the UK, Germany, Finland, Sweden and France are considered.

### 2.4.1. Integration indicators and principles for dispersal in the UK

One such example was found in the UK case study. **Integration** is an important part of the UK dispersal scheme (which is administered at regional level), with indicators such as ethnic diversity, availability of housing, employment, language training etc. playing an important role in finding the most appropriate location for the asylum seeker. Initially, the UK operated with a cluster based scheme, where specific communities would, for example, go to specific areas allowing an efficiency gain for local authorities where the need for resources is less for fewer ethnic groups, as the main cluster criterion was language. It was also highlighted that considering the background of the asylum seeker is imperative to avoid isolation.

There is still an underlying criterion today of targeting pre-existing communities where support networks are in place, and services will not be unduly affected. This is managed through regional strategic partnerships, who consider all issues on how the asylum flow can best be managed. The UK has introduced a principle that where each of its six regions agree to a limit in the number of asylum seekers per inhabitant. In the Yorkshire / North there is a limit in that only **1 in 300 people** in any given area can be an asylum seeker. This is not only based on the financial pressure on the region or local authorities in question, but also relates to the social impact of receiving asylum seekers. This was considered by several interviewees<sup>58</sup> to be a success criterion for constructive cooperation with stakeholders and for the integration of the asylum seeker in the local community.

On this note, interviewees also emphasised how stakeholder cooperation (particularly local cooperation) is an important success factor for the integration of the asylum seeker in the community, and in providing an adequate support structure around the asylum seeker. There are generally close links to local

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<sup>58</sup> Five representatives of national (including the Director of the New Asylum Model) and regional UKBA (regional representation manager on Asylum) as well as the UK Refugee Council (director of operations)

authorities in strategic partnership groups that have generally grown out of links to accommodation providers. On that note, interviewees highlighted the importance of the stressing that a crucial precondition for this system to be effective is the preparedness and involvement of the receiving community in planning reception.

From an administrative point of view, the UKBA also applies agreed ceilings on case loads in each of its six regions according to internal **capacities**. In the Yorkshire and North region, a 20% limit has been agreed based on the number of cases (two per week) per case worker. London on the other hand has an agreed limit of 32%. The availability of accommodation also plays a crucial part in negotiating the limits in each of the regions.

#### 2.4.2. Dispersal based on population in Germany

In Germany, **asylum applicants are distributed between Laender based on their population**. Asylum seekers have no say in choosing their place of residence, except for close family members (spouse, children under 18) who can stay together. Claimants stay in reception centres for up to 3 months (though this is often longer in practice), and are then dispersed to accommodation in different districts (*Kreise*) of the Land. The Laender choose the dispersal criteria within the Land though most disperse asylum seekers proportionally to the population of each district or *Kreise*.

The system was meant primarily as a way of **distributing financial and social costs** of asylum across Laender, as financial costs of reception are paid by the Laender (and they have considerable autonomy to define reception standards). Similarly to the UK, the system also assumes that dealing with asylum seekers incurs significant non-financial costs (e.g. social tension) which cannot be compensated financially and requires the physical relocation of claimants.

The German approach was the basis of the German proposal German in 1994, which suggested a compulsory distribution mechanism using a system of quotas based on population size, territory, and GDP, given equal weighing<sup>59</sup>.

#### 2.4.3. Voluntary commitment in Finland

Finland has no centrally regulated system for sharing responsibilities, or system of dispersal. The current Finnish system is based on **municipalities voluntarily accepting to receive** asylum seekers, where a municipality makes a contract with the central government, which can be done for example for 10 years. In general, municipalities can decide how many asylum seekers they take on yearly.

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<sup>59</sup> See Thielemann, E. (2006) Burden-Sharing: The International Politics of Refugee Protection, Paper presented at the annual meeting of the International Studies Association, Town & Country Resort and Convention Center, San Diego, California, USA, Mar 22, 2006.

There are no regulatory assumptions regarding the scope and responsibilities to be shared. The key elements are:

- each municipality has a right for self determination;
- through negotiation, the municipalities can be made more receptive and positive toward asylum seekers; and
- municipalities are offered **financial contribution** upon receiving asylum seekers.

This brings challenges, which was manifested in 2008 when the number of asylum seekers saw a threefold increase to the previous year. New reception centres had to be put up for minors in particular, and most of the resources went to organising accommodation in general. One of the ways to try to convince municipalities to get involved in receiving asylum seekers is the fact that reception centres provide jobs. On the other hand, the municipalities fear the costs associated with asylum reception, and that it will put a strain on public services such as education.

Overall, it is difficult to move asylum seekers in municipalities because it is voluntary and the financial incentive to accept them is not large. Government gives a lump sum to the receiving municipality but this sum has not been increased since 1994 and does not match the true costs.

The Finnish proposal for a responsibility-sharing mechanism built on the Finnish approach, calling for financial compensation.

#### 2.4.4. Choice and integration potential

In Sweden, the asylum seeker is first and foremost **free to choose** the municipal destination and public authorities only intervene where this choice is not made. Asylum dispersal is based on regional governments negotiating with municipalities based on a four year prognosis on national statistics and assumed recognition / refusal ratio.

In this case, the asylum seeker is proposed a municipality based on a discussion with the asylum seeker to review **education and vocational background** (and information from labour agencies). The aim is to find a region where it is 'possible' to integrate into the labour market. This is an important variable in Sweden, as the asylum seeker has in fact **access to the labour market pending the outcome of their application** (if an initial assessment deems that this will take more than four months, or after four months all asylum seekers are guaranteed access). This does not grant them access to labour agency support, but allows them to find work themselves. Moreover, interviewees emphasised that 50-60% find their own accommodation, pending the outcome of their application.

Similar to Finland Swedish municipalities has significant autonomy, and the numbers of asylum seekers vary quite considerably between municipalities.

Regional agreements are negotiated, and signed by the Migration Board, but interviewees emphasised how the independence of the Swedish municipalities does create disproportional pressures between municipalities.

#### 2.4.5. Monitoring capacity in France

One of the key principles of the French asylum system is the **freedom of movement** and establishment of asylum seekers. The day to day management of asylum seekers is decentralised in the French regions, and the prefectures are the first point of contact for asylum seekers. Asylum seekers are free to "settle" wherever they want on the French territory.<sup>60</sup>

In France, asylum pressures are managed on an ad hoc basis since. Regional and local governments use a dedicated state budget to pay for the cost of asylum seekers (including housing, education, health care costs etc.). There is no responsibility-sharing system in place between regions but the triennial budgeting process take account of large discrepancies in terms of number of asylum seekers between regions.<sup>61</sup> L'Office Français de l'Immigration et de l'Intégration (OFII) also coordinates efforts through **active management of capacity through a dedicated system and network**.

However, the case study showed that there are hindering factors for an effective distribution of asylum related pressures within France. For example, specific regions are more attractive than others (reasons for this are stronger regional economy, already established communities, family ties).

#### 2.4.6. Strong NGO involvement in the US

An interesting contribution to the discussion can be found in the **US resettlement and dispersal scheme**. Although this does not relate to asylum seekers in particular, it can still be considered relevant for the current discussion.

On consulting with the Refugee Council of the USA, the study team found that the US mechanisms consists mainly of NGOs rather than States volunteering to take a certain proportion of the overall US quota, with some considerations to the interest of the refugee. Allocation is based on an active contribution by the parties in developing annual resettlement plans (which are discussed with the relevant authorities).

In these plans, each agency accepts a **percentage** of the overall refugees to be admitted to the US **based on the average of their caseload share for the**

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<sup>60</sup> Regions are then in charge of running "Housing centres" (CADA, CPH) where Asylum seekers receive free housing and services related to the asylum seeker status.

<sup>61</sup> For instance, Paris receives 45% of the total number of asylum seekers but cannot dispatch them to other regions. It has therefore to bear most of the costs and hence receives most of the state funding.

**preceding three years.** For example, if the US plans to admit 80,000 refugees, and one agency's average percentage from the past three years is 10%, they will create a plan to resettle 8,000 refugees.

At a more practical level, it is also worth noting that representatives from each of the nine agencies and the state of Iowa gather in-person and via video-conference on a weekly basis to make "assurances" for refugee cases who have been cleared and approved to be admitted to the U.S. I.e. with specific considerations to whether the refugee has a family member resettled by a particular agency in a particular location, based on the refugee's geographical preference, based on where existing communities are which match the refugee's religion/ethnicity/language group, etc.

### 3. INPUT AND CAPACITY

Before looking at the direct costs reported by Member States involved with asylum reception, this chapter contains **specific measurements of the number of asylum seekers entering the Member States** and the **capacity of Member States to receive** these (disregarding intra EU movement, i.e. where an asylum seeker moves illegally between Member States). This analysis does not only provide context to the cost analysis in the subsequent chapter, but also provides a useful basis to look at how pressures may change with the introduction of specific measures (see analysis on policy options in Chapter 5). Moreover, several measures under discussion refer to policy responses for Member States under particular pressure. This chapter includes specific propositions on how to measure relative pressures and responsibilities, which may prove useful in refining the specific principles of different mechanisms.

Based on an index methodology which can be found in Annex 2 to this report, proposals are made for different indices that **measure the relative pressure on a Member State** according to different capacity measures, which has been called asylum responsibility indices. The focus has been on using **indicators** which are relatively **uncontroversial**, as well as deemed relevant by survey participants in this study. On the side of asylum flows and stocks, the main focus is on asylum applications. However, as these are interrelated issues, refugee numbers are also considered in the discussion. On the capacity side, this has included GDP per capita, population size and population density.

As described in Annex 2, the approach has been an index methodology to combine these indicators in order to **jointly capture their effects**. At the same time, the approach was to develop multiple alternative combined indices, since minor differences in the way indices are constructed can result in significant differences in the location of certain Member States on the combined index scale, and could have significant consequences for any responsibility-sharing proposal<sup>62</sup>. Consequently, the discussions below are based on an **options approach to allow for more constructive political debate**.

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<sup>62</sup> The approach to constructing the indices was to compress the data distribution for each indicator using logarithms as opposed to raw values. Each country's position in the compressed distribution was then calculated with reference to the minimum and maximum values for each indicator. The resulting index numbers were distributed from 0 (country with the minimum value) to 1 (country with the maximum value). All the data used to construct the indices was from 2007 in order to ensure that the dataset was complete, as well as to ensure compatibility with the financial data. The exception is population density data, where 2007 information was not available for all relevant countries from Eurostat and 2006 data was used instead.

### 3.1. Capacity index

The ERF, currently in its third round covering the period 2008-2013, totals €628 million, with €566 million being distributed among Member States according to “**objective criteria relating to the number of asylum seekers and integrating persons benefiting from international protection**”<sup>63</sup>. To allow for a more equitable distribution of asylum pressures, this study proposes the use of more relative measures and pays particular attention to the relative capacity of a Member State to receive asylum seekers.

The key element of measuring capacity is **GDP per capita, representing the capacity to support asylum seekers financially**. Moreover, based on the results of the survey in this study, **population and territorial size** are used to represent the ability to **physically accommodate** asylum seekers in the country. Where territorial size is considered, this has been done by combining it with population to create **population density**. Although arguments can be made regarding the relevance of population density in a European context, it has been included here as an option in the analysis. Whereas GDP and population are used as positive indices (higher GDP per capita or larger population size represent more capacity), population density is an inverse index (higher population density represents lower capacity).

It is important to note that capacity indices will vary based on two dimensions. Firstly, different options have been considered using different **numbers and combination of capacity indices** (GDP per capita, population size, population density). Secondly, the **weights** assigned to each of the indices in the combined capacity index are also considered.

The suggested capacity indices are the following:

1. **combined capacity index 1: GDP per capita, population, population density (50%, 25%, 25% weighting);**
2. **combined capacity index 2: GDP per capita, population (equal weighting);** and
3. **combined capacity index 3: GDP per capita, population density (equal weighting).**

#### 3.1.1. Combined capacity index 1

The table below shows the distribution of countries according to the first combined capacity index, which includes **GDP per capita, population and population**

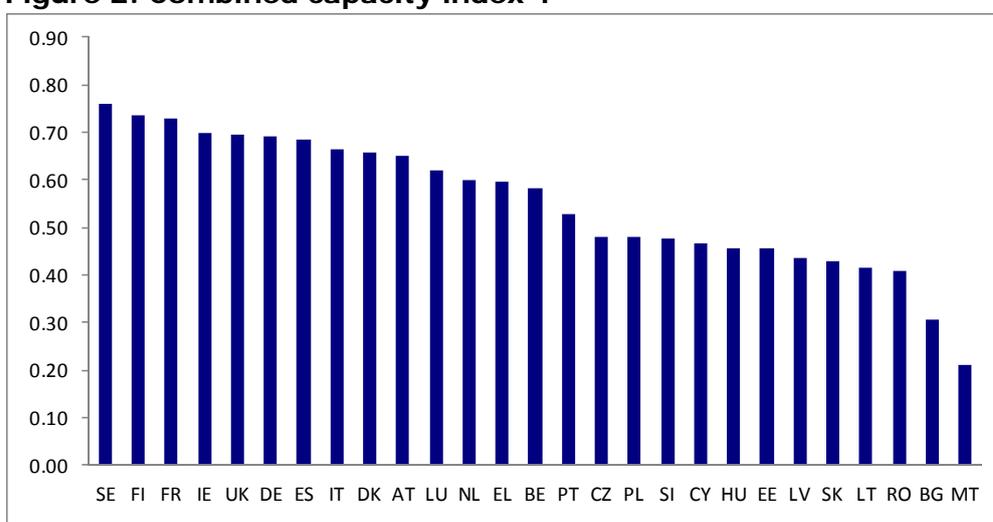
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<sup>63</sup> See: [http://ec.europa.eu/justice\\_home/funding/refugee/funding\\_refugee\\_en.htm](http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm)

**density.** In this index, GDP per capita is weighted higher than population and population density. The reason for this is based on an intuitive understanding of the political importance of wealth of a country while discussing responsibility-sharing. If a country is populous but with a lower level of income per head (i.e. Poland) it will not be perceived as particularly equitable to expect it to receive a similar number of asylum seekers as a higher income country with about the same population (i.e. Spain). Another reason for giving GDP more weight is that the other capacity components of population and population density are both linked, so that the effective weighting of population is rather higher than GDP.

The left axis in the figure below shows the ranking of the Member States on a scale of 0 to 1 using the methodology described in Annex 2.

**Figure 2: Combined capacity index 1**

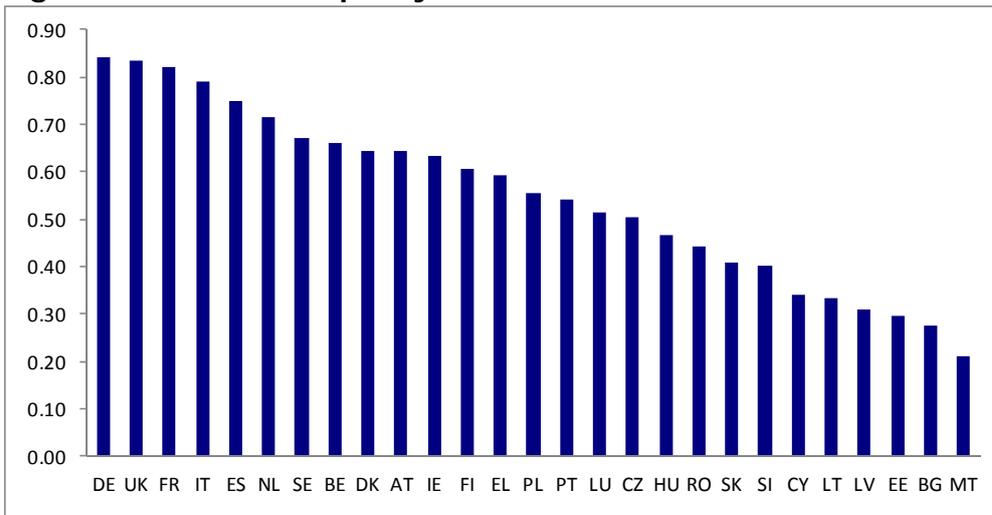


According to the applied methodology **Sweden, Finland, France, Ireland** and the **UK** have the highest capacity rankings, i.e. the highest capacity to receive asylum seekers based on a combination of GDP, population size and population density. At the other end of the scale **Romania, Bulgaria** and **Malta** have the lowest capacity.

### 3.1.2. Combined capacity index 2

The second suggested capacity index combines only two sub-indices, **GDP per capita and population size**, weighting them equally. The resulting ranking is shown in the figure below:

**Figure 3: Combined capacity index 2**

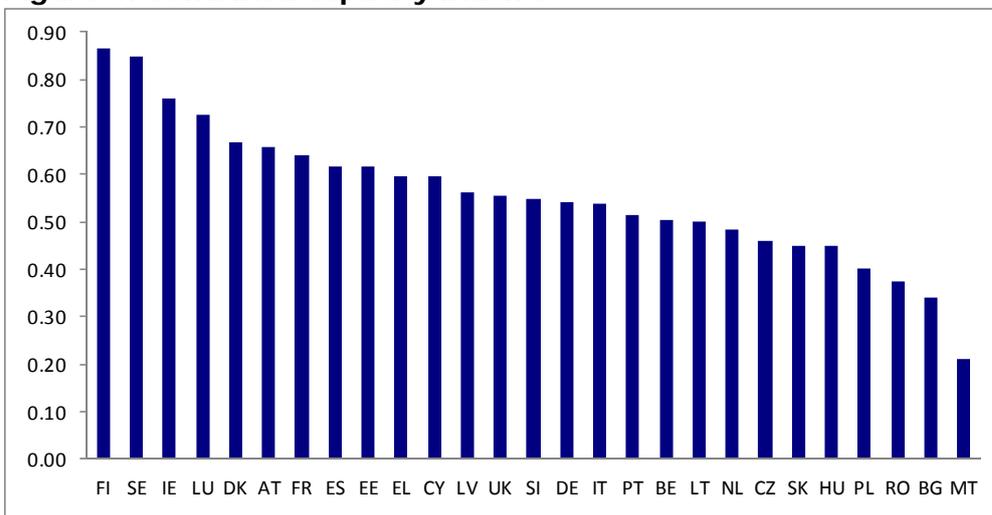


In this case, **Germany, United Kingdom, France, and Italy** have the highest reception capacity, with **Estonia, Bulgaria and Malta** the lowest. The differences between the two indices can be attributed to the fact that this index gives all the weight to population size and GDP per capita, resulting in populous Member States with large GDP per capita having the highest capacity.

### 3.1.3. Combined capacity index 3

The third index combines **GDP per capita and population density**, once again weighted equally:

**Figure 4: Combined capacity index 3**



In this case, **Finland, Sweden, and Ireland** have the highest capacity, while **Romania, Bulgaria, and Malta** once again the lowest.

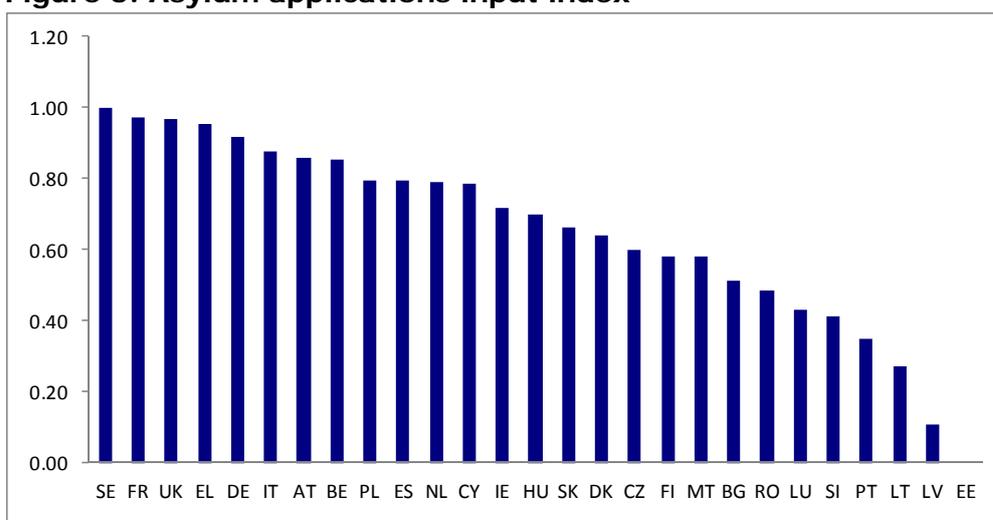
### 3.2. Asylum stocks and flows

The second group of single indices focus on the asylum flows into the Member State system. The most intuitive measure that gives an indication of the flows into each country is an index based on the number of asylum applications. To demonstrate how this interrelates with the broader issue of refugee protection, an index based on the numbers of refugees (as indicated in the survey results), has also been explored in this section.

An alternative measure of asylum stocks could for example use the number of returns to construct a measure of stock of asylum seekers by deducting total number of returns in a given year from the total number of applications. However, obtaining robust data on the number of returns, including both voluntary and involuntary returns, which could be used to construct an index, is problematic (UNHCR statistics for example focus on voluntary returns). Thus this approach has not been adopted.

The figure below shows the index based on a number of asylum applications in 2007 provided by Eurostat, which ranged from 36,205 in Sweden to 15 in Estonia. The left axis in the figure below shows the ranking of the Member States on a scale of 0 to 1 based on the methodology described in Annex 2.

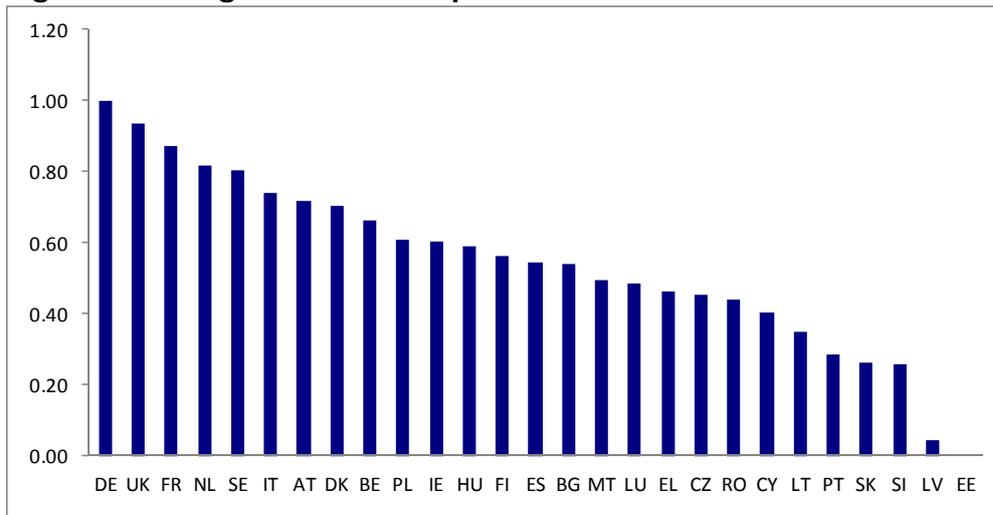
**Figure 5: Asylum applications input index**



From an input perspective, the figure above shows that **Sweden, France, UK** and **Greece** have the highest flows (i.e. number of asylum applicants). At the other end of the scale are the **Baltic countries, Poland** and **Slovenia**.

The following figure shows the index based on a number of refugees in 2007 provided by UNHCR, which ranged from over 578,000 in Germany to 18 in Estonia.

**Figure 6: Refugee numbers input index**



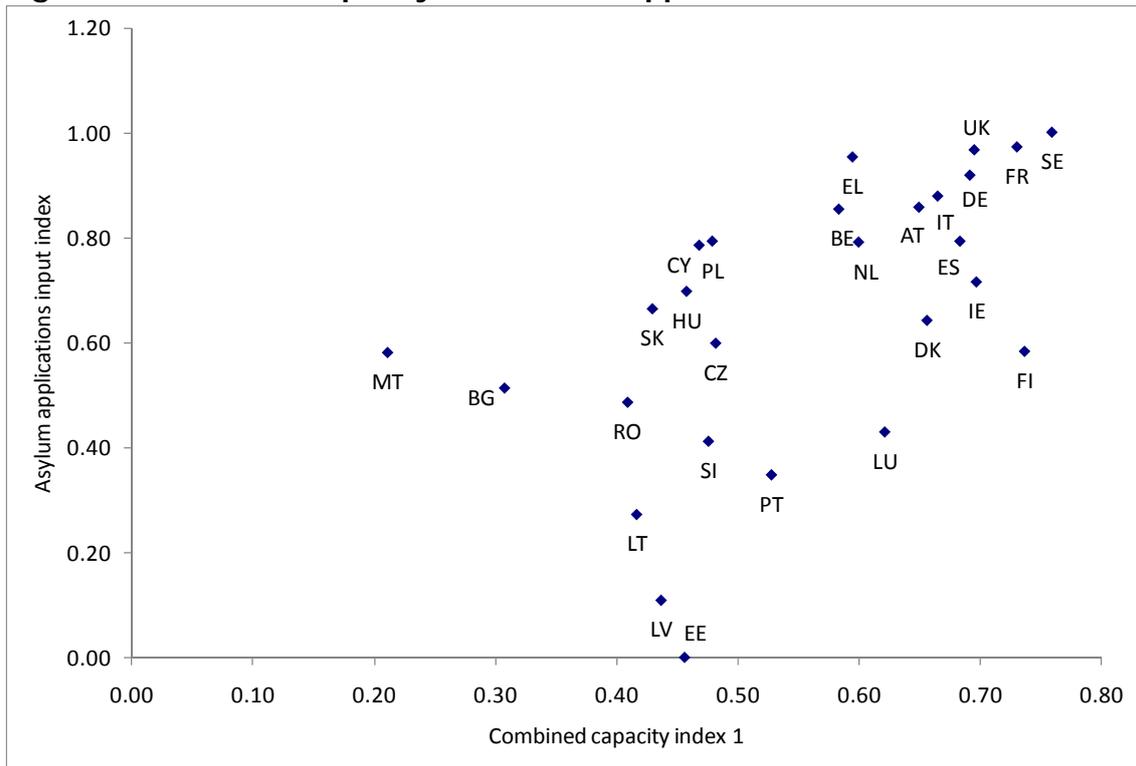
Using this input index, **Germany, UK, France,** and the **Netherlands** have the largest number of refugees, while the **Baltic countries, Portugal, Slovakia,** and **Slovenia** the lowest. In this picture, it is particularly important to note how Germany jumps from a fifth place based on asylum application to a first place based on the number of refugees. Similarly, the Netherlands moves up to be the fourth highest country when it comes to refugees, whereas it is only tenth when considering asylum applications.

### 3.3. Combining capacity and input in a responsibility index

The following section combines the above indices in order to create a comprehensive picture of the pressure level faced by the Member States.

The scatter plot below shows the relationship between the *first combined capacity index* (taking into account GDP, population, and population density) and the asylum flow index based on *asylum applications*. This allows enables the identification of where countries sit on a two-axis scale based on their capacity (high/low) and input (high / low).

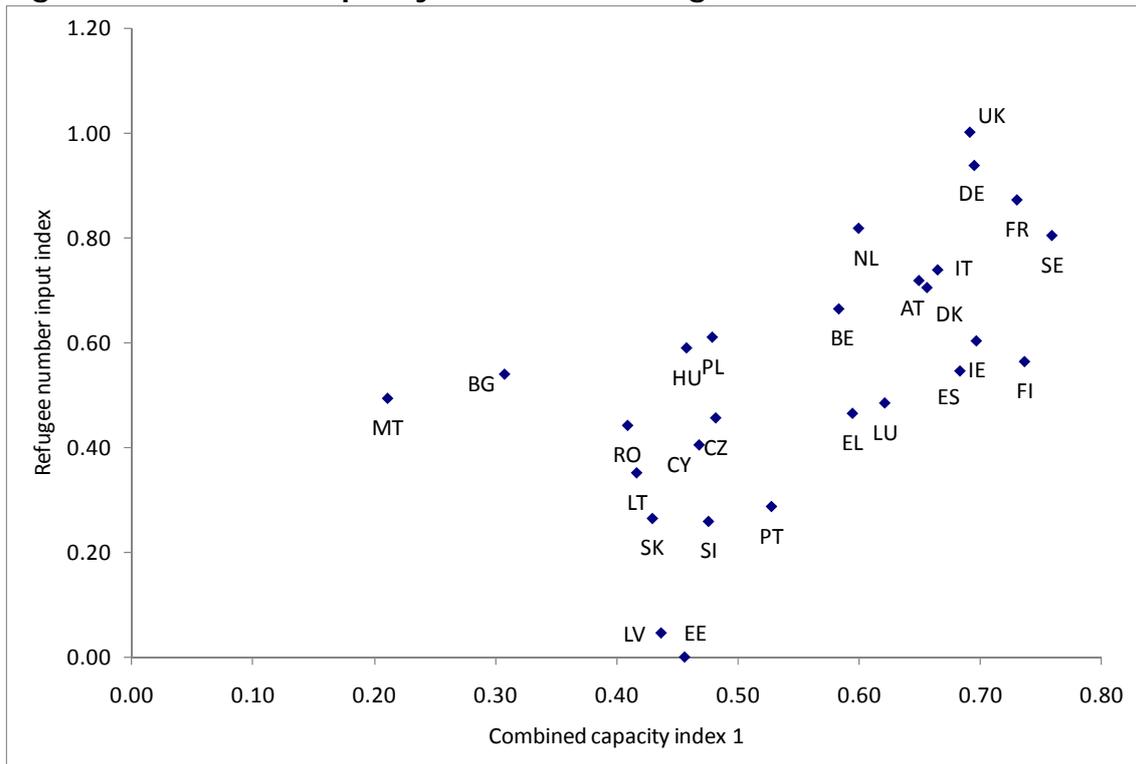
**Figure 7: Combined capacity index 1 and application based flow index**



The figure above shows for example that **Sweden has relatively high capacity as well as asylum flows**, whereas **Finland has a high capacity but lower flows**. Furthermore, it is worth noticing that the **Baltic countries face relatively low asylum flows**, whereas **Malta and Bulgaria have relatively low capacity**.

The following scatter plot shows the combination of *the first combined capacity index* and *refugee number-based stock index*.

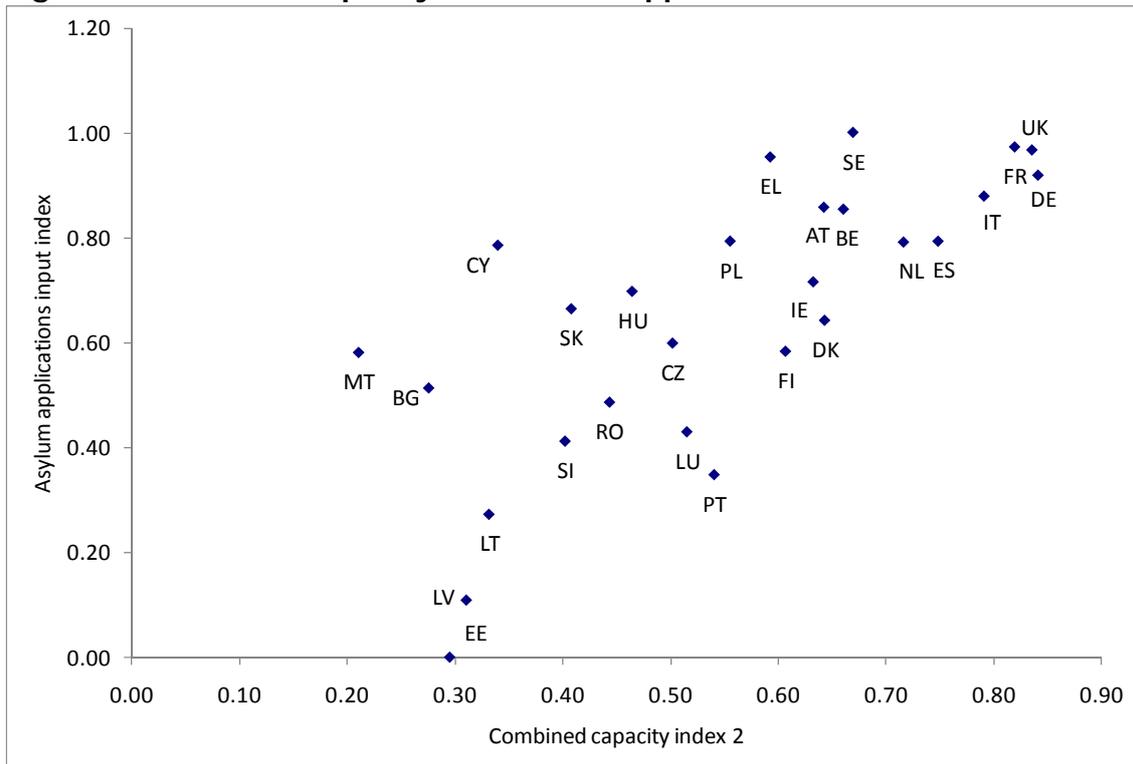
**Figure 8: Combined capacity index 1 and refugee number stock index**



In this case it is the **UK** which **tops the asylum flow ranking**, with the **Baltic countries** and most **New Member States clustered in a lower capacity/lower stock area** than most of the **EU15**. **Malta** and **Bulgaria stand out as having lower capacity** and a level in line with that of the **EU15** countries.

The following scatter plot shows the combination of the *second combined capacity index* (taking into account GDP and population) and the *asylum flow index*:

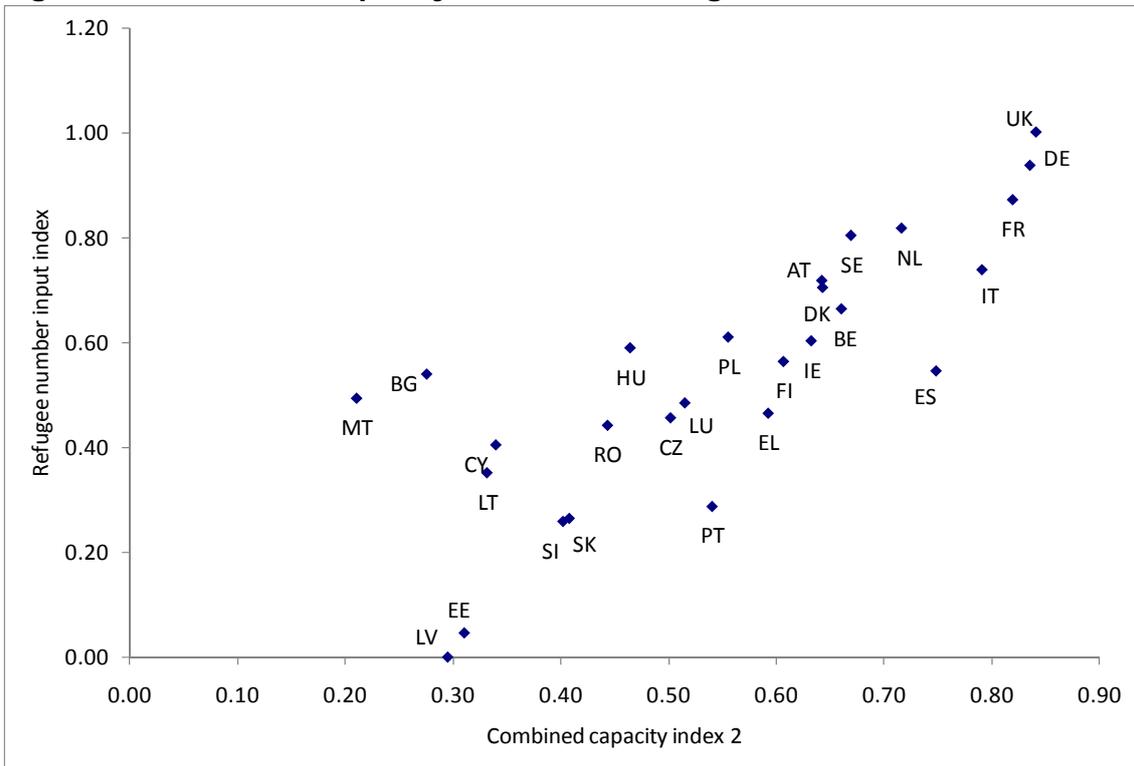
**Figure 9: Combined capacity index 2 and application based flow index**



The above figure places **Italy, France, Germany, and the UK in the high capacity/high flows area**, followed by the **Benelux, Sweden, Spain, Austria, and Greece, which have lower capacity but similar flow level**. At the other end of the scale are the **Baltic countries, with low capacity, but also the lowest flows**.

The following figure shows the *same combined capacity index* in conjunction with *the refugee number flows index*:

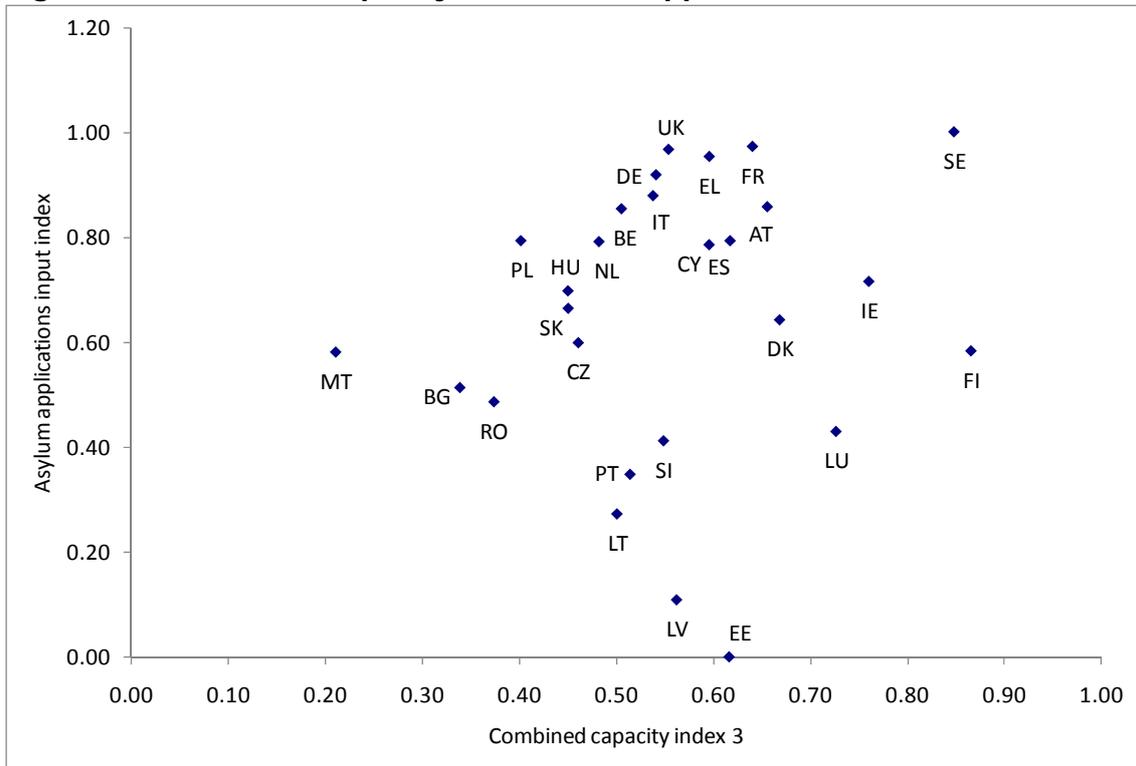
**Figure 10: Combined capacity index 2 and refugee number stock index**



One can see that the situation in the above figure is similar as in the previous one, **although the UK and Germany now stand out even more as the highest stock countries.**

The following figure shows the situation when the *third combined capacity index* (taking into account GDP and population density) is used in conjunction with *asylum applications*:

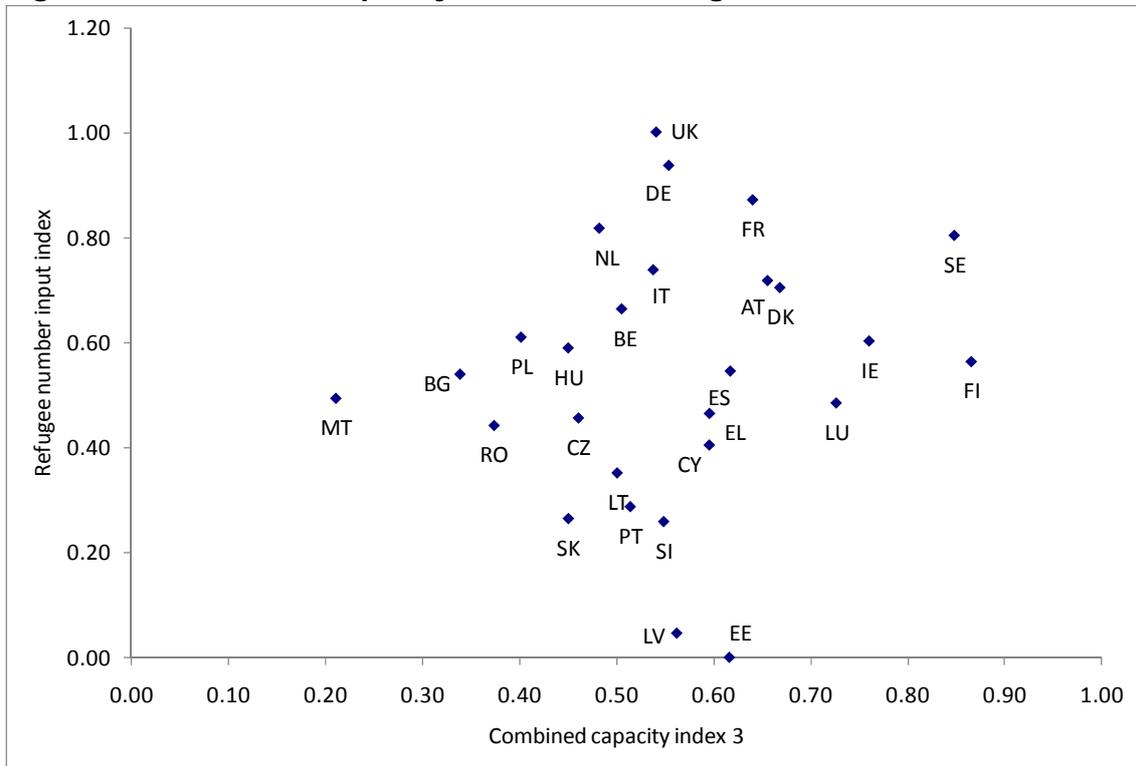
**Figure 11: Combined capacity index 3 and application based flow index**



Use of the third combined capacity index compresses the distribution of countries along the capacity index axis, **with Sweden and Finland standing out as the highest capacity countries**, and **Malta and Bulgaria as low capacity ones**. Most other Member States find themselves in a medium capacity area, with **Portugal, Baltic countries and Slovenia on the lower flow end of the scale**, and the **EU15 on the higher flow end**.

The final figure depicts the *third combined capacity index* and the *refugee-based stock index*.

**Figure 12: Combined capacity index 3 and refugee number stock index**



The situation in the above figure is similar as that in the earlier one, with four of the highest flow countries, **France, Germany, the Netherlands and the UK, now standing out even more as highest stock countries.**

### 3.4. Developing a responsibility index

In the next step the stock and flow and capacity indices are combined to create a responsibility index. This means as a first step taking capacity as a point of departure, and dividing stocks or flows (i.e. number of asylum seekers or number of refugees), and then developing an index based on the same methodology as described above. This leads to the following formula:

$$\text{Asylum responsibility index} = \frac{\text{Stock or flow index} - \text{Combined capacity index}}{\text{Combined capacity index}}$$

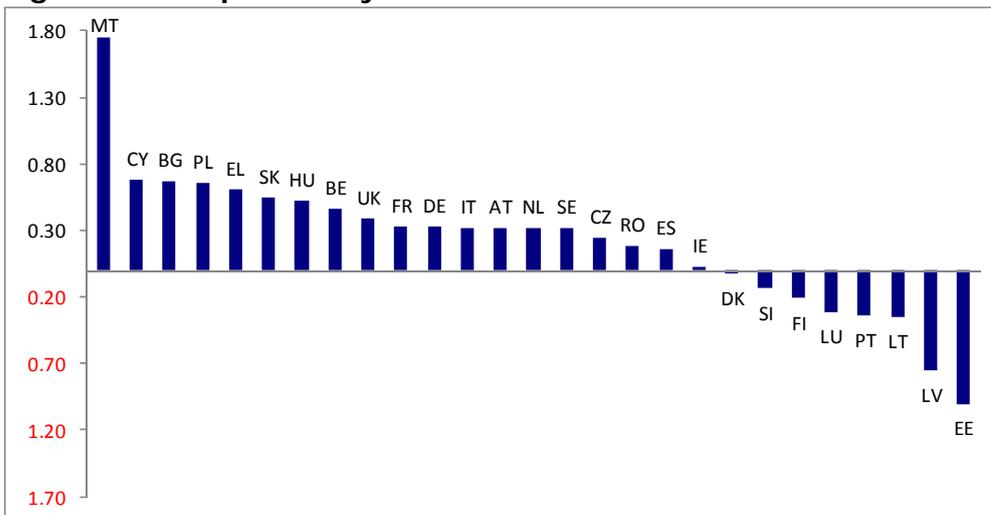
The sections below outline the different index options based on different combinations of capacity and stock and flow indices. In all the cases, countries with an index value of 0 can be thought of as having a "fair" share of the European pressure compared to their capacity. Countries with a negative index value can be seen as bearing a disproportionately low share of the pressure, whereas countries with a positive index value can be perceived as having an asylum pressure which is

out of proportion with their capacity. The higher the positive value, the more out of proportion the pressure is.

### 3.4.1. Responsibility index 1: Combined capacity index 1 and asylum applications input index

The following index combines the **first combined capacity index** (which includes **GDP per capita, population, and population density**) with the **asylum applications** flow index. This index puts weight on wealth, population size and population density as determinants of capacity, and considers the number of asylum seekers to be a measure of responsibility.

**Figure 13: Responsibility index 1**

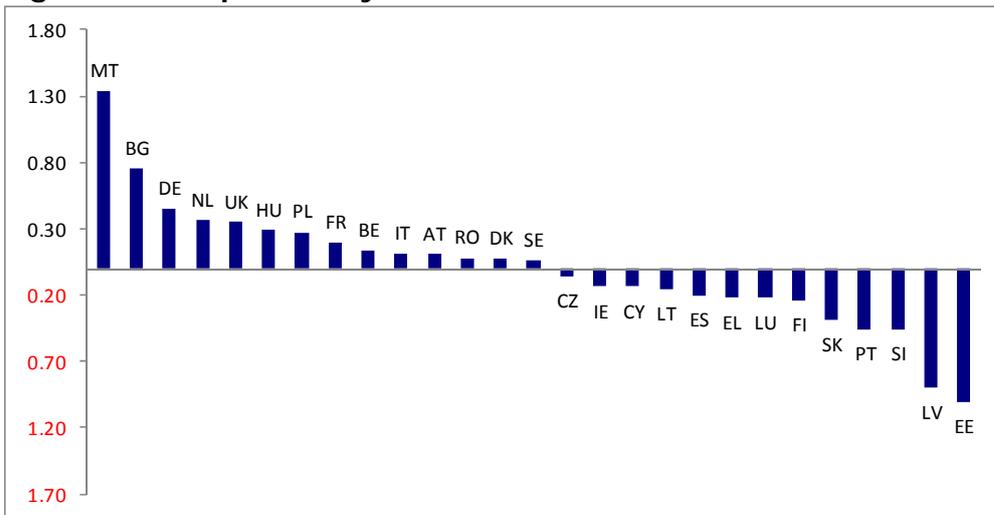


Here **Malta** is seen as having a pressure which is **out of proportion compared with its capacity**. It is **followed by Cyprus, Bulgaria, and Poland**. **Luxembourg** and the **Baltic countries** face low pressures, while **Ireland** and **Denmark** appear to be receiving a **“fair” share of asylum seekers relative to their capacity**.

### 3.4.2. Responsibility index 2: Combined capacity index 1 and refugee number index

The following index uses the same combined capacity index as the one above, including GDP per capita, population, and population density, but uses the number of **refugees** as a basis for the stock index. Such an index sees responsibility as being a function of number of refugees a country has already accommodated, rather than the number of applications it receives.

**Figure 14: Responsibility index 2**

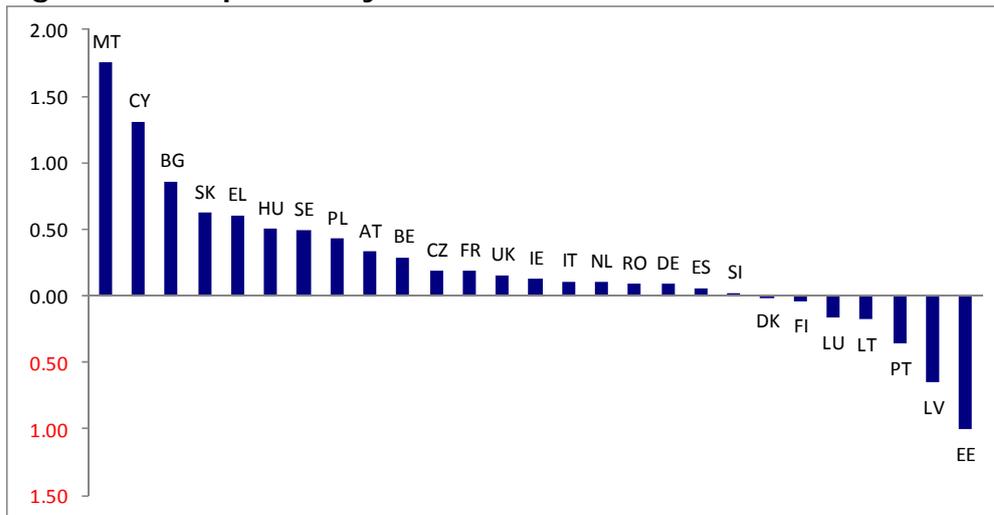


The situation shown in the figure above differs slightly from the situation where asylum flow index was used. Although **Malta** is still the country with the **highest responsibility**, followed by **Germany** and the **Netherlands**, many more countries appear to have a level of pressure close to or considerably below the “fair” level, some of them **moving from a relatively high pressure position to a low pressure position**. **Latvia** and **Estonia** however still emerge as the two countries bearing the lowest responsibilities.

### 3.4.3. Responsibility index 3: Combined capacity index 2 and asylum applications input index

The third proposed option for a responsibility index uses the **second combined capacity index**, which is based on **GDP per capita and population**, and **asylum applications** as the flow variable. Unlike the previous indices, this index disregards the size of the receiving country.

**Figure 15: Responsibility index 3**

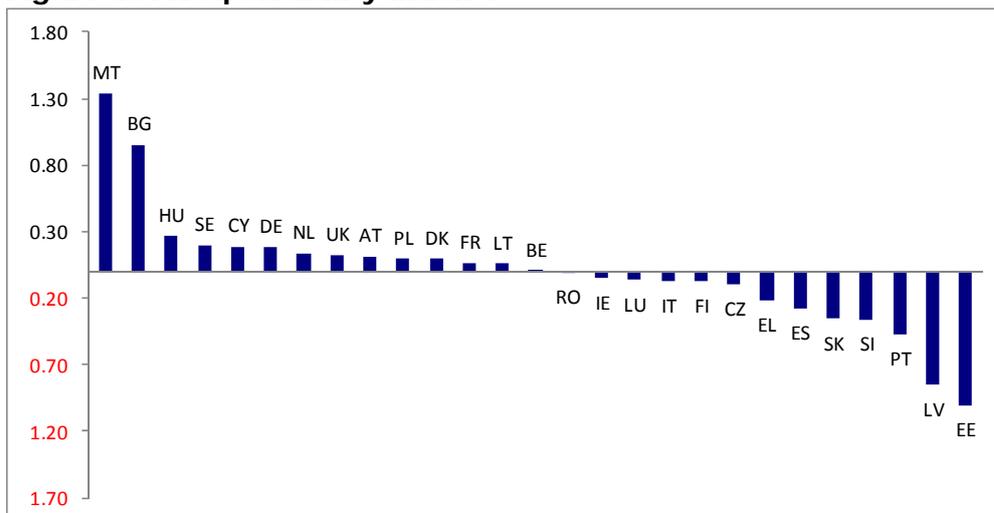


This index results in a similar ranking as the first responsibility index, although the removal of population density makes **Maltese level of burden appear less disproportional than it did in the first index**. It is also interesting to note that a few countries, such as Ireland did change their position in the ranking, although the **countries at the top and at the bottom of the ranking (Malta and Estonia respectively) remain unchanged**.

3.4.4. Responsibility index 4: Combined capacity index 2 and refugee number index

Taking the second combined capacity index and using **refugee numbers** as a stock index results in the following ranking:

**Figure 16: Responsibility index 4**

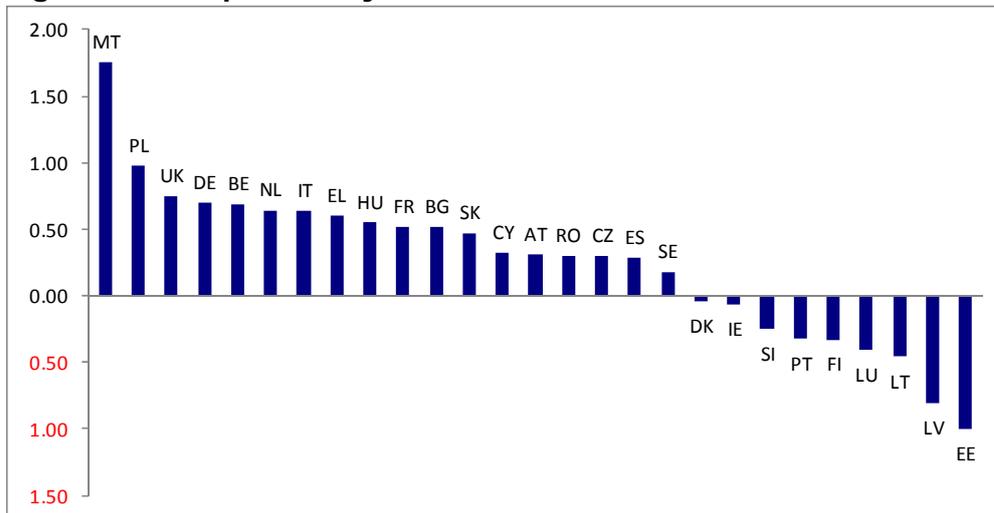


The above index results in a similar ranking as the responsibility index 2, although **Malta** and **Bulgaria** appear to be bearing disproportionate pressures compared to most other countries on the positive side of the X axis. Unlike in the case of the second index, **Romania** and **Belgium** appear to have “fair” pressure levels. Nevertheless, **Latvia** and **Estonia** still remain the two countries with the lowest pressures.

### 3.4.5. Responsibility index 5: Combined capacity index 3 and asylum applications input index

The fifth suggested index uses the final combined capacity index (which includes **GDP per capita** and **population density**) and the **number of asylum seekers** as the flow index. This index takes into account wealth, as well as population and country size (since density is a function of the two), but places a considerably lower weight on population, since it is reflected in the index only as far as it constitutes part of the density figure.

**Figure 17: Responsibility index 5**

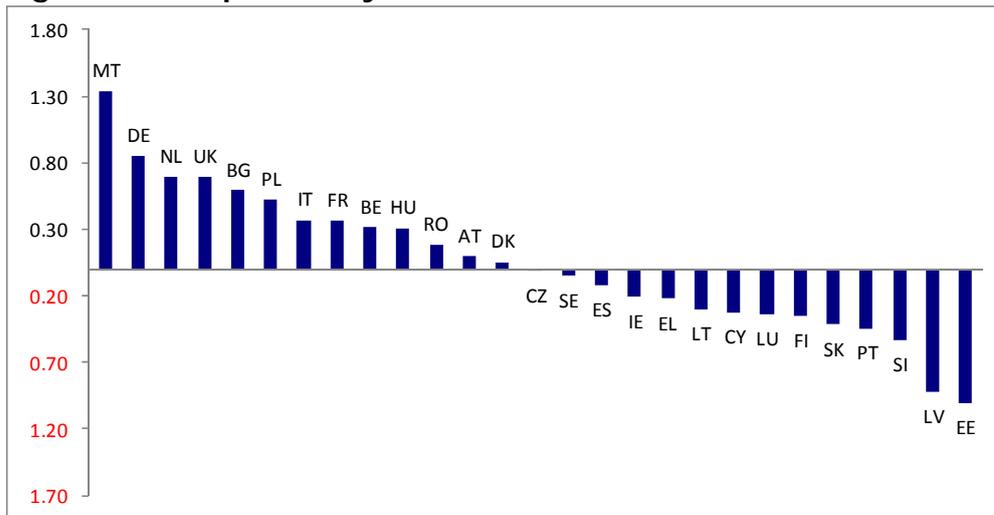


Using population density instead of population to construct the capacity index places **Malta even higher on the scale** compared to other countries, as well as changes their ranking. In addition to Malta, the countries with **the highest pressures** using this index are **Poland, UK, Germany** and **Belgium**, with the index value for **Denmark** and **Ireland** remaining close to 0. The **Baltic** countries are once again the least pressured.

### 3.4.6. Responsibility index 6: Combined capacity index 3 and refugee number index

The final responsibility index, similar to the one above, uses the third capacity index, but its stock and flow side is based on the **number of refugees**.

**Figure 18: Responsibility index 6**

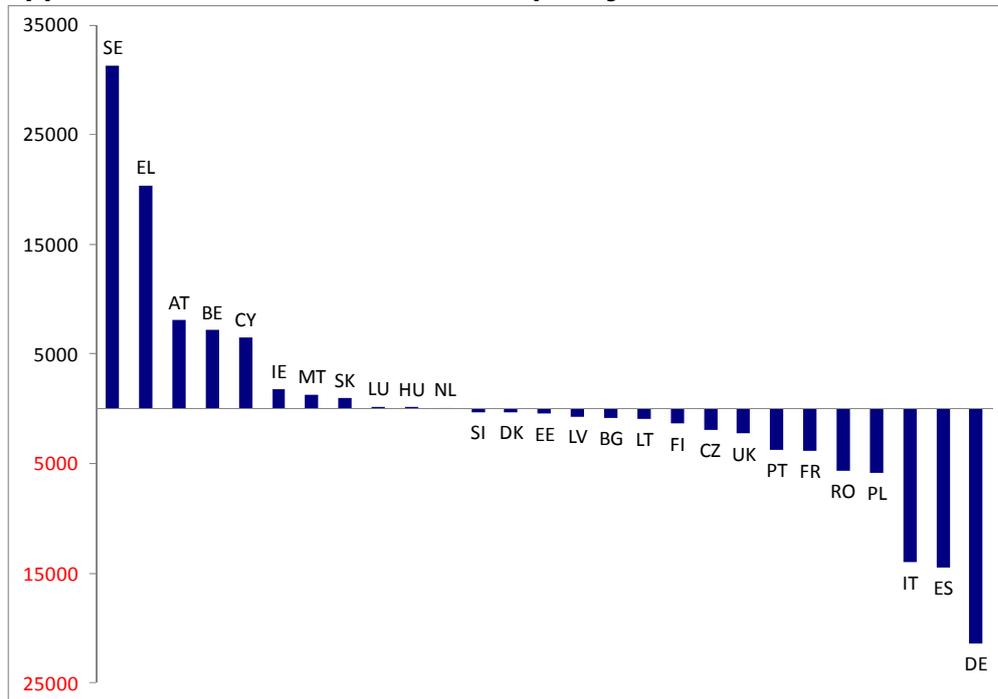


As in the case of other indices, **Malta, Latvia and Estonia occupy the extreme ends of the ranking**, although **Germany, the Netherlands, and the UK** are now near the top of the ranking as well. **Czech Republic** is now the country with a “fair” asylum pressure.

### 3.5. Alternative comparison of relative responsibilities

Another way of presenting the information on asylum pressures is to look at the “fair share” of asylum applications which each country could expect if they were proportional to their share of overall population (i.e. population of asylum applications across all MS) and to the capacity index value. The following figure shows the gap between the actual number of asylum seekers and the “**fair share**” of asylum seekers in the different Member States based on the **first combined capacity index** presented earlier in this section. The methodology for producing the figure below is presented in Annex 2.

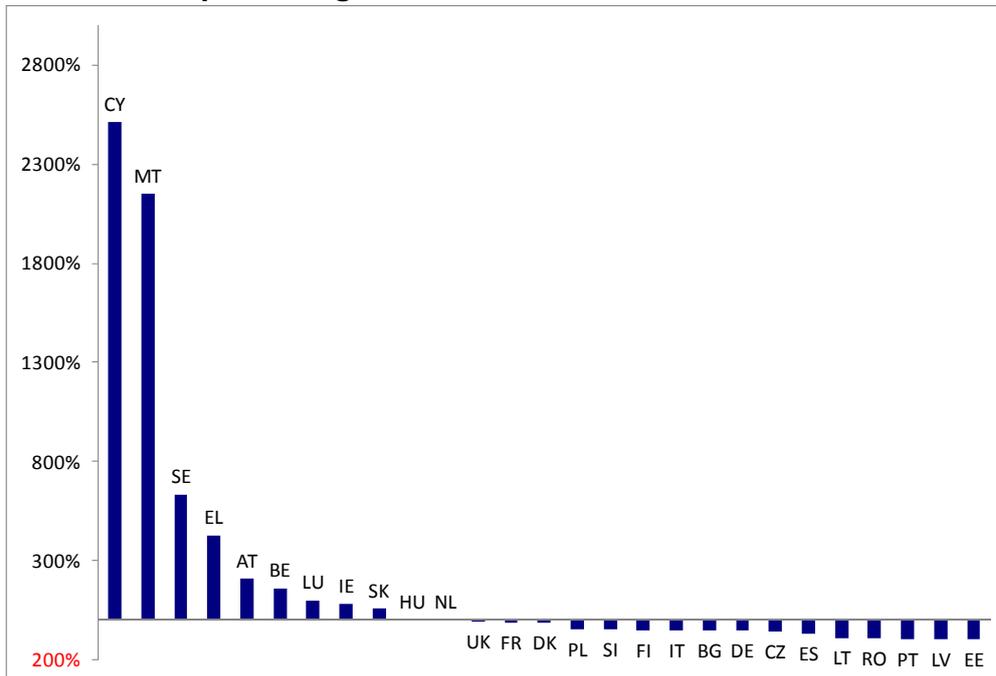
**Figure 19: Discrepancy between actual and fair share of asylum applications based on combined capacity index 1**



The figure shows that the **gap varies greatly** between the Member States. On the one end, countries like **Sweden** and **Greece receive more applications than their "fair share"**. At the other end of the scale countries like **Germany, Spain** and **Italy receive far less than their "fair share"**.

Another way of looking at this is to look at the **differences** between actual numbers and the "fair share" as a **percentage of the "fair share"**. Results are shown in the figure below.

**Figure 20: Discrepancy between actual number and "fair share" of asylum seekers as a percentage of the "fair share"**



The figure above shows that now **Cyprus** comes out at the top of the scale, followed by **Malta**, **Sweden** and **Greece**. These countries bear the highest pressures in proportion to their capacity. At the other end of the scale, the lowest pressures are borne by the **Baltic countries**, **Romania** and **Portugal**.

## 4. COSTS ASSOCIATED WITH ASYLUM RECEPTION

Having considered how the pressures of asylum and refugee flows could be measured by comparative indices, it is important to understand the **costs Member States incur** in handling their various responsibilities. In chapter 2 of this report, a distinction was made between direct, indirect and intangible costs, emphasising that the focus of this study is on direct costs associated with asylum reception (i.e. explicit budget lines in national accounts on asylum reception). These direct costs associated with the reception of asylum seekers could also be seen as an **indication of the 'pressure' a Member State is under.**

This chapter is divided into four main sections:

- the first section presents imperative **methodological considerations** to take into account when embarking on the cost analysis and understanding its results. This includes overview of the data sources and types of costs collected from each of the Member States;
- the second section presents results of the analysis in the form of **total costs** reported by the Member States for asylum reception;
- the third section strives to make these costs more comparable by focusing on **how costs can be standardised**; and
- the fourth section presents the results of analysing specific asylum costs, namely costs of providing particular services or costs of particular elements of the asylum process. This analysis allows examining the size of costs that can potentially be shared, such as costs related to asylum procedure, which can be to some extent delegated to the European level through institutions such as the EASO.

The data analysed in this section is based on cost data provided by national representatives of Member State administrations, identified as the main stakeholders as part of the initial survey of the project for each stage of the asylum process<sup>64</sup>. The type of stakeholders who provided data can be seen in

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<sup>64</sup> Each stage of the process was linked to European asylum legislation, i.e. on reception, Member State responsible, procedures, qualification and return.

Table 13 in Annex 4.

It is worth noting that the quality of the data provided varies quite extensively between the Member States. Countries like Malta and the UK provided detailed data, whereas others (either with low numbers of asylum applications or perhaps with low motivations for responsibility-sharing) were either reluctant to participate, in which case figures have as far as possible been based on publicly available information, or provided little information.

#### 4.1. Methodological considerations for the cost analysis

Before embarking on the cost analysis below, it is important to highlight some of the key challenges associated with the data obtained, in particular with regards to the cost comparisons performed using these data.

This section emphasises the **analytical caveats** that need to be taken into account when reading this report, particularly related to the **differences in the reported data as well as service provision in different Member States**. Furthermore, the section provides an overview of the approach taken in this study for useful analysis of the cost data submitted by Member States.

##### 4.1.1. Analytical caveats

Obtaining financial information for 27 countries is a problematic task; particularly since **the way asylum-related costs are reported differ across countries**. For instance, different organisations or sets of organisations are responsible for different ranges of asylum-related costs in different countries. This means that although as many stakeholders were contacted as part of this study as possible, there is a possibility that some costs have not been reported, or have not been reported in the same manner.

Moreover, **a certain cost category might include slightly different costs in different countries**. Housing costs might for example include a basic provision of food and clothing in some countries, while in others they might only include the costs and maintenance of the buildings. Another problem is that of **differences in standards of service provision**. Even if two countries report housing costs which include only the maintenance of buildings, it is difficult to determine whether the standards of both facilities are comparable. This issue of being unable to compare like with like can be particularly problematic if the costs reported by some Member States relate to provision of services that could be deemed insufficient.

A further challenge is that of **costs associated with national policy responses outside of EU legislation**. In addition to the services stipulated in the European directives, some countries may provide other additional services or undertake activities which can result in higher costs. When attempting a comparison between countries, one thus has to take into account the possibility that in some cases such national policy response costs will influence the results. Furthermore, it is important to note that **higher costs do not automatically imply higher quality services** being offered to asylum seekers, as they might include costly activities with an opposite effect, such as detention.

To mitigate these challenges, qualitative information supports the quantitative analysis throughout the chapter. Moreover, results are linked to the previous chapter, particularly with regards to the flows of asylum seekers and refugees coming in to the Member State. Nevertheless, these above challenges need to be taken into account when examining the data presented in this section.

Finally, one of the key caveats throughout this report is the fact that the study constitutes only a **'spot' picture of asylum costs**. Collecting information on costs of providing services to asylum seekers across 27 Member States is time-consuming and the financial information for a particular year is often only available with a delay. This is the reason why, although cost information was collected for the years 2006 to 2007, only the data for 2007 was sufficiently complete to be able to undertake analysis that included all 27 Member States.

The consequence of such an approach is that the situation presented throughout the report will be subject to change due to **changing asylum trends**. This in turn implies that any asylum system discussed here would also need to be able to address significant changes in asylum numbers.

#### 4.1.2. Study approach to cost analysis

The approach adopted has been to analyse cost data in a number of ways to ensure robustness and comparability. This has included measuring cost in:

- **absolute terms** using actual costs;
- **relative terms**, using actual costs, but also measures such as GDP, population, or number of asylum applications; or
- **comparative terms**, using **standardised costs or standardised theoretical costs**.

All these measures are associated with advantages and disadvantages. Absolute costs allow us to obtain an indication of the actual asylum pressure across Europe. This however depends on how exhaustive the reporting is (Table 8 below provides information about the cost categories covered in the dataset in individual countries). Absolute costs can also make comparisons between different Member States difficult, especially if these are of different sizes, and have different population sizes or GDP levels. Thus, a lot of the focus in this section will be on actual costs in relative terms e.g. relative to GDP, as well as population and asylum applications.

Although analysis based on relative actual costs provides a better understanding of asylum pressures, it also has some disadvantages. Costs can be over-reported in cases where service provision is insufficient, or under-reported if certain spending is excessive (for example detention). There are also clear challenges associated with MS ability to identify all relevant costs, particularly as specific activities may not be possible to be isolated from other, non-asylum related costs. Furthermore, relative

cost figures are constructed by dividing costs by indicators such as population, GDP, or number of asylum applications. They are thus not figures reported by Member States, but are results of calculations, which in turn means that they need to be interpreted with caution. For example, Member States could often only identify a particular item in their budget as corresponding to one of the cost categories they were asked to provide information about. Dividing this item by a number of asylum applications then results in a cost per asylum application that may seem unusually high or low. It is therefore important not to interpret such a relative number as a value of services an asylum seeker may receive in a given country, but rather as a way of presenting cost information so as to account for differences in the number of asylum applicants. In summary, the relative cost figures are not necessarily useful for examining costs in a particular country, but rather serve as a way of making comparisons across Member States more meaningful.

Even when presenting costs in relative terms, there are still limits to how comparable they are. Differences in costs of living and hence costs of providing the same service across Member States are an important issue to consider. In addition, as mentioned in the section above, there are varying levels of service provision (i.e. it is not clear if a certain cost figure in two countries actually represents the same services). These are the reasons why some of the financial analysis in this study uses the concept of "deflated" costs, which allows for removing the effect of cost of living to enhance comparability. Using an average deflated cost also allow us to generate a set of "theoretical" costs – total costs assuming a hypothetical situation where the level of service provision is the same in all Member States. This strips away the effect of different reporting standards and emphasises the effect of asylum numbers on costs.

#### 4.1.3. Dataset completeness

The table below presents the cost categories for which cost information was obtained. These categories are based on the results of the initial survey of the study and the legislation forming the basis of the Common European Asylum System.

**Table 8: Overview of the data obtained for key cost categories**

	Total Asylum Cost <sup>65</sup>	Housing/ accommodation	Health care	Social benefits	Material reception conditions	Support for unaccompanied minors	Other special needs support	Other financial allowances	Schooling of minors	Vocational/employment related training	Information material	Translation/ interpretation	Preparing documentation	Application/transfer request processing	Staff training	Legal aid	Other legal costs	Legal appeals	Taking and storing fingerprints	Detention	Escort	Other ad-hoc support for refused claimants	Pursuing declined claimants	Financial incentives	Travel
Belgium	✓	✓	✓		✓						✓	✓		✓			✓		✓	✓				✓	
Bulgaria	✓	✓	✓	✓	✓		✓			✓	✓	✓			✓	✓									
Czech Republic	✓	✓	✓	✓	✓				✓		✓	✓	✓				✓	✓							✓
Denmark		✓						✓						✓				✓					✓	✓	✓
Germany	✓																	✓							
Estonia	✓	✓	✓	✓				✓			✓	✓	✓		✓									✓	
Ireland	✓	✓														✓	✓								✓
Greece		✓	✓				✓			✓		✓				✓									
Spain		✓																							
France	✓	✓	✓			✓		✓				✓					✓			✓	✓	✓		✓	
Italy	✓						✓																		
Cyprus		✓		✓								✓													
Latvia		✓						✓																	
Lithuania								✓																	

<sup>65</sup> Note: a tick mark in the "Total Asylum Cost" field indicates that the contact provided a total cost figure as part of the data collection exercise, where this was not the case, the sum of the individual cost categories is taken to be the total cost.



It is important to note that the nature of the dataset, shown in the above table **can explain some of the differences in overall cost levels** between individual Member States. Differences in the level of detail in the cost data obtained as part of the data collection (which are often a result of differences in accounting practices) mean that some of the total cost figures reported in the following section are likely to be **underestimates, as some of the costs simply could not be identified**. There is also a risk of **overestimating** the costs where the figures **include cost elements which extend beyond the definitions of the cost category in question** (for example where costs of providing food or clothing are included in accommodation costs), or where the reported figures also take into account recognised refugees, or other migrant groups other than asylum seekers (although this was specified when figures were collected). Where possible, such instances of over or under-estimating the costs or potential double counting were avoided, for instance by ensuring that a total cost figure takes repeated costs in consideration only once. One must however keep in mind, that given the nature of the data request this is still likely to be influencing the results presented below.

It is also important to note that there is a possibility of a bias in results. Member States who are likely to benefit more from a responsibility sharing system, or with an interest to show that they have a larger share of asylum responsibility, may be more cooperative, providing more comprehensive information than the Member States with less interest in responsibility sharing, and vice versa. Although there is no clear pattern in the table above suggesting that this is the case, Malta and the United Kingdom have been particularly cooperative in providing cost information, which could potentially be explained by the fact that there is more interest in highlighting the asylum responsibilities in these two countries.

The Member states where the quality of the dataset is potentially a more significant problem than in other Member States are **Lithuania** and **Greece**. In Lithuania, only data pertaining to financial allowances was obtained, while in the case of Greece, the data reported is likely to be a low estimate. Although the data includes the costs related to reception centres and providing services within the centres, which are generally the highest costs, the total cost in 2007 was below €2 million, which appears extremely low compared to the number of asylum applicants Greece faces. This low number can be attributed to the fact that the combined capacity of the centres is significantly below the number of persons seeking asylum, and the fact that the costs of assessing asylum applications, as well as costs related to policing, border control and detention are not included, and these costs can potentially be quite high, as some recent reports suggest <sup>(66)</sup>. Nevertheless, it is worth emphasising that even with other significant cost categories included, it is likely that the cost per asylum application in Greece will still be relatively low, due to the standard of service provision, which, as argued in a number of publications, is insufficient in Greece<sup>(67)</sup>.

Due the potential problems with the dataset for these two countries, they will be excluded from the analysis below. Although in Latvia only two cost categories were identified (housing and financial allowances), Latvian data will be included in the analysis since the contact person has specified that these were the most significant costs.

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<sup>66</sup> See Report by Thomas Hammarberg, Council of Europe Commissioner for Human Rights following his visit to Greece 8-10 December 2008

<sup>67</sup> See e.g. the UNHCR study on the implementation of the Qualification Directive referenced earlier.

In the following section, the nature of the dataset, together with other qualitative information, will be used to contextualise the outputs.

#### 4.2. Total costs

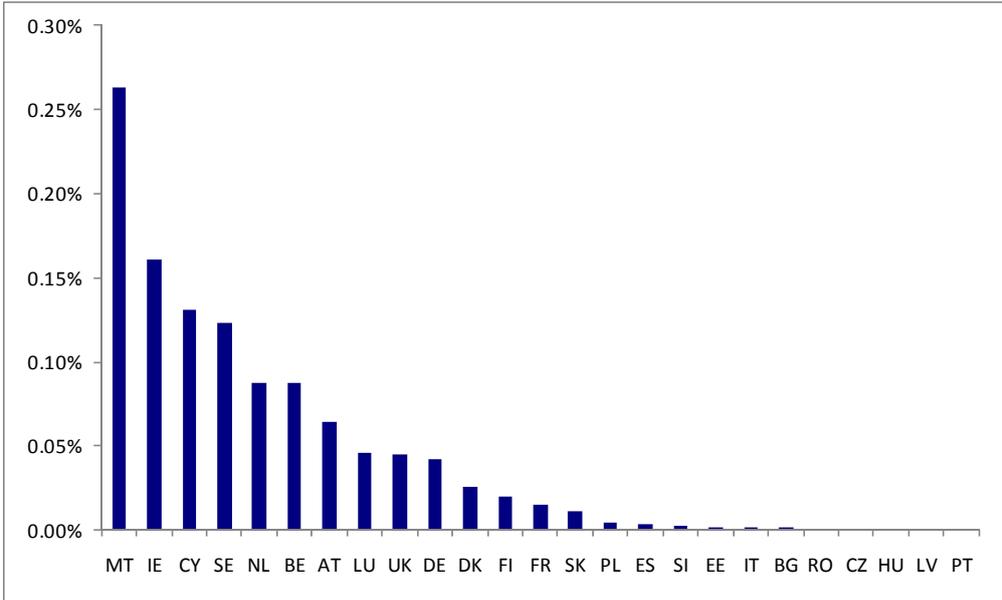
This section presents the total costs in relative terms. This is based on the cost information obtained for the various cost categories outlined in the table above and provided by the Member States.

**The total costs in 2007 varied significantly among the EU Member States.** They ranged between less than a thousandth of a percent of a Member State's GDP and 0.26% of the GDP, with Malta spending a GDP share more than a thousand times larger than Portugal.

Such drastic differences can be explained by a number of factors. Firstly, the completeness of the dataset differs, with Maltese contacts being able to provide information about more cost categories than their Portuguese counterparts. The circumstances of the two countries differ significantly as well, with Malta facing over six times more asylum applications than Portugal while at the same time having a GDP thirty times smaller.

The figure below provides an overview of the **costs as a percentage of GDP** across all EU27 countries, excluding Lithuania and Greece.

**Figure 21: Total costs as percentage of GDP**



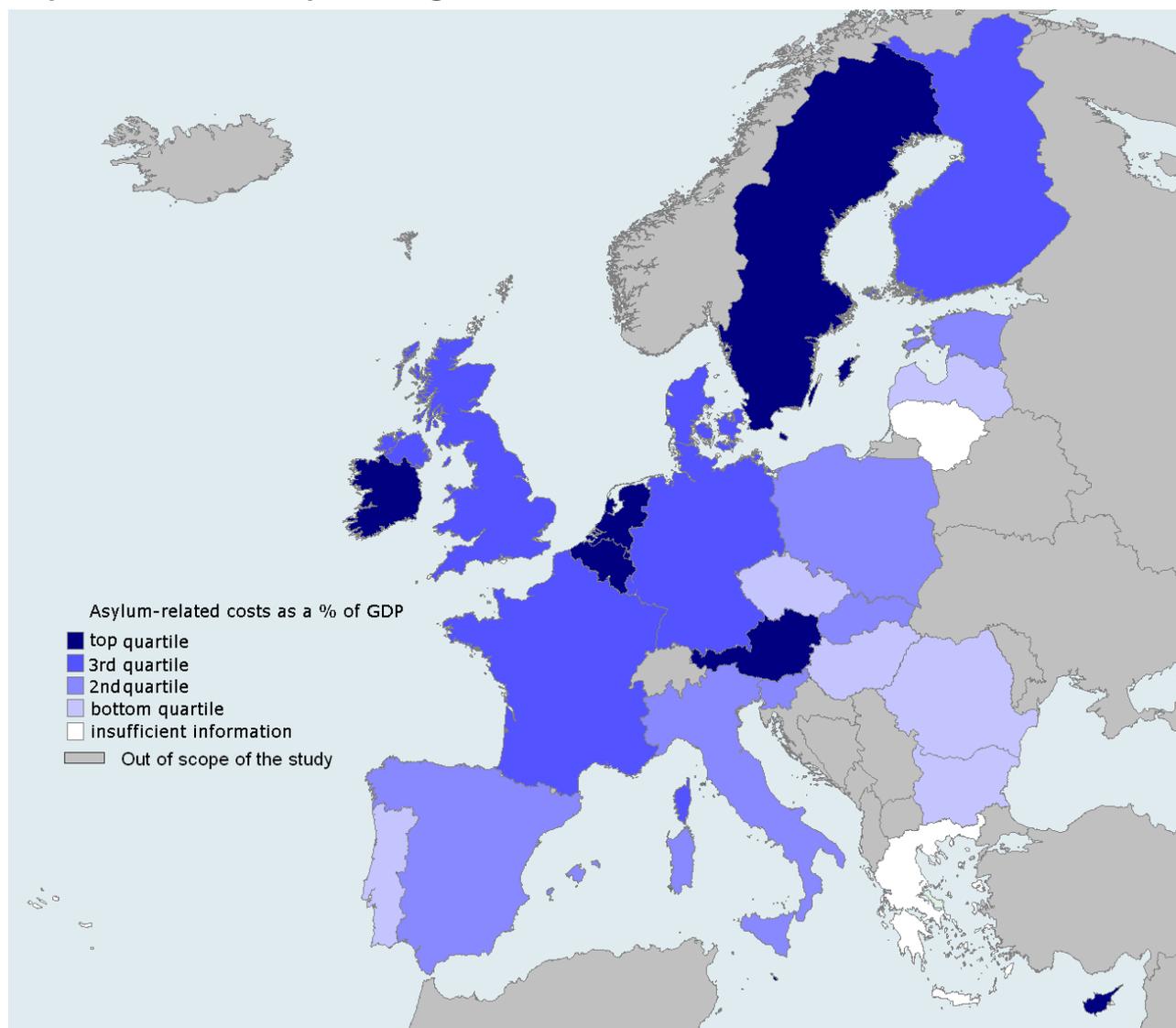
Measured as a percentage of GDP, the figure above shows that **Malta, Ireland, Cyprus and Sweden have the highest relative asylum costs in the EU**, which are all above 0.1 percent. At the other end, most of the **New Member States come out with a very low percentage in comparison.**

Going back to the results of the previous chapter, it is worth noting that Malta had the lowest capacity of reception, disregarding how the indicators were combined (see section 3.1). Malta also scored highest on all the responsibility indices. Ireland on the other hand, was considered to have fairly high capacity when considering population density, although significantly less capacity where only GDP and population were taken into account.

However, as the numbers of asylum applicants were not disproportional to their capacity (Ireland ranks in both sides of the middle in the different options), the Irish costs do not necessarily reflect a higher relative pressure (see section 3.4). Portugal on the other hand, scored fairly low in terms on the responsibility index, along with Latvia, Lithuania and Estonia. These can also be found at the lower end of the cost scale.

The following figure shows how the costs map out across Europe by grouping countries according to quartiles:

**Map 1: Total costs as percentage of GDP**



As depicted in the above figures, **small and “old” EU Member States**, i.e. Belgium, Ireland, Luxembourg, Netherlands, Austria, and Sweden as well as Cyprus and Malta bore the **highest costs as a percentage of GDP** while a number of **New Member States**, i.e. Bulgaria, Romania, Estonia, Latvia, Hungary and Czech Republic generally bore the **lowest costs**. Compared to the results in the previous section, countries in the top two quartiles tend to be on the positive end of the scale (i.e. taking more responsibilities than a fair distribution should imply). Exceptions include e.g. Ireland and Denmark (see section 3.4).

Countries in the bottom quartile tend to be spread on both ends of the responsibility index (i.e. taking less responsibility than a fair distribution should imply).

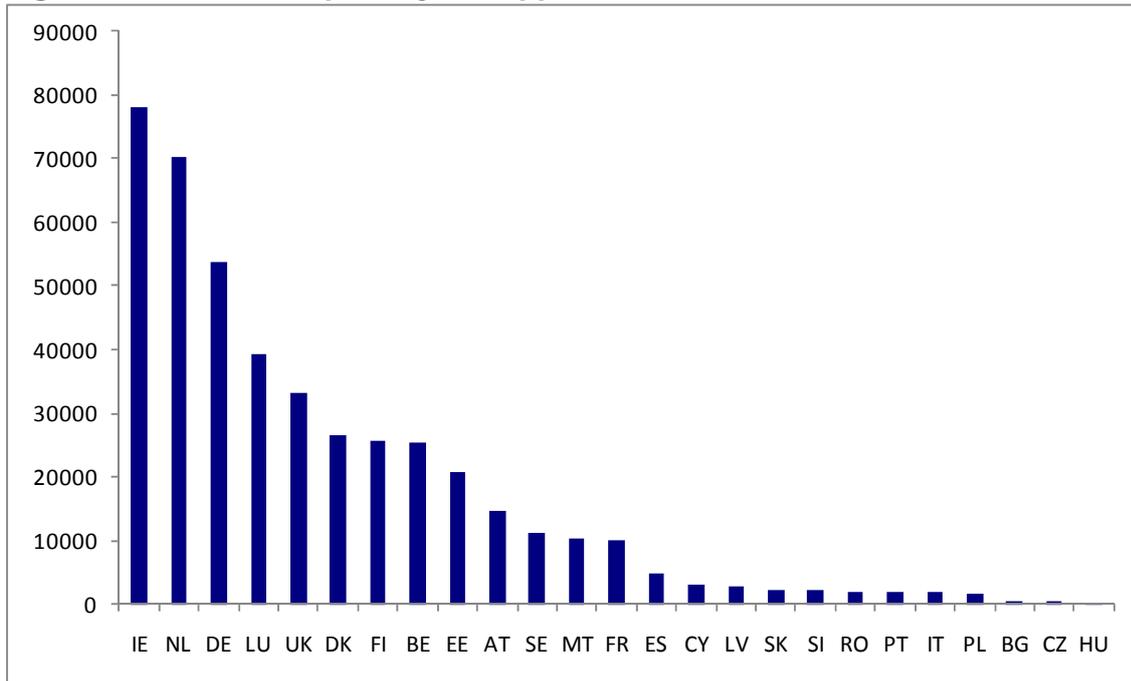
Looking back at the overview of the dataset, Malta, Sweden, and Belgium provided relatively **comprehensive cost information** (in the case of Belgium and Malta covering close to half of the cost categories examined as part of this study and over three quarters in the case of Sweden), which could to some extent explain the higher costs in relation to GDP. However, for countries such as Netherlands and Cyprus only relatively high level cost figures were obtained and these two countries still ended in the top quartiles. Conversely, the relatively comprehensive datasets obtained for Romania and Bulgaria did not change the fact that as a proportion of GDP, the asylum-related costs borne by the state budget in these countries are quite low.

Although the nature of the dataset can potentially shed some light on the differences in cost as a proportion of GDP, there are of course a number of other factors which can better explain the differences. One clear set of factors that can explain the patterns seen in the figure above is the relationship between **numbers of asylum seekers and the size of the country**, and, subsequently its GDP. Since higher asylum seeker influx is generally associated with higher total costs, **Member States receiving large numbers of applications relative to their total GDP will see high costs as a percentage of total GDP**. This is especially the case for Malta and Cyprus, which both received large numbers of asylum seekers (6,780 and 1,380 respectively in 2007) and the provision of necessary services, especially housing, to these individuals represents a large cost compared to the small size and consequently low total GDP of the two countries. The situation is similar in other smaller Member States like Sweden, Ireland, Belgium, Netherlands, or Austria. For example, the Dutch GDP in 2007 was around a third of Italy's and less than a third of France's, but it received around half as much asylum seekers as France, and more than Italy.

**Lower costs in Portugal, the Baltic countries, Romania and Bulgaria can mostly be attributed to relatively low number of asylum seekers in 2007** (with 1,875 asylum applications in 2007, these countries combined saw lower influx than Denmark or Slovakia), as shown in section 3.2. A country that stands out in the above figure is **Hungary**, where the low cost as a percentage of GDP can potentially be attributed to a particularly low cost of providing accommodation and material reception conditions in 2007 compared to the other two years for which data was collected, 2006, and 2008.

The following analysis attempts to **strip away the effect of numbers of asylum seekers** and presents the costs per asylum application in 2007 (i.e. unit costs). These costs differed similarly to total costs as a percentage of GDP, with total costs per asylum seeker equalling less than €1,000 in some countries and over €75,000 in others. These differences can be seen in the figure below:

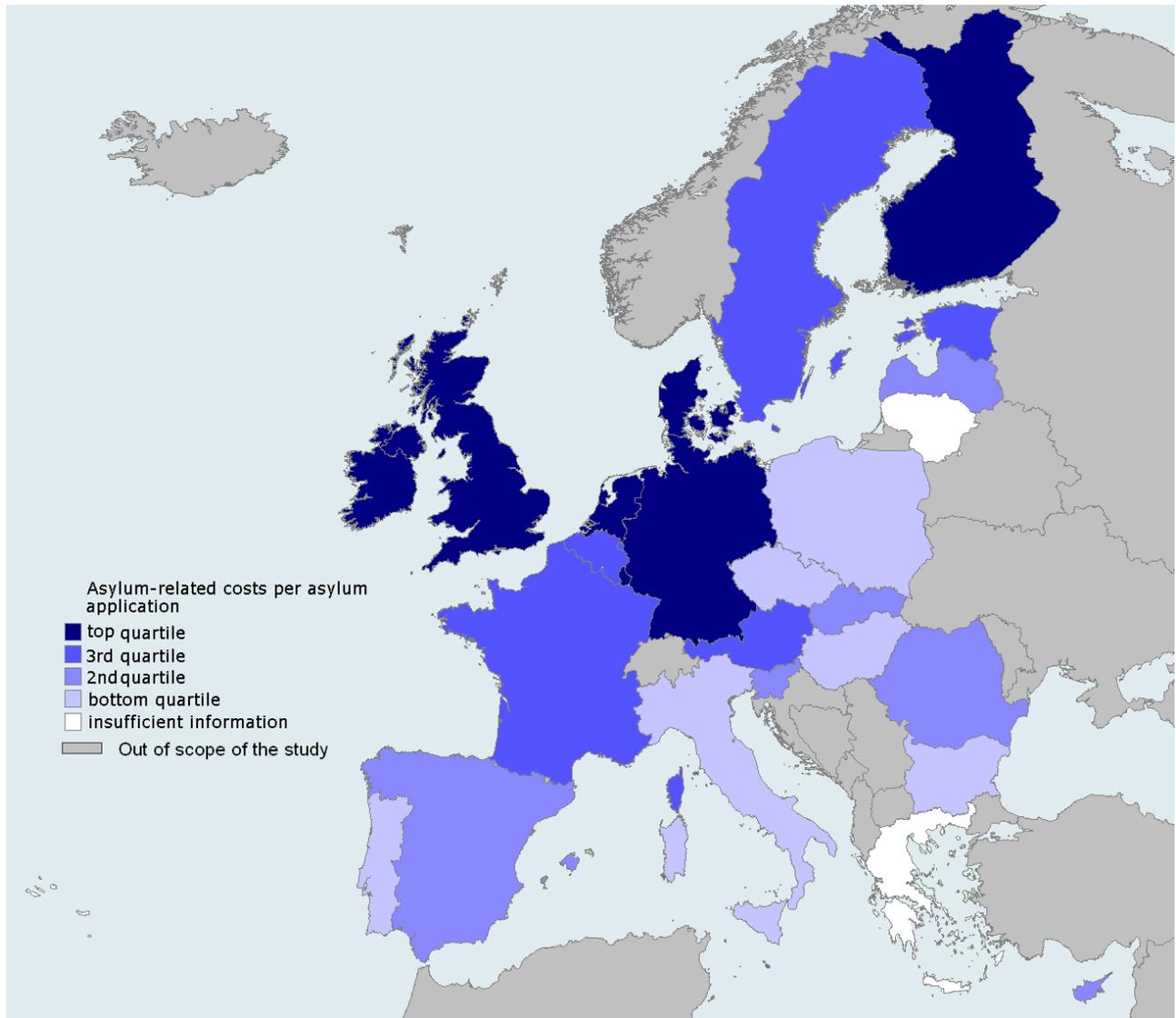
**Figure 22: Total cost per asylum application**



The figure above shows that the total cost per asylum application is highest in countries like Ireland, the Netherlands and Germany and lowest in countries like Hungary, Czech Republic and Bulgaria. It is worth noting that countries that rank the highest on the asylum application input index in the previous chapter (see section 3.2) were Sweden, France and the UK which all fall in the mid to low section above. As an example, Sweden ranks the highest on the asylum application index, but there are ten Member States that spend more per application than Sweden. Reflecting back to section 2.4.4 on the Swedish asylum system, it is worth noting the degree of choice for the asylum seeker. In Sweden the asylum seeker has both access to labour market pending the application and is encouraged to find their own accommodation, of which an estimate of 50-60% do so. Considering how housing and accommodation costs are often a high cost (see section 4.4.1 below), this illustrates how low costs are not necessarily a result of stricter policies but can also reflect the liberalism of the asylum system.

As stated in Section 4.1.2, low costs per asylum application should not necessarily be understood as implying that each asylum seeker receives services with such a low total yearly value. Since the relative costs have been constructed by dividing total costs obtained by number of applications, they may not include some items that cannot be identified or linked to a specific calendar year, but which also form part of the asylum process. Furthermore, the low costs of living in the Member States on the right side of the axis also have an effect on the relative cost figures.

The following figure shows how the costs map out across Europe by grouping countries according to quartiles:

**Map 2: Total costs per asylum application**

Data quality can provide some explanation for these differences. For example, **limited amount of data was obtained for Italy**. Nevertheless, **the country with the most complete dataset, Sweden, is not the one with the highest unit cost**, while a country such as **Germany, where federal-level application processing costs could not be obtained, is placed in the top quartile**. This suggests that one must also seek other explanations for the patterns in the above figure.

One pattern, as in the case of total asylum costs as a percentage of GDP, is that of **smaller countries in northern Europe having higher costs per asylum application than their southern neighbours and New Member States (NMS)**. These differences can be attributed to higher costs of living, and thus higher costs of providing the necessary services to asylum seekers. The differences in costs could also be an indication of a more or less comprehensive or generous system of provision, or, conversely, of an over-reliance on certain costly practices (i.e. detention), as well as efficiency of service provision. Nevertheless, the data obtained does not allow any such conclusions to be drawn regarding the differences in unit costs, except in cases where certain cost-related trends are well documented (i.e. Greece). These differences will be addressed more directly in the section of the report focusing on standardising of costs.

One interesting result from the above analysis that warrants a discussion is the fact that **Latvia and Estonia had lower costs relative to other countries when looking at costs as a percentage of GDP, but higher when looking at unit costs**. This could possibly be attributed to the small scale and recent creation of the asylum systems. Although the total costs are low as a percentage of GDP due to few applications, the high unit costs could be a result of **set-up and operating costs** of the asylum system prior to achieving any **economies of scale**.

Calculations on the basis of the number of inhabitants show similar variation, as with costs compared to GDP and asylum applications, with total costs ranging between around €0.04 (in Portugal and Latvia) and €71.23 (in Ireland). Considering, that in 2007 the number of asylum applications per million population was 21 in Portugal and 15 in Latvia, compared to over 900 in Ireland, this does provide a potential explanation for the result. Moreover, in Latvia this could potentially be explained by an incomplete dataset, although considerably more information was obtained in Portugal, while Ireland is not a Member State with the most complete dataset.

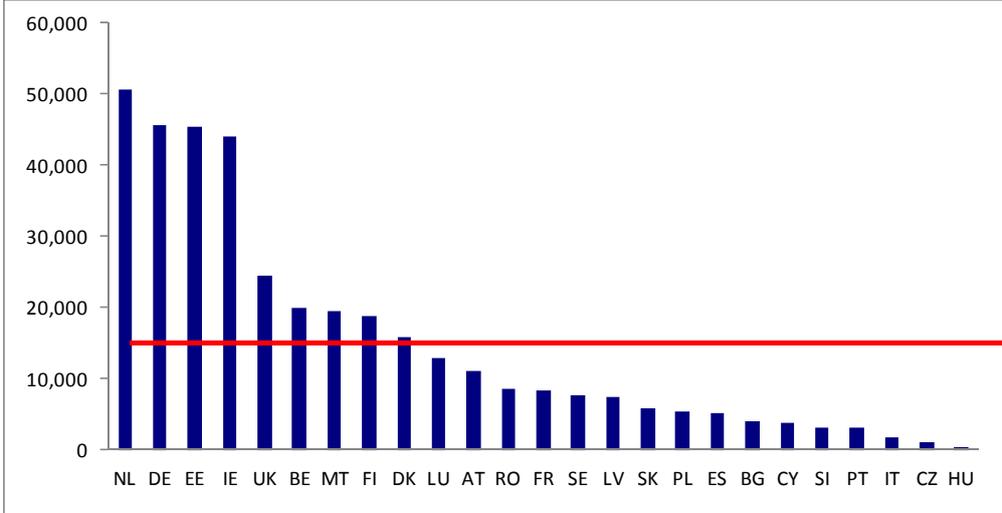
#### **4.3. Standardising costs**

As discussed in the previous section, differences in actual asylum-related costs can be due to reporting standards, differences in how comprehensive the services provided are, as well as the costs of providing them, which makes comparisons between Member States difficult. This is why the **deflated cost** and **theoretical cost** approaches have been adopted to supplement other financial analysis. These approaches aim to strip away the effect of different cost of living, as well as to highlight the differences in costs if all Member States were to provide fully standardised services through comparing average costs across all Member States with actual costs. This, in turn can indicate potential under or overspending by individual Member States.

After careful consideration, the approach to the theoretical cost model has been to construct the theoretical unit cost per asylum seeker based on the **average of actual data** where this is possible. This allows establishing an average unit cost of providing the services required by the EU Directives relating to asylum. A crude average has its limitations, as it does not ensure that such costs include all services Member States should be providing, but it benefits from being a less controversial method for obtaining a theoretical unit cost than an alternative approach, such as identifying costs of various “good practices”.

In order to generate a set of theoretical costs for all EU Member States, the existing actual cost data was used to obtain unit costs (cost per asylum application). These costs were then deflated using the ratio of GDP per capita of each country to the average GDP per capita for the EU27 weighted by population, which was used as a measure of cost of living. The result of this calculation is a set of comparable **deflated costs**, or unit costs that would be observed if cost of living and providing services was uniform across all Member States. In order to obtain additional insight into the cost data, the comparable unit costs were averaged to obtain average unit cost. This average took into account all Member States, except for Lithuania and Greece, where costs are likely to be underestimates. It was also weighted by population in order to account for the large variations in the data. The figure below shows the above deflated unit costs compared with the weighted average.

**Figure 23: Deflated unit cost and weighted average deflated unit cost**



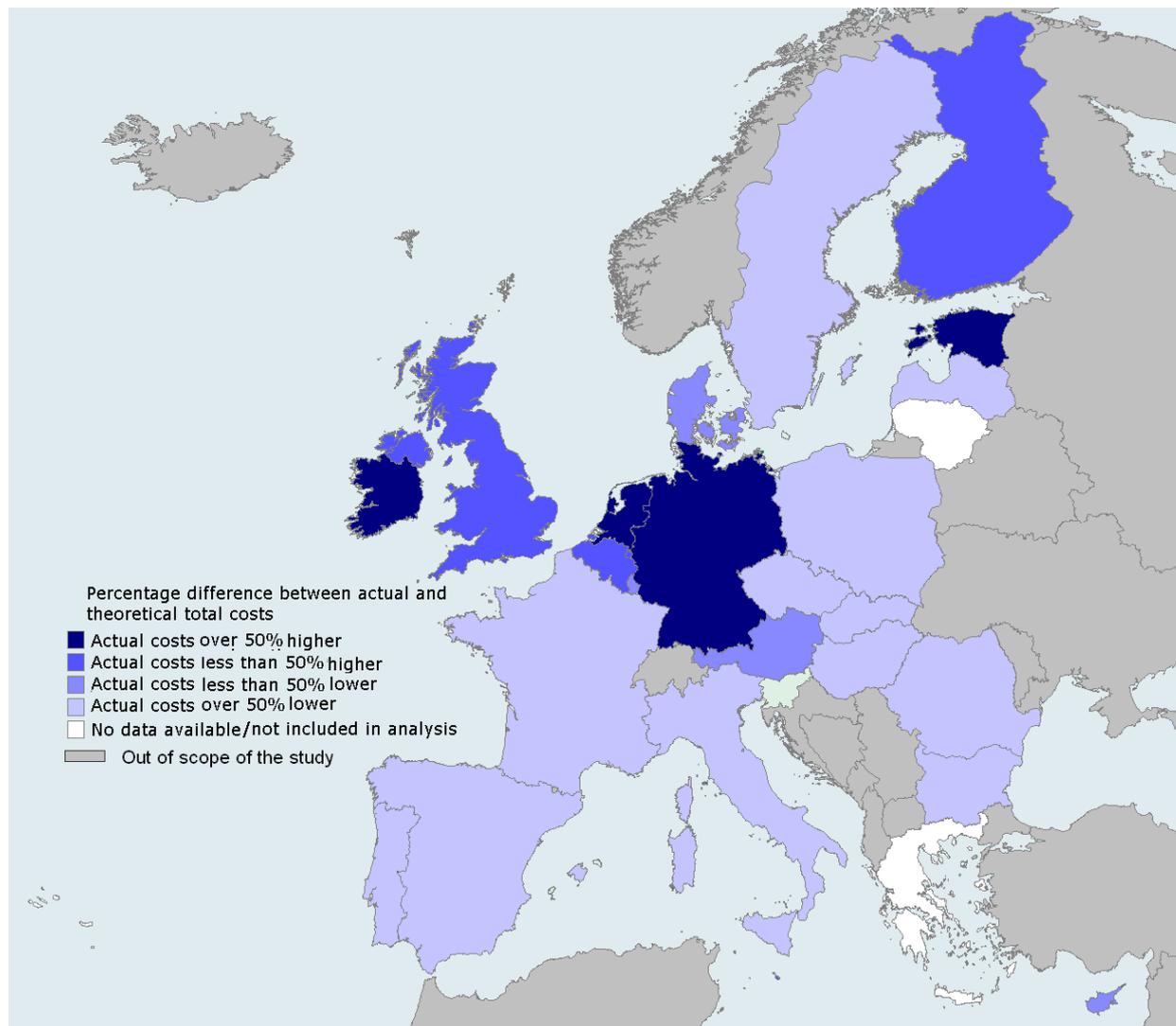
Again, the Netherlands scores highest in terms of unit costs, now followed by Germany and Estonia. One can see that even if the effect of the cost of living and the number of asylum applications is taken away, there are still significant differences in costs, although the differences are smaller than the ones shown in the previous section. These differences cannot be easily explained by the quality of the dataset, as countries for which the most detailed data were obtained (Sweden, Malta, Bulgaria) find themselves in different areas of the X-axis, but generally not near the top. At the same time it is worth noting that the UK provided a fairly comprehensive dataset, and is also ranking among the top five. The high unit cost in Estonia could suggest that countries with very few asylum seekers have high unit costs, due to set up costs and the fact that they have not achieved any economies of scale. On the other hand, Netherlands, Germany, and the UK all face and have historically faced large numbers of asylum seekers, so it would appear that this is also not a very plausible explanation.

The above figure also shows that when accounting for cost of living, only a few Member States spend more than an average, but that this difference is considerable. On the other hand significantly more than half of the Member States included in this analysis has unit costs below the average.

Another way of looking at this result is to compare the average cost to the actual total cost. In order to do so, a total “theoretical cost” figure was obtained by bringing the average unit cost up to total cost through multiplying the average by the number of asylum applications. Although these figures allow for a comparison across the EU, they are not comparable with actual total costs, since these include the cost of living effect. Thus, in order to compare total theoretical costs with total actual costs, this effect needed to be re-introduced for each country by re-flating the theoretical cost figure.

The figure below groups Member States according to the difference between theoretical and actual total costs as a percentage of theoretical total costs in 2007. It shows the Member States with expenditure above or below the theoretical cost assigned to them.

**Map 3: Difference between actual and theoretical total costs as a percentage of theoretical total costs**



The above figure shows that actual asylum-related spending in Germany, Ireland, Netherlands and Estonia was over 50% higher than the theoretical cost assigned to them, while in the United Kingdom, Belgium, Malta and Finland it was also higher, but by less than 50%. It is worth noting that the map above does not account for GDP, which explains how Estonia ranked high with the deflated unit costs above, and can still rank high in the above map. All other Member States had actual costs below the theoretical costs. As discussed above, one cannot draw any definite conclusions regarding compliance or efficiency, but the figure does show that countries with proportionally higher than average unit costs (and hence with actual costs exceeding theoretical costs) are also ones with higher financial burdens, which has implications in terms of burden sharing.

It is important however to note the possible pitfalls of the approach presented above. Since low costs can possibly indicate insufficient provision of services to asylum seekers in terms of rights, fairness, or decent conditions, a low average unit cost can indicate both efficiency, as well as possible lack of compliance with European directives. At the same time, high costs can indicate both better and harsher conditions, since detention tends to be costly. Thus, differences between actual and theoretical costs should be seen as being

neither an evidence of either greater or lower efficiency in providing services to asylum seekers, nor evidence of sufficient or insufficient provision of such services.

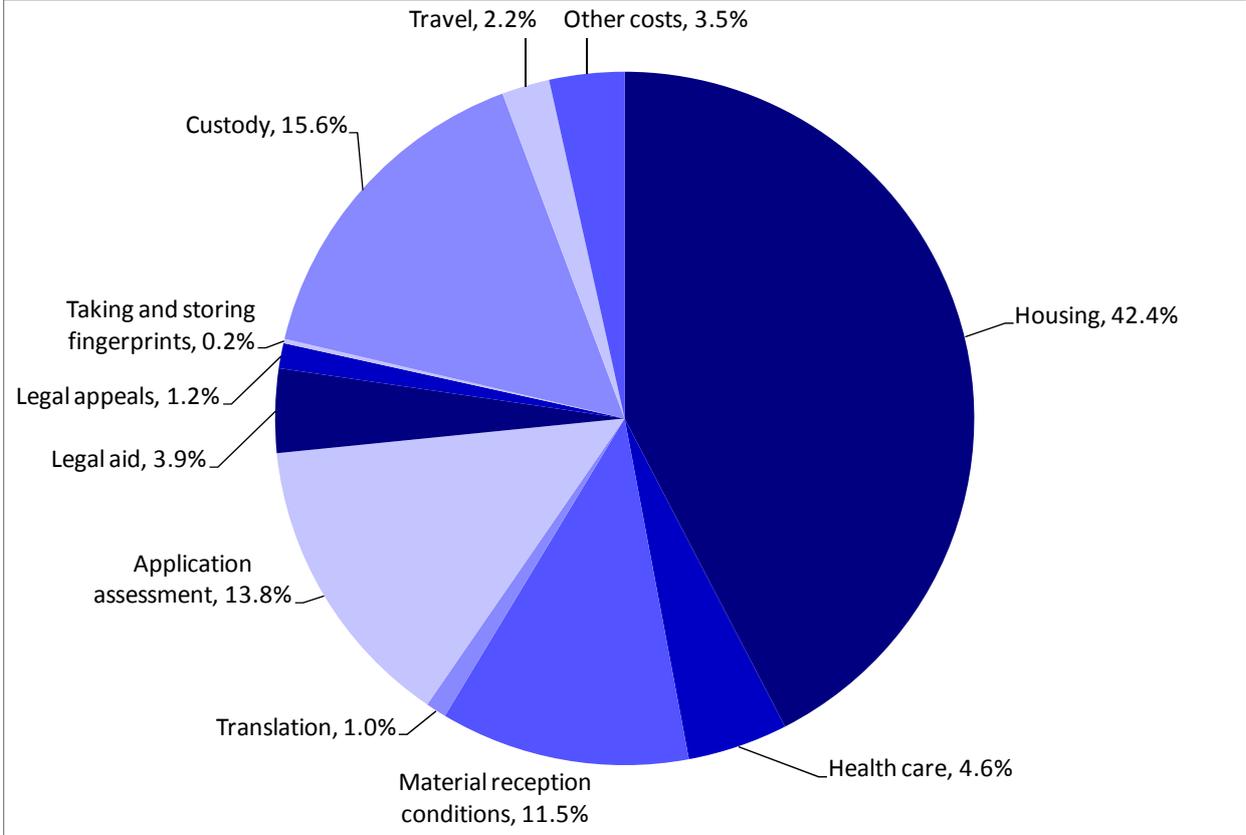
Directive compliance is nevertheless an important aspect to consider when considering differences in costs. Although the theoretical cost model takes away this aspect from the consideration, throughout the specific cost sections references will be made to potential quality of service provision which can explain the differences in costs.

**4.4. Specific costs**

Besides total costs, the data collection has also focused on more specific cost categories, as outlined in a table earlier in this section. An examination of these cost categories provides not only a more comprehensive picture of asylum costs, but also allows for a better understanding of the reasons why some costs may be higher and provides information on the size of costs that can potentially be shared.

The following figure outlines the proportion of the specific costs to total costs. Since, as can be seen in Table 5, the dataset includes different costs for each country, the percentage figure for each category represents the ratio of the sum of all cost figures in that category to the sum of total costs of all countries that provided data for this category. Each percentage is thus based on a different subset of countries and does not accurately represent the proportions of costs across the entire dataset.

**Figure 24: Proportions of specific costs to total-asylum related costs**



The following sections will outline the most significant costs in more detail, focusing on the following groups.

- **reception costs**, including housing, healthcare, and costs of providing material reception conditions;
- **procedure costs**, including translation, application assessment, legal aid, and legal appeals; and
- **costs of custody, return and Dublin procedure**; including taking and storing fingerprints, custody, and travel.

#### 4.4.1. Reception costs

Main reception costs identified include housing, healthcare, and costs of providing material reception conditions. These have been reported by a number of Member States and are presented in this section.

##### Housing costs

One can argue that housing costs are only indirectly relevant to an EU responsibility-sharing debate. Firstly, housing and accommodation costs are largely influenced by national issues like the duration of the application procedure. Secondly, they are influenced by the different types of housing offered, or indeed if the asylum seeker is encouraged to find their own housing. Nevertheless they are still relevant to consider as they form a crucial part of the implementation of the Reception Directive. In this sense, there is scope to discuss housing costs as part of the standard of service provision and possible practical and/or financial support from e.g. migration solidarity funds in implementing the legislation.

Housing costs were indicated as the largest costs in the initial survey of this study (over 70% of respondents listed housing as *the* highest cost associated with asylum reception). Moreover, based on the input of 22 out of the 27 Member States contacted as part of the study, housing costs generally amount to over 40% of total asylum costs.

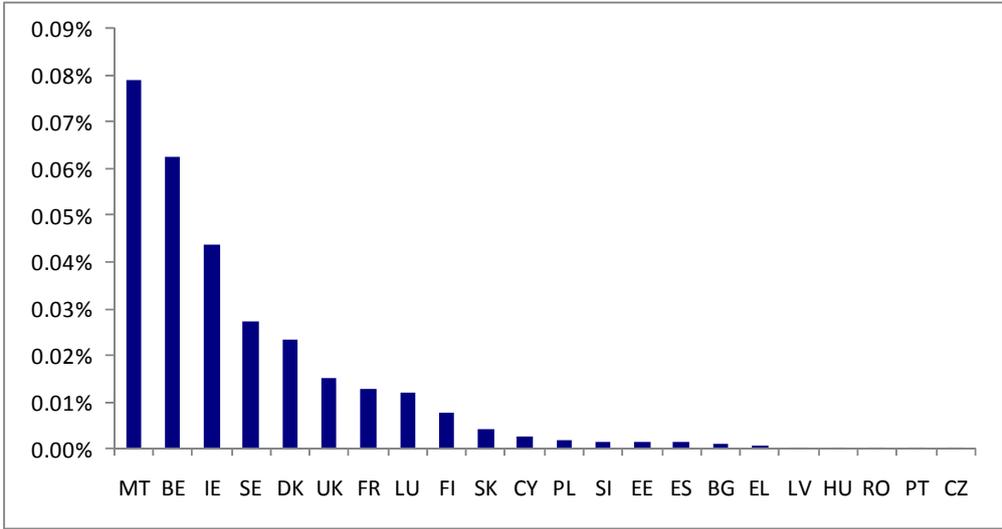
However, this is a figure that needs to be treated with caution. It is important to note that due to accounting practices in different countries, the housing category can include very different cost items sometimes resulting in an overlap with other categories. In Denmark, the housing figure actually includes accommodation and 'maintenance' of asylum seekers, while in Ireland, this figure is the global figure for the direct provision system, which also includes food and social support. Similar range of services is provided in reception centres in Malta, France, Hungary, and Slovakia. Thus in many cases, housing costs include items that would otherwise be classified as provision of material reception conditions. Even when items such as food and clothing are not included, the nature of the cost information still differs. In Latvia it includes maintenance of the buildings, wage of employees at the reception centre, public utilities and real estate tax, while in Luxembourg the figure would include the costs of guarding and maintaining the centres, with other staff costs being presented as a global figure relating to the whole asylum system and included in the total cost figure for Luxembourg.

These differences in the nature of the cost data will be important for explaining some of the differences in costs, which are significant. The data collection exercise showed that housing costs vary more significantly among the Member States than total costs. They ranged from less than one thousandth of a percent of GDP in Czech Republic to 0.079% in Malta. The particularly low number in the Czech Republic stems from the fact that the total housing

costs reported by the relevant contacts at the Ministry of Interior amounted to less than €100,000. They were also lower than the total reported health care costs and total costs of providing material reception conditions in the Czech Republic. These costs were verified with the contacts, but no clear explanation for such a low figure was provided. One could however expect that some costs reported under other categories could possibly also be related to housing, while accounting practices could possibly exclude some items from being reported as housing costs (wages of reception centre staff, for example). The Czech housing costs should thus be interpreted with care.

The general pattern in the level of housing costs among the Member States was similar to that of total costs. In addition to Malta, highest costs were reported by Belgium, Denmark, Ireland and Sweden, with Hungary, Romania, Portugal and Czech Republic reporting the lowest. A potential caveat here is around the costs in Czech Republic, as explained above. Higher costs in Malta, Denmark, and Ireland can be explained by the inclusion of cost items such as material reception conditions described above, although this is also the case in Hungary, which reported some of the lowest housing costs as a percentage of GDP.

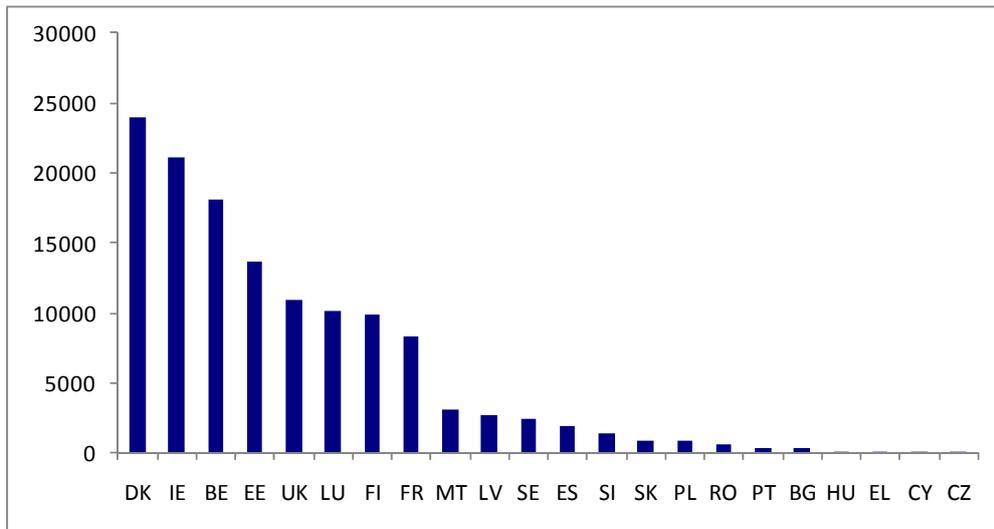
**Figure 25: Housing costs as percentage of GDP**



Generally, there appears to be a relatively clear pattern of higher housing costs in the smaller and EU15 Member States, and lower costs in the new Member States. There is insufficient information to conclude that EU15 countries generally include additional cost categories in the housing figures, but the fact that Hungary does so and still has one of the lowest costs suggests that there is no such simple relationship.

Housing costs relative to total country population ranged from less than one Euro in the New Member States and Spain to almost €20 in Belgium and Ireland. Reported housing costs per asylum application, on the other hand, ranged from less than €100 in Greece, Cyprus, and Czech Republic, to almost €24,000 in Denmark, as shown below:

**Figure 26: Housing costs per asylum application**

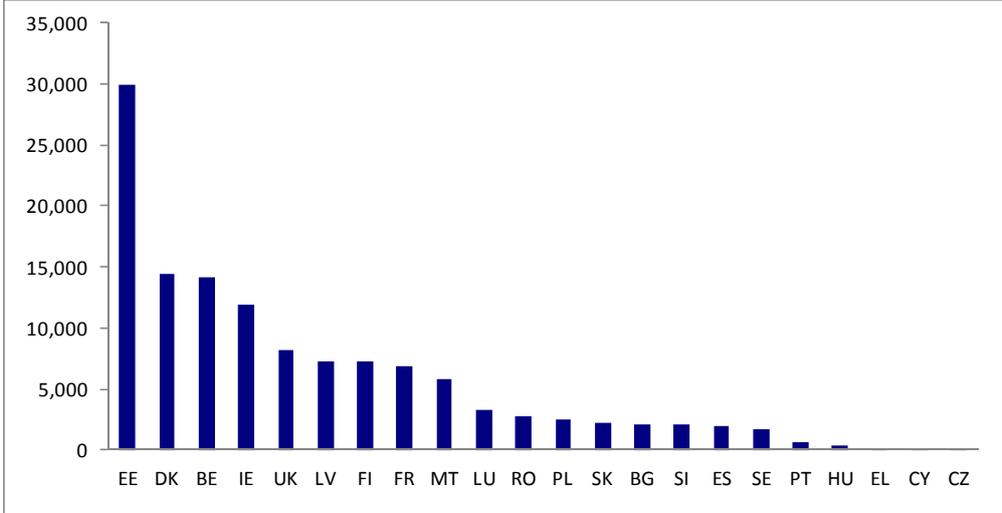


Although Denmark and Ireland report a wide range of costs under housing, this does not appear to be the case for Belgium, which, for instance, reports a separate lower material conditions figure in addition to the housing costs. This suggests that the range of items reported as part of the cost figure is not a sufficient explanation of the differences in housing costs as a percentage of GDP across the surveyed Member States. On the lower end of the scale, there are the numbers for Czech Republic, which need to be treated with care, as well as for Greece and Cyprus. In the case of Greece, the discrepancy between number of places in accommodation centres and the total number of asylum seekers is a potential explanation for this. In Cyprus, this could be in part related to the lack of structural facilities<sup>68</sup>.

The standardised cost approach outlined earlier, which attempts to remove the cost of living effect and the effect of number of asylum application, can also be applied to more specific cost categories. As an example, the following figure shows housing costs per asylum application deflated using the method outlined in Annex 4.

<sup>68</sup> See Odysseus Academic Network Comparative Overview of the Implementation of Directive 2003/9

**Figure 27: Deflated housing costs per asylum application**



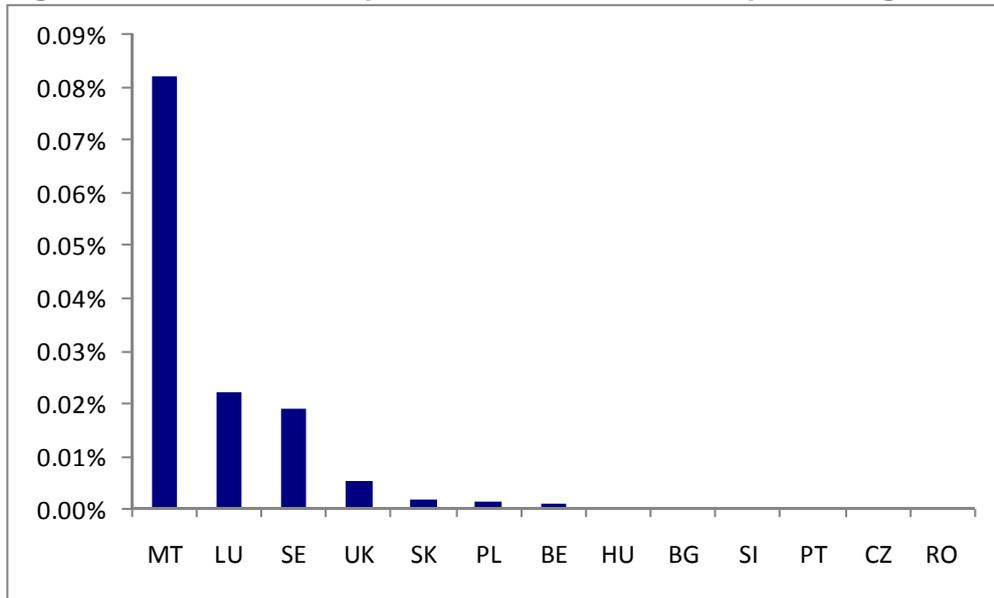
The figure above, showing all the 22 countries that provided information about housing costs paints a different picture than the figure presented earlier, which showed housing costs per asylum application without the cost of living effect taken into account. Taking cost of living into account, for example, makes the spending per asylum seeker on housing reported by Denmark comparable to that reported by Belgium; and that of Malta and Latvia to that of France and Finland. Nevertheless, a lot of the Member States on the lower end of the scale remain there, with this approach further accentuating the low spending in Greece. The relatively high cost in Estonia as seen in the above figure can be attributed to the lower cost of living, meaning that housing costs in Estonia will rise when figures are deflated.

**Material reception conditions**

With regards to relevance to a European responsibility-sharing mechanism, a similar argument applies to material reception conditions as for housing costs. The implementation of the reception conditions Directive may qualify for practical and/or financial support.

Costs of providing material reception conditions were reported by 13 countries. The survey showed that these costs are significant, as nearly 70% of respondents listed this as one of the two highest costs associated with asylum reception. Cost analysis showed that they reached 0.02% of GDP in some countries (in the case of Malta they approach 0.08%). These costs as a percentage of GDP are shown in the figure below.

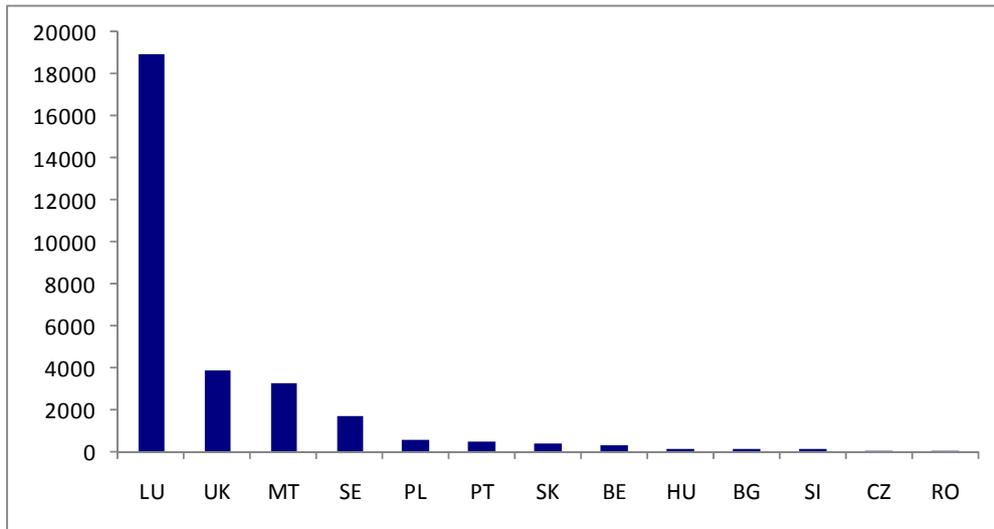
**Figure 28: Material reception conditions costs as percentage of GDP**



It is important to note that, as with housing costs, there are differences in the way the services are provided and accounted for, although less information about the nature of these costs has been obtained than in the case of housing costs. One of the issues worth noting is that, due to the difficulty of separating material conditions costs from housing costs, the Maltese figure, the highest in the dataset, includes housing elements. Furthermore, in the case of Sweden, the material conditions costs include services provided as part of detention, which might push the costs up. In Luxembourg, the cost data obtained was based on categories from the state budget and the cost category which provided the best fit for material reception conditions also included interviews, some legal costs, and some costs of running reception centres. This can explain the relatively high cost of providing material reception conditions in that country.

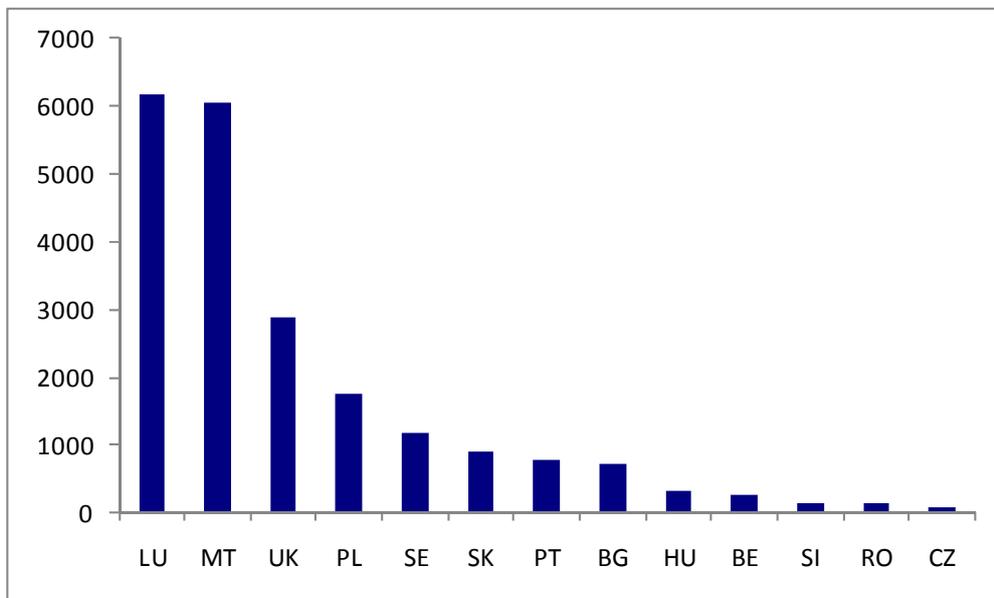
Looking at the reported costs of providing material conditions relative to population, these ranged from €0.001 in Romania, to €16.87 in Luxembourg. Costs of providing material reception conditions per asylum application, shown below, were also reported to be the lowest in Romania (€34.6) and highest in Luxembourg (just over €18,900). The high cost in Luxembourg can to some extent be explained by the fact that the data pertaining to Luxembourg might include additional cost categories. In the case of Romania, a potential reason behind lower costs, besides lower cost of living, is the fact that in Romania the deflated cost of providing accommodation was higher than most other New Member States, suggesting that some of the services which would normally fall in the category of material reception conditions could be included in housing costs.

**Figure 29: Material conditions costs per asylum application**



The figure below presents the deflated cost of providing reception conditions:

**Figure 30: Deflated reception conditions costs per asylum application**



One can see clearly the strength of the cost of living effect, with the costs to Luxembourg falling drastically, while those in Malta rising to match Luxembourg. The above figure also seems to reflect the possibility of reception conditions costs in Luxembourg, and Malta potentially including additional cost items.

### Health care

Although some Member States have reported explicitly on health care costs, showing that there are direct costs associated with providing health care services to asylum seekers, it is worth noting that this is an area that is particularly subject to additional indirect costs in most Member States. This is dependent on the level of access the asylum seeker has to general health services. In many Member States' healthcare systems, asylum seekers are not identified at the point of use, making it impossible to estimate the cost of asylum-related healthcare services. Examples include UK (where only primary health services are provided and accounted for), France, Cyprus and Lithuania.

It can be argued however, that costs such as those reported here are directly linked to the implementation of the European Directive on reception conditions, and hence relevant to consider under e.g. financial and/or practical support under the European Refugee Fund for the implementation of the standards set out in the Directive. For this study, Member States have reported direct health care costs that can be identified in national budget lines, and hence does not account for overall costs to the health care system.

Health care costs were identified by the survey respondents as very significant. However, direct costs were reported by only 14 countries, amounting to less than 5% of the total direct asylum costs.

Where health care costs were reported, the analysis shows that the shares of GDP spent on health care were similar to those of total costs, with Belgium, Malta and Sweden reporting the highest costs (no data available from Denmark, Luxembourg and the Netherlands) and Portugal, Estonia and Romania being in the lowest quartile. Taking population numbers or number of applications as a basis, Bulgaria also falls into the lowest cost category.

An important factor accounting for the wide disparity between Member States is the variations in provision. The Reception Directive, for example, requires Member States to take into account asylum seekers' special needs, such as the – potentially costly – need for psychological and physical health care of survivors of torture. Yet, as the Commission found, only six member states even have a mechanism to identify asylum seekers with special needs, let alone ensure that those needs are met, and that mechanism 'seems to be inadequate' in two of the six countries<sup>69</sup>.

#### 4.4.2. Costs of asylum procedure

Main costs related to the asylum procedure include translation, costs of processing asylum applications, costs of legal aid, and costs of legal appeals.

##### **Translation and interpretation**

Considering ongoing debates and recent decision to set up a European Asylum Support Office, translation and interpretation costs are particularly relevant for the current debate as these activities may fall under EASO. This could for instance take the form of practical support, e.g. pooling translation services for ongoing demand.

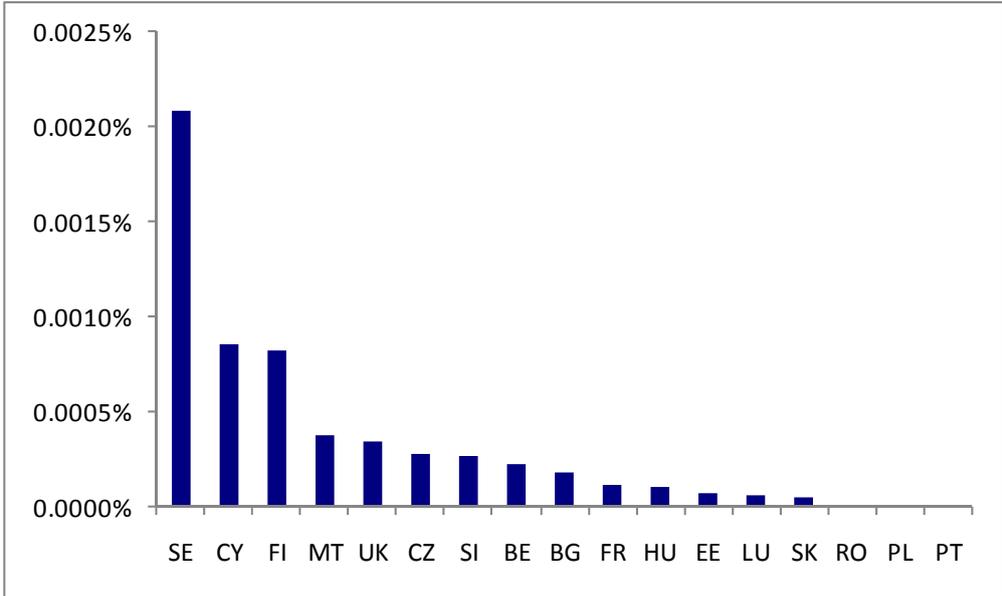
In this context, it is firstly important to emphasise that these are not particularly high costs compared to other cost categories. Translation and interpretation costs generally only amount to about 1% of overall costs associated with asylum reception. This is based on 17 Member States reporting translation and interpretation costs as a specific activity. Qualitative analysis further shows that most of these costs relate to interpretation rather than translation. As in the case of Malta, where 2007 figures refer to costs incurred for interpretation by the Office of the Refugee Commissioner during the asylum procedure. Nevertheless, the survey showed that this is often not distinguishable from other procedure costs. It is therefore worth treating these figures with particular caution.

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<sup>69</sup> See e.g. EC impact assessment for the proposal to reform the Reception Directive SEC(2008)2944

The figure below shows these costs as a percentage of GDP.

**Figure 31: Translation and interpretation costs as percentage of GDP**



As the figure above indicates, Sweden, Cyprus and Finland bore the proportionally highest costs if taking GDP as a point of departure. The particularly high cost in Sweden could be attributed to the fact that costs include translation and interpretation costs as part of detention (whereas in the UK example this is reported separately), which, in addition to generally quite high costs of living in Sweden, could push up the costs as a percentage of GDP.

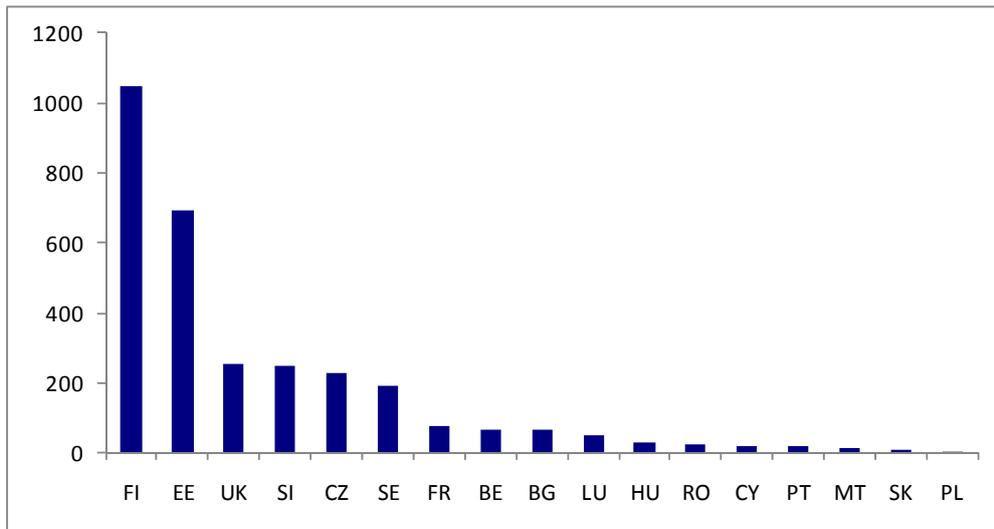
Moreover, a major factor is likely to be differences in provision i.e. some Member States will be more conscientious about translating into every language, while others may rely on the vagueness of the Directive, which requires them to provide information in a language that the applicants may reasonably be supposed to understand<sup>70</sup>. Similarly, the information only has to be provided orally (i.e. through expensive interpreters) “where appropriate”.

Expressed in per capita terms, these costs were the lowest in Portugal (€0.0003) and highest in Sweden (€0.75). The low costs in Portugal can potentially be explained by the very low number of asylum applications, even compared to GDP and population. The results show that responsibility-sharing in the form of practical translation and interpretation support would be particularly beneficial to e.g. Sweden.

Expressed in terms of cost per asylum applicant, the costs were the lowest in Poland (€3.4), but the highest in Finland (€1,048.8), as shown in the figure below.

<sup>70</sup> See EC impact assessment for the proposal to reform the Reception Directive SEC(2008)2944

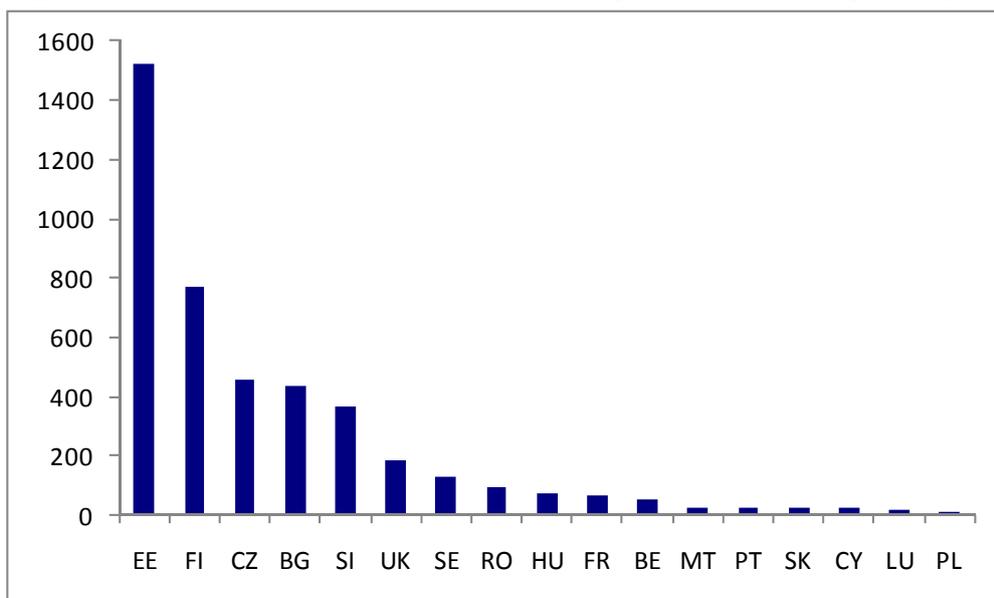
**Figure 32: Translation and interpretation costs per asylum application**



The high cost per capita in Sweden could once again be explained by the inclusion of services provided as part of detention in the Swedish datasets, although there is insufficient information to draw any conclusions about the Finnish, Portuguese, or Polish dataset. One could however expect that the diversity of countries or origins and languages spoken by asylum-seekers could have an impact on the costs. It is worth noting how for example Estonia, who have a low number of asylum applicants, have fairly high translation and interpretation costs. This indicates that the sharing of such costs / activities would be particularly beneficial to countries like Estonia.

The figure below presents translation and interpretation costs per asylum application with a cost of living effect taken into account.

**Figure 33: Deflated translation and interpretation costs per asylum application**



Comparing the deflated and non-deflated cost figures, one thing that stands out is that Estonia is now a country with highest translation costs, despite its lower cost of living than

Finland. This can possibly be explained using the 'economies of scale' argument presented above, and reiterates the value of a European responsibility-sharing mechanism that targets such activities.

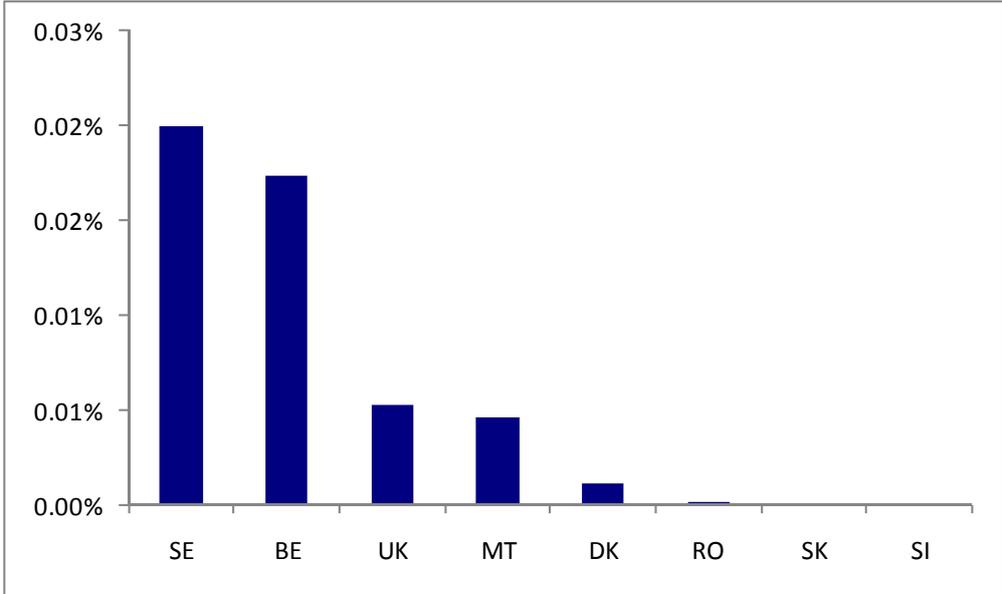
**Asylum determination**

Similarly to translation and interpretation costs above, costs associated with asylum determination (e.g. application procedures and Dublin transfer requests) are particularly relevant to consider in association with the future role of the EASO. Chapter 2 showed that measures for sharing such costs could include expert teams to perform initial profiling of the asylum seeker, case-working support or the gathering of information to assess the application. Moreover, there are also discussions as to whether the EASO should take on joint processing of specific case loads, or provide staff training. Consequently, such measures are particularly relevant to keep in mind for practical cooperation, capacity-building and centralised EU functions.

Unfortunately, only eight countries were able to provide specific information on the cost of asylum determination (i.e. assessment of application). Based on this input application procedure costs generally amount to about 14% of overall asylum related costs. This can be complemented by survey results, where two thirds of the respondents listed application assessment costs as one of the two highest cost groups associated with the Directive on procedures, against cost groups such as interviewing, country of origin information, translation, legal costs and appeals.

It is important to note that the data collection tool asked for data that referred to both asylum applications and processing of Dublin transfer requests, thus where the transfer requests are not included in the cost figure one could expect the cost figure to be lower. This is for example the case in Malta, normally a very high-cost country, and could explain why, although it still has relatively high costs, they are lower than the two highest cost countries, Belgium and Sweden as shown in the figure below:

**Figure 34: Application procedure and transfer request costs as percentage of GDP**



Application assessment costs as a percentage of GDP were the highest in Sweden, followed by Belgium, while they were the lowest in Slovenia (less than a thousandth of a percent). In the Swedish case the application procedure costs include legal aid and 'other costs',

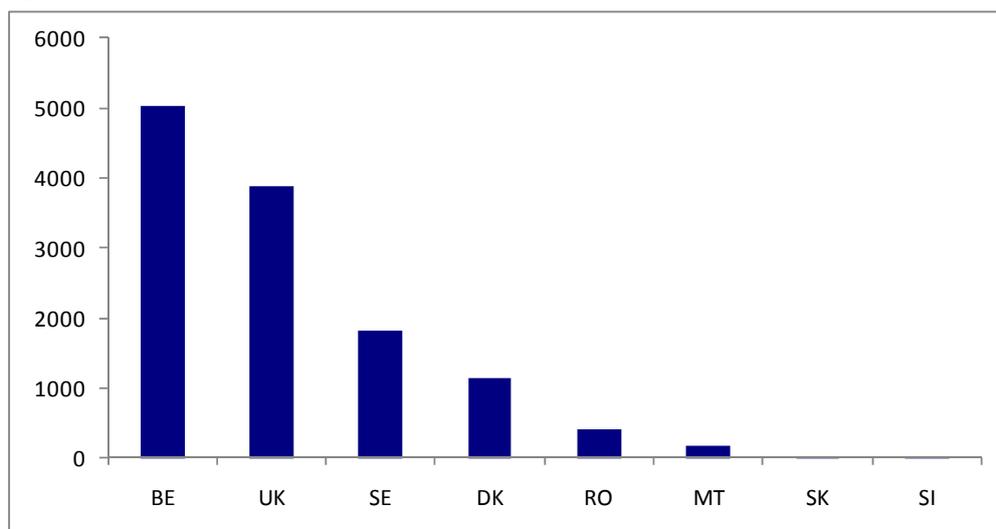
which can explain the high figure in this country. In the case of the UK, these costs refer to UKBA operating costs, largely made up of staff costs for case teams. Similarly, Belgian costs include staff costs of the Immigration Office, although this includes e.g. staff costs for detention centres. In Malta, the costs refer to an average application processing cost multiplied by the number of applications.

It is worth noting, however, that the application assessment costs can be calculated in different fashions. In some cases, it is a total cost of operating an asylum-specific body (for instance Office of the Refugee Commissioner in Malta), while in other cases it might be an estimate based on the proportion of time employees of an immigration office spend on asylum applications. Generally, however, the above figure demonstrates a similar pattern observed throughout most of this section, with costs being higher in EU15 and small New Member States (Malta, Cyprus) and lower in other new EU entrants.

Looking at costs relative to population, these were again lowest in Slovenia (€0.002) and highest in Sweden (€7.27), while the costs per asylum application were once again lowest in Slovenia, at €12, but highest in Belgium at €5,032. Once again, the inclusion of additional costs in the Swedish figure can explain why it tends to be high. In the case of Slovenia, the total application assessment costs were reported to be very low compared to other costs, hence the low relative numbers. This can be explained by the fact that costs of processing applications may not be easily identified and estimated, with some costs potentially reported as part of other categories.

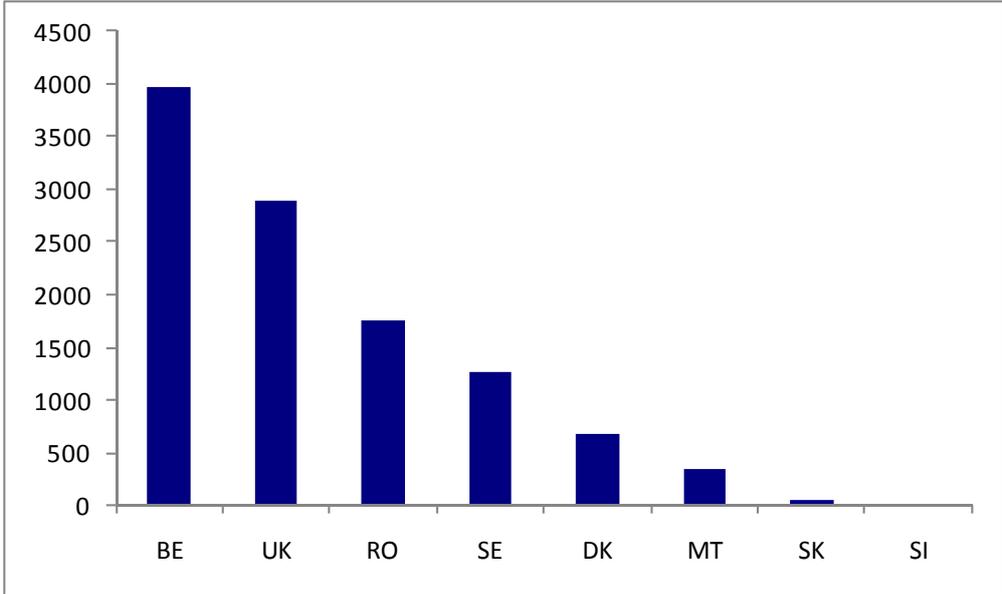
The figure below indicates the costs for application assessment per asylum application. These costs are highest in Belgium (€5,032.83) and in the UK (€3,892.11) and very low in Slovakia (€25) and Slovenia (€12.04). The low cost in Slovakia can be explained by the fact that the figure mainly relates to assessment of Dublin transfer requests, with some of the costs related to asylum procedure reflected in the category “preparing documentation”.

**Figure 35: Application and transfer request processing costs per asylum application**



The picture looks similar for deflated costs for application assessment per asylum application with Belgium (€3,968.45) and UK (€2,885.78) at the top end of the scale and Slovakia (€61.32) and Slovenia (€17.52) at the low end. However, taking into account the costs of living, brings Romania (€1,757.03) further towards high cost countries.

**Figure 36: Deflated application and transfer request processing costs per asylum application**



In this context it is also worthwhile to examine the duration of applications. Out of the countries above, only Romania, Slovakia and Sweden provided this information. In Slovakia, applications are processed within 90 days, while in Sweden the average time period in 2007 was 218 days. In Romania, applications are assessed in a maximum of 8 months, although this includes the duration of appeals. Although the UK did not submit this information, performance targets have been set. In 2011, 90% of cases should be concluded within six months, with an interim target of 60% in December 2008. In 2007, between 40-50% of cases were concluded within six months. The length of applications thus provides some potential explanation for these results, with countries that have longer application-periods (Sweden) having higher costs than countries with shorter duration (UK, Slovakia).

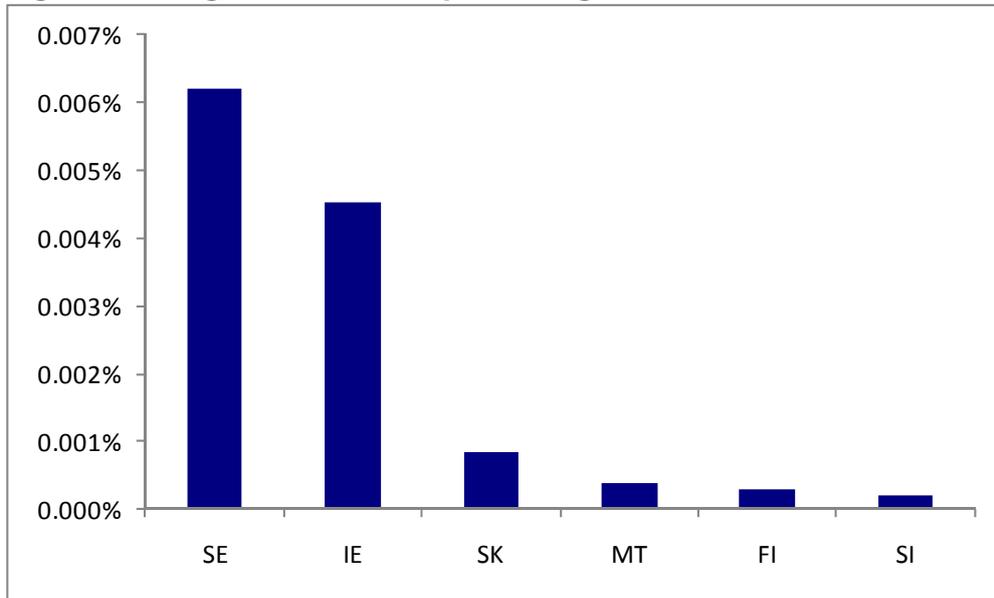
**Legal aid**

Legal aid is specified in the procedures directive for legal appeals, where Member States have a commitment to make sure that their national law complies with the EU minimum standard. Supporting the implementation of the minimum standards falls within the competencies of the EU. This could take the form of translated material on the rights of an asylum seeker and the requirements of an application, or the setting up or exchanging good practice between public authorities that provide legal aid such as the UK Asylum Support Tribunal.

Only six countries provided legal aid costs. Based on this input, legal aid costs generally amount to about 4% of total asylum costs. However, it is important to consider the survey input in this context, where around 30% of the 17 respondents replied to this question indicated that legal aid was one of the three highest costs associated with the processing of asylum applications.

The figure below shows legal aid costs as percentage of GDP for the six countries that provided such information.

**Figure 37: Legal aid costs as percentage of GDP**

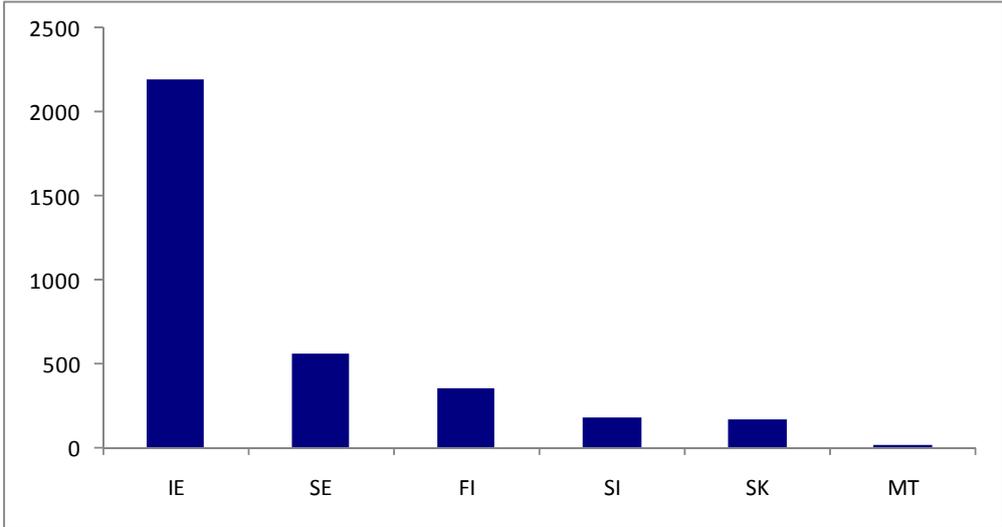


As can be seen in the figure above, these costs as a percentage of GDP being the highest in Sweden and Ireland (over 0.004%) and relatively low in other countries (below 0.001%). Unfortunately the detailed information about the figures provided is insufficient to draw many conclusions. It is however worth noting that in the case of Ireland, the legal aid figure is the public expenditure on refugee legal service which potentially includes aid to recognised refugees rather than just asylum seekers, which can explain the relatively high costs in this country.

In examining the results below, it is important to consider differences between the Member States in providing legal aid. In some countries, legal aid is generally provided by the non-governmental organisations, which can explain the lack of detailed data as the focus has been on public expenditure rather than overall costs to all stakeholders.

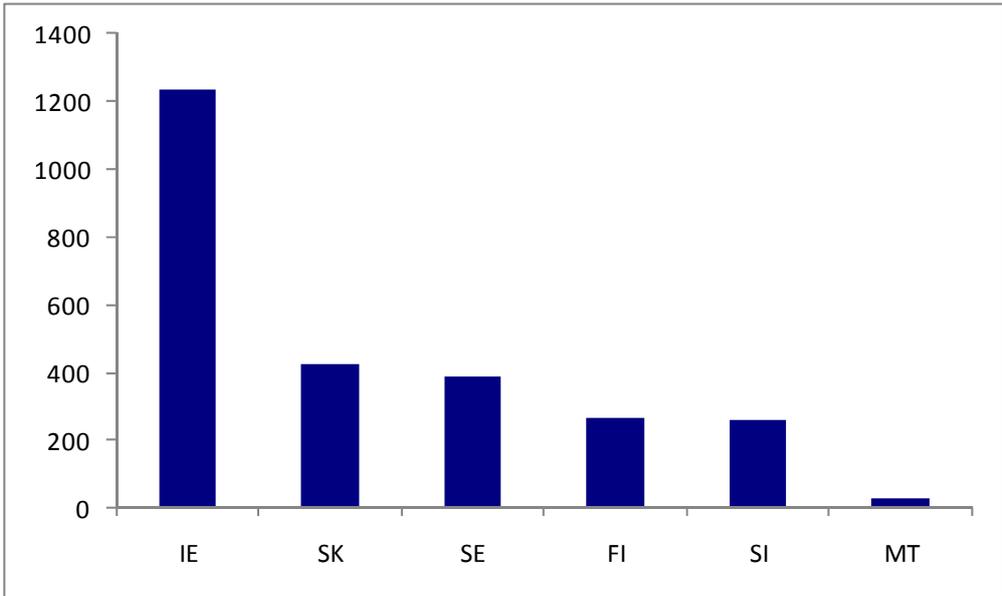
Relative to population, legal aid costs were also the highest in Sweden (€2.25) and lowest in Slovenia (€0.03). Costs per application were in turn the highest in Ireland (€2190.7) and the lowest in Malta (€15.4), as shown below:

**Figure 38: Legal aid costs per asylum application**



Legal aid costs per asylum application are by far highest in Ireland (€2,190.60), which is almost four times higher than in Sweden which ranks second (€567.37), followed by Finland, Slovenia, Slovakia and Malta.

**Figure 39: Deflated legal aid costs per asylum application**



Similarly to the real cost figures, deflated legal aid costs per application are by far the highest in Ireland (€1,236.63). However, deflating pushes Slovakia’s legal aid costs up to the second highest (€422.61).

**Legal appeals**

Legal appeal costs are particularly relevant for a discussion on centralised EU functions under the Common European Asylum System. This could for example include a common appeals body, and hence reduce the costs borne by Member States that are associated with legal appeals. It is also worth noting that the study survey showed that over 60% of the respondents listed costs associated with legal appeals and hearings as one of the three highest costs in their country associated with processing applications. 20% claimed this to

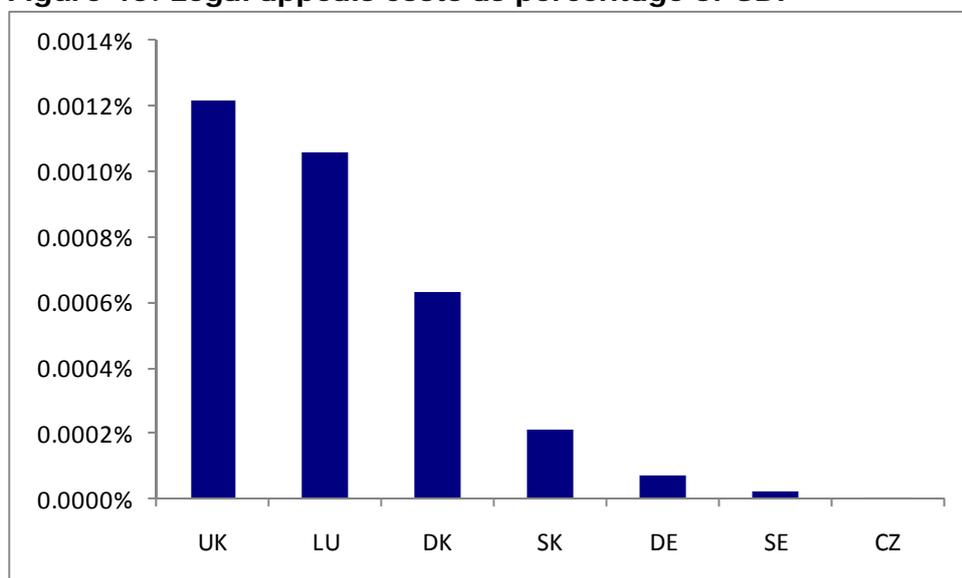
be the highest cost. However, compared to total costs, legal appeals only constitute 1.2% of costs.

Before examining costs pertaining to legal appeals it is worthwhile to examine the numbers of legal appeals in different countries in our dataset. From the seven countries that reported cost data on legal appeals (Denmark, Germany, Luxembourg, Slovakia, Sweden, and the United Kingdom), the data on number of appeals in 2007 is only available for Slovakia, Sweden, and the United Kingdom, with the numbers being 433, 8,286, and 14,935 respectively.

Examining the cost information provided by the six countries, there are differences in what they include. In Denmark, these include appeal, application for extension, removal of asylum, and forced return, while in Luxembourg this figure is the cost to the state of private and public sector lawyers. Thus, the cost figures for Denmark and Luxembourg can possibly include additional costs beyond legal appeals. In the UK, on the other hand, these costs are the Immigration Tribunal and Asylum Support Tribunal costs, while in Germany it is a federal figure for “legal cases related to asylum”, which might include additional instances, but does not include any non-federal costs.

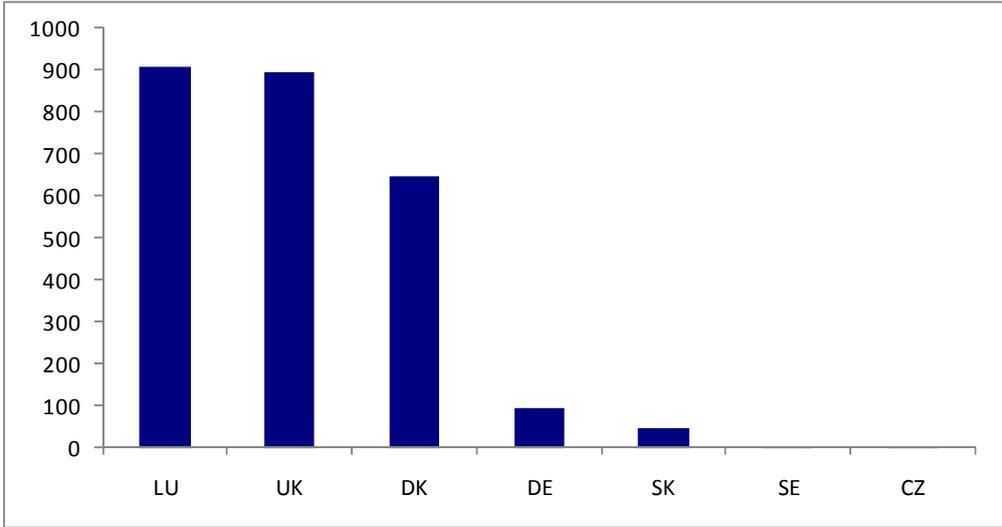
The figure below outlines these findings, showing costs to be the highest in the UK and Luxembourg and lowest in Czech Republic. The high figure for Luxembourg can be explained by the fact that the figure can include additional costs beyond legal appeals. Conversely, it is likely that costs to courts are not included in the figures for most countries, which could possibly explain the low costs in Sweden or the Czech Republic. This may in turn influence the results below.

**Figure 40: Legal appeals costs as percentage of GDP**



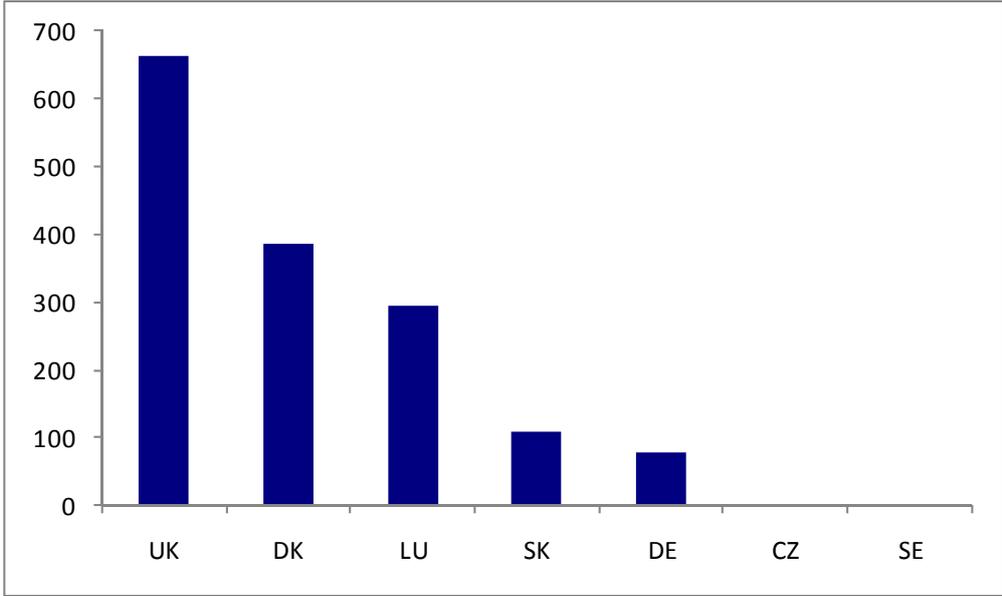
A similar pattern is visible when looking at costs per population, with the highest costs recorded in Luxembourg and the United Kingdom (€0.8 and €0.4 respectively) and the lowest in the Czech Republic (€0.0002). This was also the case for costs per asylum applicant, which were €905.7 and €892.73 in Luxembourg and the UK and €1.75 in the Czech Republic.

**Figure 41: Legal appeals costs per asylum application**



Legal appeals costs per asylum application are highest in Luxembourg (€905.70) and the UK (€892.73) and slightly lower in Denmark (€645.57). In Germany, Slovakia, Sweden and the Czech Republic legal appeal costs per asylum application are below €100.

**Figure 42: Deflated legal appeals costs per asylum application**



Deflated legal appeals costs per asylum application are highest in the UK, followed by Denmark and Luxembourg. Sweden presents the lowest deflated legal appeal costs per asylum application.

**4.4.3. Costs related to custody, return and Dublin procedure**

The final cost category relates to custody, return, and the Dublin procedure, and includes custody costs, costs of taking and storing fingerprints, as well as travel costs. It is also worth noting that some of the costs related to Dublin procedure included in the section focus on asylum procedure, in particular in the category dealing with processing of asylum applications and transfer requests.

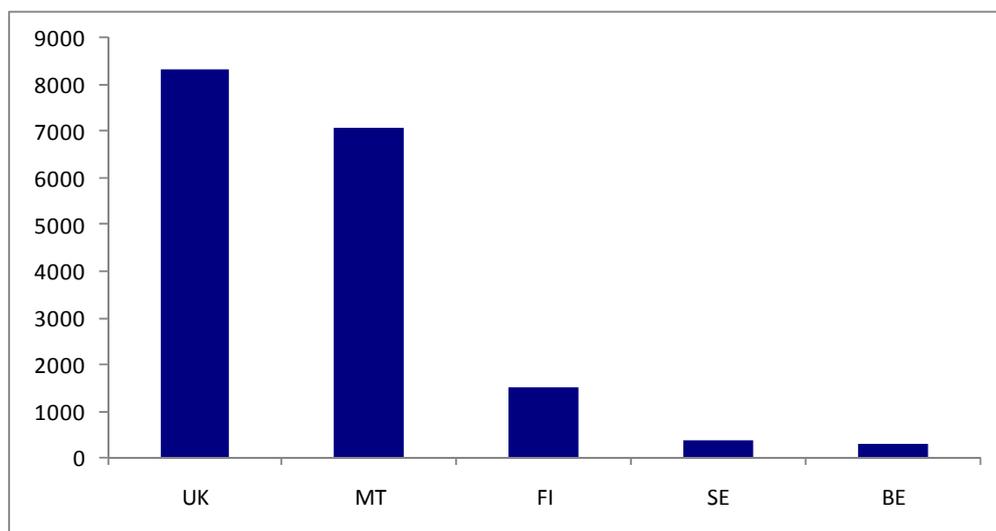
### Custody and taking and storing fingerprints

These costs are singled out because of their association to the European regulatory framework. Taking and storing fingerprints is a requirement in EURODAC. Hence, these are costs that all Member State should in theory be able to report on, particularly as an indicator of implementing the requirements stated in the regulations.

However, most countries were not able to identify costs associated with the implementation of the Dublin II and Eurodac regulations. For example, **only three countries reported costs associated with the taking and storing fingerprints**. The feedback from the respondents was that these are costs that are generally difficult to separate from other costs associated with border control. It is also worth noting that the Central Eurodac Unit received over 300,000 'successful transactions' (a transaction which has been correctly processed by the Central Unit, without rejection due to a data validation issue, fingerprint errors or insufficient quality)<sup>71</sup>, and that the costs of taking and storing fingerprints below is likely to be much higher than what is indicated in the results of this study. Where this has been reported (in Belgium, Romania, and Sweden), the costs of taking and storing fingerprints **accounted for less than 1% of the overall costs**.

In terms of custody or detention, similarly only a few Member States were able to provide any cost information and no extensive analysis has been performed on these data. Nevertheless, the table below shows this information for these Member States, namely the UK, Malta, Finland, Sweden, and Belgium.

**Figure 43: Detention costs per asylum application**



The United Kingdom and Malta appear to spend the most on detention, followed by Finland, Sweden, and Belgium. Compared to total cost per application, this data shows how the use of detention is likely to increase costs, with the UK spending around two thirds more per application than Sweden. Moreover, whereas **Swedish detention costs represent around 4% of their total spending per application, this figure jumps to 25% in the UK**. These figures support the reports concerning the systematic use of detention in

<sup>71</sup> COM(2009) 494: Annual report to the Council and the European Parliament on the activities of the EURODAC Central Unit in 2008

Malta<sup>72</sup>, which, were cost of living is taken into account, would most likely occupy the leftmost position in the figure above.

### Travel costs

Travel costs were highlighted by survey respondents as particularly high costs associated with both the return of failed applicants and the transfer of asylum seekers under the Dublin II Regulation, although in cost terms this generally amounted to just over 2% of total asylum related costs. It is worth noting that travel costs reported in the cost template of the study do **not necessarily account for the costs of escorted return**, which was considered particularly relevant by survey respondents.

There are particular mechanisms in place that deal with this at European level. The European Return Fund aims specifically to introduce and improve the organisation and implementation of coordinated return management by Member States. European coordination measures will also impact on such costs, although these may be hidden in other cost categories.

Although it would be worthwhile to provide some context regarding the numbers of returned asylum seekers in order to contextualise the cost data, due to insufficient data, information on the **number of refusals** will be used instead. From the nine countries which provided data on travel costs, the highest number of rejections in 2007 according to Eurostat (and estimates obtained from countries, when the Eurostat data was not available) was in the UK (19,485), followed by Sweden (12,185), while the lowest was in Denmark (375), Romania (341), and Slovenia (270).

Travel costs have been reported by the survey respondents to be some of the key costs pertaining to the return directive. The figure below shows these costs as a percentage of GDP to be the **highest for Belgium, Finland, and the United Kingdom**, and the lowest for Poland, Romania, and Slovenia. This can to some extent be explained by the numbers of rejections, since the countries with the lowest (absolute) amount of rejections also report the lowest costs as a percentage of GDP. On the other hand, the number of rejections in Finland was much lower than in the UK and Sweden and yet the costs are higher. Lower costs in Sweden can partly be explained by the fact that that the figure does not include costs to the Swedish police, most likely resulting in an underestimation.

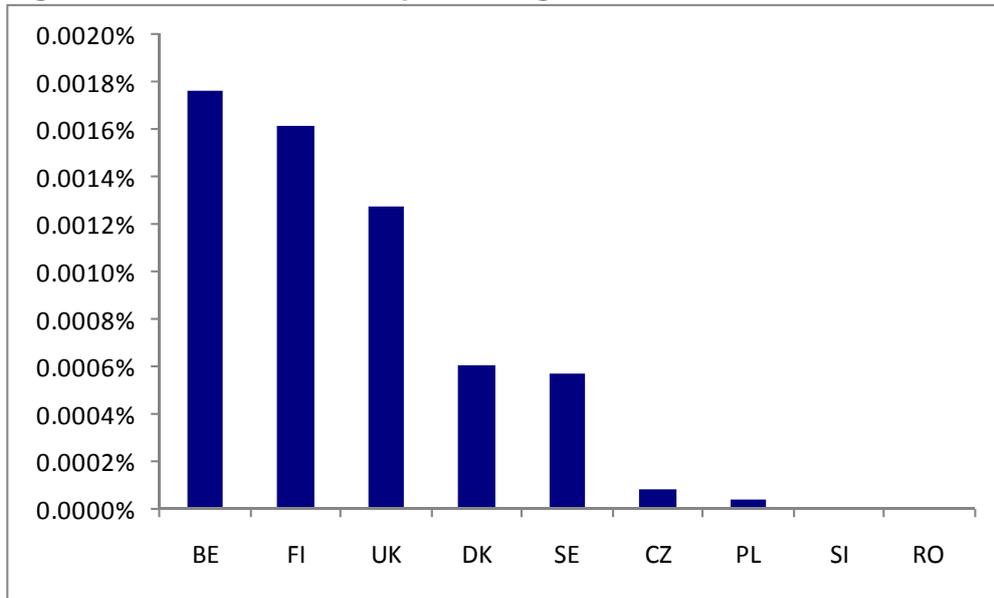
It is also important to note how costs will differ between forced and voluntary return; costs that are often not separated. A UK National Audit Office report pointed out that forced return was far more expensive than voluntary return "At around £1,100 per departure, assisted voluntary returns cost less than the average figure of £11,000 per enforced removal. Increasing the number of voluntary departures by, for example, better promoting the options available to those due for removal and by establishing better contacts with community groups, could lead to savings of nearly £10 million for every additional 1,000 asylum applicants choosing to return voluntarily"<sup>73</sup>.

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<sup>72</sup> See Odysseus Academic Network Comparative Overview of the Implementation of Directive 2003/9

<sup>73</sup> NAO, "Returning Failed Asylum Applicants", press release, 19 July 2005, [http://www.nao.org.uk/whats\\_new/0506/050676.aspx?alreadysearchfor=yes](http://www.nao.org.uk/whats_new/0506/050676.aspx?alreadysearchfor=yes)

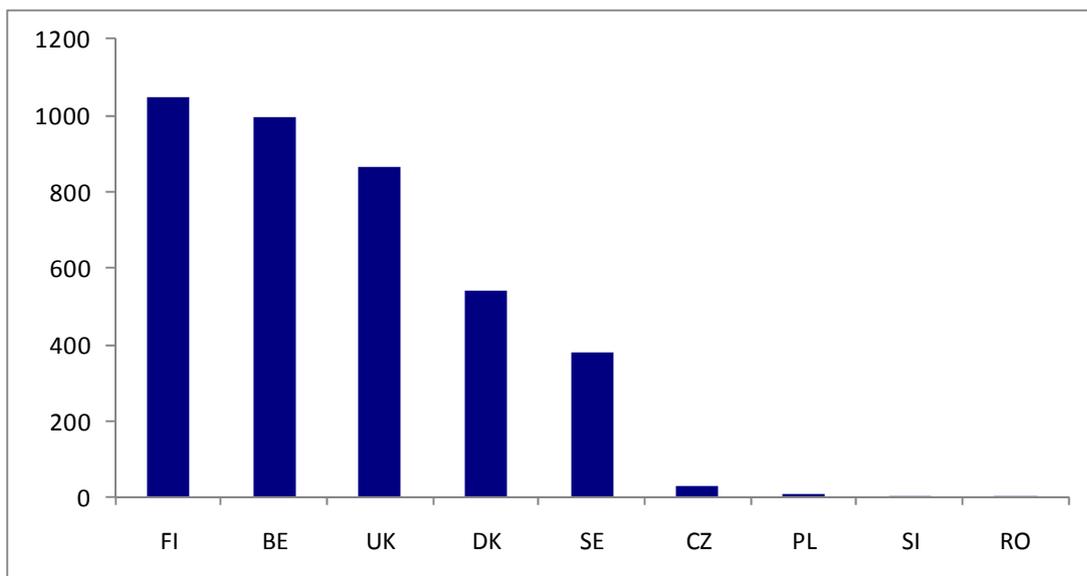
**Figure 44: Travel costs as percentage of GDP**



In terms of travel costs per population, a similar picture emerged, with the costs being **highest in Belgium (€0.557) and Finland (€0.55)** and lowest in Romania (below one hundredth of a Euro). Once again, the lower costs for Romania could be explained by fewer rejections in absolute terms, although this would not explain the relatively high cost in Finland.

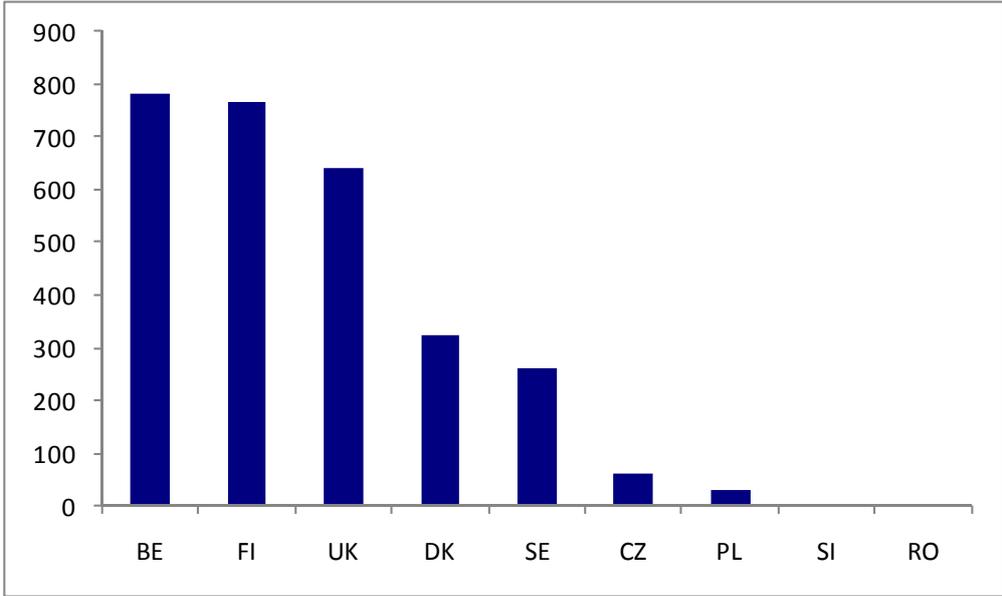
Looking at costs per rejected applications, Denmark had the highest travel costs (€3,687) while in Romania these costs were the lowest at €5.15.

**Figure 45: Travel costs per rejected asylum application**



The figure below presents deflated travel costs per rejected application:

**Figure 46: Deflated travel costs per rejected asylum application**



The picture of deflated travel costs per rejected asylum application looks similar with Belgium and Finland bearing the highest travel costs (€783.10 and € 766.75) followed by UK (€641.74), Denmark (€325.51) and Sweden (€262.15). However in contrast to Figure 45, Belgium’s deflated costs are slightly higher than those of Finland.

## 5. TOWARDS A COMMON EUROPEAN ASYLUM SYSTEM

Given the complexity and political salience of the issue of sharing responsibilities for asylum seekers, it is imperative for any feasible responsibility-sharing mechanism to be based on **reliable, robust and uncontroversial information on the pressure Member States are under in receiving asylum seekers**. This is the first and fundamental step to develop any type of responsibility-sharing. The **next step is to agree what types of responsibility-sharing mechanisms would be most appropriate** given the options available and the current and future asylum situation. This chapter pays particular attention to different responsibility-sharing mechanisms and their likely impact on the relative pressures on Member States, both in terms of costs and in terms of relative numbers of applicants.

In order to be able to provide valuable recommendations, this section of the report is **structured according to an impact assessment methodology**. However, due to the exploratory nature of this study and the various limitations outlined above, this does not constitute a developed impact assessment with extensive scoring of options. The discussion below does however provide an indication of the impact the various policy options would have on the distribution of asylum responsibilities across Europe.

### 5.1. Problem identification and objectives

The previous chapters of this report have highlighted how asylum pressures pose different challenges for different countries. For some countries the **physical constraints** of national systems, such as capacity to accommodate asylum seekers, will outweigh the **actual expenditure** on asylum as the most important challenge. At the same time, it is worth emphasising that the number of asylum seekers arriving at the borders of countries under disproportionate pressures remains comparatively low from a European perspective. In 2007, the number of asylum applications in Malta represented less than half a percent of all asylum seekers arriving in Europe. A European mechanism that deals explicitly with the redistribution of people is in this sense likely to have an important impact for countries such as Malta.

In others, the costs of receiving asylum seekers will be more important than the infrastructural capacity to receive them. This is often combined with **social and political costs** associated with asylum reception, i.e. the pressure of the national political environment. As an example, this was highlighted in the UK case study. The political costs of e.g. accepting additional asylum seekers under relocation schemes are considered so high that it makes it unlikely that such a scheme will be accepted.

In certain countries asylum applications only constitute a small part of undocumented migrants coming into the country, whereas in others this is proportionally a large group. Chapter 3 of this report showed for example how a *refugee* responsibility index places countries like Germany and the Netherlands higher on the scale than asylum reception. The impact of dispersing asylum seekers across the Member States would therefore be higher for certain countries than others. This means that European asylum measures need to be coordinated and aligned with other measures in managing immigration challenges and migration flows into Europe.

The objective of any responsibility-sharing mechanism is thus to address these inequalities in a politically viable fashion without being detrimental to the well-being of the asylum seekers and to the protection and services they are entitled to under the provisions of the Common European Asylum System (CEAS).

## 5.2. Policy options

Chapter 3 and 4 of this report show that both numbers of asylum applications as well as asylum costs are distributed disproportionately between the Member States. Moreover, section 2.3.4 showed that current mechanisms in place have little impact. In order to achieve a more equitable distribution of responsibilities, there is an imperative need to expand and introduce European measures that deals explicitly with sharing asylum responsibilities.

This section pays particular attention to identifying mechanisms for sharing responsibilities across Member States and how this study can contribute to preliminary impact analysis of those options.

### 5.2.1. Identifying mechanisms

Chapter 2 of this report provided an overview of different types of instruments that are currently in place or under discussion, and related these to the competencies of the European Community. The following typology has been used for this study:

- **financial compensations** schemes (e.g. the migration solidarity funds);
- **practical cooperation** schemes (e.g. centralised country of origin information, border management)
- **capacity-building** of asylum systems (e.g. best practice exchange, training, exchange of staff, workshops etc.);
- **EU functions within the Common European Asylum System** (e.g. potential common decision-making body, common appeals body etc.); and
- **physical relocation of asylum seekers** (with different degrees of voluntarism).

Some of these mechanisms are already in place or will be in place soon, and a policy option that does not take them into account would not constitute valuable input into European policy-making. Examples of mechanisms that are already, to some extent, in place include policy harmonisation, in the form of the provisions of the Common European Asylum System (CEAS), or capacity building and a redistribution of financial resources through the European Refugee Fund. Furthermore, the European Asylum Support Office will also, in the future, be engaged in capacity building as well as centralisation/coordination.

Moreover, the different mechanisms outlined above address different aspects of what previous chapters have shown to be unequal distribution of asylum related costs and pressures. There are currently significant differences between Member States in granting international protection, and that this is currently far from a level playing field for the asylum seeker. Policy harmonisation aims to ensure that all asylum seekers across Europe receive the same standard of services and protection. It thus aims to equalise the level of responsibility per asylum seeker across the EU. Physical relocation of asylum seekers, on the other hand could match the number of asylum seekers a country receives to its capacity.

The table below outlines which aspects of asylum responsibilities would be affected by the various mechanisms outlined above.

**Table 9: Responsibilities addressed by the various mechanisms**

Responsibility-sharing mechanism	Responsibilities addressed
Policy harmonisation	Costs per asylum seeker Distribution of asylum applications (if policy harmonisation causes a change in the pull factor).
Financial compensation	Total asylum costs
Physical relocation	Distribution of asylum applications Total asylum costs
Capacity-building	Costs of providing specific services
Centralisation/coordination	Costs of providing specific services

### 5.2.2. Proposed policy options

For this study, four policy options have been identified for further analysis. The options below allow for a useful discussion of the possible impact of different types of mechanisms.

- the 'do nothing' baseline policy option;
- further policy harmonisation, centralisation of functions such as joint processing, and capacity building within the EASO;
- financial compensation; and
- internal relocation (either during the procedure or after decision).

The four policy options are described in more detail below:

The **baseline** policy option is a situation where the existing policy instruments remain in place. In line with impact assessment good practice, a 'do nothing' option constitutes the baseline scenario. Moreover, since the second policy option is to some extent a projection of the baseline scenario forward in time (since the initiatives under this policy option are already agreed), it will be re-introduced as part of the other two policy options in order to project the potential effect of a combination of options. The impact of this option in 2007 has been presented in chapters 3 and 4 of this report. This policy option assumes that no further policy developments take place. The variables in this case are factors from outside of the European asylum system, such as the changes in the numbers and distribution of applications across Europe.

The second policy option, **policy harmonisation, centralisation/harmonisation and capacity building under EASO**, assumes that the policy developments, such as the CEAS and European Asylum Support Office are fully implemented. In practical terms, this implies policy harmonisation, moving some tasks to the European level and thus reducing the costs of carrying out some of the asylum-related activities for individual Member States, as well

as building capacity within Member States and thus further reducing some costs. Considering the approval of the first hearing on the establishment of the EASO, as well as the targets laid out in the second phase of CEAS, this can be seen as closing implementation gaps of what has already been agreed. Hence, this policy option does not represent any radical changes to what is already under way.

The third policy option is the **financial compensation** option. In this case, Member States will be compensated in line with the cost levels or pressures they face. An analysis of the impact of this option will require a development of a potential distribution key, which would specify a method for selecting Member States eligible for compensation, a method of determining size of compensation and the administration of the system. Previous policy developments will be used as a guide to developing this key. The policy option involving financial compensation would only affect the asylum costs and leave asylum flows unchanged.

The final policy option involves the **internal relocation** of asylum seekers. This policy option would affect the costs of application processing, as well as asylum flows through physically redistributing asylum applications among individual Member States. Similarly to financial compensation, the physical relocation aspect of this policy option would require a distribution key specifying aspects of the system such as the method for determining quotas and administration of the system. As is the case for the financial compensation option, previous policy developments will guide the development of the distribution key. As a system of internal relocation necessitates both the convergence of standards and most likely some form of joint processing, this can be seen as building on the second option.

There is every possibility that the most appropriate next steps will be to allow a combination of the different mechanisms. One of the most controversial issues highlighted above, is the degree of voluntarism for both the asylum seeker and the Member States in finding solutions that allows a more equitable distribution of asylum related costs and pressures. In defining the policy option to examine as part of this study, this has been taken into account in the discussions below.

### 5.2.3. Analysing the policy options

In the analysis below, data on asylum flows, reception capacity, and financial responsibilities has been used to 'model' the potential impact of these different policy options on the distribution of asylum responsibilities across the Member States. In addition to this analysis of impact, the costs of introducing and administering the various responsibility-sharing mechanisms would need to be considered, although a full assessment of these costs is beyond the scope of this project.

The cost data collected, as well as the asylum measures developed in the above sections has informed these scenarios in a twofold fashion. Firstly, by indicating how the responsibilities has been distributed among the Member States and where the inequalities have been most prominent, which in turn has suggested which of the proposed mechanisms would be most suitable to address this unequal distribution. Secondly, they have helped to assess what the potential impact of implementing different mechanisms may be with regards to asylum costs and flows.

It is important to keep in mind that, as explained earlier in this report, the data collected and analysed in this study has a number of limitations and the resulting outputs thus cannot provide a definite answer as to what the best responsibility-sharing approach would

be. Nevertheless, in an area where the evidence-base is limited, this data can still be used to provide worthwhile input into discussion and develop recommendations regarding responsibility-sharing. Moreover, using capacity and input measures (see Chapter 3) not only increases the robustness of the analysis, but takes into account how policy harmonisation and the closing of implementation gaps can be expected to lead to an increasing convergence in Member States' costs per asylum seeker.

### **5.3. Analysis of impact**

This section attempts to assess the impact of the various policy options on the distribution of asylum responsibilities in Europe. It is important to note that the data collected as part of this study does not allow for an extensive modelling exercise to be carried out, nor is this part of the scope of the study. Instead, the impact analysis uses the collected quantitative information to produce descriptive outputs which outline the different distributions of responsibilities that can result from implementing the policy options. This analysis uses a number of assumptions (for example the assumption that policy harmonisation will manifest itself by equalising costs per asylum seeker across all of the Member States), such assumptions are necessary in order to provide a discussion of the policy options and will be made explicit in each of the sections below.

#### **5.3.1. Policy Option 1: Baseline**

The effect of the 'do nothing' option has largely been described in Chapter 3 and 4, which show the relative asylum flows and costs across the EU. Using every measure developed in the previous sections, the relative and absolute costs and responsibilities faced by Member States are not distributed equally. The costs presented in section 4 are also very different in different Member States, even if the effect of cost of living is removed (although the quality of the asylum costs dataset and the different levels of provision need to be kept in mind).

This distribution of responsibility and costs will be used as a baseline. One should however keep in mind that this status quo does not imply a situation where no responsibility sharing mechanisms are in place. Mechanisms such as the ERF and the Common European Asylum System constitute a form of responsibility sharing, by sharing funds and building capacity (ERF) or harmonising policy and centralising some functions (Common European Asylum System).

It is also important to remember that the data regarding responsibilities was collected for 2007. This means that the baseline used throughout this section of the report does not represent the current situation. Nevertheless, most of the discussion below will attempt to present hypothetical alternative distributions of responsibilities in 2007 under the different policy options.

#### **5.3.2. Policy Option 2: Policy harmonisation and centralisation / coordination under EASO**

In order to describe the potential impact of this policy option in relation to the baseline situation presented in chapters 6 and 7 one needs to specify which of the existing responsibility measures could be affected by the policy option and then use the data collected to estimate that effect.

In the previous sections, unit costs (with cost of living effect accounted for) have been suggested as a possible crude indicator of the number, type, and quality of services provided to asylum seekers. Higher costs per asylum seeker would then be an indication of a Member State providing more, or more expensive services (not necessarily meaning increasing the welfare of asylum seekers, as costs of detention are also quite high), and the opposite being the case for lower costs. If by policy harmonisation one were to understand a situation where **all asylum seekers are provided with identical standard of services, regardless of the Member State**, then one would expect to observe the same unit costs across Europe. This assumes there are no economies of scale, where a country with more asylum-seekers can provide the same services for less per asylum seeker.

Assuming that such perfect policy harmonisation was in place under this policy option, one would then need to determine the **level of unit costs** reflecting this. Since the Directives comprising the Common European Asylum System for the most part establish minimum standards, one would expect costs to be higher than they were in 2007 were policies perfectly harmonised. The discussion relating to detention costs, on the other hand, would suggest that these pressures could be both upward and downward, since policy harmonisation might also lead to a reduction in the use of some expensive practices such as detention.

In the previous section, the approach adopted to develop theoretical costs was to use a weighted average. This is a crude approach, but it benefits from its simplicity. Generating potentially more accurate deflated unit cost figure, reflecting costs of providing services to asylum seekers with a fully harmonised policy under the Common European Asylum System, would most likely require an identification of good practice (i.e. a situation where a country 'just' complies with relevant policies) and costing thereof. This approach would however require substantial additional research and is likely to be controversial.

The weighted average approach is thus used as a way of projecting the effect of harmonised policy on asylum costs. Furthermore, since the focus is on the distribution of responsibilities more than absolute responsibilities, the actual level of the unit costs under policy harmonisation is of secondary importance as it will not affect the way in which the responsibilities are distributed.

In addition to policy harmonisation, this scenario also foresees **centralisation, coordination, and capacity building through the European Asylum Support Office (EASO)**. In section 2 the following measures were identified as falling within the competences of the EASO:

- supporting practical cooperation on asylum;
- supporting Member States under particular pressure;
- providing guidelines on gathering and exchanging information;
- providing asylum support teams; and
- cooperation with third and associate countries.

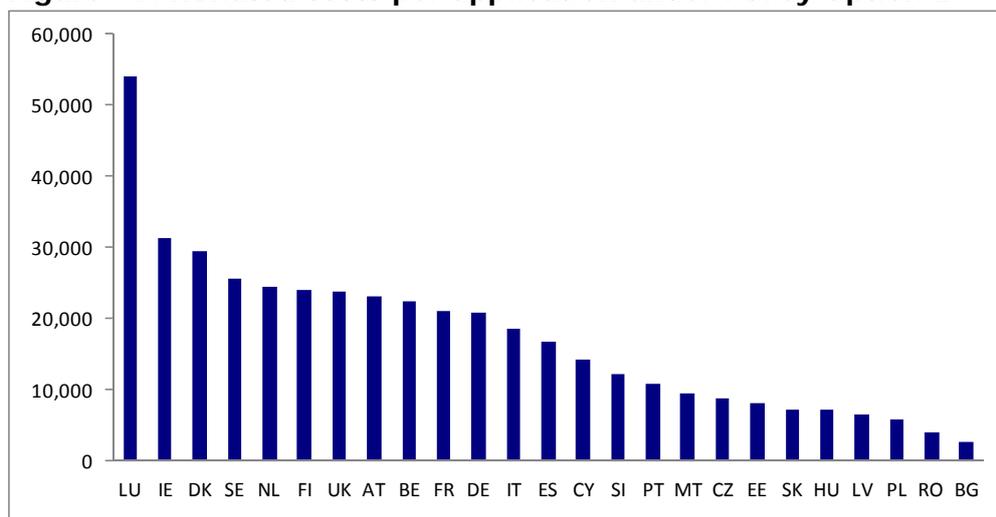
These measures mostly concern **asylum determination procedures**, especially with regards to gathering information, such as country of origin information, as well as assisting in tasks such as translation and interpretation. Cooperation with third and associate countries might involve issues such as resettlement programmes, but these will not be

considered as part of this policy option. The focus in this case is on the centralisation, coordination, or capacity building with regards to the functions outlined above.

In terms of projecting the potential effect of the European Asylum Support Office being in place and performing the above functions, one would expect that the costs of application procedures and translation incurred by individual Member States would be reduced, partly because some of the necessary resources would be now provided by the EASO. Furthermore, if the EASO support were effective, the **duration of the application procedure would be likely to fall**, possibly causing additional reduction of costs in other categories. For simplicity, the focus here will however be only on reducing application processing and translation and interpretation costs.

Using the assumptions discussed above, one can obtain a very simple estimate of the potential effect of this policy option on the distribution of asylum responsibilities. If one were to take average cost per asylum application (using the methodology used to develop deflated costs, as explained in Annex 4) and allowed them to vary due to differences in cost of living, the results would be as shown in the figure below.

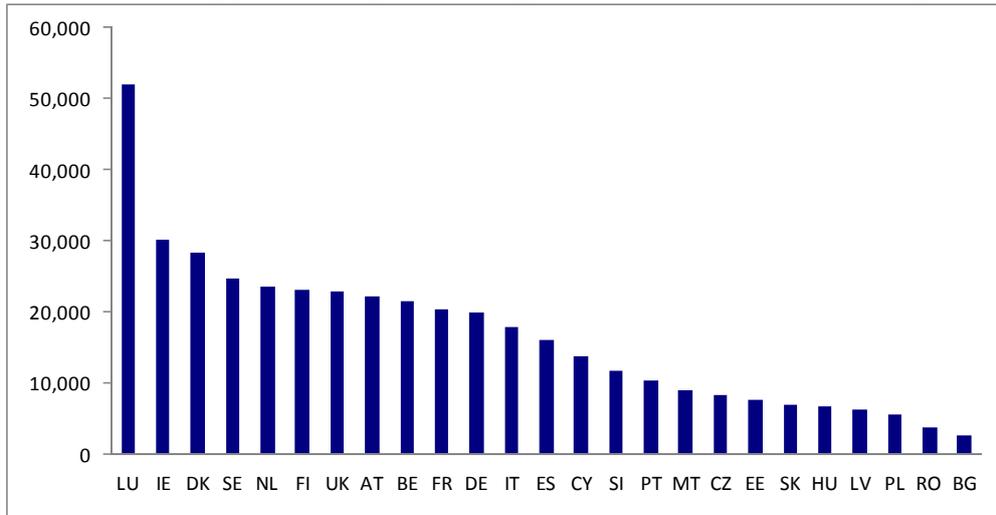
**Figure 47: Reflated costs per application under Policy Option 2**



In the above figure, application costs have on average increased threefold compared to Figure 22 in the previous chapter. Luxembourg ranks at the top end of the scale, followed by Ireland and Denmark. In the case of Luxembourg, this policy option would increase the costs per application by 38%. In the case of Ireland, this policy option would have quite a significant impact by reducing costs from EUR 78,000 to 31,000 per application. In the case of some countries such as Denmark, Finland, Malta, and Belgium there would be little change percentage terms.

If the reduction of costs associated with application procedures and translation and interpretation costs were to take place due to some tasks being performed by the EASO, one can introduce this reduction of costs in the above figure. The following figure shows the situation if the reduction of costs were assumed to be 25% across all Member States:

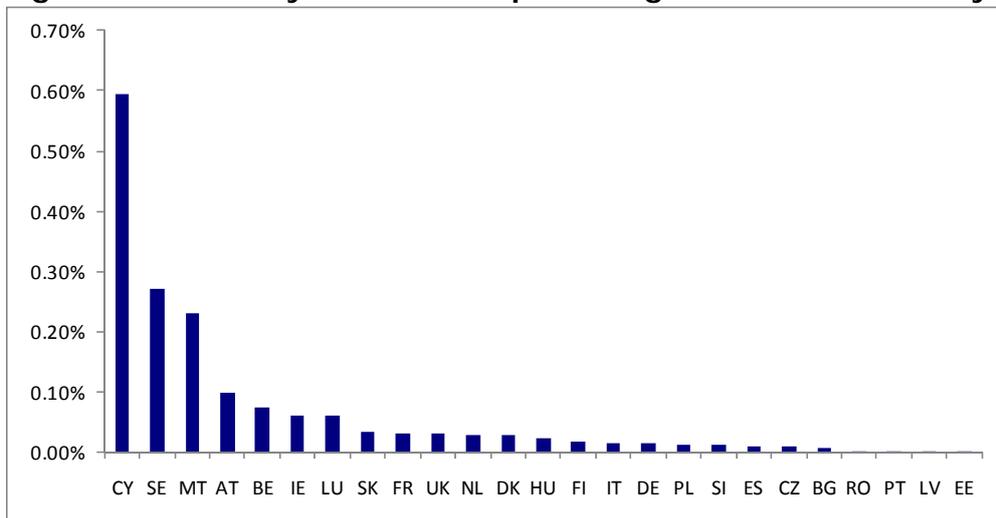
**Figure 48: Reflated costs per application under Policy Option 2 with 25% reduction in application processing and translation and interpretation costs**



Compared to Figure 48, the differences are minimal. This is mainly due to the fact that application processing, and translation and interpretation costs on average make up less than 15% of total costs, meaning that a 25% reduction in application processing, and translation and interpretation costs would equate to a less than 5% reduction in cost per application.

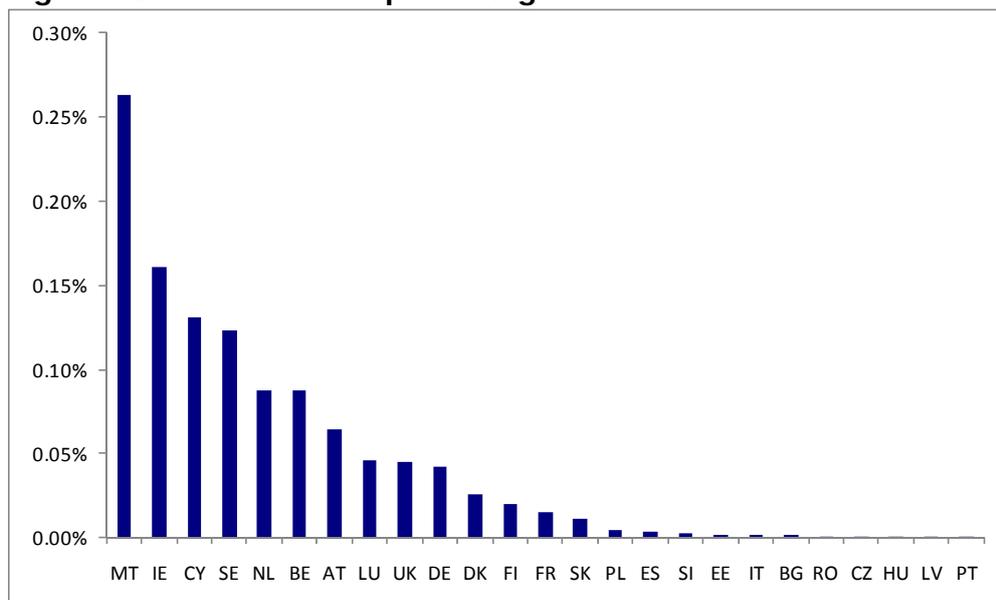
If the above unit costs were then multiplied by the number of asylum applications the Member States faced in 2007 and divided by the GDP, one obtains the following distribution of total asylum costs as a percentage of GDP.

**Figure 49: Total asylum cost as a percentage of GDP under Policy Option 2**



The above figure can be compared to the similar figure showing the actual costs in 2007 as a percentage of GDP, shown below:

**Figure 50: Total costs as percentage of GDP under the baseline scenario**



Comparing the two figures side-by-side, one sees that once the number of asylum applications is re-introduced, the **differences in costs remain large**. Although the distribution appears more even for the low-responsibility countries, **some of the high responsibility countries** (like Cyprus, or Sweden) **would actually face higher financial costs** if policy harmonisation was to equalise (deflated) costs per asylum seeker. This can be attributed to the fact that these countries face high numbers of applications, but the costs of providing services to each asylum seekers in these countries were below average (i.e. likely to be under par). For others it will have significant impact (e.g. Ireland, going from 0.1612% to 0.0645% and Netherlands, going from 0.0879% to 0.0263%).

Although this policy option is likely to have diverse effect on the Member States, one can argue that it is a precondition for any form of equitable responsibility-sharing. As mentioned previously, standards currently vary widely between Member States and the chances of being granted protection are so different that it has been compared to a lottery<sup>74</sup>. By obliging states to harmonise their policies or to comply with a set of common rules, individual countries are likely to face converging pressures. The core idea of such a mechanism is that common rules will reduce the need for corrective action.

### 5.3.3. Policy Option 3: Financial compensation

The third policy option put forward for discussion is financial compensation. This policy option concerns financially compensating Member States facing high asylum responsibilities.

The first step in determining the potential impact of a financial compensation mechanism is identifying one or more distribution keys. This allows determining which Member States receive compensation as well as the size of the compensation, which in turn makes the

<sup>74</sup> Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered (ECRE)

estimate of its potential impact possible. The other issue to consider is the cost of administering the system.

In developing the distribution key it is worthwhile to base the discussion on previous policy developments. One, already existing system, is the **European Refugee Fund (ERF)** and it will provide a basis for one sub-scenario examined as part of this policy option. As shown in the Chapter 2, the ERF distributes funding among Member States according to "**objective criteria relating to the number of asylum seekers and integrating persons benefiting from international protection**"<sup>75</sup>. Although, as the analysis in Chapter 2 showed, there is clearly room for improvement of the ERF as a responsibility-sharing mechanism, the existing ERF constitutes a good basis for developing a larger scale hypothetical system of responsibility sharing.

The other previous development is the **proposal put forward by the 2006 EU Finnish presidency**, which stipulated the following financial compensation mechanism:

"[...] EU financing would be used to cover a significant part of the actual and verifiable costs incurred by the Member States during the process of determining whether a third-country national who has entered the EU illegally, or an asylum seeker, has the right to reside in the EU territory. Such costs include the reception, maintenance and possible return costs of the persons concerned as well as all administrative costs incurred. All payments to be paid progressively by the Union would be subject to the verified registration of the persons concerned in the appropriate European databases. All Member States would receive **equal payments per each registration**, and thus, the financial support provided by the Union would reflect the existing migratory pressures"<sup>76</sup>.

This proposal, unlike the ERF, is not based on sharing a fund among Member States, but **directly compensating the Member State for each individual**. Although the proposal does not only concern asylum seekers, it can also form a basis for a scenario to be examined here.

For the remainder of this section, two types of mechanisms would thus be considered:

- a fund-based mechanism (the 'ERF model'); and
- a unit compensation mechanism (the 'Finnish model').

The key difference between the two models is that the former uses a capped budget which is distributed according to a distribution key, while the latter is an open-ended fund from which a fixed compensation per asylum application is paid out to Member States.

What is important to consider is the fact that although financial compensation mechanisms mainly affect the responsibilities by reducing costs of asylum, the distribution of funds cannot be directly based on the costs if the mechanism is to be ongoing. The reason for this is the fact that collecting and determining the size of asylum-related costs in all Member

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<sup>75</sup> See: [http://ec.europa.eu/justice\\_home/funding/refugee/funding\\_refugee\\_en.htm](http://ec.europa.eu/justice_home/funding/refugee/funding_refugee_en.htm)

<sup>76</sup> Finland's EU Presidency. Informal JHA Ministerial Meeting Tampere, 20-22 September 2006, Migration Management; Extended European Solidarity in Immigration, Border Control and Asylum Policies. See <http://www.intermin.fi/intermin/bulletin.nsf/vwSearchView/193D43D0A68D3A43C22571F0003B0632>

States is a difficult and time consuming task that cannot easily be repeated on a yearly basis. Thus, **the distribution of funds and the size of compensation should be based on physical rather than financial responsibilities.** This is supported by the harmonised system in policy option 2, where one can expect a harmonisation of costs per asylum seekers.

### **Policy Option 3.1: A fund-based mechanism**

Looking at the first of two mechanisms identified above, two key changes would need to be made. First, the size of **compensation would most likely need to be increased.** Currently, the reported asylum costs vary from over a billion Euros to less than a million per Member State across Europe, while costs as a percentage of GDP vary from 0.26 per cent to less than a thousandth of a percent. Bringing costs per GDP to approximately the median figure of 0.01 percent of GDP would require a total compensation for all the high-relative-cost Member States of approximately 3.1 billion in a single year, or almost five times the total value of the five-year ERF. The following discussion, however, takes the current yearly size of the ERF fund (EUR 125.6 million) as a starting point.

Secondly, as discussed earlier, absolute measures are probably not suitable for determining the size of compensation. The concept of reception capacity has guided a lot of the discussion in the earlier sections and helped show that the Member States facing the highest absolute number of asylum applications are not necessarily the ones facing the largest asylum responsibilities. Thus, the suggestion is for a financial compensation mechanism to be based on a measure that **takes into account Member States' capacity.** For the remainder of this discussion, the first asylum responsibility index developed in Section 6 will be used to help guide the distribution of funds. The ERF funds are currently distributed in the following fashion:

- each Member State receives a fixed allocation from the fund (EUR 300,000, or EUR 500,000 for accession countries);
- 30% of the remaining resources are re-distributed in proportion to the number of refugees, resettled persons, and persons received temporary protection; and
- 70% of the remaining resources are re-distributed in proportion to the number of asylum-seekers and persons receiving temporary protection<sup>77</sup>.

Since the focus here is on redistributing the costs, the fixed allocation which affects all Member States equally can be eliminated for the sake of simplicity and the following mechanism can be used as an example, where:

- 80% of the fund is distributed proportionally to the number of asylum seeker applications a Member State received; and
- 20% of the fund is distributed among Member states with positive asylum responsibility index values. They receive the remainder of the fund in proportion to the asylum responsibility index value, with Member States with values below 0 not receiving any funds additional to the above.

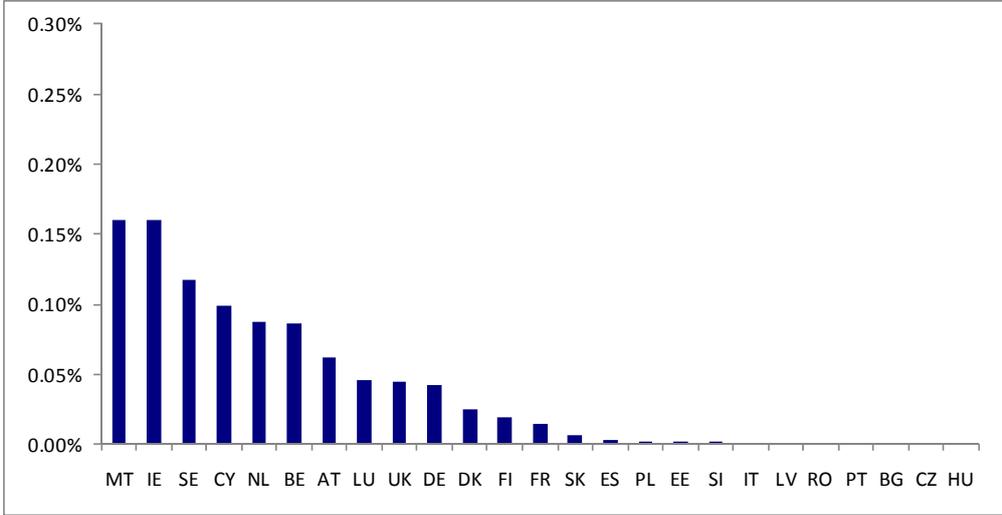
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<sup>77</sup> See: <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2007:144:0001:0021:EN:PDF>

The division of the fund along these lines highlights the importance of full Member State compliance with EU asylum law, with converging costs as a result of a harmonised system. In other words, although it is important to ensure that countries facing large relative pressures receive sufficient compensation, it is not necessarily desirable for small Member States to receive higher absolute compensation than large Member States facing much higher costs. A situation where the fund is divided in half will also be shown.

The following figure presents the effect of using this mechanism in 2007, by subtracting compensation from total cost and presenting these costs as a percentage of GDP. It is important to note that in practice the asylum responsibility index figures and number of applications would need to reflect the situation in 2006, since the distribution cannot be based on figures that are not yet available. Nevertheless, the situation below can be seen as an 'ideal type' where the distribution of funds best reflects the current situation.

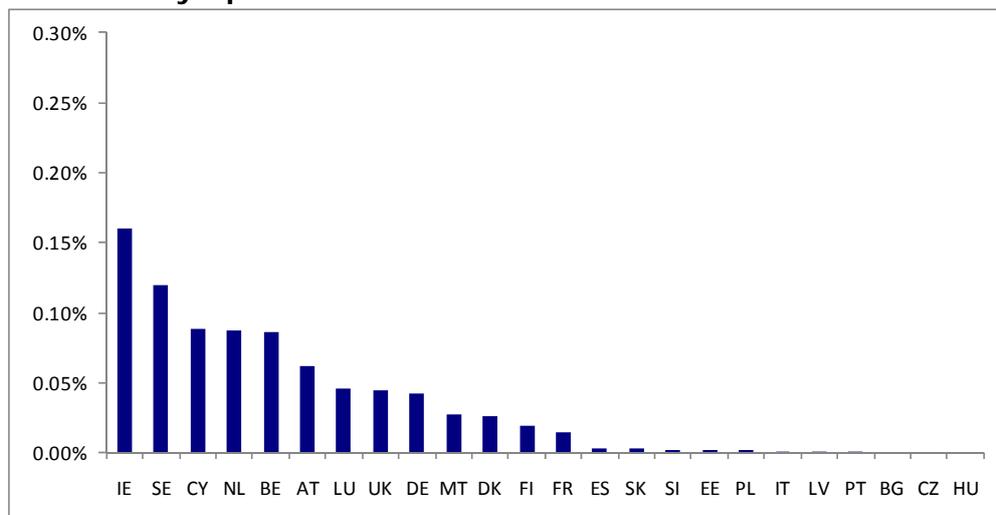
**Figure 51: Total asylum costs as a percentage of GDP under Policy Option 3.1**



In the figure above, Malta and Ireland come out with the highest costs, followed by Sweden, Cyprus, Netherlands and Belgium. Compared to the baseline scenario, the same countries are topping the charts for total costs as a percentage of GDP, with the highest impact on Maltese costs (see Figure 21 in the previous section for comparison). Hence, under this option it is only really Malta that sees any significant change in costs.

For comparison, the following figure represents the situation where half of the compensation proportional to total number of asylum seekers and half to the value of the index, as opposed to the 80%/20% division above:

**Figure 52: Alternative distribution of total asylum costs as a percentage of GDP under Policy Option 3.1**



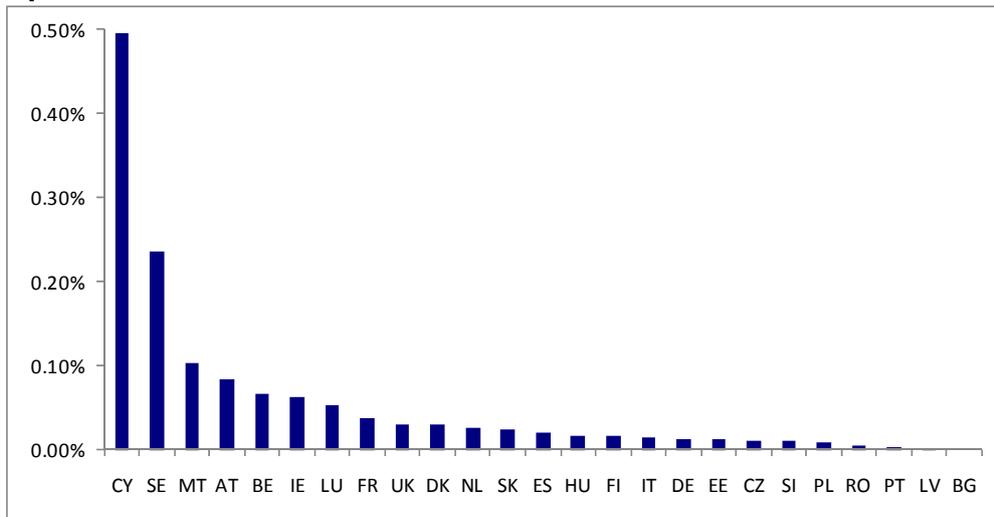
Changing the proportion of relative capacity changes the picture more significantly (see figure 21 in the previous section for comparison). The impact is still highest in the case of Malta, who has dropped from a top ranking position of 0.2629% to 0.0279% of GDP. Although less dramatic, Cypriot costs are reduced from 0.1312% to 0.0882% of GDP. However, for several countries the costs remain close to the same, such as for Ireland, Netherlands, Belgium as well as UK and Germany. Compared to the responsibility indices in Section 3, it is important to note that this addresses challenges associated with infrastructural capacity or physical constraints as well as population size and GDP.

The difference between the two options is mainly that of **lower relative cost faced by Malta**. In both the above cases, the distribution of costs as a percentage of GDP appears to be more even, with all countries facing lower costs as a percentage of GDP and especially Malta and Cyprus facing lower relative financial costs. The Member State which visibly does not benefit much from this responsibility sharing mechanism is Ireland, which reported high total costs but does not face disproportionately high number of asylum seekers, nor does it score high on the asylum responsibility index. This in turn means that the compensation it receives is limited and has little effect on costs as percentage of GDP.

Expectedly, higher fund value could further help in reducing some of the above inequalities. Also, different asylum responsibility indices could be used to determine the distribution. Nevertheless, the above scenario already ensures that some Member States receive compensation exceeding their total cost (they are assigned costs of zero for the purpose of the figures presented above), while the disproportional costs faced by countries like Malta is also attenuated.

Combining Policy Option 2 with the compensation described in this section, results in the following distribution of total costs:

**Figure 53: Total cost as a percentage of GDP under a combination of Policy Options 2 and 3.1**

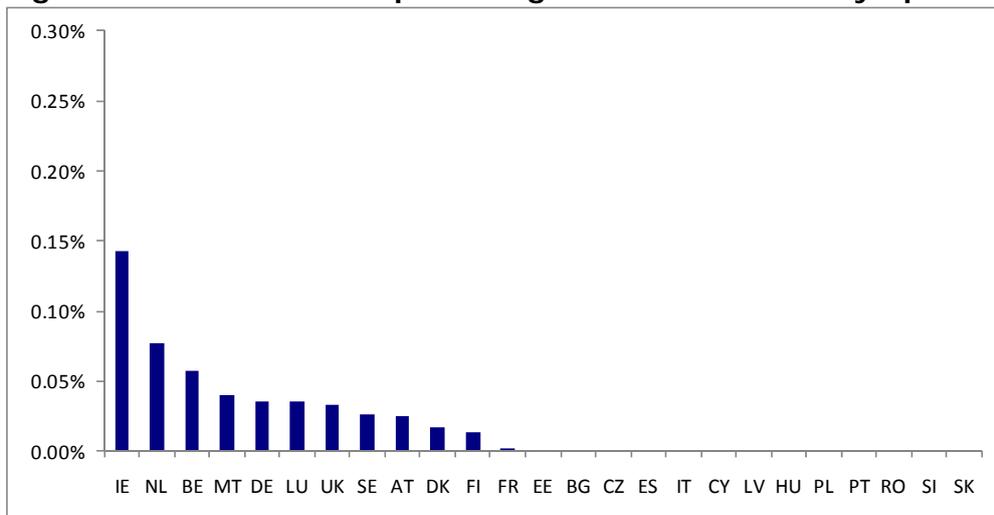


The above figure shows a **slightly more evenly distributed relative cost figure** than under the baseline scenario, although in this situation some countries would be facing disproportionate costs, as is the case for Cyprus and Sweden. Compared to the second policy option, the relative costs are however visibly lower.

**Policy Option 3.2: Unit compensation**

The second financial compensation approach is based on the Finnish proposal, where “a significant part of the actual and verifiable costs incurred by the Member States” are covered, with Member States receiving a fixed amount of money per each “registration”, or in this case per each asylum application. Under this policy option, the unit cost per asylum seeker is simply reduced by a fixed amount. The key assumption to be made is what constitutes “a significant” part of the actual cost. Lacking a more precise specification of this mechanism, the **weighted average unit cost** will be used as a basis and half of this value (approximately EUR 8.800) would be taken as a “significant” part. With these assumptions, total asylum costs as a percentage of GDP are presented in the figure below:

**Figure 54: Total cost as a percentage of GDP under Policy Option 3.2**

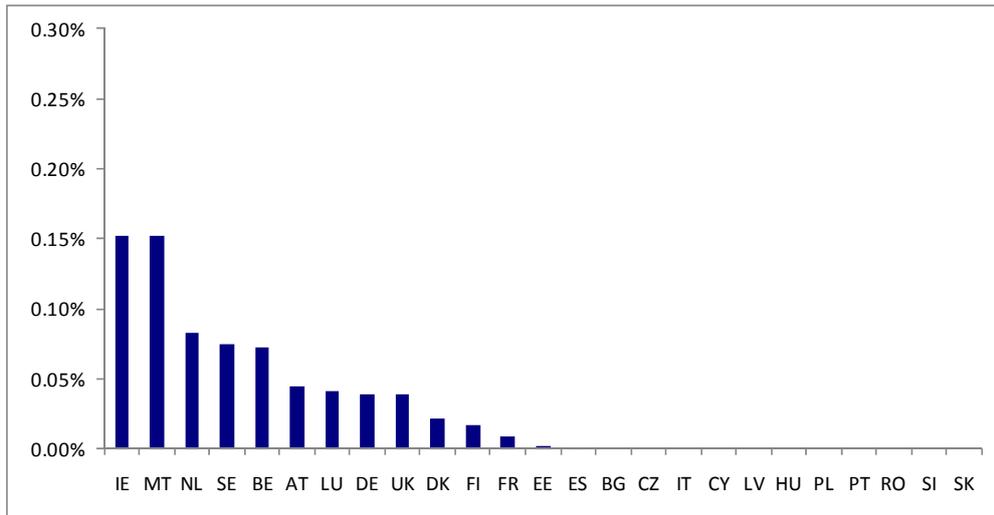


Similarly to the case of an ERF-style financial compensation, compensating the Member with a fixed payment per application **results in reducing costs in many Member States**

**to zero, and considerably reducing the financial costs on the top end of the scale.** The mechanism shown above would however mean that a total **spending of EUR 1.9 billion is required.**

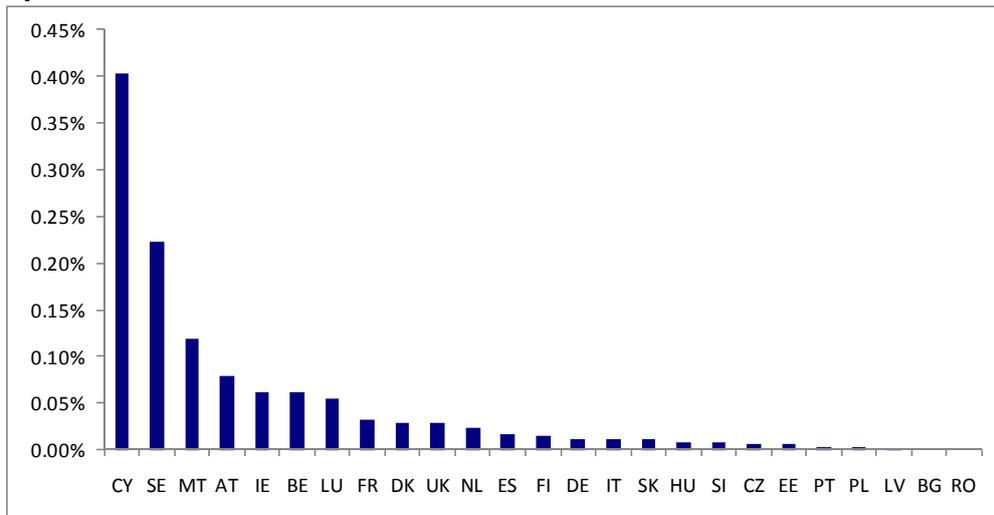
**Halving the fixed compensation** to approximately EUR 4,400 and reducing the total costs to approximately 982 million results in the following situation:

**Figure 55: Total costs as a percentage of GDP under the alternative Policy Option 3.2**



It is interesting to note that this results in very little change for Ireland. This is due to the fact that when one divides total cost by the number of asylum seekers in Ireland, the resulting cost per asylum seeker is very high (approximately €78,000), meaning that a compensation of under €10,000 per asylum seeker makes little difference, especially when expressing total cost in relation to GDP.

Combining this form of financial compensation with the second policy option, essentially results in creating a new set of lower unit costs across all Member States. The effect on total costs as a percentage of GDP is shown in the following figure:

**Figure 56: Total cost as a percentage of GDP under a combination of Policy options 2 and 3.2**

The above figure results in a similar distribution of relative total asylum cost as the combination with the second policy option and the ERF-style compensation mechanism. Under this option, Cyprus would see a radical increase in costs (from 0.1312% to 0.4023% of GDP), as would Sweden (from 0.1232% to 0.2225% of GDP). Malta would see a reduction from 0.2629% to 0.1191%, Netherlands a reduction from 0.0879% to 0.0241% and Belgium from 0.0877% to 0.0617%.

#### 5.3.4. Policy Option 4: Internal relocation

The final policy option discussed here relates to physical relocation. Following the discussions earlier in this section, physical relocation schemes will be combined here with a mechanism for centralised processing, such as under EASO.

It is imperative to highlight the need for joint processing to be based on a harmonised scenario. If this is not achieved, the playing field would not be level, as there would not only be differences in standards but more crucially there could be radical differences in grounds for decision. As showed above, recognition rates in 2006 ranged from 0% to 100%. Similarly, ECRE showed that over 80% of Iraqi asylum claims succeed at first instance in some Member States, versus literally none in some others.<sup>78</sup> Hence, asylum seekers are today more likely to be granted protection in some Member States than others.

As in the case of financial compensation, previous and existing initiatives will be used to guide the discussion. Unlike financial compensation, majority of the impact would be on the physical asylum flows. Joint processing of applications would result in lowering the costs to Member States, but here it is assumed that this would be a percentage change applied to all Member States and would thus not change the distribution of responsibilities between Member States.

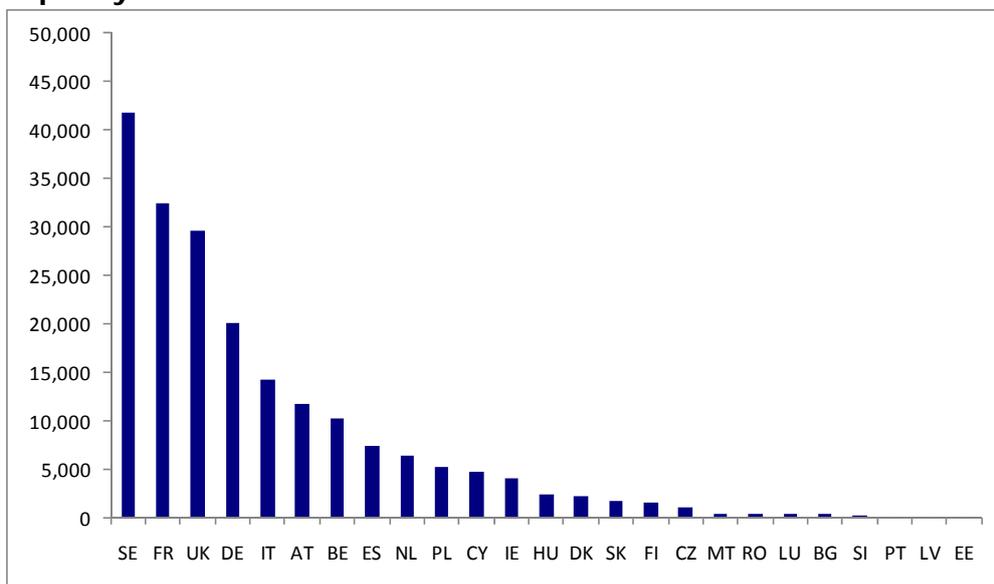
In this case, the mechanism will be modelled on the German responsibility-sharing proposal from 1994, which suggested a compulsory distribution mechanism using a system of

<sup>78</sup> ECRE, Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered, 31 March 2008, [http://www.ecre.org/resources/policy\\_papers/1058](http://www.ecre.org/resources/policy_papers/1058)

quotas based on population size, territory, and GDP, given equal weighing<sup>79</sup>, which is a concept similar to the “fair share” introduced in Chapter 6. In order to present an alternative responsibility-sharing option, the potential impact of introducing a system similar to that in the UK is discussed.

For this discussion a “fair share” distribution of asylum applications based on the first combined capacity index will be used. This capacity index introduced in section 6 combines GDP, population, and population density assigning them 50%, 25%, and 25% weighting respectively. This is slightly different than what has been proposed in 1994, but it measures similar aspects of capacity. Using such mechanism would result in the following distribution of asylum applications in 2007:

**Figure 57: “Fair share” distribution of asylum-seekers using the first combined capacity index**

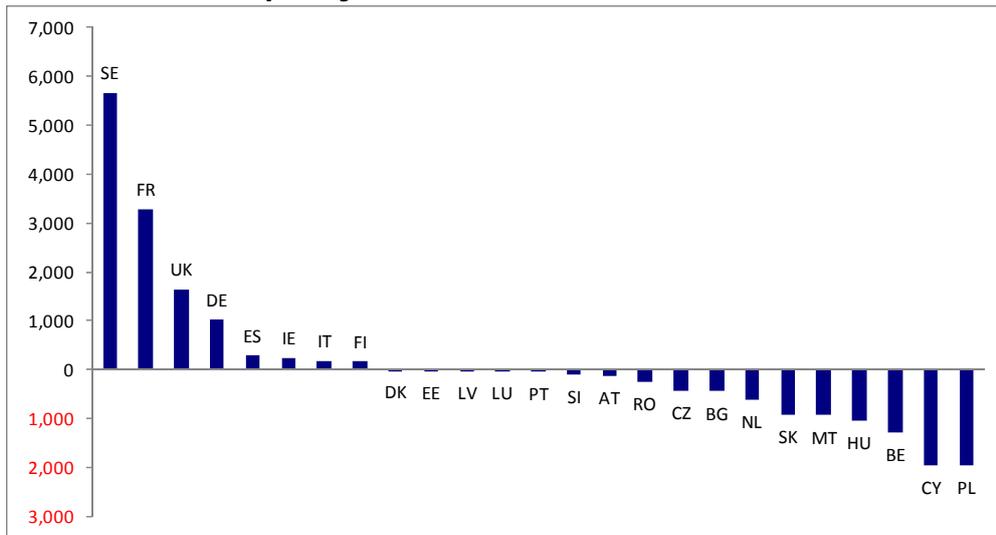


Sweden, which comes up at the top of the scale would thus be expected to receive the highest number of asylum seekers, were the distribution to be “fair”. This is due to the share being based upon population, wealth, and population density, and Sweden having a high GDP per capita, and relatively low population density with still a sizable total population.

Using this new distribution would mean that approximately 25,000 asylum seekers, over a 10<sup>th</sup> of all the applicants in 2007, would find themselves in a different Member State. The changes in asylum flows are indicated in the following figure:

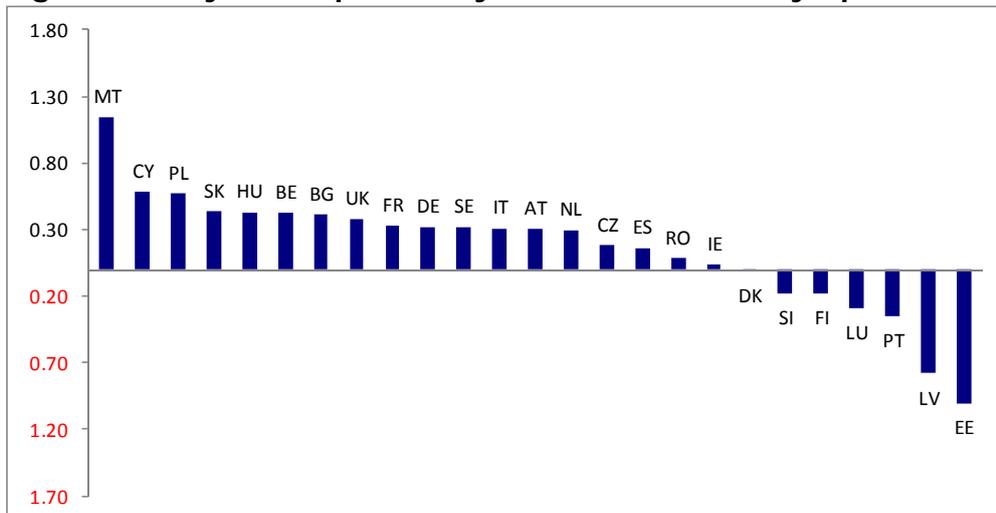
<sup>79</sup> See: Thielemann, Eiko. “Burden-Sharing”: The International Politics of Refugee Protection” Paper presented at the annual meeting of the International Studies Association, Town & Country Resort and Convention Center, San Diego, California, USA, Mar 22, 2006

**Figure 58: Changes in asylum flows under the physical relocation option using the first combined capacity index**



The figure above represents the absolute changes in the number of asylum seekers received by each Member State if a physical redistribution using the first capacity index as a guide were to be used. The following figure shows the first asylum responsibility index based on these changed input numbers.

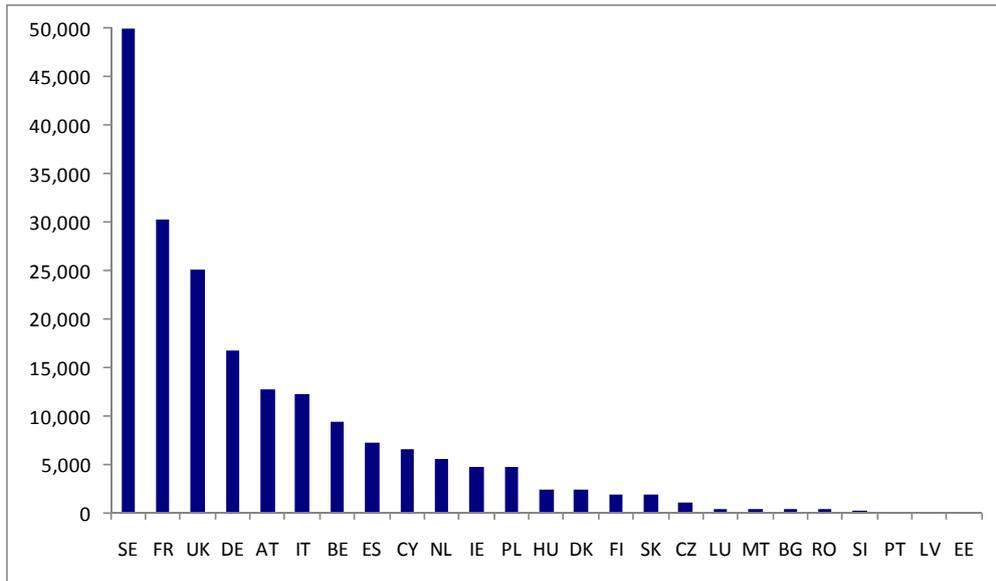
**Figure 59: Asylum responsibility index 1 under Policy Option 4**



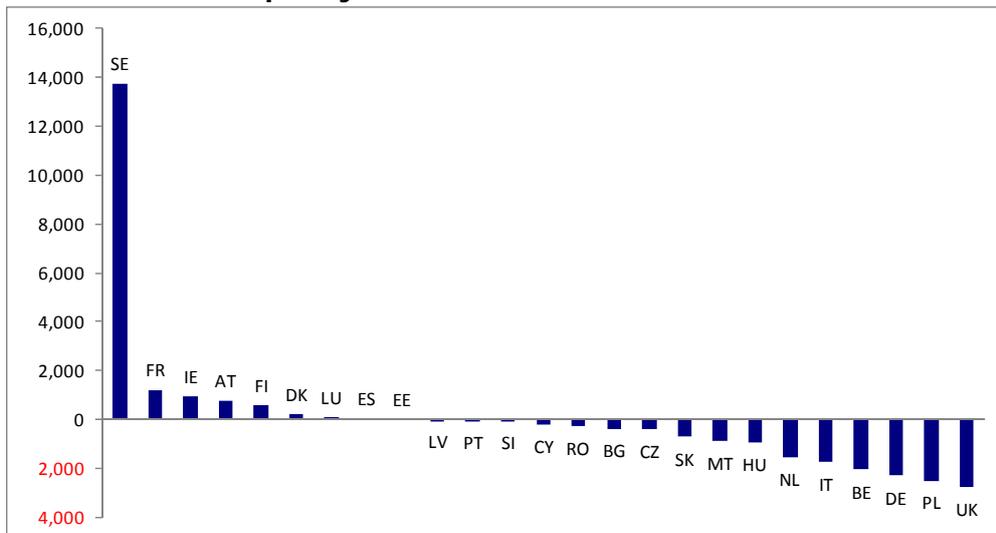
It is worth noting that the responsibility index does not take values of zero even though the asylum input numbers are based directly on the capacity index. This is due to the fact that the index methodology compresses the input values to a scale ranging from zero to one. Nevertheless, it is clear that the distribution of responsibilities is more even.

The following three figures present the same information if the third capacity index (which takes into account GDP and population density weighted equally) was used to generate target numbers of asylum input. The responsibility index shown in this case is the fifth responsibility index, which is based on number of applications and the third capacity index.

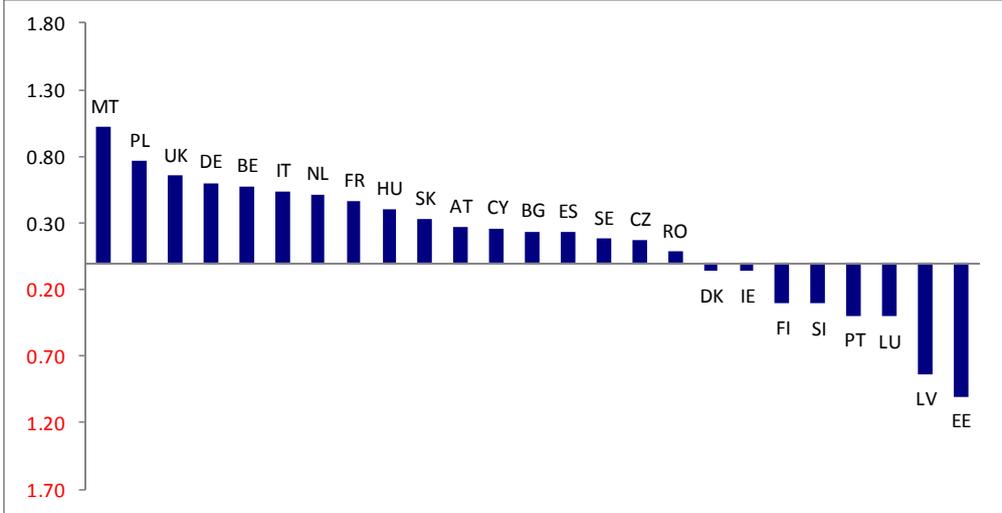
**Figure 60: Distribution of asylum-seekers following the third combined capacity index**



**Figure 61: Changes in asylum flows under the physical relocation option using the first combined capacity index**



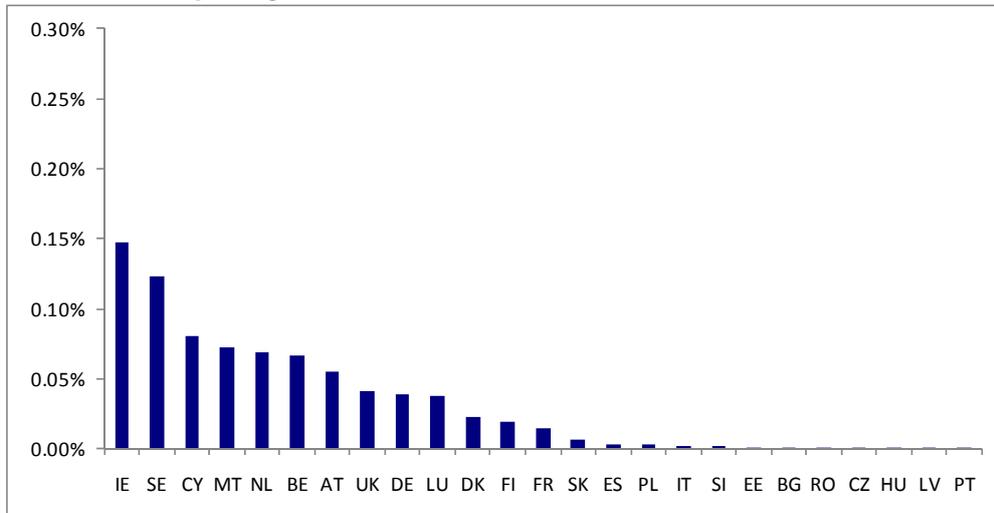
**Figure 62: Asylum responsibility index 5 under Policy Option 4**



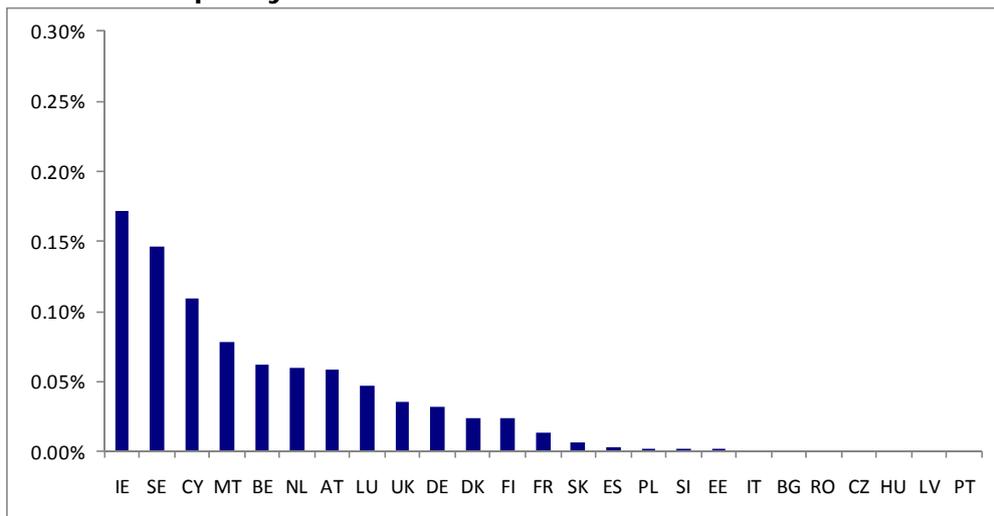
Using the third capacity index to create the quotas results in an even more equitable distribution of asylum responsibilities. This however requires that 35,000 asylum-seekers find themselves in a different Member State than under the baseline scenario.

The following two figures show the effect of such a physical relocation on asylum costs as a percentage of GDP. Since physical relocation is here assumed to take place in conjunction with joint processing of applications, it is assumed that Member States would not bear any of the application processing costs (which are assumed to be 13.8% of all costs, as specified in chapter 4).

**Figure 63: Total costs as percentage of GDP under Policy Option 4 using the first combined capacity index**



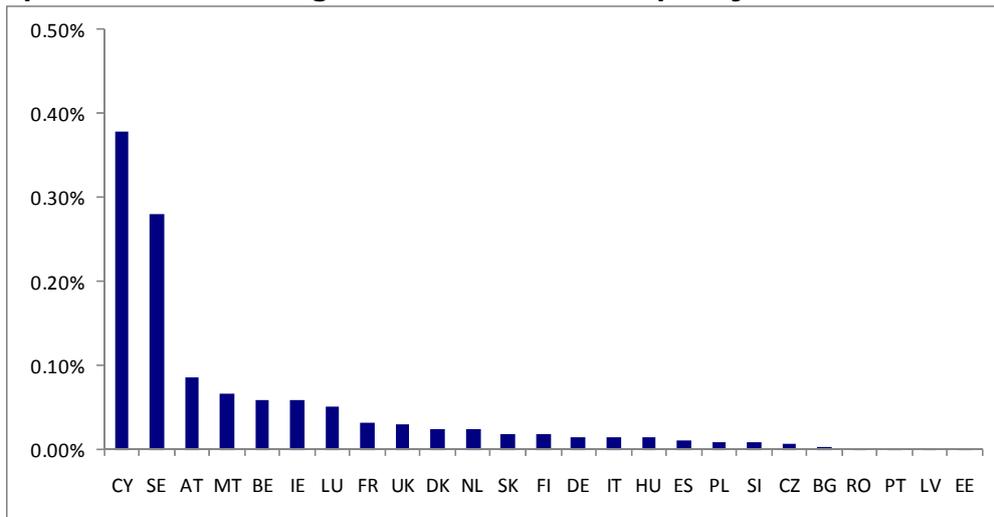
**Figure 64: Total costs as percentage of GDP under Policy Option 4 using the third combined capacity index**



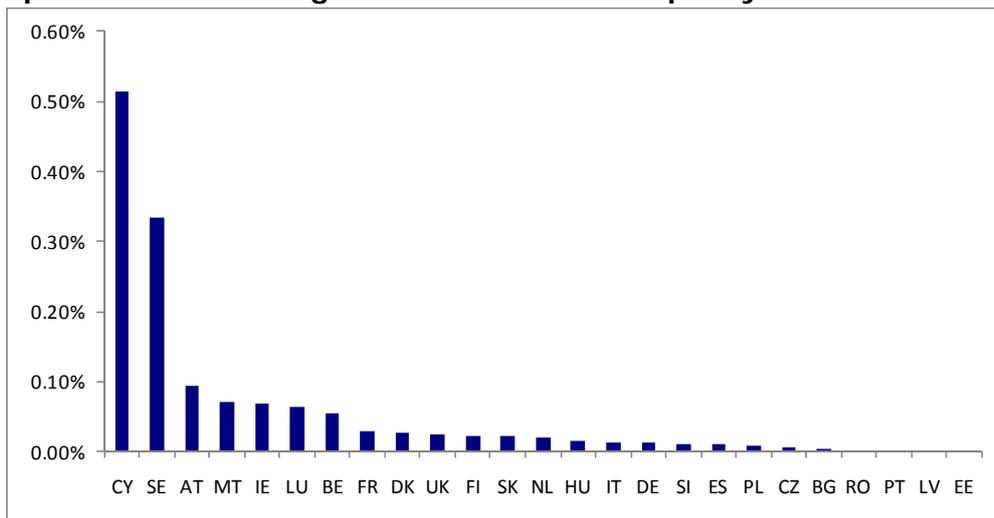
In both cases, and especially when using the first capacity index, the differences in total costs as percentage of GDP are lower, with some of the high responsibility Member States not topping the scales (i.e. Malta or Cyprus).

Combining this policy option with policy harmonisation under Policy Option 2 results in the following distributions of costs:

**Figure 65: Total cost as a percentage of GDP under a combination of policy options 2 and 4 using the first combined capacity index**



**Figure 66: Total cost as a percentage of GDP under a combination of policy options 2 and 4 using the third combined capacity index**



Since Cyprus and Sweden are both countries that see their unit costs rise under a policy harmonisation scenario, a combination of physical relocation and policy harmonisation would result in these two countries facing a relatively high level of financial responsibility. Nevertheless, the distribution of financial responsibility with a physical relocation scheme in place is still less uneven than under Policy Option 2.

In addition to the German responsibility-sharing proposal there are a number of existing national physical schemes in place which could be used as a model for a potential physical relocation policy option. Boswell (2003) identifies two national systems that feature a physical component, namely the German and the UK system<sup>80</sup>. Whereas the German model, established in 1974, distributes asylum seekers between individual Laender according to their population, in the UK the dispersal element is more recent and operates on a smaller scale, dispersing asylum seekers to 'cluster areas'. The distribution key is based on 'case

<sup>80</sup> Boswell, C. (2003). Burden Sharing in the European Union: Lessons form the German and UK Experience

loads', with there being a rule that the ratio of asylum-seeker population to total population should not exceed around 1 to 300.

The above systems could also be used as potential models for responsibility-sharing mechanisms, although in both cases the only well-defined distribution key element is population. The policy option in this section only used population as one of the capacity measures it was based on, but, as argued in previous sections, it is beneficial to consider more capacity measures than just population, which is why the population-based physical relocation model has not been analysed here in detail.

#### **5.4. Comparing options**

There are several issues to take into account for comparing the options above. These include e.g.

- How well do the Policy Options address the problem?
- What is the cost of administering the different systems?
- What is the effect on the population in question?
- How feasible are the options to implement?

These questions will be considered when comparing the policy options in the following sections.

#### **How well do the Policy Options address the problem?**

The objective of a responsibility sharing mechanism is to ensure that asylum responsibilities are distributed more evenly between the Member States. The distributions of responsibilities can be compared in a systematic fashion using a measure of dispersion (in this case standard deviation), with a higher number meaning more dispersion or, in practical terms, a more 'unequal' distribution of pressures. This is summarised in the table below:

**Table 10: Comparison of policy options<sup>81</sup>**

	Policy Option 1 (Baseline)	Policy Option 2 (Coordination under EASO)	Policy Option 3.1 (Fund-based financial compensation) (80%/20%)	Policy Option 3.1 (Fund-based financial compensation) (50%/50%)	Policy Option 3.2 (Unit-based financial compensation) (higher)	Policy Option 3.2 (Unit-based financial compensation) (lower)	Policy Option 4 (Internal relocation) (index 1) <sup>82</sup>
Total costs as a % of GDP	0.0639%	0.1258%	0.0500%	0.0431%	0.0325%	0.0443%	0.0403%
Asylum responsibility index 1 (GDP, population and density)	0.4651	0.4651	0.4651	0.4651	0.4651	0.4651	0.4358

The table shows the dispersion of two comparative measures, namely total costs as a percentage of GDP and the first responsibility index, with the former measuring cost pressures, and the latter measuring the relationship between asylum flows and capacity. The more dispersed the values are (the higher the numbers in the cells of the table), the more “unequal” the distribution. Where the numbers in cells do not change compared to the baseline scenario (Policy Option 1), this can be understood as no change in distribution. In addition to the baseline scenario, the policy options outlined in the table include:

- policy harmonisation and centralisation/coordination by EASO (Policy Option 2);
- fund-based financial compensation with higher weighting given to absolute measures in the distribution key (Policy Option 3.1 80%/20%);
- fund-based financial compensation with equal weightings (Policy Option 3.1 50%/50%);
- unit financial compensation at half the average cost per application (Policy option 3.2 higher);
- unit-financial compensation at quarter the average cost per application (Policy option 3.2 lower); and
- internal physical relocation mechanism (Policy Option 4).

The above table shows that on the whole, compensating for half of application costs (Policy Option 3.1 - higher) is the most effective method of equalising financial burdens examined. When this is lowered to 25%, physical relocation and an ERF-style' mechanism appear to be more effective. With regards to distribution of physical responsibilities, only the fourth

<sup>81</sup> Due to data limitations outlined in Section 4, Greece and Lithuania were excluded from the calculations.

<sup>82</sup> Using the third combined capacity index, the standard deviation of total costs as a percentage of GDP was 0.0467%.

policy option has an effect on this distribution, and, as one could expect, it creates a more equal distribution compared to the baseline scenario. Thus, in terms of equalising both financial and physical responsibilities compared to the baseline scenario, the fourth Policy Option is the only one that can achieve both. It is worthwhile to note that according to this analysis, policy harmonisation appears to be the only mechanism which can actually have an opposite effect by making the distribution of financial responsibilities more uneven. This, as explained above, can be traced to the fact that some high-responsibility countries also have low unit costs, meaning that their perceived level of responsibility would increase were they to face higher costs due to policy harmonisation.

### Costs of the policy options

Costing the policy options in a systematic manner has not been within the scope of the study. Nevertheless, some indications are presented in the table below:

**Table 11: Comparing the costs of Policy Options**

	Policy Option 2	Policy Option 3.1	Policy Option 3.2	Policy Option 4 <sup>83</sup>
Costs to the European Community	Costs of the CEAS  Costs of the EASO	Costs of the fund (here EUR 125.6 million a year)  Costs of administering the fund	Costs of the compensation (1.9 billion in the higher option, 980 million under the lower option)  Costs of administering the system	Costs of relocation (i.e. travel)  Costs of processing applications outside of the EU
Costs to Member States	Costs of compliance with the CEAS (estimated to be EUR 1.7 billion to Member States facing rising unit costs)	Costs of providing information for distribution of funds	Costs of providing information for distribution of funds	

The above table provides an overview of the type of costs associated with the policy options, as well as figures referring to actual mechanisms analysed earlier in this section.

<sup>83</sup> Using the third combined capacity index, the standard deviation of total costs as a percentage of GDP was 0.0459%.

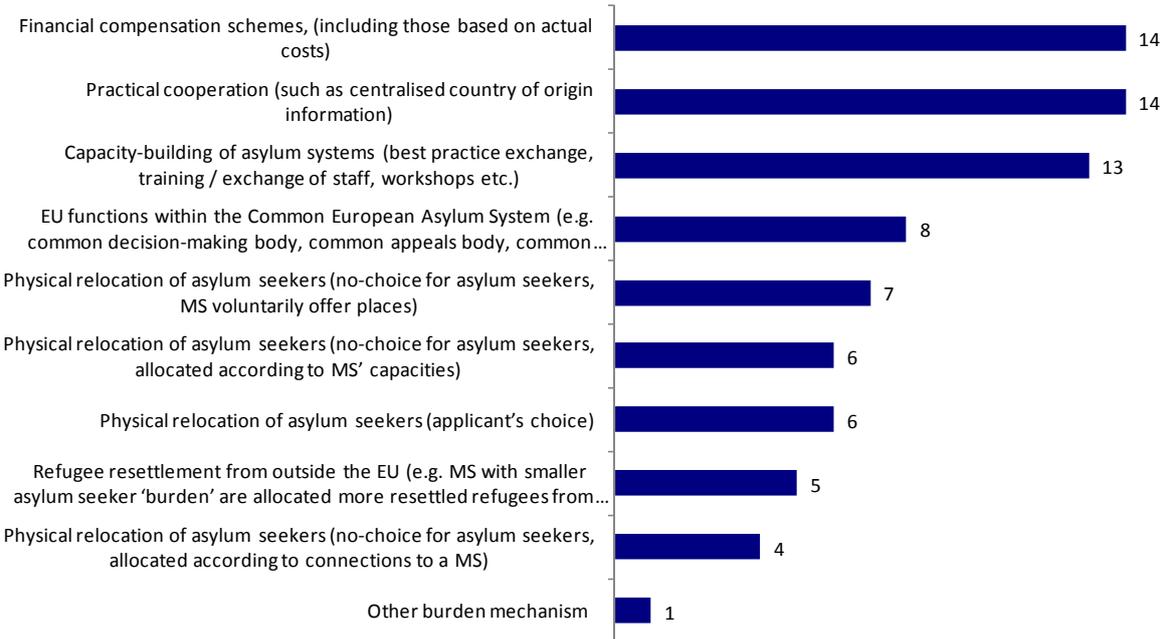
In terms of costs of administering different mechanisms, due to scope of a physical relocation mechanism one could expect the cost to be higher than that of administering a financial compensation scheme, while processing of applications outside of the EU could have similar costs attached to it as the EASO. In terms of costs of financial compensation, it is worth noting that the ERF style mechanism appears to deliver similar results in terms of redistributing financial responsibilities to a considerably more expensive mechanism based on a Finnish style compensation proposal. This could thus be an indication of a possible higher 'value-for-money' of an ERF-influenced financial compensation scheme.

**Feasibility of implementation and effects on the asylum seeker**

Before concluding on the most relevant next steps of CEAS and European responsibility-sharing of asylum flows, it is imperative to consider both the political feasibility of introducing or expanding the scope of any of these mechanisms and likely effects on the asylum seeker.

During the course of this study, Member State officials were consulted not only the relative size of costs and types of costs associated with asylum seekers, but also on their position toward different types of responsibility-sharing mechanisms. The results from the survey are shown in the figure below. Each mechanism is discussed in turn with attention to both the political feasibility of implementing such measures and the effects on the asylum seeker.

**Figure 67: Member States' preferences to possible solidarity mechanisms**



**Practical cooperation and capacity building of asylum systems**

The survey showed that there is a political willingness for practical cooperation in sharing asylum responsibilities. This was also supported by Green Paper responses, where there was a large consensus about the benefits of a European Asylum Support Office (EASO), particularly in conjunction with existing structures such as GDISC.

In Member State responses to the Green Paper, the potential European Support Office enjoyed wide appreciation as a body coordinating structural support around the application processing. This included tasks such as gathering information, maintaining a Country of

Origin database, and coordinating translation and interpretation services. Similarly, several Member States mentioned the possibility of the ERF facilitating information management, such as setting up of a platform for finding project partners, publishing common guidance to the Member States and best practice examples of projects, and providing common statistical documentation and forms for calculation of costs.

In its non-paper<sup>84</sup> the UNHCR pointed to the need to assess the capacity of Member States to receive asylum seekers. Similarly to what has been suggested in Communication COM (2006) 67<sup>85</sup>, the UNHCR proposed that Member States would nominate both officials and experts from NGOs to join Asylum Support Teams that could assist Member States under particular pressure. Similarly, capacity building of asylum systems (best practice exchange, training, exchange of staff, workshops etc.) also generated significant support in the survey results.<sup>86</sup> In the Green Paper, this issue was addressed in particular with regards to training and exchange of good practice between Member States, which was highlighted as a relevant task for the European Asylum Support Office. Some Member States also called explicitly for NGO participation in such activities, for example on guidance on vulnerable groups. The UK additionally called for a focus on sharing of information on fraud, nationality swapping, and assisted voluntary return.

Although the results of the above section showed that there would be limited overall impact on costs based on the 2007 figures, there is still a case to be made for providing such support. An important contribution of this study is the measurements of capacity and current responsibilities, both in feeding debates on the size of relative contributions from each of the Member States but also in agreeing on what constitutes particular pressures.

Similarly, practical cooperation may include cooperating on managing the external borders of Europe, for example under Frontex. Finland and Hungary also highlighted in their Green paper responses the need for Rapid Border Intervention Teams (RABIT) for support in cases of high migration pressures. The same results lend themselves to make a contribution to this discussion, agreeing on what constitutes such pressures. On that note it is worth emphasising that the relative contributions of Frontex and ad-hoc initiatives do not reflect the actual pressures faced by some Member States.

### **Policy harmonisation**

Policy harmonisation is considered under the same policy option. As pointed out above, this is a policy option that focuses on closing the implementation gaps of already agreed initiatives rather than introducing new measures (a part from e.g. expanding the role of the EASO). Based on an assumption that standardisation would lead to converging pressures on Member States, this could indeed be considered a form of responsibility-sharing.

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<sup>84</sup> UNHCR, The challenges of mixed migration, access to protection and responsibility-sharing in the EU. A UNHCR non-paper, 16 June 2009, p.4-5

<sup>85</sup> Policy Plan on Asylum. An Integrated Approach to Protection across the EU, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of Regions, COM(2008) 360, 17.6.2008

<sup>86</sup> Agreed by Belgium, Bulgaria, Cyprus, Czech, Estonia, Hungary, Italy, Latvia, Lithuania, Netherlands, Slovenia, Spain

However, there are currently vast differences in common standards between Member States, not only in recognition rates as shown above but also in providing the standards set out in the Directives and the 'level playing field' is likely to be quite some time away.

For example, evidence suggests that the Reception Directive is far from fully implemented across the EU. Concerns have been raised regarding education for minor asylum seekers and medical assistance for asylum seekers with special needs<sup>87</sup>, and regarding conditions in detention centres.<sup>88</sup> An academic study on the compliance of the Member States with the Reception Directive highlights shortcomings in particular regarding access to, and costs of, education.<sup>89</sup> For instance in Slovenia minors between the age of 15 and 18 may only be admitted to secondary schools if places are available and depending on the good will of the school. In Czech Republic asylum seekers have to pay a higher fee than the Czech citizens for the provision of school services (i.e. accommodation and catering, contribute to expenses for school facility etc). In Bulgaria access to education for minors in detention is not provided while this is the case in the vast majority of detention centres in other Member States.

The same study concluded that only Belgium, Cyprus, Spain, Italy, Greece, Luxembourg, Portugal, Slovenia and the United Kingdom explicitly cater for asylum seekers with special needs. In Malta no special provision is made for vulnerable asylum seekers while they are in detention and the assessment of a person's vulnerability might take months. In the Netherlands no specific provisions are made for the covering of extra costs for vulnerable persons and in Germany and Romania no specific provision for victims of torture and violence exists while in the Czech Republic the law is too ambiguous and does not explicitly stipulate that the victims of torture, rape or other serious acts of violence must receive the treatment they need. Bulgaria was mentioned as an extremely worrying case where asylum seekers that had suffered from torture not only received no special support but were even confined in isolation for having entered Bulgaria illegally.

Further, a European Parliament study on conditions in detention centres in 25 Member States described the material and hygiene conditions in centres in for instance Cyprus, Malta, Spain, Italy and Greece as unacceptable and degrading.<sup>90</sup> Similarly the study reported on a worrying trend to apply prison regimes in the vast majority of closed centres, e.g. confinement to small cells, restrictions on exercise times, restrictions on visits, and handcuffing of detainees during transfers. Concerns were also raised regarding access to information on asylum seekers' rights to health and psychological care.

Moreover, as mentioned above, Thielemann (2003) has pointed to a risk of competitive down-grading between Member States rather than full compliance with the European legal

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<sup>87</sup> Academic Network for Legal Studies on Immigration and Asylum in Europe: Study on 'Conformity Checking of the Transposition by Member States of 10 Directives in the Sector of Asylum and Immigration, Directive 2003/09 on Reception Conditions, Synthesis Report, 2007.

<sup>88</sup> European Parliament, Committee on Civil Liberties, Justice and Home Affairs: 'The conditions in centres for third country national (detention camps, open centres as well as transit centres and transit zones) with a particular focus on provisions and facilities for persons with special needs in the 25 EU member states', 2007.

<sup>89</sup> Academic Network for Legal Studies on Immigration and Asylum in Europe: Study on 'Conformity Checking of the Transposition by Member States of 10 Directives in the Sector of Asylum and Immigration, Directive 2003/09 on Reception Conditions, Synthesis Report, 2007.

<sup>90</sup> European Parliament, Committee on Civil Liberties, Justice and Home Affairs: 'The conditions in centres for third country national (detention camps, open centres as well as transit centres and transit zones) with a particular focus on provisions and facilities for persons with special needs in the 25 EU member states', 2007. pp. 15-20.

framework to avoid 'generous' asylum policies generating pull factors for asylum flows. Although he at the same time point out that structural factors have a much higher influence on asylum flows, this risk stresses the importance of monitoring Member State compliance and the European responsibilities in doing so.

Hence, the impact on the asylum seeker of this policy option would, if successful, be beneficial. There is however quite a journey to make before this can be achieved.

### **Financial compensation**

As the figure shows, the most attractive options for the respondents are financial compensation schemes, where almost all respondents agreed that this would be appropriate mechanisms to share the responsibilities across the Member States. This position was supported by Member State responses to the Commission's Green Paper<sup>91</sup>, where thirteen Member States even called for an expansion of the activities of the European Refugee Fund (ERF). In their response to the Green Paper, countries such as the Czech Republic and Greece requested an increase in the share of co-funding provided. Financial compensation as a policy option has existing mechanisms to build on not only through the European Refugee Fund but also the other migration solidarity funds (on return, border management and integration).

As a policy option, the most practical way forward would be expanding the scope and size of the Funds. Most importantly, an important next step is, as was highlighted in the French and Polish responses to the Green Paper, to define the pressures that certain countries may be under when it comes to the reception of asylum seekers. On this note, it is important to highlight how the European Refugee Fund today uses actual numbers of asylum seekers rather than relative numbers accounting for the capacity of a Member State to receive asylum seekers. A significant improvement of this instrument would be to use a relative measure such as what is presented in this report.

The effectiveness of the funds as a responsibility sharing mechanisms is limited, mostly due to their size relative to asylum expenditure. The total value of the first European Refugee Fund was €216 million for the period 2000-2004, while the latest ERF amounts to €628 million for the period 2008-2013. However, even the size of the tripled fund is limited compared to total asylum spending reported. For instance, the total size of the five-year ERFII amounts to only 15% of reported total asylum spending in 2007. A more appropriate comparison is actually that between asylum spending and the total yearly amount of funding available for reception and asylum procedures (estimated to be between 40% and 50% of the fund<sup>92</sup>), which amounts to between €50 and €62 million, or less than 2% of asylum spending in 2007. Similarly, the EASO impact assessment pointed out that the ERF "clearly lacks the resources needed to effectively finance the real efforts made by Member States to implement refugee policy. As an example, the French asylum administration

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<sup>91</sup> European Commission, Green Paper on the future Common European Asylum System, COM(2007) 301 final, Brussels, 6.6.2007

<sup>92</sup> See European Commission, Intermediate report on the results achieved and on qualitative and quantitative aspects of implementation of the European Refugee Fund during the period 2005 – 2006 (ERF II Interim Evaluation), working document, SEC(2008) 41, Brussels, 17.1.2008, , p. 5-6  
[http://ec.europa.eu/justice\\_home/funding/2004\\_2007/refugee/doc/evaluation\\_2008/sec\\_2008\\_41\\_en.pdf](http://ec.europa.eu/justice_home/funding/2004_2007/refugee/doc/evaluation_2008/sec_2008_41_en.pdf)

(OFPRA) alone costs approximately €50 million a year, while the total resources of the ERF for 2008, to be allocated to the 27 Member States are approximately €75 million"<sup>93</sup>.

In addition to the ERF, although dealing less explicitly with asylum reception and procedure, the Member States can receive funding from the following migration and solidarity funds:

- the External Borders Fund (€1,820 million for the period 2007-2013);
- the European Fund for the Integration of Third-country nationals (€825 million for the period 2007-2013); and
- the Return Fund (€676 million for the period 2008-2013).

The total yearly value of the above funds, including the ERF, still amounts to only around 17% of reported asylum spending in 2007. In addition, since the funding available through these instruments (other than an element of the ERF) doesn't focus specifically on asylum reception and procedure, means that a more appropriate comparison should be with total immigration spending rather than asylum spending. EU27 immigration spending figures are difficult to obtain, but a recent study on costs and impacts of migration policy conducted by the IOM, provides some indication of the sums involved. The report notes that the expenditure in Sweden was €842 million in 2008, while in Germany just the integration spending amounted to €352 million in 2006. In Ireland migration spending was €118.6 million in 2006<sup>94</sup>. Although this is very partial information for only three countries, one can expect the migration spending in EU27 to significantly exceed the value of the funds. In sum, the current size of the various migration and solidarity fund and the ERF in particular, is too small to have a significant responsibility sharing impact, although the analysis further in this chapter shows that targeting the compensation in an effective manner does significantly offset the limited size of such compensation.

However, it is important to highlight that financial compensation alone will not be able to deal with capacity challenges. Malta may come out beneficially with such a model, but financial compensation will not change the fact that the relative number of asylum seekers to the capacity of the country will be reflected in the capacity of the system to deal with the sheer number of people arriving (e.g. providing adequate reception conditions, managing the asylum procedures etc.).

### **Internal (physical) relocation**

With regards to the final policy option, there are two elements that are crucial to consider. Firstly, an important precondition of internal relocation is either guaranteed common standards in asylum procedures or centralised EU functions within the Common European Asylum System, such as joint processing. Secondly, internal relocation does not only have practical implications for the Member States but will also have significant impact on the asylum seeker themselves.

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<sup>93</sup> European Commission, Accompanying document to the Proposal for a Regulation of the European Parliament and of the Council establishing an European Asylum Support Office, Impact Assessment, SEC(2009) 153, Brussels, 18.2.2009

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=SEC:2009:0153:FIN:EN:PDF>

<sup>94</sup> See

[http://www.iom.int/jahia/webdav/site/myjahiasite/shared/shared/mainsite/published\\_docs/books/Assessing\\_the\\_Cost\\_lores.pdf](http://www.iom.int/jahia/webdav/site/myjahiasite/shared/shared/mainsite/published_docs/books/Assessing_the_Cost_lores.pdf)

With regards to the first, it is important to highlight how centralisation of EU functions, such as joint processing, was considered a less attractive option for most Member States in the survey. Moreover, the Green Paper responses showed an overall Member State preference support and coordination role of the EASO, with decision making power remaining with Member State and the Council respectively. Although no Member State opposed the introduction of a single procedure on how to process asylum applications, there was a preference to approximation of standards rather than centralised functions or specific areas under the single procedure. Clear rules on timelines, specifications for airport, border and transit zone procedures as well as for appeals were required. A few Member States also expressed a need for a common list of safe third countries while others opposed this idea. Estonia and Germany highlighted a need to ensure the same factual basis for decision concerning specific countries/entities such as Chechnya, Afghanistan and Iraq. ECRE usefully contributed to this debate by listing possible costs to share, without a single, centralised procedure. They proposed local interviews and hearings, leaving scheduling, administration and data storage to be handled centrally<sup>95</sup>.

Secondly, although it is important to highlight that survey responses were not exhaustive, an interesting finding was that only two Member States did not see physical relocation as a viable option for responsibility-sharing across Europe (France and Czech Republic). However, responses to the Commission's Green Paper showed that Finland and UK expressed their general reservations. The UK reiterated their position in their response to the Stockholm Programme in August 2009<sup>96</sup>.

Moreover, the survey results varied depending on the degree of voluntarism in relocation. Seven out of 18 responses were in favour of asylum seekers being allocated based on places offered by Member States voluntarily, six responses backed the option of asylum seekers making a choice and being allocated according to Member States capacities, four responses were in favour of physical relocation if asylum seekers are allocated according to their connections to a Member State.

To add to the complexity of this picture, particular attention should also be paid to the implications of e.g. denying the asylum seeker the choice of destination. Boswell (2003) showed that this is not only a humanitarian issue, but how the lack of choice would lead to an increased number of disappearances and consequently detention due to the reluctance to move from one country to another. As highlighted in the UK, French and Swedish case studies, the integration potential will impact particularly on long-term costs and benefits to a country. Access to labour market is an important dimension in this regard. This brings the discussion to ECRE's proposal in 2008 that responsibility determination should focus on existing connections between asylum seekers and Member States. This could include extended family ties, the presence of communities of similar origin, language skills, and familiarity with cultures and educational systems, which also highlighted how would make it easier to predict where they are likely to seek asylum, and reduce irregular movement<sup>97</sup>.

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<sup>95</sup> ECRE, Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered, policy paper, 31 March 2008, [http://www.ecre.org/resources/policy\\_papers/1058](http://www.ecre.org/resources/policy_papers/1058)

<sup>96</sup> UK Written Comments on the European Commission's Communication on the Stockholm Programme, Summary, September 2009. <http://www.statewatch.org/news/2009/sep/stockholm-uk-comments-27-08-09.pdf>

<sup>97</sup> ECRE, Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered, policy paper, 31 March 2008, [http://www.ecre.org/resources/policy\\_papers/1058](http://www.ecre.org/resources/policy_papers/1058)

Moreover, there are significant human costs to take into account in discussing physical relocation as a form of sharing responsibilities between Member States. Several of the case studies also showed the importance of pre-existing ethnic communities not only to facilitate integration and increase the effectiveness of the local public support system. As Boswell (2003) points out, a mechanism that does not consider this is likely to lead to asylum seekers being isolated from their own ethnic communities. She further points out how asylum seekers tend to end up in deprived areas, and how ethnic tension and racial violence becomes critical.

UNHCR backs the option that relocation should be voluntary for Member States and should involve support from the ERF. Priority should be given a) to persons recognised in one Member State who have a link to another Member State, including through family ties, dependency relationships or other close community connections; b) to persons with special needs, e.g. tortured and traumatised who cannot be treated effectively in another Member State; c) separated children; and d) persons rescued or intercepted at sea who have been found to need protection<sup>98</sup>.

UNHCR further argues that it is important that the consent of the person involved is obtained before relocation in order to ensure that relocation leads to a durable solution and effective integration into the receiving State<sup>99</sup>. ECRE emphasises the need to provide sufficient information to persons before their consent is obtained and demands that relocation should be accompanied by measures to improve the asylum and integration systems in the Member States from which refugees relocate in order to avoid undesired incentives<sup>100</sup>.

An institutionalised EU system of voluntary physical distribution exists (at least on paper) since 2001, when the Council agreed to set up a **Council Directive on Temporary Protection in the Case of Mass Influx**.<sup>101</sup> The directive develops a range of mechanisms based on the principle of *double voluntarism* which means that the agreement of both the recipient State and the individuals concerned is required before protection seekers can be moved from one country to another. Other aspects of physical distribution include the Commission's proposal to create a mechanism to deal with **temporary suspension of applying the Dublin rules** for transfers of asylum-seekers to a Member State 'whose reception system cannot adequately deal with the transferred persons' and discussions regarding EASO facilitating internal re-allocation on voluntary basis. The **Council Directive on Temporary Protection in the Case of Mass Influx, as well as this** Commission's proposal follow the same case-by-case approach which could be compared to a non-binding mechanism.

Finally, the Tampere Conclusions made little reference to responsibility-sharing for asylum within the EU beyond the harmonisation of standards besides calling for agreement on the issue of temporary protection for displaced persons "on the basis of solidarity" between

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<sup>98</sup> UNHCR, The challenges of mixed migration, access to protection and responsibility-sharing in the EU. A UNHCR non-paper, 16 June 2009, p. 2-3

<sup>99</sup> Ibid.

<sup>100</sup> ECRE, Time to Show Your Cards. The need for a genuine commitment to establish a Common European Asylum System based on high standards of protection. ECRE's recommendations for the Stockholm Programme, September 2009, p. 9

<sup>101</sup> Council Directive 2001/55/EC of 20 July 2001.

Member States (e.g. setting aside financial resources for situations of mass influx of refugees needing temporary protection)<sup>102</sup>.

The idea of redistributing asylum seekers is seen by many Member States as unworkable and/or undesirable, due to the legal and practical complexities, as well as difficulties in reconciling it with the Dublin II system. Therefore, UNHCR believes that a focus on recognised protection beneficiaries, rather than asylum seekers would lead to a more effective solution<sup>103</sup>.

With all these considerations in mind, the analysis above did point out that this is **the only mechanism that is likely to have a real impact** on the distribution of asylum costs and responsibilities across the Member States.

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<sup>102</sup> Tampere European Council 15 and 16 October 1999, Presidency Conclusions, paragraph 16. [http://www.europarl.europa.eu/summits/tam\\_en.htm](http://www.europarl.europa.eu/summits/tam_en.htm)

<sup>103</sup> UNHCR, The challenges of mixed migration, access to protection and responsibility-sharing in the EU. A UNHCR non-paper, 16 June 2009, p. 3

## 6. STUDY FINDINGS AND RECOMMENDATIONS

This chapter includes the findings of the study and recommendations to the stakeholders involved.

### 6.1. Study Findings

The findings of this study can be summarised along two main lines: the challenges that Member States experience and possible European solutions to these challenges.

#### KEY FINDINGS

- The overall numbers of refugees in Europe are relatively low. **In 2007 Europe only hosted 14 per cent of the world's refugees or people in refugee-like situations.** In 2007 about 220,000 asylum applications were received within the EU27, only just over half the 2001-02 peak of over 420,000 asylum seekers, and about a third of the peak of 1992. **This is equivalent to less than one asylum seeker per 2200 European inhabitants.**
- **The total size of asylum spending reported by Member States is relatively low.** The total size of direct spending by each Member State has generally not been more than the equivalent of 1/14<sup>th</sup> of the international aid target of 0.7 per cent of Gross National Income. At €4,160m EU wide, these total asylum-related costs to EU Member States in 2007 are less than what UK citizens spent on pets and pet food in the same year<sup>104</sup>.
- **Asylum pressures pose different challenges for different countries.** For some countries the physical constraints of national systems, such as the capacity to accommodate asylum seekers, will outweigh the actual expenditure on asylum as the most important challenge. In others the costs of receiving asylum seekers will be more important than the existence of infrastructural capacity to receive them. This is often combined with social and political challenges associated with asylum reception, i.e. the pressure of the national political environment.
- In some countries, asylum applications only constitute a small part of undocumented migrants coming into and / or residing in the country, whereas in others this is proportionally a large group. There is hence an issue of asylum related vs. refugee related costs; i.e. costs for new-comers and costs for established refugee communities. For example, this study has shown that Germany and the Netherlands experience more pressures from a refugee perspective than from an asylum perspective. For this reason European asylum measures need to be

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<sup>104</sup> UK Office of National Statistics' Family Spending and Family Expenditure Survey 1997–2007, 15 September 2009, p. 84,

[http://www.statistics.gov.uk/downloads/theme\\_social/Family\\_Spending\\_2007/FamilySpending2008\\_web.pdf](http://www.statistics.gov.uk/downloads/theme_social/Family_Spending_2007/FamilySpending2008_web.pdf).

According to this survey is the total weekly expenditure on pets and pet food £82m which is equal to about €115m a week and €5,966m a year.

**coordinated and aligned with other measures** in managing immigration challenges and migration flows into Europe.

- While the public debate tends to focus on absolute numbers of asylum seekers, the pressure on member states and their capacity to handle those numbers can **only be meaningfully assessed by looking at relative numbers**. If the numbers of asylum seekers are compared to capacity indicators, such as GDP, population size and population density, a different picture of asylum pressures emerges. **This means that certain European countries face disproportionate asylum pressures compared to others, and that numbers must be compared to capacity.**
- **An effective responsibility-sharing mechanism would need to consider both the number of asylum seekers, as well as asylum costs.** Financial compensation or administrative support will not change the physical constraints of Member States in receiving asylum seekers.
- **Some countries face disproportionately high asylum costs**, with the share of asylum spending in relation to GDP being **1000 times higher** in some Member States (e.g. Malta) than others (e.g. Portugal) in 2007. When cost of living is taken into account, the differences remain large.
- **Countries with low numbers of asylum seekers tend to have high unit costs.** Compared to cost of living, Estonia has for example the third highest unit cost, while the number of asylum seekers in 2007 was limited to 15 applications.
- **Some high cost characteristics of national asylum systems could be regarded as avoidable, such as a greater use of detention or long asylum procedures.** The UK spends two thirds more per asylum application than Sweden, but detention accounts for 25% of the total, while in Sweden it represents less than 4% of the total costs reported.
- If no additional responsibility sharing measures are introduced and current proposals are not implemented, **there will continue to be a highly uneven distribution of asylum costs and pressures across Europe**. This study shows that there are critical differences between Member States and the costs they carry for receiving asylum seekers.
- **Current measures in place or under discussion are not enough to provide for equitable responsibility-sharing.** The relative contribution of these measures will have little impact on the costs and responsibilities of Member States for asylum seekers.
- **To make a significant impact, funding for financial compensation needs to increase notably.** For example, an increase of nearly one billion EUR would result in some changes, but countries under particular pressure (such as Malta) would still carry disproportionate costs.
- **A financial compensation mechanism, for example an expanded European Refugee Fund (ERF), could reduce some inequalities in the distribution of asylum costs.** A capacity-based fund model would potentially be more effective

than a per application compensation mechanism. **This would require a substantial expansion of the ERF or an equivalent funding mechanism.**

- A mechanism based on **relative measures will be more effective at evening out differences in relative pressures/capacities**, rather than absolute measures (e.g. number of applications).
- Small **variations in the type of indicators** or in the weight given to them when calculating asylum pressures produces noticeable differences in results. This means that agreeing on common indicators for measuring pressures on Member States **risks becoming politicised**. At the same time this is a precondition for achieving meaningful responsibility-sharing.
- Only physical relocation of asylum seekers will make a significant contribution to a more equitable distribution of asylum costs across Member States. **If this is to avoid generating significant human costs and additional costs to the Member States, it is crucial that this is based on a** voluntary relocation of the asylum seeker.
- **Ensuring that relocation is voluntary on the part of the asylum seeker will make a responsibility-sharing mechanism more effective.** As soon as the system requires asylum seekers to remain in a country against their will, costs escalate (e.g. of detention, determination of MS responsible and transfer). The Member State will therefore require more compensation. Allowing movement within Europe will reduce the overall costs of asylum reception.
- Relocation schemes require mutual recognition of positive asylum decisions. **For the distribution of asylum seekers to be fair, relocation schemes would also require implementation of common standards in reception conditions and qualification.**

## 6.2. Recommendations

This study has shown that a combination of actions is required. These actions should reflect the different challenges faced by different countries. Challenges, options and possible impact have been systematised in the chart below.

**Table 12: Challenges, options and possible impact**

	Centralisation of services / practical support	Voluntary dispersal	Financial compensation	Capacity building	Dublin waiver
Capacity	Medium	High	Low	Low	Low
Costs	Low	High	Medium	High	Low
Political / social impact	Medium	High	Medium	Low	High

Based on this framework and existing discussions on responsibility-sharing mechanisms, **Members of the European Parliament and other EU policy-makers could consider the political feasibility of the following recommendations:**

Any potential responsibility sharing system will need to be able to cope with significant changes in asylum pressures, such as those resulting from major conflicts and other major humanitarian developments.

The use of emergency measures in the event of mass influxes of refugees could be expanded. The draft budget for 2010 (see Chapter 18 03 on Common Immigration and Asylum Policies) shows that this is technically feasible.

The role and budgets of the migration solidarity funds (particularly the European Refugee Fund and the Integration fund) could be expanded. This requires increased commitment and expenditure by Member States.

The role and budget of the European Asylum Support Office could be expanded. The draft budget for 2010 does not adequately reflect the resource need of the EASO to have real impact.

Member States under particular pressure could be eligible for greater financial compensation, either under the migration solidarity funds or funding available in the event of mass influxes of refugees.

Member States and European Institutions could promote capacity-building for systems that do not have economies of scale, as well as systems that have low numbers of asylum seekers. This could be administered / coordinated by the EASO.

The Dublin regulation could address inequitable distribution of asylum seekers and costs in assigning the responsibility of a Member State to receive asylum seekers. This could be implemented by waiving responsibilities of the Member State responsible if that country is under particular pressure. Other revisions could include introducing time limits for take back requests.

Additional measures could be considered for physical (re-) distribution of asylum seekers within the European Union.

Any distribution mechanisms could be based on relative numbers rather than absolute numbers. The measure could include GDP and population size, as well as the actual number of asylum seekers.

Measures such as financial compensation, practical cooperation and capacity-building could trigger ad-hoc actions at European level or coordinated actions, such as administrative support on assessing applications or voluntary dispersal mechanisms.

A common monitoring framework could be developed to monitor the implementation of responsibility-sharing measures and asylum legislation, by expanding the 2007 regulation on Migration Statistics. This could be implemented by the European Asylum Support Office.

Internal relocation may need to be explored thoroughly as a distribution mechanism, with particular attention to the preconditions for such a measure to be successful and the

practical implications for Member States. The costs and benefits of various options for physical distribution of asylum seekers may need to be assessed.

Costs and benefits of allowing asylum seekers free movement within the European Union could be explored.

The budgetary impact of distribution mechanisms (e.g. financial compensation, support when there are particular pressures on specific Member States) needs to be thoroughly assessed in an impact assessment. This includes costs and benefits of joint processing of applications.

A detailed comparative assessment could be made with regards to the rights and benefits of asylum seekers and refugees in different Member States so as to assess the indirect costs and benefits of asylum reception. This could include long-term costs and benefits beyond the point of decision.

**National policy makers could consider the political feasibility of the following recommendations:**

Member States could provide emergency accommodation to alleviate pressures on Member States under particular pressure. This could be based on agreed principles for measuring challenges.

Member States could increase their commitment to and funding for the European migration solidarity funds and the European Asylum Support Office.

Member States could take practical steps towards a more equitable sharing of responsibility by strengthening the capacity of national systems through pooling more of their resources and expertise. For example, this may include

- sharing information, such as country of origin information
- making resources (e.g. staff, funding, translation) available to support teams
- taking on specific case loads
- gathering initial information and carrying out initial analysis of asylum applications
- providing information to new arrivals.

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## ANNEX 1: THEORETICAL CONSIDERATIONS

This annex contains theoretical discussions related to the responsibility-sharing debate. This includes discussions on the scope for sharing responsibilities and typologising models for responsibility-sharing.

### Defining the scope for sharing responsibilities

This section has been structured along the following questions:

1. Why are refugee pressures unequally distributed?
2. What is the motivation for responsibility-sharing?
3. What are the most relevant refugee responsibilities to be shared?

Sections of this discussion have also been supported by primary results from the study, particularly with regards to defining the most relevant refugee responsibilities to be shared.

### Explanations for unequally distributions of refugees

When trying to account for the current distribution of refugee pressures among countries, three principal explanations have been suggested in the academic literature<sup>105</sup>. These relate to free-riding opportunities, state interests and variation in pull-factors. The following sections elaborate on these concepts.

#### *Free-Riding Opportunities*

Similar to the NATO responsibility-sharing debate, there have been protests and free-riding accusations from the main receiving countries of asylum seekers as well as threats by some states to opt out of the Geneva Convention for the Protection of Refugees to which all OECD countries are signatories.

A number of scholars, most prominently Suhrke (1998), have suggested that refugee protection has (at least in part) important 'public good' characteristics<sup>106</sup>. Suhrke argues that the reception of displaced persons can be regarded as an international public good from which all states benefit. In her view, increased security can be regarded as the

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<sup>105</sup> This section draws on Thielemann E R (2009).

<sup>106</sup> By definition, a public good is characterized by the fact that no other country can be excluded from benefiting from this contribution (i.e. it is 'non-excludable') nor does consumption of the public good reduce the amount available for consumption by others (i.e. it is 'non-rival'). In contrast, a private good (say food) is characterised by its excludable and rival characteristics. In today's societies private goods are excludable through institutionally protected property rights. They are also rival as their consumption by one person means that the same unit cannot be consumed by anybody else at the same time. A frequently used example for a public good in the domestic context is that of the traffic light (Kaul, Grunberg and Stern (1999:4). The benefits received from a person who crosses a street safely with the help of a traffic light do not take away the light's utility for other persons. At the same time, it would be impractical and very costly to reserve the usage to certain persons and to try to exclude others from using it. Even though traffic lights in some ways 'behave' like private goods (they can be bought and sold), 'the traffic light regime—the lights, their shared meaning and behavioural expectations they entail—is a public good' (Kaul, Grunberg and Stern 1999: 4, emphasis in original). Another example is national defence. Once provided, it becomes a collective good from which even non-contributors cannot be excluded. For example, even if some citizen do not contribute to the national defence effort by paying taxes or serving in the military, they cannot be denied the benefits that come from being a resident of the defended state. At the same time, a citizen can benefit (consume) the collective good of national defence without reducing the benefits (or consumption opportunities) available to other citizen'

principal (non-excludable and non-rival) benefit as an accommodation of displaced persons can be expected to reduce the risk of them fuelling and spreading the conflict they are fleeing from.

One might therefore expect substantial free-riding opportunities, similar to those that have been observed with regard to the provision of other international public goods such as collective defence.

#### *Structural & Policy-Related Pull Factors*

'Spontaneous' asylum seekers constitute the majority of those arriving in Europe stating humanitarian reasons. Under the current international refugee protection regime, states of first asylum are obliged to determine the status of asylum seekers, i.e. assess whether they qualify as refugees under the 1951 Geneva Convention. Differences in structural pull factors (i.e. non policy-related factors that make some host countries more attractive than others) have a very strong effect on the relative distribution of asylum seekers<sup>107</sup>. It is also important to note that many asylum seekers have little choice about where they go, and that the discussion of pull factors needs to be put into context.

Often the most important pull-factors relate to **historical ties** (colonial links, language ties, cultural networks, etc.) between countries of origin and destination that often have lead to transport, trade and communication links between such countries. Links which have tended to facilitate movements of people from one country to the other (Massey et al., 1993: 445-7). Empirical studies (Thielemann 2006, Neumayer 2004; Hatton 2004) have shown that high asylum pressures correlate strongly (and positively) with historical links between countries of origin and countries of destination. Host countries in which one already finds a large number of people originating from countries from which large numbers tend to come from, are likely to be countries confronted with relatively high asylum burdens.

Two further pull factors are economic ones. Economic migration models (Harris and Todaro 1970) explain the decision to migrate as one of income maximisation in which wealth differentials and differences in employment opportunities constitute important pull factors. International migration is expected to be determined by geographic differences in the supply and demand of labour. On this account, it is **wage differentials** and **employment opportunities** which explain movements from low-wage countries to high-wage countries. Empirically, one finds that countries which are relatively rich and possess relatively favourable labour market opportunities tend to receive relatively high numbers of asylum applications.

A fourth indicator is more political in nature, and seeks to capture the **reputation** that a particular country of destination enjoys abroad and in particular in the developing world from which the large majority of asylum seekers originate from. Asylum seekers can be expected to be concerned about personal security and the difficulties they might face regarding their acceptance into a new host society. They might therefore be particularly attracted to a country which has a strong liberal reputation in its treatment of foreigners.

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<sup>107</sup> This section draws on Thielemann (2004).

A fifth pull-factor is **geographic proximity** (or ease of access more generally) between countries of origin, and destination can still be regarded as an important proxy for the cost of movement between countries. One would expect, and it has been empirically confirmed, that there is a negative correlation between asylum pressures and the distance between countries of destination and countries of origin. In other words, those countries which are more closely situated in geographic terms to important countries of origin are the ones more likely to encounter a disproportionate share of asylum applications. This reflected in the disproportionate share of responsibility that falls on developing countries, as highlighted in the introduction to this report.

A final pull-factor that is also related to the 'ease of access factor' is relatively open asylum policy. One would expect that, other things being equal, countries with stricter asylum regimes are the ones which find themselves with relatively smaller pressures in comparison to those which (on average) have operated more lenient regimes.

Statistical analysis suggests that **structural, not policy-related, pull factors constitute the most critical factors** in explaining the unequal distribution of refugee. European countries with some of the most restrictive asylum and refugee policies have nonetheless faced disproportionate refugee responsibilities as a result of their strong structural pull factors burdens (Thielemann 2004; 2006).

#### *State Interests and Normative Preferences*

Another way to try to explain the unequal distribution of refugee pressures is to analyse specific state interests and countries' normative preferences in this area.

With regards to state interests, some economists have developed a refined version of Olson's public goods approach, one that is based on the so-called 'joint product' model (Sandler 1992)<sup>108</sup>. This model suggests that **what might appear as a pure public good often brings in fact excludable (private) benefits to a country**, such as be reputational benefits (and they can differ across countries) or security benefits (a receiving country might have a particular interest in diffusing a conflict at its border by accepting refugees). From this 'joint-product model' one would expect that a country's contributions to the provision of a particular collective good (which has both public and private characteristics) such as refugee protection will be positively related to the proportion of excludable benefits accruing to that country. It also seems reasonable to assume that one country's efforts in the area of refugee protection will have some positive spill over effects to other countries in the region.

However, refugee protection arguably, provides a spectrum of outputs ranging from purely public to private or country-specific outputs. This means that refugee protection provides more than the single output of 'security' implied by the pure public goods model. It also provides country specific benefits such as status enhancement or the achievement of ideological goals (such as when the West during the cold war was keen to accept political refugees from behind the Iron Curtain). Moreover, one can also expect relatively more benefits from refugee protection measures accruing to countries closer to a refugee generating conflict<sup>109</sup>. In other words what is often regarded as a public good has in fact

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<sup>108</sup> For an attempt to apply the join-product model to refugee protection see Betts (2003).

<sup>109</sup> However, empirical tests on this in the area of refugee protection have produced mixed results. During the Kosovo conflict, Greek sensibilities concerning its minority in the north of Greece meant that Greece accepted a lot fewer Kosovo refugees than one would have expected on the basis of geographic proximity (Thielemann 2003).

excludable (private) benefits to a country. The 'joint product model' suggests that a country's contributions to the provision of refugee protection (with its public and private characteristics) will be positively related to the proportion of excludable benefits accruing to that country.

The idea of the joint-product model is really about **country-specific (private, i.e. excludable) benefits from protection efforts** that can help to explain why countries are more active in protection efforts than others. Protection efforts by a state can enhance general security in a region (e.g. Germany's efforts vis-à-vis ex-Yugoslavia in the early 90s). In that sense Germany was providing a service/good in accepting refugees. As not just Germany benefited from enhanced regional security, some of the benefits of Germany's action were 'non-excludable', i.e. Germany provided at least in part a 'public good'. The reputational benefits for Germany granting temporary protection or refugee status in this case, however, were excludable. Hence, protection efforts in this case too, could be seen as an example of the 'joint product model'.

From a norm-based perspective, patterns of responsibility-sharing can be explained with reference to the observed variation in **states' commitment to norms** that are related to the particular responsibilities that a state finds itself faced with. From this perspective, the extent of refugee responsibilities that a state is prepared to accept will be linked to the strengths of a state's preferences on safeguarding certain norms. For example, it has sometimes been argued states' willingness to shoulder protection responsibilities are positively correlated with their relative commitment to the norm of solidarity with people in need, and that countries which accept a disproportionate number of protection seekers are also the ones with a strong commitment to domestic redistribution (extensive welfare states) and above average foreign aid contributions (Thielemann 2003). A state's greater willingness to accept responsibilities (for one of the above reasons) often means that it will adopt a relatively lenient policy regime (more access, more attractive reception/integration package, etc.).

Overall, however, there are reasons to expect that **structural determinants are more important than policy-related factors** when attempting to explain the relative distribution of asylum pressures among OECD countries. These are discussed below.

#### Drivers and motivations underpinning responsibility-sharing

What motivates states to agree to responsibility-sharing? What objectives do states pursue with such initiatives? While it is unsurprising that the likely winners from a redistributive mechanism would be in favour of such a system, it is less clear why the potential losers would support it. According to Schuck: '*Under the existing regime, after all, states that are not states of origin or of first asylum are entirely free to join in, or refrain from, refugee protection efforts, as their interests dictate. Why then would they choose to surrender that freedom of action and accept a responsibility-sharing obligation that is likely to be costly, risk domestic political tensions, and probably ratchet upwards over time.*' (Schuck 1997: 249). Unlike processes of market integration in the EU context, which have often been portrayed as being positive-sum (or 'win-win') in nature, redistributive **responsibility-sharing agreements will tend to create winners and losers**. So, why would the losers agree? The academic literature on responsibility-sharing (see e.g. Thielemann 2003), suggest a number of both norm-based and interest (cost)-based motivations.

### *Norm-based motivations*

Two norm-based motives can be distinguished. The first one emphasises solidarity among countries in an emerging political community. The other one underlines countries' commitment to the protection of some of the world's most vulnerable people.

### *Solidarity with other countries*

Solidarity can be understood as a concern for other members of a group, which may be expressed by an unwillingness to receive a benefit unless the others do, or an unwillingness to receive a benefit when this will harm them. This commitment to the well-being of others is sometimes conceived in terms of the recognition of special obligations between the members of a group, which exist in virtue of their being members of it. Solidarity therefore can be said to exist among a group of actors when they are committed to abide by the outcome of some process of collective decision-making, or to promote the wellbeing of other members of the group, perhaps at significant cost to themselves. Approaches that emphasize norm-guided behaviour and highlight notions of solidarity offer an explanation to the 'why share costs' question that offers a complementary or even alternative account to prominent cost–benefit models.

In this context, it is important to note that the official text establishing the EU's responsibility-sharing instruments in this area put heavy emphasis on **notions of solidarity and fairness**. In a recent Commission statement one finds the following: 'A better balance between the efforts made by the Member States in the reception of refugees and displaced persons will be achieved by means of the principle of solidarity'<sup>110</sup>.

The text of the European Refugee Fund (ERF) Decision is another of many examples. It states that the implementation of CEAS should be based on **solidarity between MS** and requires the existence of **mechanisms intended to promote a balance in the efforts** made by the MS in receiving and bearing the consequences of receiving refugees and displaced persons' (para 2). It goes on to say that it is fair to allocate resources [from the ERF] proportionately to the pressures on each Member State by reason of its efforts in receiving refugees and displaced persons (OJ L 252/12 of 6 October 2000 (para 11)). Another example is the EU's temporary protection directive which devotes an entire chapter to the issue of Community solidarity, outlining in detail how 'soft' solidarity mechanisms are to achieve an equitable distribution in the case of a 'mass influx'.

While it is easy to dismiss these pledges as non-binding and therefore inconsequential, there can be little doubt that since the start of the integration process, some of the EC's most prominent political leaders, from Schuman to Kohl—while clearly being committed to pursuing what they saw as their country's national interest—have viewed the integration process not merely in cost–benefit terms, seeing the Community not just as an economic venture but also as **an emerging political community**.

Also in support of the claim that references to solidarity might not be merely non-committal flowery statements can be seen in the fact that most, if not all, MS have a long tradition of upholding **constitutionally codified principles on the desirability of solidarity between regions within their state**. The constitutions of all EU Member States contain provisions which foresee responsibility-sharing on the basis of some notion of solidarity

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<sup>110</sup> Brussels, 2.6.2004, COM(2004) 401 final, COMMUNICATION FROM THE COMMISSION TO THE COUNCIL AND THE EUROPEAN PARLIAMENT, Area of Freedom, Security and Justice: Assessment of the Tampere programme and future orientations, {SEC(2004)680 et SEC(2004)693}, p. 10

between the different territorial entities and regions in cases of economic, financial or infrastructural imbalances<sup>111</sup>. Some lawyers have suggested that one should therefore regard solidarity as one of the Union's general principles of law as it constitutes an accepted norm in the domestic constitutions of the MS (Schieffer 1998: 208–212). At least in part, such an interpretation appears to have been accepted by the European Court of Justice<sup>112</sup>.

Nonetheless, on balance it appears that while reference to solidarity and fairness appears to have played a part in selling these initiatives as part of the process towards an 'ever closer union', the timing of the proposals, the **hard bargaining** that characterized the establishment of the ERF and the **inability to agree** on a distribution key in the case of temporary protection measures (in the case of mass influx), tell us to be cautious in over-interpreting the frequent pledges of Community solidarity made in this area.

### *Solidarity with refugees*

That non-cooperation and responsibility-shifting between states in this area can lead to the under-provision of protection and hence increased human suffering is widely accepted. The Executive Committee of the UNHCR Programme (ExCom) has elaborated several Conclusions, which either focus on, or draw attention to, the issue of responsibility-sharing. Amongst these, the ExCom Conclusion 22 (XXXII) of 1981 relating to the Protection of Asylum Seekers in Situations of Large-Scale Influx, is particularly important. It states: 'A mass influx may place unduly heavy burdens on certain countries, and a satisfactory solution could not be achieved without international cooperation.' In a similar vein, former High Commissioner for Refugees, Ruud Lubbers, frequently emphasized that in his view the lack of a system to share responsibility will leave particular EU states overburdened: 'I fear that high protection standards will be difficult to maintain in a system which shifts responsibility to states located on the external border of the EU, many of which have limited asylum capacity'<sup>113</sup>. States might therefore accept an agreement on the basis of their **commitment to human rights**, despite the fact that the redistributive effects of a particular responsibility-sharing regime are not stacked in their favour.

There appears to be at least some evidence that norm-guided behaviour has played a significant role in the relationship between recipient MS and protection seekers which has had an indirect effect on the responsibility distribution among the Member States (Thielemann 2003). One finds evidence for the claim that a country's willingness to receive refugees is positively related to its more general commitment to norms such as distributive justice. Using overseas development aid, recognition rates and domestic social spending as proxies for a states' commitment to such norms, one finds evidence for the claim that the variation of MS' norm-based commitment, for example, was positively correlated with their relative willingness to accept Kosovo refugees under the Kosovo Humanitarian Evacuation Programme (HEP)<sup>114</sup>. This **correlation in relation to domestic social protection**

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<sup>111</sup> The fact that there indeed appear to be strict limits to cross-border solidarity in the Union should not surprise, considering how contested this notion is already in a national context.)

<sup>112</sup> The principle of solidarity was first explicitly used and accepted as a general principle of European law arising from the particular nature of the Communities in the case 'Commission vs. Italy' (ECJ 1973, 102). See also Commission vs. Great Britain 128/78 (ECJ 1978, 419). For more details see Schieffer (1998: 204).

<sup>113</sup> United Nations High Commissioner for Refugees, Mr. Ruud Lubbers, Talking Points for the Informal Justice and Home Affairs Council (Luxembourg, 29 January 2005).

<sup>114</sup> For a parallel, see Lumsdaine's (1993) analysis of the post-war foreign aid regime.

**expenditure** and is very strong and statistically significant with regard to MS' foreign aid payments and refugee recognition rates<sup>115</sup>. In summary, it was suggested that looking at countries' commitment to certain distributive and humanitarian norms can help to explain the willingness of states to accept a responsibility-sharing regime from which they appear to lose out, as these states would have accepted higher (than necessary) costs even in the absence of such a regime.

#### *Interest-based motivations*

Even if norms are likely to play some role one can expect interest-based motivations to be paramount for most (if not all) states. Three principal interest-based motivations to cooperate on refugee responsibility-sharing initiatives will be discussed in the following: (1) insurance against mass inflows, (2) adhering to international obligations and (3) efficiency in achieving protection.

#### *Insurance Against Mass Inflows*

One potential motive for responsibility-sharing based on cost–benefit considerations, is the insurance rationale. A suitable responsibility-sharing regime can provide **a degree of mutual insurance against the occurrence of a particular external shock that might put pressures on certain countries**. Responsibility-sharing schemes allow states to set off today's contributions against the expected reduced costs in a future crisis. On the basis of an insurance rationale, it might make sense for states to accept losses in the short term in order to insure themselves against the possibility of being faced with even higher costs at some point in the future. Schuck writes that states 'might be attracted to burden-sharing for the same reason that many individuals are attracted to catastrophic health insurance: States may rationally prefer to incur a small and predictable protection responsibility now in order to avoid bearding large, sudden, unpredictable, unwanted, and unstoppable refugee inflows in the future. [...] As the world grows smaller and more interconnected, and as an increasing number of refugees can more easily reach more place and claim protection there, such "refugee crisis insurance" might well be a "good buy"—perhaps even for relatively insular states.' (Schuck 1997: 249). From a cost–benefit perspective, however, such a scheme can only be expected to include those who have a similar perception of risks that are worth sharing and such a scheme will only be agreed upon when contributions reflect the differences in the relative risk perception of each participant.

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<sup>115</sup> The chosen indicators are of course not without their problems. For example, Betts suggests in this issue that states' motivations for giving foreign aid might not be entirely altruistic. Moreover, some countries (such as the Netherlands) include reception costs for asylum seekers in their ODA payments. In such a case, relatively high ODA figures will at least in part be a reflection of high numbers of asylum seekers rather than just an indication for the Netherlands' strong commitment to the developing world. These caveats notwithstanding, the evidence presented here nonetheless appears to provide some support for the hypothesis that a state's willingness to accept burdens is related to its commitment to particular norms and the protection of certain rights.

### *Adhering to International Obligations*

Responsibility-sharing initiatives might also be motivated by a perceived threat to MS higher order objectives such as their interest in the continuation of the European integration project or the system of international refugee protection as such. In the absence of a common European approach on refugee responsibility-sharing, migration pressures from third countries might not only pose a threat to the Single Market (and in particular the achievement of the principle of free movement within it)<sup>116</sup>, but such **uncoordinated action might also lead to a competitive race to the bottom in protection standards among MS** (concerned about being perceived as a 'soft touch'), and consequently to an unravelling of basic international human rights norms.

Ultimately, such a 'race to the bottom' could lead to states adopting deterrence measures that could be considered as breaches of their obligations under international law, something that most Western states would want to avoid. Arguably, responsibility-sharing initiatives can help to break this cycle of 'tit for tat' increases in deterrence measures and **safeguard that states will adhere to their obligations under European and international law.**

### *Efficiency in Achieving Protection (or other) Objectives*

One of the principal objectives to any attempt to cooperate in the area of refugee protection appears to be to achieve particular objectives (related to protection or other state interests) at lower costs. There has been widespread concern among countries in recent years about the **costliness and inefficiencies** of existing arrangements<sup>117</sup> where refugee pressures are above all a result of structural factors over which countries have little control. Western States in particular have been concerned to improve 'the judicial and administrative efficiency of asylum processing' (Gibney and Hansen 2005: 80-1). Similar concerns have been raised by the UNHCR: 'There has been some debate in recent years about what constitutes 'fairness' and 'efficiency' in procedures, against the backdrop of mixed migratory movements, smuggling and trafficking of people and a degree of misuse of the asylum process for migratory outcomes. States have legitimate concerns as regards procedures that are unwieldy, too costly, not necessarily able to respond effectively to misuse, and result in the unequal distribution of responsibilities'<sup>118</sup>.

Reducing costs through responsibility-sharing appears a viable avenue for those with above average pressure<sup>119</sup> (or those who can successfully negotiate sufficient side-payments in other issue areas that can make it worth their while to accept an increase in their refugee-related costs). Moreover, some responsibility-sharing initiatives will be motivated by the prospect of efficiency gains through responsibility-sharing initiatives (such as joint

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<sup>116</sup> In other words, a failure to agree on a common approach would not only have increased pressures for a re-establishment of border controls in the Schengen area, thus threatening the operation of the Single Market, but would also have accelerated the drive towards burden-shifting and moves towards the lowest common denominator in border control and reception standards.

<sup>117</sup> It has been estimated that Western States spend around \$10 billion each year on fewer than half a million asylum seekers, many of whom are not in need of international protection (Flint, in Betts 2005:2).

<sup>118</sup> Global Consultations on International Protection, 2nd Meeting, EC/GC/01/12, 31 May 2001, 'Fair and efficient Asylum Procedures', Introduction, p. 2, Para.3; in Betts (2005).

<sup>119</sup> See e.g. Heckmann and Tomei (1997) who stress that above all responsibility-sharing offers some countries the prospect of reducing their own costs. It is therefore not at all surprising that the first substantial responsibility-sharing proposals in this area in the early 1990s were initiated by Germany, the EU country most affected by the war in former Yugoslavia.

processing), the provision of more effective deterrence of non-genuine asylum-seekers, the reduction of asylum-shopping (secondary applications), etc.

Related, but perhaps even more important, can be the motive of reducing negative externalities that are prevalent in the existing system. A frequently used concept in environmental economics, the concept of externalities in the refugee context suggests that the failure of a given states to internalize the full costs of their restrictive asylum and refugee policies will impose costs on other countries. In the public perception, the concept has often been associated with the idea of pressure-shifting that has informed the debates surrounding the controversies of the Sangatte refugee camp or the use of deterrence measures such as introduction of 'safe third country' provisions. Finally, the idea of variations in countries' reception capacities and the associated suggestion that some states might find it easier to contribute to refugee protection in ways other than by accepting refugees into their territory, has led to the development of refugee responsibility-sharing models that consider the possibility of trade between countries according to their comparative advantage in refugee protection contributions<sup>120</sup>. By allowing states to contribute to regional/international refugee protection in ways that they find least difficult, some have suggested that states might be able to provide more protection at much reduced costs. Given that states' interests vary, countries are likely to favour different types of responsibility-sharing regimes. The most important ones of those—and their respective strengths and weaknesses—will be discussed further below.

#### Definition of the most relevant refugee 'responsibilities' to be shared

When talking about refugee responsibility-sharing, one must ask what the relevant refugee responsibilities to be shared would be. A relatively wide definition of 'persons of concern' could be adopted in accordance with existing EU legislation. For example, Article 3 of the European Refugee Fund Decision identifies the target groups covered by the European Refugee Fund II actions as follows:<sup>121</sup>

- (1) any third-country nationals or stateless persons having the status defined by the Geneva Convention of 28 July 1951 relating to the Status of Refugees and the 1967 Protocol thereto and permitted to reside as refugees in one of the Member States;
- (2) any third-country nationals or stateless persons enjoying a form of subsidiary protection within the meaning of Council Directive 2004/83/EC of 29 April 2004 (Official Journal L304 of 30/9/2004) on minimum standards for the qualification and status of third country nationals or stateless persons as refugees or as persons who otherwise need international protection and the content of the protection granted;
- (3) any third-country nationals or stateless persons who have applied for one of the forms of protection described in points 1 and 2;
- (4) any third-country nationals or stateless persons enjoying temporary protection within the meaning of Directive 2001/55/EC.

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<sup>120</sup> It has been suggested that the costs of states' asylum system differ significantly between countries (Jandl 1995; Liebaut 2000). For example, Jandl (1995) suggests that the average costs per asylum seeker for processing, care and maintenance, varied between \$16,596 in Denmark and \$4622 in Austria. From this one can safely assume that the costs in non-Western countries are a fraction of these estimates. However, it is of course true that countries are not just (and perhaps not even primarily) concerned about the financial costs they incur but also the significant social and political costs involved in accepting refugees.

<sup>121</sup> Council Decision 2004/904/EC of 2.12.2004.

This terminology hence includes asylum-seekers, refugees, and persons given subsidiary protection. Existing legislation, like the ERF regulations, do not make a distinction between these different individuals in terms of 'burdens/responsibilities' imposed on receiving countries. I.e. the different categories are treated in the same way for ERF Fund allocation purposes. While the treatment of these different categories of individuals can be justified for simplicity sake, it is clear that cost-implications are not necessarily the same, e.g. one can expect that different costs that accrue in the case of asylum-seekers vs. (resettled) refugees<sup>122</sup>. Ultimately, it is an empirical question as to what the differences in cost-implications are.

When attempting to devise a responsibility-index measure, there are clearly advantages of comparing 'like with like' and start by comparing particular sub-categories (such as asylum seekers). For an aggregate index of all 'persons of concern', one would need to again consider the trade-off between simplicity and accuracy (with priority to be given to the former?). This also means that in compiling cross-country responsibility indices one should (unless there good reasons to do otherwise) start with the assumption that the cost implications of a refugee is similar in all countries.

Having said that, comparing absolute pressures across countries is only meaningful as long as the reception capacities of receiving countries are similar. However, a reasonable working assumption would hold that the 'pressures'/'costs' induced by an asylum-seeker/refugee are similar to different countries (using comparative terms such as PPP<sup>123</sup>) unless their reception capacity is fundamentally different. This study will contribute to the discussion by looking at how the differences in costs should inform cross-country indices.

While there will be unavoidable costs for receiving countries that result from their obligations under international and increasingly EU law, it is important to recognize that **policy choices in receiving countries have different cost implications**, e.g. a country's choices on whether (and after what time period) to allow an asylum-seeker to work will matter in cost terms as will its policy on detention, deportation, etc. There will also be differences that relate to the issue of resettlement programmes (however, there is currently insufficient data available on the cost implications of such programmes).

Although it might be useful to highlight differences in costs countries face as a result of such policy choices, EU responsibility-sharing should focus on '**unavoidable costs**' that arise in the context of Member **States fulfilling EU minimum standards** in the treatment of asylum seekers and refugees. There will of course be some unavoidable cost differences relating to differences in asylum/refugee groups with some countries having to deal with

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<sup>122</sup> While asylum seekers tend to arrive 'spontaneously' in a host country to file an application for Geneva refugee status, resettled refugees are those whose determination process has been conducted, usually through the United Nations High Commissioner for Refugees (UNHCR) place in their region of origin and for whom host countries have expressed their willingness to the UNHCR to accept the resettlement of these refugees to their territory. Whereas in the case of asylum seekers, states have only limited control as to the numbers of asylum seekers they might have to deal with at any particular point in time on the basis of their obligation under the Geneva Convention, states are in full control as to how many resettled refugees they accept.

<sup>123</sup> Purchasing power parity (PPP) theory uses the long-term equilibrium exchange rate of two currencies to equalize their purchasing power. This method equalizes the purchasing power of different currencies in their home countries for a given basket of goods. Using a PPP basis is arguably more useful when comparing differences in living standards on the whole between nations because PPP takes into account the relative cost of living and the inflation rates of different countries, rather than just a nominal gross domestic product (GDP) comparison.

larger groups of individuals (trauma victims, unaccompanied minors, etc.) that will imply larger costs than others.

It is clear that there are currently differences in the implementation of common minimum standards, with some Member States, for example, having much higher recognition rates for similar groups of asylum seekers than others. Such differences in the interpretation of common rules clearly can have important cost-implications. Any effective responsibility-sharing instrument that is based on the numbers of asylum-seekers and refugees would have **to make sure that the necessary compliance structures are in place.**

### **Typologising responsibility-sharing**

As the focus of this study is on the responsibility-sharing aspects of asylum policy at European, national and sub-national level, this section examines what types of responsibility-sharing regimes already exist and their main characteristics. Within each typology, specific measures are discussed with regards to who they cover, how responsibilities are shared and what assumptions these mechanisms make about the scope of the responsibilities to be shared. Based on available evidence, conclusions are also drawn as to what impact the measures have had on costs associated with the reception of asylum seekers.

Following on from the typologisation presented in Chapter 2 of the report, this section looks at different types of responsibility-sharing mechanisms in more detail.

#### **One-dimensional mechanisms**

There are one-dimensional responsibility-sharing regimes that aim to equalize the efforts of states on one particular contribution dimension, usually by seeking to **equalise the number of asylum seekers and refugees** that states have to deal with or by **providing explicit support on specific tasks**. This tends to be done in two ways – through binding rules or through voluntary pledging mechanisms. In this context, the following types of measures are discussed below:

- policy harmonisation;
- practical cooperation and centralisation of services; and
- physical distribution of asylum seekers.

#### *Policy harmonisation*

Policy harmonisation would be an example of a one-dimensional method, based on the assumption that **agreeing on a common set of rules** will overcome distribution inequalities. By obliging states to harmonise their policies or to comply with a set of common international rules, there is an assumption that individual countries will face converging burdens. The core idea of such a mechanism is that common rules will reduce the need for corrective action. In a responsibility-sharing perspective, policy harmonisation is based on an implicit assumption that standards vary greatly across the EU, and hence different Member States carry disproportional pressures between them.

To this point, the first stage of the Common European Asylum System (CEAS) has been fairly successful of introducing the legislative framework to support this process. From this point of view, CEAS is in itself a responsibility-sharing mechanism.

To this end, the following instruments are discussed below:

- existing asylum related Directives as well as proposals for revising these;
- the Dublin II regulation;
- the proposal for a Common asylum procedure and applying uniform status for asylum and subsidiary protection across the EU; and
- the role of the European Refugee Fund in promoting convergence between Member States.

Firstly, by the adoption of the **Directives** discussed in the previous section (on reception, procedures and qualification in particular), the first phase of CEAS has established common standards for asylum related matters in the MS. The Commission recognises for example that the further alignment of national asylum procedures, legal standards, reception conditions and enhanced practical cooperation, as envisaged in the Policy Plan, are bound to reduce secondary movements of asylum seekers which are mainly due to divergent applications of the rules. Moreover, policy harmonisation (if implemented effectively) can also be expected to lead to some convergence in responsibilities as asylum-seekers will have fewer incentives to pick a particular Member States as a 'country of first entry' on the basis of calculations of better treatment there than in another Member State. This could therefore result in a fairer overall distribution of asylum applications between Member States<sup>124</sup>.

The directives generally apply to all third country nationals and stateless persons that are applying for asylum, as well as to family members. However, the Reception and Procedures Directive do not explicitly cover people under subsidiary protection (i.e. complementary protection to certain asylum-seekers), this is only specifically addressed in the Qualifications Directive. This is specifically addressed in the new proposals, where it is suggested to include applicants of subsidiary protection.

Furthermore, people with special needs are singled out so that the Member States meets these needs, and both children and women are subject to specific clauses. For example, women applying for asylum may seek protection from persecution due to their gender. Therefore, women are given special consideration in European asylum issues. Special attention is provided for women who have suffered gender persecution, torture, rape or other serious forms of psychological, physical or sexual violence.

Only the reception conditions Directive has been evaluated to date. However, this evaluation provides important indications as to the success of the legislation in practice. As mentioned above, the evaluation showed great variation in the implementation of the agreed standards. One must assume that the impact of the legislation on the costs associated with the reception of asylum seekers have been minimal and that there is yet a long way to go to achieve the objectives defined in the Hague Programme.

The Dublin II regulation is put into place to ensure that Member States take responsibility of asylum seekers arriving at their borders, and is supported by the Eurodac regulation. As enforceable regulations, these are examples of binding mechanisms. Dublin II determines what Member State is responsible for processing the asylum application to ensure that each

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<sup>124</sup> COM(2008) 360

application is processed only once and thus to avoid asylum shopping and has put in place It put in place a hierarchy of criteria for selecting the Member State in charge<sup>125</sup>:

- where asylum seeker has a family member;
- where asylum seeker possesses a valid residence document or visa;
- into which Member State the asylum seeker has been crossed in illegally;
- where asylum seeker has lodged her / his application; and
- where asylum seeker has remained unlawfully for six months or more

Eurodac, is a system that supports the effective application of Dublin II and establishes a database to compare fingerprints of asylum seekers and illegal migrants.

Article 6 of the Dublin II regulation provides a narrow definition of "family member". Otherwise, the "humanitarian clause" (which is discretionary) is used to address the needs of unaccompanied minors (under 18 years) and persons dependent on the assistance of others special attention. Member State shall unite the minor with any relatives unless this is not in the best interest of the minor. Similarly, Member States shall keep or bring together the asylum seeker with another relative present in the territory of one of the Member States, provided that family ties existed in the country of origin. Propositions have been made in a proposal from December 2008 to broaden the definition of family members and relationships of dependency. Eurodac, the system that supports the effective application of Dublin II and establishes a database to compare fingerprints of asylum seekers and illegal migrants, collects data for anybody older than 14 years<sup>126</sup>.

With regards to responsibility-sharing, an important function of these regulations is to avoid duplications, particularly with regards to common asylum database defined under Eurodac which should in theory allow States to spot multiple claims. However, although the Dublin regulation reiterates the responsibilities of MS to process applications of asylum seekers arriving at their borders it is not based on any form of distribution key or other form of responsibility-sharing principle. Hence, arguments prevail that the Dublin II regulation is about shifting responsibilities between MS rather than sharing these. On this note, it is important to emphasise that the regulation was not put in place only to distribute responsibilities between MS, but to ensure that claims were heard and to avoid asylum seekers bouncing from country to country. However, there are possibilities within the regulation to use this in a more responsibility-sharing way, which could be enhanced in reforming the Dublin II regulation.

Concerns were raised by e.g. the European Parliament that the Dublin II regulation would impose particular pressures on external border countries such as New Member States without the appropriate reception capacity<sup>127</sup>. Although the Commission evaluation of the

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<sup>125</sup> Council Regulation (EC) No 343/2003 of 18 February 2003 establishing the criteria and mechanisms for determining the Member State responsible for examining an asylum application lodged in one of the Member States by a third-country national, Official Journal L 050 , 25/02/2003 P. 0001 – 0010 <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32003R0343:EN:HTML>

<sup>126</sup> Council Regulation (EC) No 2725/2000 of 11 December 2000 concerning the establishment of 'Eurodac' for the comparison of fingerprints for the effective application of the Dublin Convention, Official Journal L 316 , 15/12/2000 P. 0001 – 0010, <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2000:316:0001:0010:EN:PDF>

<sup>127</sup> 2008/0243(COD)

Dublin II regulation found that the implementation of this regulation had not shifted responsibilities as feared<sup>128</sup>, this has been strongly disputed by ECRE<sup>129</sup>.

Moreover, available evidence strongly suggests that the system has actually proved unworkable and dysfunctional<sup>130</sup>, e.g. operation has generated delays and obstacles in the access to status determination procedures<sup>131,132</sup>. There is little or no evidence that the system has improved access to status determination<sup>133</sup>, and of all the asylum applications that were filed in the relevant period with the Member States, only a relatively small proportion has given rise to transfer requests<sup>134</sup>. According to Commission estimates, roughly 70% of Dublin requests are “take back” requests<sup>135,136</sup>. It is worth asking whether this can part explain the limited evidence for responsibility-shifting to external border states.

Furthermore, most of the agreed transfers, “take backs” included, are ultimately not carried out<sup>137</sup>, and only a *tiny fraction* of asylum applications give rise to a “take charge” request<sup>138</sup>. In other words: responsibility ultimately lies, in the overwhelming majority of cases, with the State where the application is first filed<sup>139,140</sup>.

Secondly, the Hague Programme’s emphasis on establishing a common asylum procedure and uniform status for asylum and subsidiary protection can also be seen as a form of policy harmonisation. The purpose of this is ultimately to ensure the efficiency, speed, quality and fairness of the decisions, particularly as a result of the potential gap for applications for international protection not covered by the guarantees of the Asylum Procedures Directive (i.e. subsidiary protection). The establishment of an EU wide Single Procedure where all possible grounds for protection are considered in one procedure is said to reduce delay and repeat applications in dealing with asylum claims<sup>141</sup>. This includes the development of better mechanisms for data collection and analysis, in particular in respect to country of origin information and asylum and migration statistics, as a crucial prerequisite to the proper functioning of the common asylum procedure and the fair granting or withdrawal of the uniform status.

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<sup>128</sup> COM(2007) 299

<sup>129</sup> ECRE: Sharing Responsibility for Refugee Protection in Europe: Dublin Reconsidered , March 2008

<sup>130</sup> Francesco Maiani/Vigdis Vevstad, Reflection note on the evaluation of the Dublin system and on the Dublin III proposal, Brussels, European Parliament (DG Ipol, Citizens Rights and Constitutional Affairs) doc. PE 410.690, March 2009.

<sup>131</sup> Ibid

<sup>132</sup> COM(2007) 299

<sup>133</sup> Francesco Maiani/Vigdis Vevstad, Reflection note on the evaluation of the Dublin system and on the Dublin III proposal, Brussels, European Parliament (DG IPOL, Citizens Rights and Constitutional Affairs) doc. PE 410.690, March 2009.

<sup>134</sup> Ibid

<sup>135</sup> Ibid

<sup>136</sup> COM 2007b: 16

<sup>137</sup> I Francesco Maiani/Vigdis Vevstad, Reflection note on the evaluation of the Dublin system and on the Dublin III proposal, Brussels, European Parliament (DG IPOL, Citizens Rights and Constitutional Affairs) doc. PE 410.690, March 2009.

<sup>138</sup> Ibid

<sup>139</sup> Ibid

<sup>140</sup> COM(2007) 299

<sup>141</sup> <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/06/82>

From a policy harmonisation perspective, it is particularly interesting that the common asylum procedure emphasises administrative changes that need to be made in Member States' practice to ensure a level playing field. Responsibility-sharing here implies national reform in transposing the European legislation.

An important function of the **European Refugee Fund** (ERF) is to balance the pressures in Member States by funding measures that allow the national asylum system to better deal with the pressure they are under. It is worth noting that funded projects have made little distinction between persons that have obtained protection (or have had their application refused) and those that have applied for it. Hence, the ERF includes integration and return of failed applicants.

It is worth noting that ERF funding to New Member States has focused on rapid development of reception capacities<sup>142</sup>. Moreover, as the evaluation of the ERF I concluded the vast majority of the projects financed by the European Refugee Fund under national programmes were successful (implementing the planned measures and achieving the desired objectives) one must assume that this has had an impact on the effectiveness of national systems.

Furthermore, the new programmes for the period 2005-2010 funding are coordinated with the regulatory framework and supports to implementation of EU legislation. As the interim evaluation of ERF II concluded that the Fund had gained a high level of acceptance and support, as well as much political recognition at EU level and in the Member States, it is likely that the ERF has had an impact on costs borne by Member States with regards to asylum reception. Unfortunately, the existing evidence does not allow for more solid conclusions than this.

It is not within the scope of this study to look at the cost effectiveness of the specific mechanisms, but this conclusion provides useful input into defining the options going forward.

#### *Practical cooperation*

Practical cooperation can also be considered a one-dimensional binding mechanism. Participation in/contributions to the ERF/EASO is legally binding, once Member States have decided to participate, hence this would be a hard mechanism. This includes the following specific measures:

- the role of the European Asylum Support Office (e.g. supporting practical cooperation, supporting member States under particular pressure, asylum support teams, EU guidelines) - this coincides by large with the practical cooperation proposed in the Commission's 2008 policy plan (e.g. common training, country of origin information, support if under particular pressure); and
- practical cooperation funded by the ERF (e.g. number of Member States going together to develop common curriculum on asylum procedures).

Furthermore, by extension this discussion is related to the centralisation of services.

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<sup>142</sup> SEC(2006) 1636

Currently, the role of the **European Asylum Support Office (EASO)** as approved in the first European Parliament hearing in May 2009 is limited to one of coordination without any decision-making power by providing necessary support to achieve e.g. a common asylum procedure.

There are several aspects of the EASO that is relevant for increasing the role of solidarity mechanisms at European level. Firstly, there is an important distinction to be made between ongoing and ad-hoc support for countries under particular pressure. In terms of ongoing support, this could include committing expertise to a centralised pool of personnel, including technical assistance regarding interpretation, country of origin information and management of case files as well as common training. EASO is also set to provide ad-hoc support to Member States under particular pressure (e.g. providing support in gathering and analysing information) either under centralised expertise within the European Asylum Support Office or by relying on competent national authorities. Similarly, the Commission's policy plan focuses on the provision of training and specific support for Member States under particular pressure, as well as practical cooperation with regards to Country of Origin information. Secondly, the EASO can also cater for particular humanitarian considerations, for example by providing specific support such as staff training or exchange of staff with regards to particularly vulnerable groups such as children and women. The EASO is a recently agreed instrument that has not had an effective implementation to date. Hence, there is little information on the impact that the EASO have had on costs or pressures borne by the MS.

Similar to the EASO, the ERF contributes to practical cooperation by providing explicit funding to exchange of good practice. Similar considerations should be made with regards to responsibility-sharing as stated above.

An extension of the practical cooperation facilitated by the European Asylum Support Office is the centralisation of services. By centralising services one could argue that the level of commitment also increases, making centralised services a form of binding rule rather than voluntary pledges. As mentioned above, proposals include centralising parts of the asylum process, particularly related processing, legal appeal and translation. Such measures are based on an assumption that centralising services will not only standardise their implementation, but also have significant cost / efficiency gains.

#### *Physical distribution of asylum seekers*

Redistributive quotas are classic examples of "binding rules" (hard) mechanisms as they try to equalize observed imbalances or inequalities in responsibilities through some agreed distribution key (usually based on one or several fairness principles such as responsibility, capacity, benefit or cost)<sup>143</sup> Germany, for example, operates such a quota regime for asylum seekers on its territory. Individuals who seek refugee status in Germany are initially processed in centralised reception centres, before they are distributed across the sixteen Länder of the Federal Republic according to the Länder's population size (a capacity based distribution key). As recent developments have highlighted the importance of voluntarism

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<sup>143</sup> The "responsibility" principle is commonly used in environmental regimes and also known as the "polluter pays" principle. The "capacity" principle refers to a state's "ability to pay" (and is often linked to relative GDP). The "benefit" principle proposes that states should contribute to a particular regime in relation to the benefit they gain from it and the "cost" principle suggests that states' relative costs in making certain contributions should be taken into account when establishing responsibility-sharing regimes.

for any form of responsibility-sharing, there is little emphasis on binding redistributive mechanisms in the current debate.

Another option for the physical distribution of asylum seekers is the voluntary (soft) pledging mechanism. If states cannot agree on a binding distribution key, they can make appeals which ask states with lower pressures to alleviate some of the high pressures that other states are being faced with. During the Kosovo crisis in 1999, the UNHCR operated such a system through which it encouraged countries to alleviate the burdens of bordering countries, such as Macedonia, by agreeing to resettle refugees in their territory. The 2008 asylum pact highlights the need for a voluntary internal relocation mechanism. As such, the Temporary Protection Directive is an important instrument to consider. In addition, this section includes a discussion of:

- the temporary suspension of Dublin;
- the EASO facilitating internal re-allocation on voluntary basis.
- an EU refugee resettlement programme; and
- ad-hoc measures that have taken place (e.g. France, Netherlands).

An institutionalised EU system of voluntary physical distribution exists (at least on paper) since 2001, when the Council agreed to set up a **Council Directive on Temporary Protection in the Case of Mass Influx**<sup>144</sup>. The directive develops a range of mechanisms based on the principle of *double voluntarism* which means that the agreement of both the recipient State and the individuals concerned is required before protection seekers can be moved from one country to another. Other aspects of physical distribution include the Commission's proposal to create a mechanism to deal with **temporary suspension of applying the Dublin rules** for transfers of asylum-seekers to a Member State 'whose reception system cannot adequately deal with the transferred persons' and discussions regarding EASO facilitating internal re-allocation on voluntary basis. The **Council Directive on Temporary Protection in the Case of Mass Influx, as well as this** Commission's proposal follow the same case-by-case approach which could be compared to a non-binding mechanism.

The creation of a **EU Refugee Resettlement Scheme** is an option discussed under the CEAS, separate from MS obligations to spontaneous asylum seekers. Country specific resettlement schemes do exist in a few European countries, such as Sweden and the UK highlighting the global responsibility for asylum reception rather than an intra EU responsibility of distribution. The current call for an EU refugee resettlement scheme follows a similar logic, by aiming to ensure that the EU as a whole receives a 'fair share' of international asylum and refugee pressures. However, the voluntary sector and refugee interest organisations are sceptical of such a scheme as it allows for a system that can make it more and more difficult to access the countries of the EU. Consequently, there is a risk of moving from a rights based system to a system based on state discretion. At the other hand, there are certain benefits to be gained through centralising resettlement, particularly with regards to the sharing of expertise and undertaking joint EU missions to identify participants for resettlement schemes<sup>145</sup>.

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<sup>144</sup> Council Directive 2001/55/EC of 20 July 2001.

<sup>145</sup> CCME: Twelve Arguments and Seven Proposals for the EU Refugee Resettlement Scheme, Brussels 29 June 2009

There are also examples of ad-hoc measures of physical relocation as a form of responsibility-sharing, such as France taking on a limited number of asylum seekers from Malta in 2009 and the Netherlands doing the same in 2006. There are however strong arguments that these measures are more symbolic than anything else, as the limited numbers by consequence has limited impact on the costs and the overall pressures experienced by Malta.

### Multi-dimensional mechanisms

In its efforts to enhance solidarity and equalise responsibilities across the Member States, existing responsibility-sharing initiatives in this area have until recently largely relied on a one-dimensional responsibility-sharing logic. Multi-dimensional responsibility-sharing regimes are those that do not seek to equalise burdens or responsibilities on one particular contribution dimension alone, but instead operate across several contribution dimensions.

#### *Explicit compensation*

On the one hand, some multi-dimensional regimes are based on **explicit compensation logic**. In these cases, a country's disproportionate efforts in one contribution dimension are recognized and that country gets compensated (through benefits or cost reductions) on other dimensions. An example of this is Schuck's "decentralized, market-based refugee sharing system,"<sup>146</sup> which is similar to the Kyoto emission trading scheme. According to this model, an international agency would assign a refugee protection quota to each participating state on the basis of which states would then be allowed to trade their quota by paying others (with money or in kind) to fulfil their obligations.

There are two main multi-dimensional mechanisms currently in place and under discussion. Firstly, practical cooperation seeks to level the pressures on several dimensions. Secondly, the European Refugee Fund provides financial compensation or support for Member States that find themselves under particular pressure, e.g. building up capacity of New Member States asylum system so that they can better deal with the pressure.

#### *Implicit trading*

Although considered beyond the scope of the current study, it is worth noting a second type of a multi-dimensional responsibility-sharing mechanism based on an **implicit trading logic** which recognises that states contribute to international collective goods such as refugee protection in different ways<sup>147</sup>. In the refugee context, these include what might be called **pro-active measures**, which attempt to halt the escalation of potential refugee problems by, for instance, sending peacekeeping troops to a region in order to prevent or contain forced migration. During the negotiations of recent EU refugee responsibility-sharing initiatives, the British and French governments expressed their wishes that their participation in peacekeeping operations should be taken into account when assessing the burdens borne by individual Member States<sup>148</sup>. Another set of contributions are those which can be called **reactive measures**. The latter measures deal with the consequences of refugee problems once they have occurred, in particular by admitting protection seekers to

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<sup>146</sup> Schuck, Peter, (1997) "Refugee Burden-Sharing: A Modest Proposal." *Yale Journal of International Law*, 22.

<sup>147</sup> See Thielemann, Eiko Ralph, and Torun, Dewan (2006) "The Myth of Free-Riding: Refugee Protection and Implicit Burden-Sharing", *West European Politics*, Vol. 29, No. 2, pp. 351-69.

<sup>148</sup> Council resolution of 25 September 1995 "on responsibility-sharing with regard to the admission and residence of displaced persons on a temporary basis" (OJ No C 262/1, 7 October 1995).

a host country's territory. This suggestion, however, has not been followed up in the more recent EU discussions.

## ANNEX 2: DEVELOPING THE RESPONSIBILITY INDEX FORMULAE

The annex provides the methodology for developing a responsibility index. This has been based on a review of available literature and a consideration of some options for the comparative presentation of asylum and refugee pressures. The discussion below explores identified options and forms the basis of the methodology applied in Chapter 3 of this report.

There are at least two fundamental elements to consider when creating a refugee responsibility index: on the input side, what pressures to take into account; and on the capacity side, which country characteristics (capacity measures) to include in order to make burdens comparable across countries with highly differing characteristics.

### Pressures on Member States (input)

On the input side, the results of the survey undertaken as part of this study among public sector asylum policy stakeholders has provided useful input into identifying the relevant indicators of input. The survey showed that useful input-related indicators include particularly the **number of asylum applicants** and **approved applications**.

Moreover, previous studies suggest that **stocks and flows of refugees and beneficiaries of temporary and subsidiary / complementary protection** be included in addition to asylum seekers. With regard to refugees, **resettled refugees** would be pertinent to include in addition to those given convention or subsidiary protection status (for a discussion see Thielemann and Dewan 2006<sup>149</sup>).

There is a debate about the extent to which refugees should be viewed as a net-‘burden’ on host societies given their tax (and other) contributions (see e.g. Martin et al 2005<sup>150</sup>). However this is seen to be beyond the scope of this study and hence excluded.

### Member State capacity

On the capacity side, there seem to be wider range of options. Two contributions stand out in the available secondary literature UNHCR 2002<sup>151</sup> and Czaika 2005<sup>152</sup>). As mentioned in Chapter 3, both the survey in this study and the UNHCR study emphasise the importance of **wealth** (ability to pay) and **size** (ability to absorb). With regard to size, population size and territorial size are highlighted. This is supported by the survey results, where GDP per capita, population size and population density are all generally considered to be useful indicators of capacity.

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<sup>149</sup> Thielemann E and T Dewan (2006), *The Myth of Free-Riding: Refugee Protection and Implicit Burden-Sharing*, *West European Politics*, Vol. 29, No. 2, pp. 351-69.

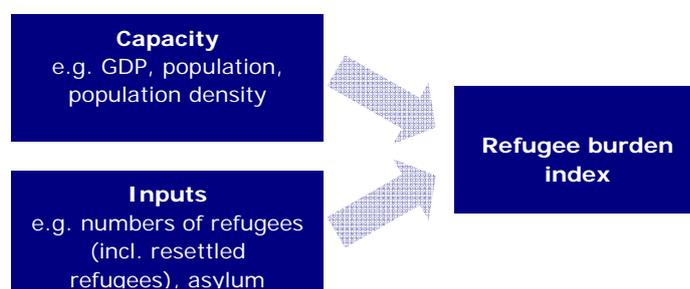
<sup>150</sup> Martin SF, Schoenholtz AI and D Fischer (2005), *The Impact of Asylum on Receiving Countries*, in Borjas G.J. and J. Crisp: *Poverty, International Migration and Asylum*, New York: Palgrave Macmillan.

<sup>151</sup> UHCR (2002), *Selected Indicators Measuring Capacity and Contributions of Host Countries*, Special Report, UNHCR, Geneva.

<sup>152</sup> Czaika, Mathias (2005), *A Refugee Burden Index*, *Migration Letters*, Vol. 2., No. 2, pp. 101-125 .

A high level description of this approach can be found below.

**Figure 68: High-level description of components to burden index**



Czaika adds three further characteristics, namely measures of political freedom, political stability and ethno-linguistic-religious fractionalisation. With regard to the first two (political freedom and stability), this requires independent assessments beyond the scope of the study. The third characteristic, societal fractionalisation is likely to provide for more variation but is theoretically problematic. For the fractionalisation measure, Czaika assumes that *'a more fractionalised population is less willing to accept further immigrants as new members of society'*. This seems to ignore the possibility that a more multi-cultural society, with historical experience of immigration, might be more rather than less willing to accept newcomers. Moreover, a society's reaction (and perceptions on pressures) would depend on the ethnic, linguistic and religious composition of the newcomers. Hence both theoretically and in terms of operationalisation, a fractionalisation measure is problematic.

This leaves the more straightforward and less contested capacity measures (wealth, population and territory) and the question whether and how to combine such measures for a more aggregate responsibility index that takes account of all these capacity measures simultaneously. For this, Czaika offers an interesting model. He creates sub-indices for different capacity measures which he then combines into an aggregate capacity index. For example, he creates an income/**wealth index** which reflects the logarithm of a country's **income per capita**. The distribution range is then compressed by adjusting income per capita of a country by the logarithm of the actual value **corrected by minimum and maximum values found across all countries in the data-set**. This translates into a wealth (capacity) index of *one* for a country at the maximum of the GDP per capita distribution and *zero* for a country with the minimum value.

The same method can be used to create similar capacity **sub-indices for other capacity measures** (such as population size or territorial size). These sub-indices can then be combined into one **aggregate refugee capacity measure** for each country in a given year (with some weighting of the sub-indices if deemed necessary). This aggregate capacity measure could then be juxtaposed with the input side data (asylum/refugee stocks/flows) to create a comprehensive and robust burden-index.

### Combining components

On the basis of this methodology, one would then be able to compare a country's de facto pressure with what would be considered its fair pressure (given its aggregate reception capacity). Czaika calls this step the identification of 'refugee gaps' which he defines as '*the quantitative deviation of the "de facto" from the "should be" refugee [and asylum] population*' (2005: 112). It allows the specification of the Refugee Burden Index (RBI) as:

$$RBI = \text{Refugee Burden Gap} / \text{De Facto Refugee Burden}$$

Czaika scales his RBI between -1 at the bottom (for an unburdened country), a score of zero for a country with a 'fair' pressure and a positive score for a over-proportionate pressure, e.g., a score of 2.5 in his Refugee Responsibility Index means that a country hosts 2.5 times more asylum seekers and refugees than its 'fair share', an 'over-burden' of 250%.

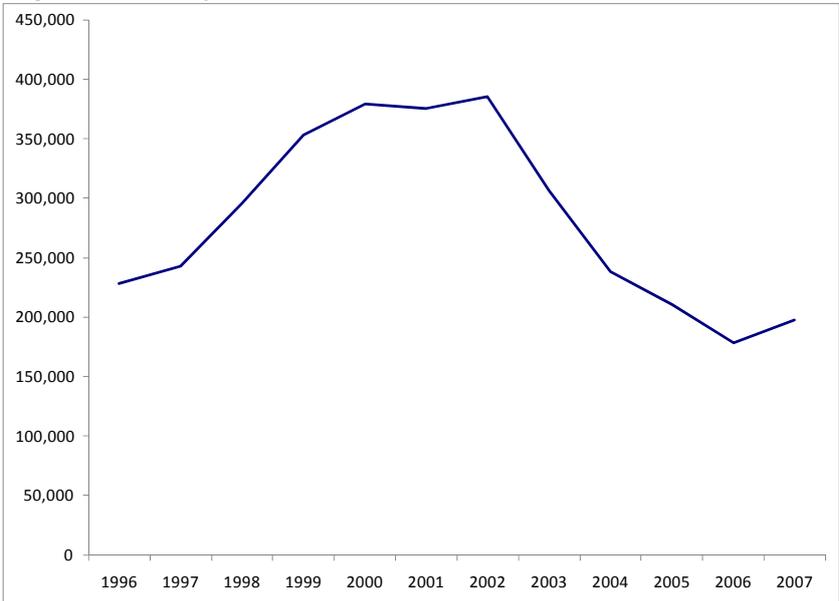
### ANNEX 3: ASYLUM TRENDS

To set the scene for a constructive contribution to the responsibility-sharing debate, this annex looks at historical trends. The purpose of this annex is to contextualise the 'spot' analysis in the report and give an indication of what the pressures will possibly look like in the future. Although this does not take into account large asylum influxes that may arise from particular socio-political situations (which is beyond the scope of this study), it is seen as a useful contribution to debates on European responsibility-sharing models. A solution based on a current status quo might not be able to effectively deal with levels of responsibilities that Member States could face in the future.

This annex looks at asylum and refugee related trends over the past few years as well as the capacity of Member States to receive asylum seekers and refugees. For the purposes of the latter, measures of capacity used include comparative wealth (e.g. GDP per capita) and comparative size (e.g. as measured by population size). As measures of capacity for receiving asylum seekers, these have been used by organisations like the UNHCR and also provide an input into a responsibility index developed as part of this study (see further discussions in Chapter 3 of the report).

The figures below present 11-year and 9-year trends for the EU15 and EU12 Member States in terms of GDP and population. Although they do not help to predict future asylum flows, they do allow better understand of whether the current asylum levels are a part of a longer-term trend.

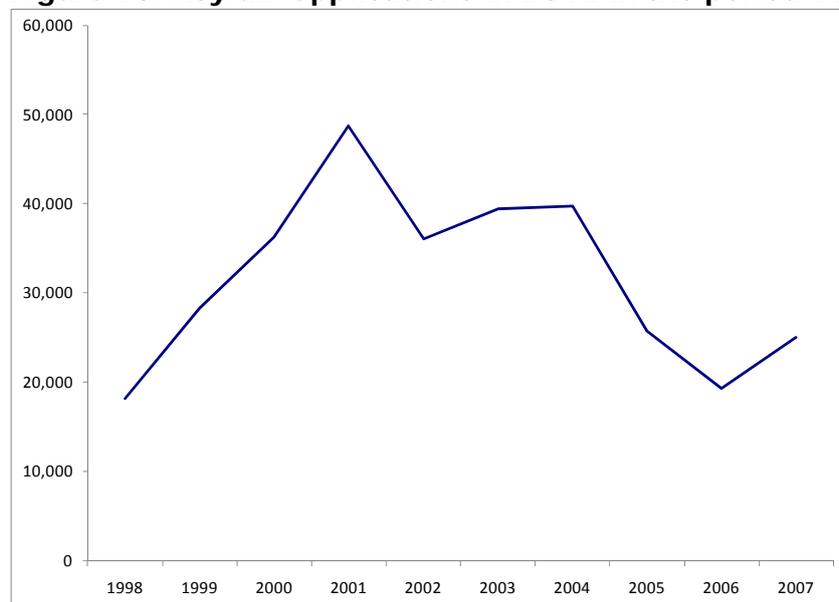
**Figure 69: Asylum applications in EU15 in the period 1996-2007**



Source: Eurostat

The above figure shows an increase in the number of asylum applications in the EU15 between 1997 and 2000, followed by a decline starting in 2002, with another increase in 2007, the year the current study focuses on. The following figure shows asylum applications in New Member States for the period 1998-2007.

**Figure 70: Asylum applications in EU12 in the period 1998-2007**

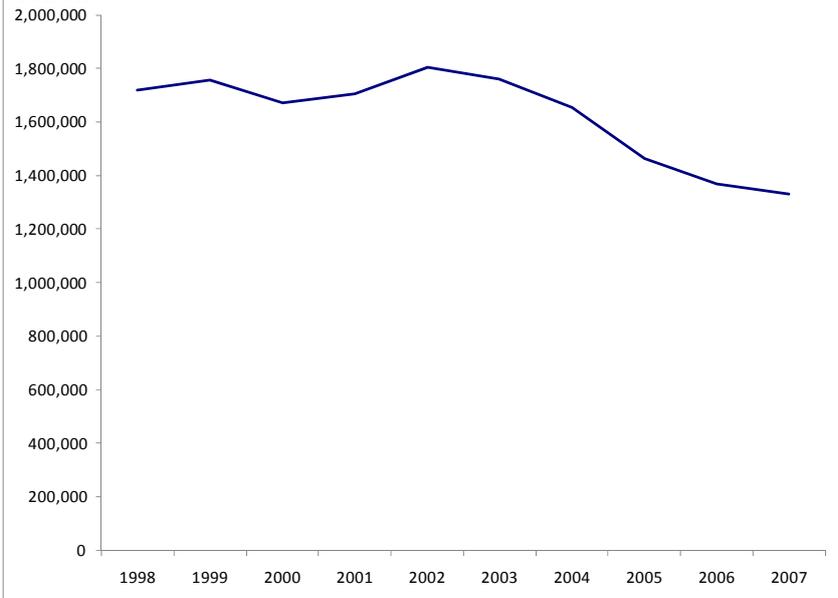


Source: Eurostat

One can see that in both cases the trend in asylum applications is similar, with an increase in number of applications until around 2000, followed by a fall a few years later and another increase in 2007. New Member States experienced a rise in the number of applications at a much higher pace than EU15 countries during the period, which might be explained by the EU accession process undertaken in parallel for a number of reasons. For instance, asylum seekers heading for the EU would have encountered increasingly tough border controls preventing them entering the EU whilst others would have been returned under readmission agreements. At the same time, the fact that New MS were developing their asylum systems in preparation for joining the EU may have resulted in higher recognition rates. New MS may also have been under pressure from the EU to tackle irregular migration resulting in more asylum seekers being intercepted. Likewise, the fact that New MS were inside the EU's external border post-accession would have made it harder for asylum seekers to reach them, which could explain the decline in applications experienced after accession (see figure above).

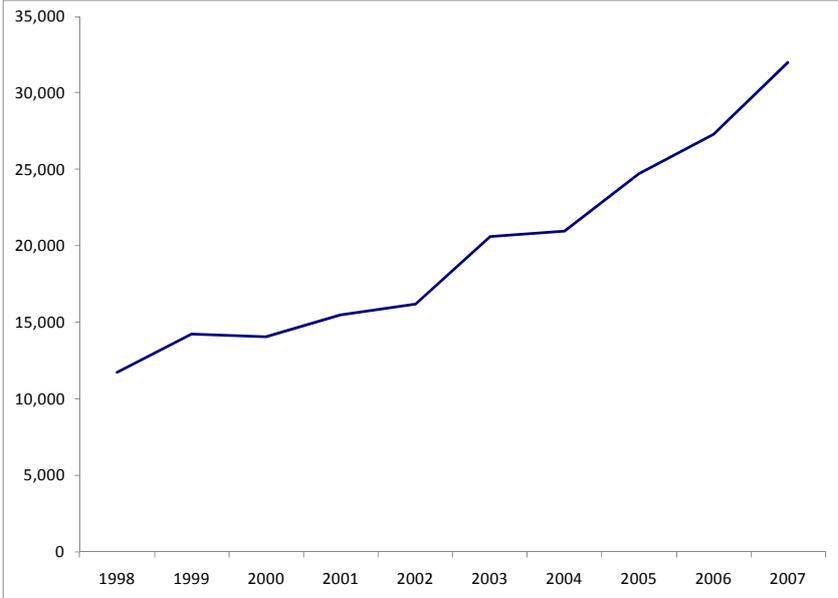
The following figures depict the number of refugees residing in Member States for the period 1998-2007 in EU15 and EU12. As opposed to asylum applications, the pattern here differs between the two areas. Whereas EU15 Member States experienced a fall in the number of refugees starting in 2002, New Member States saw numbers rising steadily in the period 1998-2007.

**Figure 71: Number of refugees in EU15 in the period 1998-2007**



Source: UNHCR

**Figure 72: Number of refugees in EU12 in the period 1998-2007**

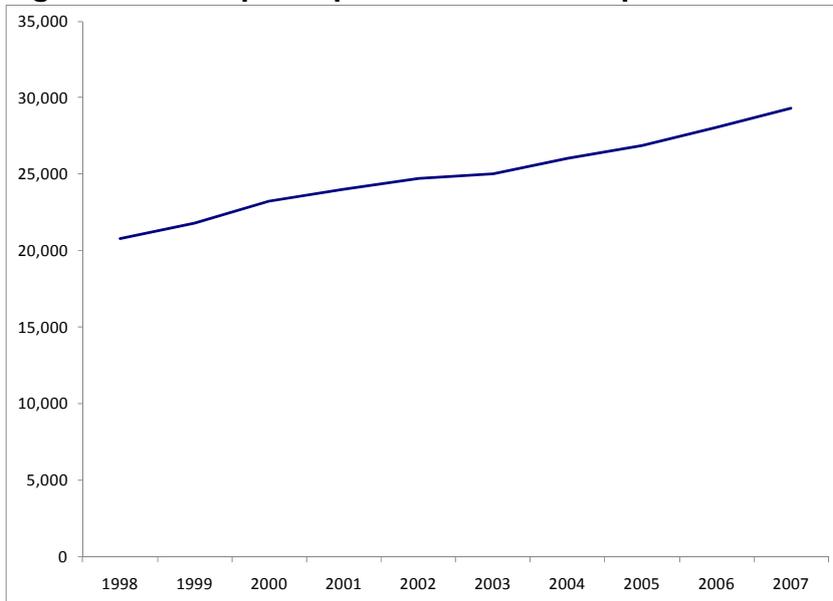


Source: UNHCR

This trends analysis is important as it highlights some of the potential drawbacks from looking at current asylum figures in isolation. Although the latest trend is one of falling numbers of asylum applications across Europe (since around 2002), another rise in asylum applications (as experienced by influx in the late 1990s and the early 2000s) is still possible and plausible. In fact, the increase in numbers in 2007 may signify the start of such a trend. Furthermore, although the trends in number of asylum applications are similar across the EU, the trends in numbers of refugees do vary between groups of Member States, with the numbers increasing steadily in EU12. This also needs to be considered when designing a responsibility-sharing system which would take these indicators into account.

Although trends in input indicators are particularly important, in light of a responsibility-sharing mechanism, they would need to be considered in conjunction with trends in other measures such as capacity to absorb asylum-seekers. Relevant capacity indicators would include such measures as GDP per capita, population and/or population density. The following figures present trends in GDP per capita between 1998 and 2007.

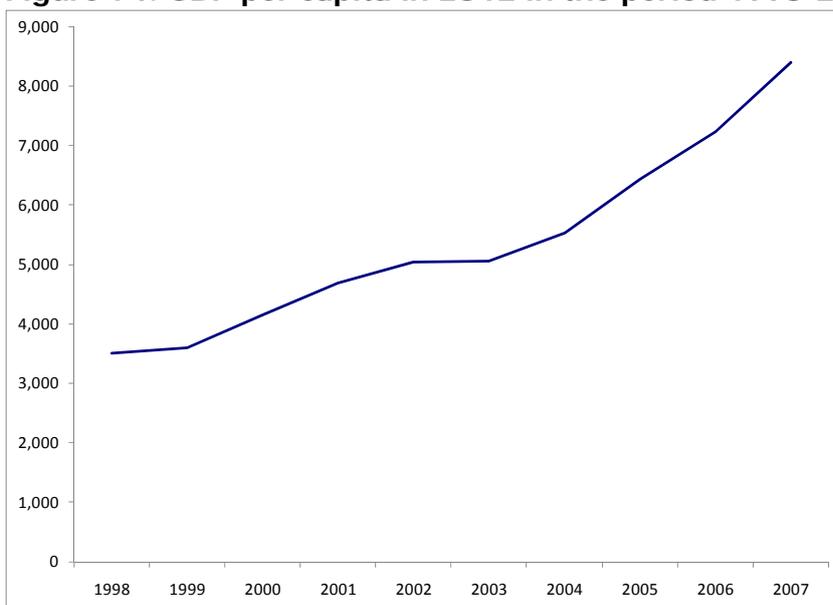
**Figure 73: GDP per capita in EU15 in the period 1998-2007**



Source: Eurostat

The above and below figures show that using GDP per capita, as a measure of Member States ability to pay for the necessary services provided to asylum-seekers, indicate that all MS experienced improvements in their capacity to receive for asylum-seekers over the period. This was in particularly the case in EU12 (see chart below), although, on average, the New Member States started from a lower base than the EU15.

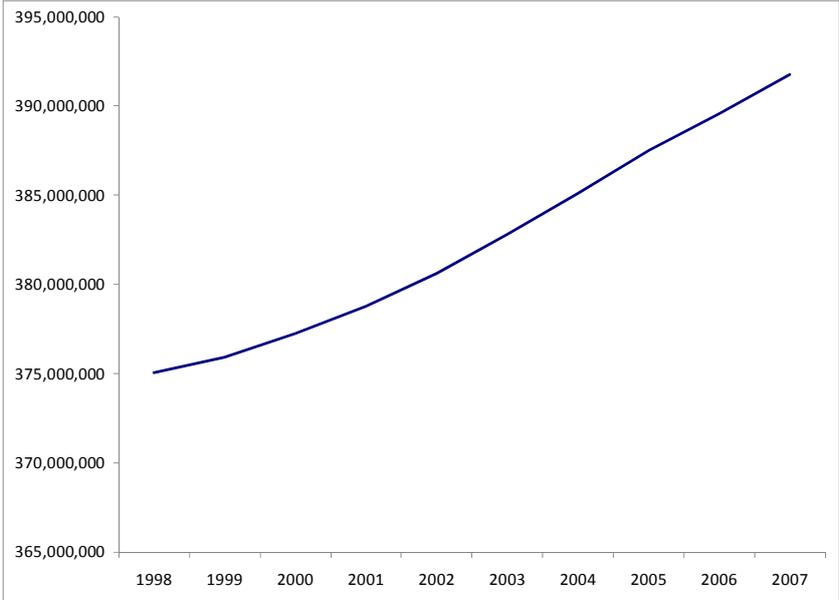
**Figure 74: GDP per capita in EU12 in the period 1998-2007**



Source: Eurostat

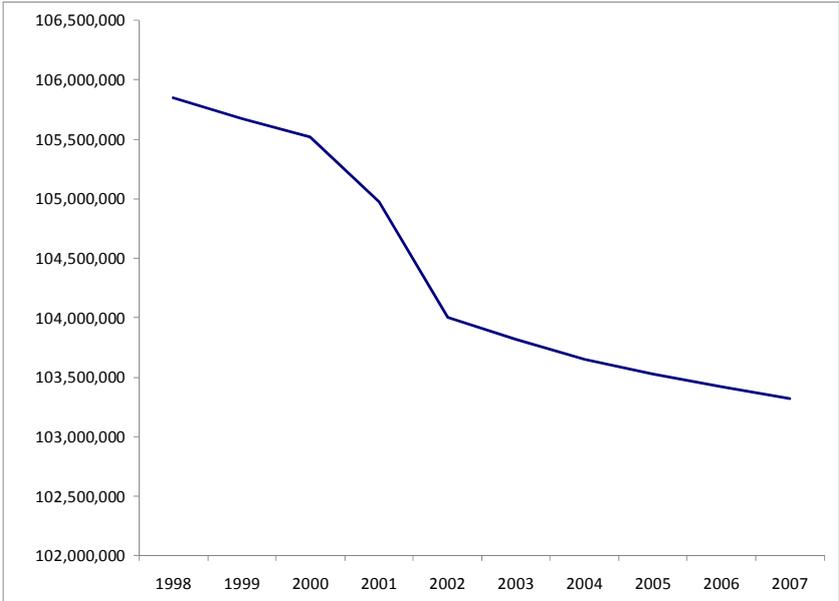
The remaining capacity measures, namely population and population density, may have more limited use when examining trends over time, since they are assumed to have opposite effects on reception capacity. Keeping territory size constant, a positive change in population size would lead to a negative change in population density (and vice versa), both of which would offset any effect on capacity. Notwithstanding, population trends on their own do provide a worthwhile context and input into discussions around asylum flows. The following figures hence depict population trends for the EU15 and the New Member States over a ten year period (1998-2007).

**Figure 75: Population of EU15 in the period 1998-2007**



Source: Eurostat

**Figure 76: Population of EU12 in the period 1998-2007**



Source: Eurostat

The above figures show the population to have risen by around 15 million in the EU15 whilst falling by around 3 million in the New Member States. From the point of view of

asylum reception capacity, these figures would indicate that, although New Member States would have increased ability to pay for asylum seekers, their declining native population would have the opposite effect, although, as mentioned earlier, this would to some extent be offset by the effect on population density. It is however worth asking how much of the decline in the EU12 is accounted for by labour migration into the EU15 and, consequently, whether the populations will increase again as the economies grow and people return-migrate. Taking the discussion beyond measures of capacity, the falling population in EU12, combined with increasing number of refugees and possibly an increase in the number of asylum applications in the future, could put additional pressure on the asylum systems in these countries, which should be taken into account when designing a system for sharing responsibilities.

## ANNEX 4: METHODOLOGY

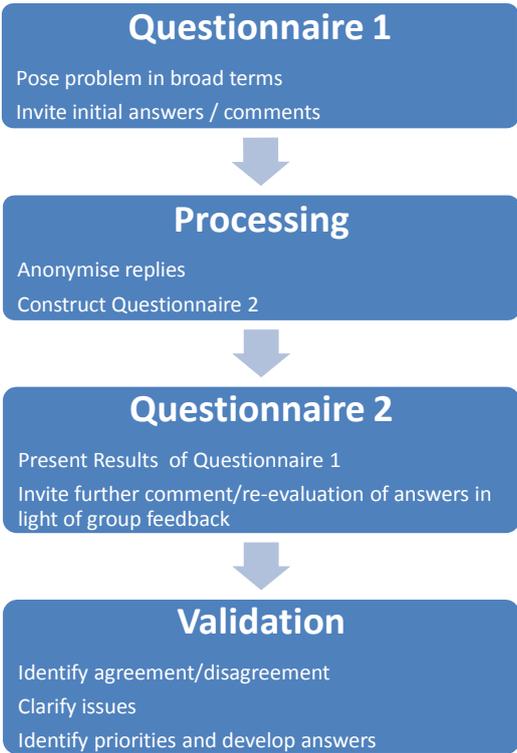
### Delphi survey

During the inception phase of study, the team consulted with national policy stakeholders through a Delphi survey.

### Approach

The Delphi survey was considered a particularly useful tool as the debates responsibility-sharing and asylum related costs are often based on subjective judgements. With a Delphi survey, the problem at hand does not have adequate information on its present and future development while allowing opinion feedback. Given the politically charged nature of asylum responsibility-sharing and its distributional consequences, the Delphi survey was proposed as an inception activity to explore both the relative costs associated with asylum reception and Member State positions towards different forms of responsibility-sharing mechanisms. This was targeted at policymakers who will be affected by the recommendations for a European level burden sharing system, primarily immigration directorates and relevant ministries in the Member States.

The following diagram shows how the Delphi process works.



The questionnaires were designed to elicit and develop individual responses to the problems posed and to enable the experts to refine their views as the group's work progresses.

## Respondents / recruitment

The overall approach for the two rounds of the Delphi survey has been to tag into existing Member State level networks on asylum-related matters. This has included the following:

- national contact points of the European Refugee Fund;
- members of the European Migration Network;
- Member State representatives on the General Director’s Immigration Services Conference; and
- country level mission stations of the International Organisation for Migration<sup>153</sup>;

Other possible routes for accessing names of potential contacts were also considered, although because of time restrictions, the approach focused on the pathways described above as they were seen as the most relevant.

The overall approach in contacting Member States has been to email and phone named contacts and to identify people with responsibilities referring to the directives, regulation and proposal for directives that cover the relevant parts of the process for asylum reception, i.e.:

- the reception of asylums seekers and qualification of third country nationals (Council Directive 2003/9/EC and Council Directive 2004/83/EC);
- determining responsibilities between Member States (Council Regulation EC no 343/2003);
- application procedures (Council Directive 2005/85/EC); and
- to return of refused asylum seekers (Council Directive 2008/115/EC).

In total 91 invites to participate in the Delphi survey, round 1, were administered (which included invites to 41 different organisations. The number of invites per country varied between 1 and 7 depending on the results of the initial process of identifying potential and relevant respondents.

The table below provides an overview of the invites sent to different organisations in different countries, as well as responses to the first and second rounds of the survey.

**Figure 77: Overview of invites to the Delphi survey**

Country	Organisation	Number of people invited	Responses to Survey 1	Responses to Survey 2
Austria	Austrian Federal Ministry of the Interior, IOM	4	NO	NO

<sup>153</sup> The organisation was contacted to help identify appropriate respondents in Member States, not to respond to the Delphi in their own right.

Belgium	SPF Interieur - Office des Etrangers (Ministry of Interior) – Immigration Department and International Relations Unit, Stateless Persons and Federal Agency for the Reception of Asylum Seekers	5	2	2
Bulgaria	National Refugee Agency, IOM, State Agency for Refugees	3	1	1
Cyprus	Ministry of the Interior – Asylum Service and Civil Registry and Migration, Ministry of Labour and Social Insurance – Welfare Services	7	1	1
Czech Rep	Ministry of Interior - Department for Asylum and Migration Policies, Unit of International Relations and Information on Countries of Origin and Department for Immigration	4	LATE	1
Denmark	Danish Ministry for Refugee, Immigration and Integration affairs, Danish Immigration Service	5	NO	NO
Estonia	Ministry of Social Affairs – Social Welfare Department, Ministry of Interior - Migration- and Border Policy Department , Citizenship and Migration Board - Refugees Department	4	3	2
Finland	Ministry of Interior – Immigration Department, Finnish Immigration Service, Ministry of internal security and immigration	5	1	NO
France	Ministère de l'immigration, de l'intégration, de l'identité nationale et du développement solidaire, Ministère de l'Intérieur et de l'Aménagement du Territoire, Direction des Libertés Publiques et des Affaires Juridiques	5	1	1
Germany	Federal Office for Migration and Refugees / Bundesamt für Migration und Flüchtlinge (BAMF), cc: Ministry of Interior	4	NO	NO
Greece	Hellenic Ministry of Public Order – Asylum Department, Ministry of	7	NO	NO

	Interior, Public Administration & Decentralisation – Directorate of Immigration and General Directorate of Administrative Support, Centre of Planning and Economic Research			
Hungary	Ministry of Justice and Law Enforcement - Department of Migration, Office of immigration and nationality - Asylum department	2	1	NO
Ireland	Department of Justice, Equality & Law Reform	2	LATE	NO
Italy	Ministry of Interior - Department for civil freedom and migration and Civil services concerning migration and asylum	2	LATE	1
Latvia	Office of Citizenship and Migration Affairs - Refugee Affairs Department	2	2	1
Lithuania	Ministry of the Interior - Migration Department's Asylum Division	2	1	1
Luxembourg	Ministry of Foreign Affairs and Immigration - Asylum Unit, Directorate of Immigration, Ministry of Family and Integration - Commissariat du Gouvernement aux étrangers	4	1	NO
Malta	The Maltese Ministry for Justice and Home Affairs - Commissioner for Refugees	3	1	1
Netherlands	Ministry of Justice - Immigration and Naturalisation Service and Immigration Policy Department	5	1	1
Poland	Bureau for Organisation of the centres for asylum seekers	1	NO	NO
Portugal	The Serviço de Estrangeiros e Fronteiras	1	1	NO
Romania	Directorate for Asylum and Integration - Romanian Immigration Office	2	1	NO
Slovakia	Ministry of Interior of the Slovak Republic – Migration Office	2	1	1

Slovenia	Ministry of the Interior - Migrations and Naturalisations section and Asylum section , Police and Security Directorate	3	1	1
Spain	Ministry of Labour and Immigration - Integration of Migrants Directorate's Social Intervention Unit, Asylum and Refugee Office – Asylum Unit	3	LATE	1
Sweden	Swedish Migration Board , Ministry of Justice	2	NO	NO
UK	Home Office – UK Border Agency	2	1	1

A total number of 21 respondents provided input into the round 1 of the survey within the time frame for including their results in round 2. Another 6 responses were submitted after the deadline for round 1, and was considered for the analysis of data further down the line of the study but were not included in the analysis for round 2. These are marked LATE in the table above. The responses represent 22 Member States.

All of those invited in the first round were also invited to participate in the second round, which led to 18 responses from 16 different Member States (it is a common risk of the Delphi methodology to have a reduced number of respondents in the second survey round). To compensate for non-response, reasons have been identified to be reluctance to participate without available data, the restricted time-frame, as well as some examples of low interest. These reasons will be quality assured when following-up with respondents for actual data.

The results of the Delphi have fed into the process of developing data collection tools and as well as support the analysis presented in this report.

### Overview of topics

The design of the Delphi survey was based on the initial literature review during the inception phase of the study. The first round included the following topics / questions:

- rating of responsibilities associated with European legislation to responsibility-sharing;
- identification of organisations bearing largest costs per legislation;
- prioritisation of individual costs associated with each directives;
- ranking of indicators to measure asylum related pressures ('stock', 'flow' and 'absorption'); and
- what groups should be covered by responsibility-sharing mechanisms.

Respondents were also invited to point to national publications that would be of use to the study.

In the second round of the survey, the responses of those who responded within the time frame were analysed and then presented back to them (as well as a few respondents that did not respond in time to be included in the first round analysis). The second survey included the following topics:

- open ended responses to conclusion drawn on the most important costs per directive / regulation;
- ranking of conclusions on relevance of different indicators (e.g. undocumented migrants population is not a good indicator);
- ranking of other indicators proposed in the first round;
- ranking of conclusions on who to include and what responsibilities are more relevant (e.g. Reception Directive);
- position on different mechanisms to consider (e.g. financial compensation, practical cooperation etc.).

### Literature review

The literature review has been undertaken in two stages. The first stage of the review consisted of establishing the range of information and data available that could inform subsequent data collection. The objective at this stage was to inform the methodological design of the study.

The second stage of the literature review served two purposes. Firstly, it informed the more theoretical discussions of this assignment as well as the policy analysis provided in Section 2 of the report. The literature was later sourced during the analysis stage to triangulate the results as far as possible.

Consulted literature is generally referenced in this report.

### Use of secondary quantitative sources

#### Responsibility indices

As explained in the sections above, responsibility indices are based on four capacity measures:

- GDP per capita (with a positive effect on capacity);
- population (with a positive effect on capacity);
- territory (with a positive effect on capacity); and
- population density (with a negative effect on capacity).

In the final indices territory as such was not used, as is explained in the theoretical discussion in Annex 2, but instead it was reflected in the population density measure. In addition, two measures of stocks and flows were used, namely number of asylum applications (flow) and number of refugees (stock). Each measure was turned into an index taking a value between 0 and 1 using the following method (with GDP as an example):

$$GDP\ index = \frac{Log(GDP\ per\ capita) - Lowest\ GDP\ per\ capita}{(Log(GDP\ per\ capita) - Lowest\ GDP\ per\ capita) + (Highest\ GDP\ per\ capita - Log(GDP\ per\ capita))}$$

Having developed such an index for each capacity measure, as well as stocks and flows, the capacity measures were combined into three composite indices:

- combined capacity index 1 (weighting: GDP 50%, population 25%, density 25%);
- combined capacity index 2 (weighting: GDP 50%, population 50%); and
- combined capacity index 3 (weighting: GDP 50%, density 50%);

A theoretical discussion justifying the particular choice of measures and weightings is provided in Annex 2.

In order to develop the final responsibility indices, the three capacity indices were combined with stock and flow indices in the following manner:

$$\text{Responsibility index} = \frac{\text{Input index} - \text{Combined capacity index}}{\text{Combined capacity index}}$$

The above formula was used to generate six responsibility indices used throughout the study:

- responsibility index 1 (combined capacity index 1 and asylum flow index)
- responsibility index 2 (combined capacity index 1 and asylum stock index)
- responsibility index 3 (combined capacity index 2 and asylum flow index)
- responsibility index 4 (combined capacity index 2 and asylum stock index)
- responsibility index 5 (combined capacity index 3 and asylum flow index)
- responsibility index 6 (combined capacity index 3 and asylum stock index)

In addition to these indices, a concept of “fair share” was introduced, reflecting the number of asylum seekers a Member States should be receiving based on its capacity. The final “fair share” figure, as presented in Section 3, was constructed in three steps:

- First, the number of asylum seekers in a given country was multiplied by the proportion of the country's population to total population to create a “fair share” number based on population;
- Second, this figure was multiplied by a ratio of the country's capacity index to average capacity index (the first combined capacity index was used to generate figures in Section 3) to create a “fair share” number based on population and capacity;
- Finally, this number was scaled down by a ratio of “fair share” based on population to a “fair share” based on population and capacity to ensure that the sum of asylum application equals the actual sum of applications.

The final “fair share” number was then compared to actual number of asylum applications, both in absolute terms, and as a proportion of the actual number of applications.

## **Use of primary cost data**

### **Cost data collection**

In order to collect cost data, a data collection tool was developed. The tool, in form of an Excel spreadsheet, asked respondents to fill in asylum related costs for the year 2006-2008. The tool was arranged by cost categories derived from the Delphi survey, as well as from the legislation underpinning the Common European Asylum System. The tool also contained a dimension reflecting the stage in the asylum process to which a particular cost relates (reception, procedure, qualification, determining responsibility, and return) and allowed respondents to specify where information comes from, insert notes, and indicate currency. Part of the data collection tool is presented below:

**Figure 78: Cost data collection tool**

	2006	2007	2008	Source	Notes	Please indicate the currency: EUR
<b>Total Asylum Cost:</b>						
<b>Housing/accommodation costs</b>						
- At reception stage						
- At qualification (integration) stage						
- At return stage						
<b>Health care costs</b>						
- At reception stage						
- At qualification (integration) stage						
- At return stage						
<b>Costs of social benefits</b>						
<b>Costs of providing material reception conditions</b>						
<b>Costs of support for unaccompanied minors</b>						
<b>Costs of other special needs support</b>						
<b>Costs of other financial allowances</b>						
<b>Schooling of minors costs</b>						
- At reception stage						
- At qualification (integration) stage						
- At return stage						
<b>Vocational/employment related training costs</b>						
- At qualification (integration) stage						
- At return stage						

In addition to cost information, the last rows of the tool also asked for the additional information regarding asylum flows (i.e. numbers of applications, decisions, and Dublin requests). These were used to supplement quantitative data collected from sources such as Eurostat and UNHCR, although they were used sparingly, since it was not clear to what extent these data are comparable across Member States.

The key contact points for cost data collection were individuals identified during the Delphi process. In addition, indications provided by Delphi respondents regarding how asylum responsibility is shared between national institutions were also used to inform how the data collection process was targeted. The table below provides an overview of the data sources and type of data used to compile the costs dataset for the 27 EU Member States

**Table 13: Cost information data sources**

Country	Data collected
Austria	Obtained high-level federal cost data and an estimate of federal/Lander level cost breakdown; these were then used to estimate total costs.
Belgium	Obtained cost data from the federal asylum service contact, as well as from a relevant Ministry of Interior contact.
Bulgaria	Obtained cost data from a National Refugee Agency contact. Some cost information within the competence of the Ministry of Interior could not be obtained.(i.e. return-related and detention costs).
Cyprus	Obtained cost data from a contact at the Ministry of Interior's Asylum Service. Some costs information was not available (i.e. health care).
Czech Republic	Obtained cost data from a Ministry of Interior contact.
Denmark	Extracted cost information from Danish Immigration Service and Refugee Appeal Board annual and financial reports.
Estonia	Obtained cost data from relevant contacts at Ministry of Interior and Ministry of Social Affairs.
Finland	Obtained cost data during fieldwork with Finnish Ministry of Interior.
France	Obtained cost data during fieldwork with French Ministry of Immigration
Germany	Obtained cost data from secondary sources, including budget documents and sources from the Federal Statistical Office. Federal data on application processing could not be obtained.
Greece	Obtained data pertaining to reception centres from a contact at the Ministry of Health and Social Solidarity. Other information could not be identified.
Hungary	Obtain cost data from a contact at the Office of Immigration and Nationality.
Ireland	Obtained cost data from a contact at the Department of Justice, Equality & Law Reform.
Italy	Obtained very high-level cost data from a contact at the Ministry of Interior.

Latvia	Obtained cost data from the Office of Citizenship and Migration Affairs. This includes only a few cost categories, as information about others (including health) could not be obtained.
Lithuania	Obtained very partial cost data from a contact at the Ministry of Interior. This data includes only financial allowances, other costs could not be isolated.
Luxembourg	Obtained cost data from a contact at the Ministry of Family and Integration, later validated by a contact at the Ministry of Foreign Affairs and Immigration.
Malta	Obtained cost data during fieldwork involving representatives of the Ministry of Justice and Home Affairs.
Netherlands	Obtained high-level cost data from contacts at the Immigration and Naturalisation Service and the Central Agency for the Reception of Asylum Seekers.
Poland	Obtained cost data from a contact at the Office for Foreigners.
Portugal	Obtained cost data through a SEF contact
Romania	Obtained cost data from a contact at the Romanian Immigration Office
Slovakia	Obtained cost data from a contact at the Ministry of Interior
Slovenia	Obtained cost data from a contact at the Ministry of Interior
Spain	Obtained cost data from a contact at the Ministry of Labour and Immigration
Sweden	Obtained cost data from contacts at the Migration Board
United Kingdom	Obtained cost data during fieldwork with the representatives of the UK Border Agency

Throughout the data collection process it became clear that respondents could not easily distinguish costs for particular stages of the asylum procedure, resulting in partial data and this dimension of analysis was not used. In addition, most respondents were able to provide the most comprehensive information for the year 2007, which is partly the reason why 2007 was the time period the study focused on.

### Relative costs

Cost information can be presented in absolute or relative terms. In order to present cost in relative terms, secondary data focusing on GDP, population, and number of asylum applications was used. This information allowed to construct the following measures:

- asylum costs as a percentage of GDP;
- asylum costs per population; and
- asylum costs per asylum application.

These relative measures allow for more meaningful comparisons between Member States with very different reception capacity. In addition, some more specific relative measures were also developed, such as travel costs per rejected application.

### Deflated and theoretical costs

In order to account for differences in costs of living, the concept of deflated cost was introduced. Deflated cost of asylum applications (or “deflated unit cost”) was generated in the following way for each country:

$$\text{Deflated unit cost} = \frac{\text{Unit cost} \times \text{GDP per capita}}{\text{Average GDP per capita weighted by population}}$$

GDP per capita compared to weighted average GDP per capita was used as a measure of cost of living, with countries where GDP per capita is above the average having lower deflated costs per application than actual costs, and vice versa. Deflated costs thus allow to remove the effect of cost of living and provision of services from the dataset.

An average deflated cost per asylum application can then be used as an indication of harmonised policy, where all Member States spend the same amount per asylum speaker. Re-flating these costs (reversing the process used to obtain the deflated unit cost) and multiplying them by the number of asylum seekers in turn produces theoretical costs, or costs one could expect to observe were policies harmonised across Member States. This concept of costs with policy harmonisation was also used to generate the figures presented in the second policy option in Section 5.

### Qualitative input from Member States

In addition to collecting primary and secondary quantitative data, additional qualitative data was obtained for a select subset of countries (Czech Republic, Finland, France, Germany, Italy, Malta, Spain, Sweden, and the United Kingdom). The targeted stakeholders included relevant institutions dealing with asylum procedure in these countries, based on information from the Delphi surveys. The information was collected through phone and in-person interviews, as well as by email. The purpose of collecting this information was twofold: It was primarily intended as an additional method of ensuring the completeness of the cost dataset, but it was also used to provide additional input into the burden sharing discussion. The respondents were asked to assist the research team in completing the cost data collection tool and were asked a set of questions touching on the following topics:

- validation of Delphi results;
- existing responsibility-sharing mechanisms operating on national level;
- existing and proposed responsibility-sharing mechanisms at EU level;
- pros and cons of possible models; and
- steps forward.

The qualitative information provided varied significantly, which is the key reason why no systematic analysis of this information was undertaken. Nevertheless, the input from the Member States was taken into account together with the Delphi feedback and informed all sections of the report, and Section 5, focusing on responsibility-sharing models, in particular.

## **NOTES**



DIRECTORATE-GENERAL FOR INTERNAL POLICIES

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