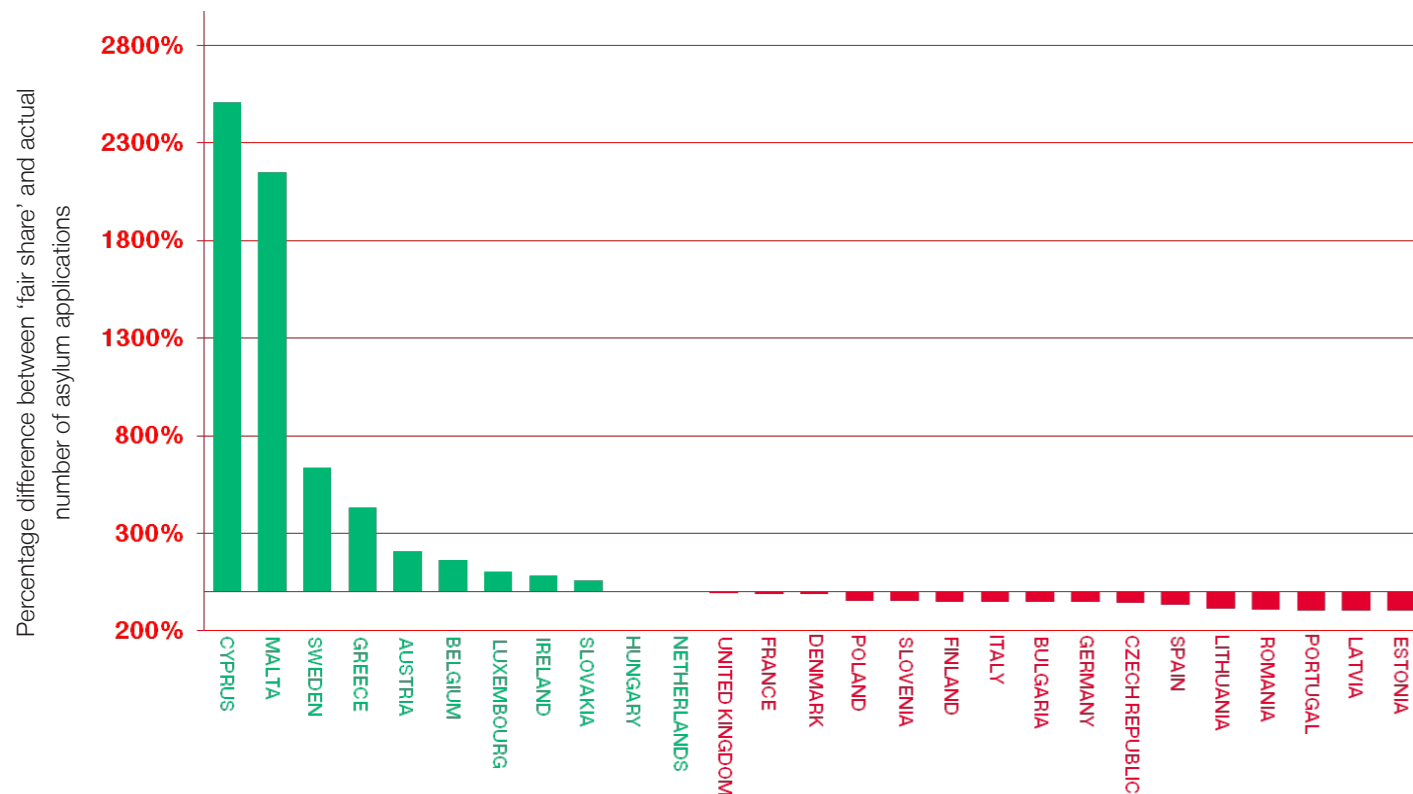


Key Messages

1. We need to understand who pays the price for asylum applications across the European Union. This study examines the economic costs borne by each Member State and how they could be shared equitably.
2. The economic costs are relatively low across the EU and numbers of applications have fallen. However, costs are unevenly distributed, with a few countries bearing particularly disproportionate shares.
3. The study assesses 'fair shares' by comparing wealth, population size and density as well as how many refugees a Member State already accommodates.
4. Addressing the uneven distribution of responsibilities could make a big difference to a few countries at a relatively low cost to the others.
5. Unless responsibilities are properly shared, key principles, such as the Single Market and free movement within the Schengen area, may be at risk.
6. There are at least three ways of sharing economic responsibility better at an EU level:
 - i) Harmonisation of the type, quality and efficiency of services that asylum seekers receive
 - ii) Financial compensation for countries that receive asylum seekers
 - iii) Voluntary movement of asylum seekers from over-burdened to less affected states.
7. All of these options build on existing European initiatives and proposals made by some Member States.
8. A combination of these options may best address current inequity in the distribution of responsibilities for asylum seekers.

Uneven sharing of responsibility for asylum seekers by Member States



Some countries have a disproportionate share of asylum seekers, given their capacities to absorb and finance newcomers. Based on population size, density and GDP, four countries - Cyprus, Malta, Sweden and Greece - have more than three times their 'fair share'. Helping the worst affected Member States, particularly the smaller countries, could be relatively inexpensive: Cyprus and Malta dealt with 7,839 asylum applications more than their 'fair share' in 2007. Including other indicators, such as numbers of resident refugees, in 'fair share' calculations can produce different rankings for responsibility taking.

Sharing Responsibility for Asylum-Seeking

What system of burden-sharing should exist between Member States for the reception of asylum seekers?

Context

There is growing agreement that the EU should have a common policy on dealing with asylum seekers. A Common European Asylum System would not only help fulfil the EU's commitment to the Geneva Convention and the European Convention on Human Rights. It would also offer enhanced security and stability to Member States. Without such a system, key principles of the EU, notably the Single Market and the provision for free movement of citizens within the Schengen area may be at risk. There is concern that individual states, feeling overburdened by asylum seekers, might contemplate reintroducing or enhancing internal border controls.

There is some appetite within the EU for change, given perceptions that a few countries are carrying much more responsibility than the majority and that improvements could be made at a relatively low cost. Indeed, some Member States have already made proposals about what could be done at an EU level, typically based on domestic practice.

However, the political discussion to date lacks strong evidence. This study aims to inform policy discussion with sound economic data. Political and social considerations related to asylum-seekers are, of course, considerable, but they are not the subject of this particular study.

Study Questions

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



Key Findings

1) What are the asylum-related costs borne by Member States?

Overall refugee numbers in Europe are relatively low. In 2007, Europe hosted only 14 per cent of the world's refugees.

Asylum applications in the European Union have fallen substantially. 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, and a third of the applications during the Bosnian war in 1992. This is equivalent to one asylum seeker per 2,200 EU inhabitants.

Total spending on asylum seekers by Member States is relatively low. It has generally not been more than 1/14th of the international aid target of 0.7 per cent of Gross Domestic Product (GDP). At €4,160m EU wide, these total asylum-related costs were lower in 2007 than the amount UK citizens spent on pets and pet food.

Some European countries face disproportionate asylum pressures, because of the number of applicants compared with capacity (GDP, population size and density, as well as the numbers of refugees already resident). Pressures may also differ because some countries spend more per application than is the case in other countries.

2) Which of these costs could be shared at a European level?

Financial costs of dealing with each asylum case. It is relatively cheap and administratively simple to develop ways to ease the financial pressure on those countries that suffer a disproportionate burden.

3) How could these costs be shared?

Harmonisation of services that asylum seekers receive. This could help to equalise costs across countries.

Financial compensation reflecting the number of asylum applications. This could be achieved by offering a fixed EU-financed payment per case. Alternatively, compensation could come from a budget-capped fund, divided proportionately between Member States according to the percentage of cases dealt with by each country.

Voluntary internal relocation. Moving asylum seekers between EU countries – from those Member States that face disproportionate pressures – could help equalise the financial costs of dealing with cases.



Next Steps

Existing initiatives require expansion.

Current measures in place or under discussion are inadequate. These measures will, on their own, have little impact on the costs and responsibilities of Member States for asylum seekers.

Increasing EU financial support considerably.

Payments reflecting a country's capacity would potentially be more effective than payments simply for the number of applications it deals with.

Existing funds, such as the European Refugee Fund could be expanded

An increase of nearly €1,000 million would, for example, partly even out the distribution of responsibilities, though countries under particular pressure (such as Malta) would still bear disproportionate economic costs.

Financial help will not, alone, be sufficient.

An effective responsibility-sharing mechanism would need to consider the number of asylum seekers, as well as asylum costs. Financial compensation or administrative support will not change the physical constraints that Member States face in receiving asylum seekers. Addressing these physical issues might, for example, require voluntary relocation of asylum seekers within the EU.

Agreeing capacity indicators is vital.

Small variations in indicators produce noticeable differences in results. Agreeing ways to measure true pressures on Member States may be difficult but this is a precondition for sharing responsibility in a meaningful way.

Any relocation must be voluntary.

If the system requires asylum seekers to remain in a country against their will, costs will escalate (eg of detention, determination of Member State responsible and of transfer.)

Member States must recognise each other's 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.