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Comments on the Communication from the Commission to the Council, the European Parliament, the European Economic and Social Committee and the Committee of the Regions
“Migration and Development: Some concrete orientations”
COM (2005) 390 final

Introduction

Our organisations represent churches throughout Europe - Anglican, Orthodox, Protestant and Roman Catholic - as well as Christian agencies particularly concerned with migrants and refugees and the issue of development. As Christian organisations, we are deeply committed to the dignity of the human person, the concept of global solidarity and the promotion of a society welcoming strangers and respecting their rights. Being part of the global fellowship of Churches, which is internationally active in promoting worldwide justice, we are particularly well acquainted with the links between development and migration.

In April 2003 we, together with other organisations active in the area of migration and development, shared our observations on the Communication on “Integrating Migration issues in the European Union’s relations with third countries” (COM (2002) 703 final) and expressed our impression of a “failed goal”.

We therefore welcome the initiative by the European Commission to revitalise the debate on the link between migration and development. It is encouraging and very timely that this debate should be reinitiated now with a focus on identifying positive synergies rather than seeing development policies as a tool of migration control. In this context we appreciate the link made with current discussion in and around the United Nations context. We would strongly welcome initiatives to strengthen the EU’s support for the organisational framework, which the UN provides for migration governance. This support for a UN migration framework should be based on human rights and include support of the international legal framework for migration, with its cornerstones being the Geneva Refugee Convention of 1951 and the 1967 Protocol; ILO Conventions 97 and 143 and the 1990 UN Convention on the protection of all migrant workers and the members of their families; as well as the International Convention against organised

crime, particularly relevant being the Palermo Protocol of 2000 with regard to the definition of smuggling and trafficking in human beings.¹

A report published in 2004 by the UK House of Commons² clearly shows that the costs of migration are outweighed by the economic benefit migration brings. Therefore the Commission's initiative is a good starting point for a shift of paradigm in the political debate. Migration should no longer be regarded as an indication of crisis and deficit but as a chance and resource for the countries of origin as well as for the hosting societies.

The need for a clear understanding of different patterns of migration

When discussing the migration-development nexus, easy generalisations about “one-size-fits-all” solutions should be avoided.

It has to be clarified that ‘Migration’ can be used in several senses and when referring to the movement of people, it includes, among others:

- Refugees, internally displaced persons and other uprooted people
- Persons migrating for labour and economic reasons
- Persons migrating to join their family

The Communication focuses on *migrants whose decision to migrate is to a major extent taken “freely” by the individual concerned, for reasons of ‘personal choice’*. While this choice might be a sensible one, it is important to keep in mind that the reality of migration is one of “mixed flows”.

More than in other policy fields, different actors have potentially different interests and stakes in the policies around migration and development: people migrating for reasons of labour, usually as a main priority, seek thereby to improve their own life and the lives of their families³. In this they come with individual hopes, challenges and skills, interests, and inalienable human rights. For countries hosting this category of migrants, employers will either officially or informally have invited or encouraged them and usually want to profit from their presence. Other actors in these countries might feel that the presence of this category of migrants is not in their interest. For societies in countries of origin the interest in the migration of their citizens is determined by individual and collective interest: Migration can be a source of income and the unofficial social security system for the families of migrants. Moreover, migration contributes to increased knowledge and in some cases improves the economic standing of a country. In other cases it might completely deprive the country of its most needed skilled or highly skilled labour. An example is the recruitment of nurses from the Philippines, where a large number of nurses are trained for the job market abroad, or Bangladesh, where highly skilled information technology candidates are motivated to move to Western labour markets. This practice primarily raises concerns about the individual well-being of the person migrating, while the effect on the country of origin will most likely be fairly limited or positive. Recruiting nurses or ITC specialists from poor countries struck by HIV/AIDS such as Zambia, however, has massive repercussions on the sustainability of the public health system in this country. There is a strong need to strike a balance between individual rights and collective interests.

Globalisation has increased the levels of forced migration. It has led to widening socio-economic disparities which have provided an incentive for people to leave their own countries and seek opportunities elsewhere. In many countries, the impact of globalisation has resulted in

¹ This body of international legislation on migration is complemented by more detailed guidelines and regional instruments such as: UN Guiding Principles on Internal Displacement, the UNHCR Guidelines on the Protection of Refugee Women, the UNHCR Guidelines on the Protection and Care of Refugee Children. Council of Europe Convention on Action against Trafficking in Human Beings 2005

² House of Commons, International Development Committee, Migration and Development: How to work for poverty reduction. Sixth report of session 2003-2004, London 2004

³ This desire for a better life might in the case of refugees be born out of a situation where political and social conditions “at home” have become life-threatening. In other cases economic conditions will influence the decision to migrate.

precipitated instability of various kinds. This instability may be countered by forms of repression extending from limitations on individual freedom of expression through to the suppression of an independent press, political parties, trade unions, or religious associations.

The point to be taken from this is that migration in the modern world, in both its forced and 'voluntary' versions, has to be understood as arising for many people as an act of necessary adaptation to developments beyond their individual control. In many instances, people migrate in order to ensure their basic survival; in others, because the task of living with a degree of dignity and the hope for a marginally better future requires movement to another country. This underlines the existence of an ethical and moral dimension to the formation of immigration policy which people from faith communities are bound to reflect on.

Refugees in this context constitute a specific group: usually their migratory move is a response to immediate force and threat to their lives. Naturally their relations with the country of origin will remain characterised by the fact that they had to flee persecution. Often refugees are not in a position to develop their full economic potential: on the one hand they often had no chance to prepare for their migratory move, on the other hand administrative procedures create an obstacle to full participation in the economic life of host countries (e.g. lengthy asylum procedures and exclusion from the labour market during the procedure). Refugees will therefore have limited chances to contribute to economic development unless they receive particular support to do so. Any policy orientation will therefore very specifically have to look into the different categories of migrants in order to develop appropriate specific and targeted suggestions.

The need to focus on added value of EU policy on migration and development

The communication is of particular relevance, as the EU is already today a major actor in the area of development policies and migration: as a provider of Official Development Assistance (ODA) as well as increasingly the coordinating body of EU Member States' policies on migration and asylum, or in financing migration-related projects in countries which can be considered developing countries (e.g. under the AENEAS programme). The specific added value of addressing the links and interactions between migration and development in the context of the EU therefore lies in those areas where the EU has direct competence, e.g. as the world's largest donor of official development aid (ODA). While we welcome the encouragement of Member States to hold debates on areas of national competence, clear preference should be given to actions in fields where the EU competence is clear in view of the treaties and where EU actions are likely to have impact.

The need for coherence with other EU policy proposals

In addition, coherence of the Communication with legislative proposals in those areas where the EU has clearly established competence is of utmost importance. While there are obvious connections with, for example EU trade policies, we would in particular welcome it if the considerations of the Communication would find an echo in legislative instruments debated in the area of migration on, for example return (Proposed Directive on the common standards and procedures for returning illegally staying third country nationals, published COM (2005) 391 final).

Specific comments

Remittances

- Remittances and ODA

The role of remittances has in recent years been highlighted, particularly as the amount of money transferred through remittances according to all available data is far higher than official development assistance. While we welcome considerations on how the development impact of remittances can be enhanced, it is necessary to remember the clear distinctions between remittances and ODA. Remittances are, as the Communication underlines, by definition privately

earned and privately owned money, which will be at the disposal of individuals when transferred and usually will be used for individual interests. It is unlikely that remittances will for example be used to maintain the road infrastructure or the public electricity networks of a whole country. However, these elements of infrastructure are needed to create a setting in which individual and microeconomic development can successfully take place.

It is also noteworthy that migrants often do not come from those countries characterised by the most extreme forms of poverty. As a consequence remittances will in their majority be transferred to other countries than those of prime concern for ODA: Remittances can therefore only have a **complementary** development effect, but can never replace ODA. The targeting of EU development assistance should be based on the principles of poverty eradication and not be determined by EU interests in migration policy. Thus, there should not be a shift of ODA to EU neighbourhood countries on the grounds of a large migration potential. In addition, ODA is the responsibility and obligation of states: ODA will need to be increased in line with the recent commitments made by EU Member States and development taken seriously as a task in its own right if the Millennium Development Goals are to be met. The Commission's target of committing 0,56 % of the GNI to ODA by the year 2010 goes in the right direction, but needs to be taken further, especially in view of the previous commitment of the Barcelona Council in 2002 to raise the figure to 0,7 % of the GNI.

- Faster, cheaper and reliable remittances

As the Communication correctly outlines, a primary concern regarding remittances is the question of how remittances can become faster, safer and yet cheaper at the same time. Inside the EU mechanisms, one of the main obstacles of access to banking is the fact that many migrant workers sending remittances are undocumented. It would therefore be useful to consider which mechanism would allow undocumented migrants to profit from reliable and cheap channels for transferring remittances. The World Bank for example in a recent report based on the example of undocumented Mexican migrants in the US suggests issuing migrants with irregular status with ID cards in order to allow them to access the banking system⁴.

Activities supposed to curb financing of terrorism have, as indicated, indeed had adverse effects on existing informal channels of transfer. Evidence suggests that this has significantly increased costs for remitting money despite the fact that there is no proof that informal remittance networks such as hawala, hundi, padala or others are more likely to be used for illicit purposes than formal transfer channels⁵. Further attempts to enhance transparency in this area are therefore welcome, but should enable informed choices among migrants rather than overregulating financial flows. In this context we would repeat the recommendations of the Lima document of the Inter-American Development Bank's Multilateral Investment Fund, which recommended in 2004 to "avoid attempts to tax, overregulate and otherwise take actions that impede the flow of remittances".

While the regulation of payment services and encouragement of transparency in the banking sector might help to make remittances cheaper, banks are often not present in those areas from which or to which migrants might want to remit, as business is not deemed profitable enough. Alternative ways of paying and receiving remittances are therefore crucial: Recent studies have shown that post offices play a crucial role for remittances in many countries and that the price of remittances are often disproportionately high if there is a monopoly of one transfer agent at the post offices. As postal services in most EU countries are fully or largely state-owned measures allowing competition in this area would be fairly easy to implement. Alternatively, regulation of the transfer costs could be enforced by Member States to reduce the transfer costs.

⁴ The International Bank for Reconstruction and Development/The World Bank: Global Economic Perspectives. Economic Implications of Remittances and Migration, Washington DC 2006 (published November 2005) p. 94

⁵ *ibid.* 147

An additional large potential lies with smaller enterprises outside the traditional banking sector, such as credit unions and microfinance institutions. Given their involvement in financing for development in rural and other disadvantaged areas, strengthening such institution offers clear added value. We would therefore support constructive engagement of the EU with such initiatives. In the UK, for example, the House of Commons' International Development Committee⁶ has advocated that remittances from migrants to their home countries should be made tax and fee efficient through an appropriate charitable entity.

While current financial regulations might not allow that the EU supports funding lines for microfinance, the EU could follow the approach taken by US agencies and support a framework, which in the case of the US and Latin America has helped to reduce remittances costs to half. Programmes such as the "banking the unbanked" programmes and the international framework of the World Council of Credit Unions should be considered for support through EU grants e.g. under AENEAS.

Under development funding, particular attention should be given to measures exploring and enhancing South-South remittances, which are assumed to gain in importance.

For a human-needs-centred concept of investment, security and good governance

The Communication devotes considerable attention to the question of the investment of remittances and takes up the somewhat dichotomised distinction between "consumption" and "investment" of remittances. In this context we are disturbed by a somewhat limited concept of investment and the hierarchy of importance attached to it (p. 21). While there is certainly a valid argument to underline the need for entrepreneurship, the concept of investments for development needs to be far broader than this. Investment in a developing country often needs to focus more on water, sanitation and health infrastructure, before entrepreneurial activities can even be considered. We would therefore recommend that support to such activities through enhancing the impact of remittances be given equal attention with those financing "productive activities". Activities such as those of hometown associations financing a health clinic or access to clean water in villages of a developing country will often have a far more positive impact on a community as a whole than for example a private enterprise and therefore be an investment into the future of a whole community.

The Communication correctly highlights the importance of a favourable investment climate and good governance in the country in which migrants might want to invest. In addition to the aspects, which the Communication outlines as essential (e.g. law and property rights), we would like to underline that the general framework of good governance and investment climate is far broader than this: a situation in which governments respect human rights and which is free from internal and external conflicts, is the necessary precondition for even thinking about an investment climate. In addition, investing in a country will be far more attractive if there is a chance of this investment being a successful one, bearing revenue: this includes as a necessary precondition the chance of having fair access to markets both internally and globally.

Refugees, people seeking asylum and migrating for economic purposes reflect global as well as local patterns of insecurity and injustice. This lack of security must be addressed, not by limiting migration and denouncing it as a threat to security, but in a context of sustainably improving the lives of local people. Security in this context means the freedom from persecution, or the freedom from environmental degradation, but also the security of housing, work, a decent income for the individual and his/her family. Experience has shown that (a) improved security tends to lead to a reduction in forced and voluntary migration, and (b) a substantial improvement in the security situation in a country is often followed by high levels of return migration by those who initially left for security reasons.

⁶ House of Commons, International Development Committee, *Migration and Development: How to make migration work for poverty reduction*, vol.1, sixth report of session 2003-04, paragraph 37ff.

A comprehensive concept of good governance, which puts human rights at its core, should therefore guide EU development policies. Other areas such as EU trade policies or agricultural subsidies should be revised with a view to seeing how they impact on third countries and the investment climate there. How can EU policies on tariffs and subsidies play a role in enhancing development e.g. through remittances and how can the disgraceful trade in arms to conflict zones be stopped by the EU?

The role of the diaspora

The Communication correctly recognises the potential of the diaspora as an actor of co-development, be it economic, social or political development. Migrants belonging to the diaspora of a specific country have indeed, based on a fairly good knowledge of the local needs, carried out many successful initiatives supporting groups and communities in developing countries. Further consideration of how such initiatives, which usually have a limited geographic scope and target group, can be supported so that they are enlarged and add value to a wider community would, therefore, appear as the prime operational concern. While there is a continuing concern about the limited scope and somewhat limited target group of initiatives implemented under the co-development concept, evidence suggests that the impact of such initiatives is often bigger or at least more clearly measurable than that of large-scale projects of traditional development agencies. A political commitment to the role of the diaspora would need to be translated into specific programming of EU funding e.g. under AENEAS or AIDCO: diaspora association will often not be able to apply for and manage projects starting at a minimum grant level of several hundred thousand Euros. While such mega-projects may have a convincing administrative logic, an impact-oriented logic might suggest making provisions allowing for a diversification of project types, including small-scale projects.

We welcome efforts to involve migrants associations in framing policies in all areas of particular relevance to them. It would however appear logical if the EU, as a matter of priority, were to seek the advice of such associations on policies inside EU Member States in which they are resident, as migrants are directly concerned and often not at all heard in policy developments. In this context we doubt that the sense of belonging to the country of origin of one's parents is in itself a positive factor for integration. Policies, which regard second or third generation migrants as primarily relating to the country which their parents came from, bear a high risk of seeing these young people as aliens and strangers rather than citizens. While international exchanges are certainly generally beneficial for broadening the horizons of young people, programmes specifically and exclusively trying to relate them to their parents' country of origin might have rather undesired effects of alienation and increased marginalisation.

Along similar lines, we would strongly advise a cautious approach towards efforts to map the diaspora: while countries with a large expatriate or migrant community abroad might have a strong interest in knowing more about the diaspora, those migrants belonging to the diaspora might have no interest or be opposed to any further contact with the government of the country they had left. This is particularly relevant for refugees.

Temporary and circular migration: myths and realities

The notion of temporary or circular migration is in recent years becoming increasingly popular, as it seems to offer a response to demographic and labour-market needs in Europe without having to address the issues of integration and diversity. In our view, this approach often follows a logic of "social engineering": GATS mode 4, for example, exclusively approaches the issue of migration as one of "service providers". This logic in our view raises strong concerns about a perspective, which exclusively sees migrants as a workforce, but hardly as human beings with hopes, plans, dreams and, foremost: rights.

It is certainly useful, and often in the interest of migrants and in certain cases also their countries of origin, to design policies on visa and residence permits in a way, which would enable migrants to be more flexible in choosing their primary residence or in moving back and forth between

countries. In many cases, traditionally short-term and circular migration (e.g. between the Maghreb and Southern Italy), has turned over the last decades into permanent migration as a result of inflexible and rigid visa regimes. *States may consider multiple entry visas, long-term residence permits and dual citizenship to facilitate the mobility of the diaspora established abroad. These measures enable migrants to be active in both their host communities and their countries of origin.*

It is however a myth that migration can per se be organised in a way, which ensures that migrants will return. The popular myth of “guest workers”, who would come to work and leave again, which was nurtured in the 1960s and 70s has had devastating effects: on the one hand hosting countries failed in the development of a society with a profound respect for diversity, cohesive social integration and anti-discrimination policies and the skill to adapt to different cultures; on the other hand migrants often did not undertake all efforts to think of their country of immigration as their permanent home, where they would integrate. In reality personal plans as well as general circumstances of migrants often change, and therefore the nature of the migratory move changes. Migration policies should therefore always take into account that some migrants will return and others will stay, often irrespective of what their original intention has been.

Return

The notion of return developed in the Communication focuses strongly on labour migrants who return out of a completely free decision. While this is certainly one notion of return, a significant number of returning migrants only return because their residence title has expired or will expire, or because their status is irregular. It is regrettable that the Communication does not take account of this second group of returning migrants, despite the fact that their return constitutes considerable chances and challenges. The omission is even more surprising when one observes that the Communication was published on the same day by the same DG of the European Commission as the draft directive on return.

In both contexts of returning migrants we do welcome initiatives which would allow migrants to more flexibly “test the ground” in their country of origin before making a final decision about return. In view of the experiences of previous returning migrants we would also underline the need for an offer of re-integration for returning migrants, as the country they return to will often have dramatically changed from the country they once left.

Many initiatives have already been devised to return migrants to their country or region of origin. One complicating factor is that returning asylum-seekers whose applications were rejected are not in the same starting position as migrants who have made a positive decision to build an economic future in their country of origin, on which this Communication is concentrated.

Making their return – as well as that of refugees - sustainable is of critical importance. Combining return and development projects, facilitating employment on return and developing partnerships in order to monitor the safety and welfare of returnees -- thereby building confidence in the possibility of return - can contribute to the viability of re-integration.

In certain cases, it may be possible for European governments to facilitate “Go and see visits” or even to allow returnees to opt to come back to Europe during a certain period following their initial return. These can also be important confidence-building measures.

The Dutch Advisory Council on International Affairs has recently suggested that return can be encouraged if returning migrants are given a safety net in the form of possible readmission to the Netherlands.

A specific notion of temporary migration is the one of a seasonal nature, as it is most frequent in agriculture: seasonal migration is by nature different from more permanent migratory moves (e.g. the person does not move his/her household and main residence). Based on experience from the field we would raise strong concerns about the status of these seasonal workers, who often face exploitation without any clear legal framework in place for their protection. If seasonal migration

is one of the areas the EU Member States seek to develop further, establishing a strong legal framework for the protection of temporary migrants is a priority.

Brain drain

Since the 1970s the phenomenon of the brain drain has been discussed widely. However some scholars argue that “despite three decades of discussions, there are no well-calibrated measures of whether or not a “brain-drain” is occurring⁷” In addition, more and more research suggest that there might also be the “brain effect” (experiences or prospects of migration fosters investments in education and encourages individuals to acquire higher qualifications in order to benefit from migration later⁸), or that we can, as the Communication suggests, even speak of a “brain circulation”.

Policy responses should preferably be based on an analysis, which helps to understand the more complex nature of the level, distribution and acquirement of skills in countries of origin as well as the effects which migration may have in this respect. As it was argued above, migration of some of the most qualified will have very different effects on different countries based on their educational system, the numbers of skilled persons in its workforce and other socioeconomic factors.

More research, including more complex models of measuring the impact of migration, might help to understand the phenomenon more precisely. A more far-reaching inclusion of migration research under the research framework programmes would be beneficial in this context. From the current knowledge we would argue for a differentiated approach: for some countries arrangements to limit recruitment will be necessary and will need to include recruitment by the private sector. For other countries, such measures may not be necessary.

Long-term planning and creative partnerships with countries of origin and institutions in these countries could aim at trying to create win-win situations. The examples of countries like China, Sri Lanka or India show that governments can at least try to address brain drain effects through facilitated migration. Private initiatives could complement these governmental initiatives along the Communication’s suggestion of replenishing the skills base: some diaconal institutions in Western Europe for example already concluded arrangements a couple of years ago with nursing schools in economically disadvantaged countries, where they have provided extra training staff. While they aim at training staff for the health system in these countries it is part of the arrangement that some of the trained staff will be offered work contracts in Western Europe at a later point. While this obviously does not address the human dimension of migration, it helps to create perspectives for the potential migrant, the country of origin and the future employer. Initiatives for the employment of migrants by development organisations in projects in their country of origin might indeed be another initiative which merits further study, including studies on successful programmes which have been implemented (e.g. Eritrean refugees working for development agencies after Eritrean independence).

Within the fairly differentiated picture regarding the impact of migration, one fact seems fairly widely accepted: migration of lower skilled migrants is hugely and sustainably beneficial for the development of the country of origin. EU migration policies should take this fact into consideration and not exclusively focus on high skilled migration. Evidence also suggest that many migrants are employed in jobs, where their knowledge is not used in full – because they are forced to resort to irregular channels of migration, or because their qualifications are not recognised – a phenomenon one might describe as “brain waste”. Open and accessible channels for mixed migration and easier recognition of qualifications would help to overcome this problem.

⁷ Lowell, B. L./ Findlay A. 2001: Migration of highly skilled person from developing countries: impact and policy responses, Geneva 2001: 30

⁸ O. Stark,/C. Helmenstein/A. Prskawetz: *capital depletion, human capital formation, and migration: a blessing or a "curse"?* In: Economics Letters, Volume 60, Issue 3, 363-367

Gender, migration and development

It is important to include gender perspectives in migration and development initiatives. The feminisation of migration has been observed over the last decades. The fact that women make up the majority of the world's poor and the crucial role of women for successful community-centred development has been underlined in various researches. Particular attention should therefore be given to initiatives empowering migrant women, both in countries of migration and origin, as agents of co-development. A policy, which specifically addresses women as members of the diaspora, recognises their specific situation and seeks to strengthen it, is also more likely to have a positive impact on fostering development and addressing inequalities in countries of origin.

Follow-up

As outlined above, we would strongly recommend that the European Commission in its follow-up to this Communication focus on those areas where it has competence or has been mandated by Member States to take action:

- programming of development aid to enhance the impact of migration and involving migrants as actors of (co) development taking into account a gender perspective
- programming of migration-related instruments, such as AENEAS, with a view to fostering development and involving a wide range of actors (i.e. grants, which can be managed by diaspora associations)
- ensuring that the financial allocations for migration and development within the Aeneas programme are increased. The latest CfP allocated a minor percentage to the area of migration and development (less than 20%)
- regulation and de-monopolisation of financial instruments for remittances
- a return policy which sees returnees as agents of development and offers perspectives after return
- a labour migration policy involving migrants with different skills levels.

Demonstrable results in these areas of undisputed EU competence will pave the way for further constructive engagement of Member States for a common policy on migration and development.

Monitoring of programme and policy results

The complex and contextual connections between migration and poverty need to be further explored in order to understand home country development. Poverty is not always the main cause of migration and the contribution of migration to reducing poverty is complicated. The 'migration and development nexus' needs to be researched in greater detail and ongoing programmes should be monitored and evaluated and exchange of best practices needs to be undertaken.

Migration and development programmes are at present financed under several different EU financial instruments, either thematic (Aeneas, NGO co-financing, AUP) or geographical (indicative programme financing). Results of past Aeneas programmes in this area should be considered as well as programmes on return and borders (ARGO, ERF, Preparatory Actions Return Fund). So far there seems to be little impact assessment of these initiatives.

A meaningful and structured dialogue with Member States, other EU institutions and civil society on the success and shortcomings of migration and development programmes should form an integral part of such an evaluation and organisational learning exercise.

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