POLICY BRIEF
April 2024

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

GROWING REMITTANCE INDUSTRY:

FOCUS ON THE ONE BILLION PEOPLE SUPPORTED BY MIGRANTS

ABSTRACT

This policy brief is centred around remittances – defined by the International Monetary Fund as money migrants send home, which represents part of their income and earnings. While remittances may be in the form of either cash or goods to support their families and may be sent through various channels (such as digital services, post office and money operators), official statistics often do not entirely capture these flows and their broad scope. The official reference limits remittances to two items in the balance of payments framework:[1] personal transfers and compensation of employees. Furthermore, the limited tracking and collection of remittance data among countries impacts regional and global reporting. This brief intends to discuss remittances in the broader sense, despite data limitations. It also offers recommendations to EU policymakers centred around remittances as a game changer, the need for a balanced narrative on migration and the recognition of a new Africa, which has matured in its knowledge and skills base.

AUTHOR

Paddy Siyanga Knudsen
Development economist

IN PARTNERSHIP WITH

FRIEDRICH EBERT STIFTUNG

FEPS
FOUNDATION FOR EUROPEAN
PROGRESSIVE STUDIES

THE FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES (FEPS)

European Political Foundation - Nº 4 BE 896.230.213
Avenue des Arts 46 1000 Brussels (Belgium)
www.feps-europe.eu
@FEPS_Europe

FRIEDRICH-EBERT-STIFTUNG FLIGHT & MIGRATION COMPETENCE CENTER (FMCC)

Arada Kifleketema
Queen Elizabeth II street
P.O. Box 8786 Addis Ababa (Ethiopia)
@fes_fmcc

This Policy Brief was produced with the financial support of the European Parliament. It does not represent the view of the European Parliament.

Front page photo: shutterstock.com / Rob Crandall

Copy editing: Rosalyne Cowie
Layout: Hanno Schreiber

KRB deposit number: D/2024/15396./28
ISBN: 978-2-931233-87-0

TABLE OF CONTENTS

1. Executive summary

Remittances are an emerging topic that cuts across various fields and policy areas – migration, employment, banking, finance, and the private and public sectors – and have an impact on a country's macroeconomic environment and sustainable development, including personal sustainable development goals (SDGs). Remittances are carried out through both recorded and unaccounted-for transactions involving migrants and diaspora sending money home to their families and communities to support their livelihoods and, if possible, a small investment activity. While its value chain and price tag (around $626 billion in terms of volume in 2022) for both sending and receiving countries has shaped the global discourse on migration and development, the focus has often been on industry players rather than on the one billion people who are involved in the process: 200+ million migrants and 800 million people are estimated to benefit from remittances.[2] Researchers and analysts agree that the numbers could be higher, given that handheld remittances remain largely unaccounted for and the volumes are probably larger than estimated, as migrants, mainly deterred from using formal channels, often opt for informal channels (including handheld means) to send money home. In this brief, the geographical focus is on remittance corridors between Europe and Africa, and the people's focus is on migrants and diaspora, as well as on their families receiving remittances. We will explore the dynamics of these corridors and the high costs migrants incur to send money home, most of which ends up in rural areas, where it is most needed.

This policy brief also aims to discuss remittances in the context of the development cooperation agenda, touching on the priority to humanise remittances. Finally, it will outline the impact of migrant-friendly remittance policies, with the intent of fostering their inclusion and promotion in the wider development agenda. Several recommendations are made to improve the dialogue and policy environment, focussed on benefitting the one billion people who rely on remittances: migrants and their families.

2. Remittances and the development cooperation agenda

According to the Global Knowledge Partnership on Migration and Development (KNOMAD),[3] remittance flows remain a major source of external finance for developing countries, and the 2022 data shows a strong growth of remittances globally. This narrative is consistent with data and trends dating back nearly two decades, when analysts began to track and report on remittances globally and within regions of the world. In the early 2000s, the magnitude and importance of migrants' remittances was brought to the global attention of policymakers, academics and development agencies.

The key issue, then and now, was remittances' high transaction costs, with an average of 10%, reaching as high as 15–20%, of the principal transferred in smaller migration corridors. This particularly concerned smaller remittances – measured as under $200 to reflect what lower-earning migrants typically remit – whose families would benefit more with reduced sending costs.

Global actors, under the G8 framework and G20 forum (in 2009), identified targets to reduce the cost of international remittances from 10% to 5% within five years, the so-called "5x5 Objective". Later, the 2030 Agenda for Sustainable Development set a new target agreed upon the SDG framework: "Target 10.c: By 2030, reduce to less than 3% the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5%".

The SDG target applies across all corridors and was reinforced by the Global Compact for Safe, Orderly and Regular Migration (GCM),[4] which has a specific objective (GCM 20) on remittances set to "Promote faster, safer and cheaper transfer of remittances and foster financial inclusion of migrants". This has a complementary objective (GCM 19), which focuses on creating conditions for migrants and diasporas to fully contribute to sustainable development in all countries, as well as other GCM objectives, including 5 (legal pathways), 14 (consular protection), 16 (inclusion and social cohesion) and 18 (skills development and recognition). During the 2022 International Migration Review Forum, United Nations member states recognised that the cost of sending money home remained around 6.3% and reinforced commitments to reduce these costs.[5] The collective sum of remittances to countries of origin and savings by migrants in countries of destination represents a financing source for development opportunity that is estimated to exceed $1 trillion per annum.

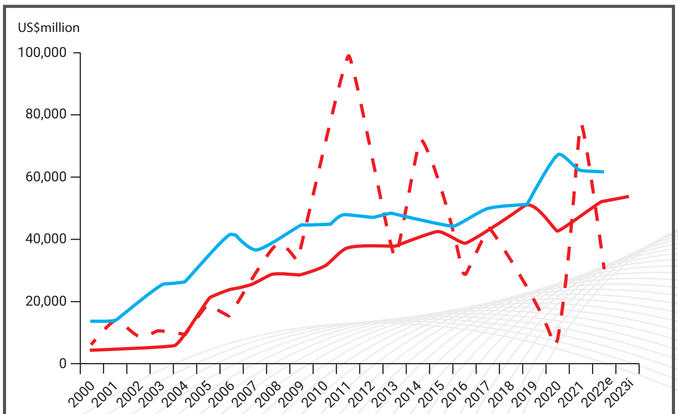
The collective sum of remittances to countries of origin and savings by migrants in countries of destination represents a financing source for development opportunity that is estimated to exceed $1 trillion per annum.

In 2022, migrants remitted $626 billion to low- and middle-income countries (LMICs), with migrant savings in countries of destination estimated to be around $500 billion. Individually and collectively, this exceeds official development assistance (ODA) to LMICs for the same period, which was only $204 billion.

The market is rapidly growing, considering that remittance flows were estimated to have reached $582 billion in 2015, 75% of which was transferred to developing countries.[6] Remittance flows are not only a lifeline for migrants' families, but also represent a significant source of national income for many emerging economies, reducing their trade and current account deficits.

In June 2023,[7] KNOMAD recorded that remittance inflows grew by 0.7% in East Asia and the Pacific, 19% in Europe and Central Asia, 11.3% in Latin America and the Caribbean, 12.2% in South Asia, and 6.1% in sub-Saharan Africa, while they declined by 3.8% for the Middle East and the North African region. Remittances to sub-Saharan Africa remain resilient and competing with ODA flows (see Figure 1). Clearly, migrants are contributing to Agenda 2030 through their remittances and other contributions that impact sustainable development. After the Covid-19 pandemic, there has been a renewed focus on leveraging new remittance technologies and tailored financial products, so that migrants and diasporas can enhance their contributions and support the

Figure 1. Resource flows to sub-Saharan Africa 2020-2023 (forecast).



Sources: KNOMAD-World Bank staff estimates; World Development Indicators; IMF Balance of Payments Statistics. See the appendix to *Migration and Development Brief 32* for forecasting methods (World Bank/KNOMADS 2020). Note: FDI = foreign direct investment; ODA = official development assistance; e = estimate; f = forecast.

funding gap for the SDGs. The 2023 theme for the International Day of Family Remittances (IDFR)[8] focused on the benefits that digital and financial inclusion bring when linked to remittances in helping the one billion people achieve their own SDGs. The IDFR outcome report[9] highlighted the limited proportion of the overall market that digital transfers covered, despite the noted benefits for migrants (i.e., affordability, rapidness and security). According to the Visa 2023 digital remittances adoption report,[10] around 53% of the 14,000 people surveyed in ten countries use digital means to remit, while 34% rely on physical banks and 12% send cash or cheques. Two of the actionable IDFR outcomes linked to GCM objectives 2 and 20 are to "promote interoperable instant payment systems" and "enhance digital access and bundled financial products for remittance senders and recipients". However, imbedded in that narrative is that cash-held remittances co-exist with digital remittance methods, leaving room for exploring the importance of hybrid approaches that serve the senders and recipients' perspectives.

Turning to the implementation of the GCM, this is focussed at the country level through national prioritisation plans and implementation plans. The GCM places emphasis on ten principles that include people-centred, gender- and child-sensitive, whole-of-government and whole-of-society approaches. In terms of inspiration, there are 36 voluntary champion countries, which meet regularly, the roles and contributions of which are multi-fold, from generating best practices and sharing experiences, demonstrating support for GCM implementation and serving as a powerful voice to foster its implementation to testing spaces for guidance material and tools, technical assistance, and other support rendered under the United Nations Migration Network's workplan. The platform is co-chaired by Morocco and El Salvador. African and European countries (see Box 1) count among the champion countries.

Apart from this, Kenya's 2023-2027 national GCM implementation plan and the upcoming GCM national implementation plan for Ghana are pilot steps to see objective 20 unpacked in terms of legislative reforms; policy measures and research on cost reduction, remittances as enablers of financial inclusion and adoption of additional financial services at the receivers' level.

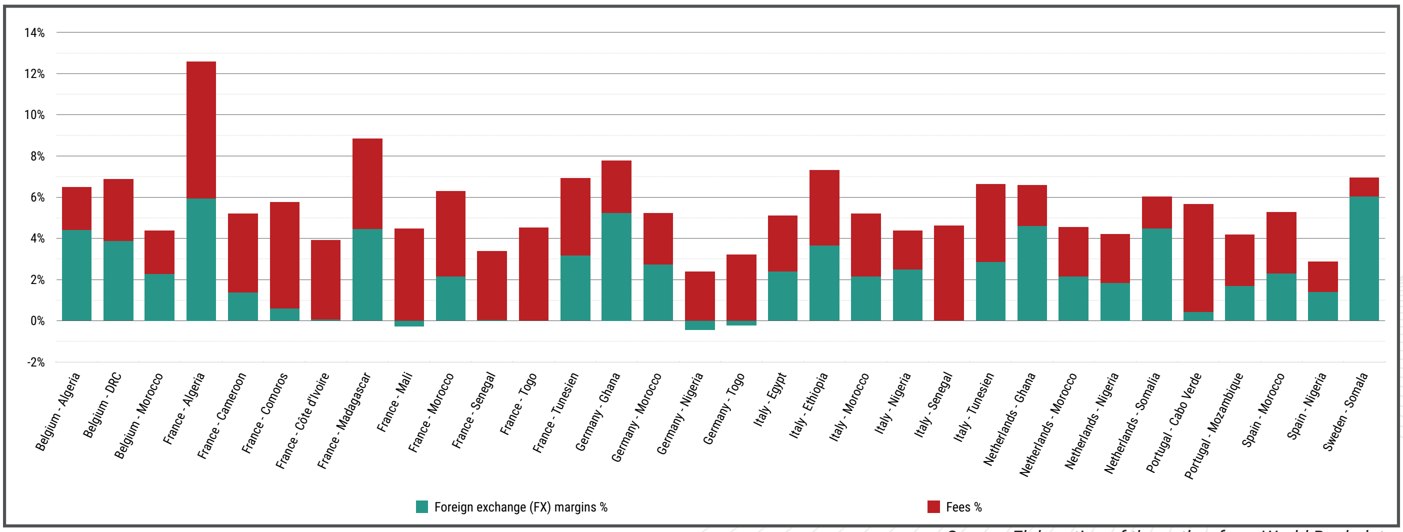
Box 1: Global Compact for Migration – champion countries

3. Trends between the EU and African corridor

Looking at the remittance corridor between EU-African countries and drawing from other reports,[11] it is possible to highlight interesting trends.

- For most corridors, the fee represents a significant amount of the average total cost of sending money from the EU to African countries (see Figure 2 below).
- There is a higher concentration of African diasporas in the EU (around 11 million) than in Asia (9 million).
- Some transit countries' importance is increasing due to the growth of remittances, as a consequence of migration trends (Morocco, Mali, Niger, Egypt, Tanzania, etc.). The top recipient countries of formal remittances, in US dollar terms, are Nigeria, Ghana, Kenya and Zimbabwe.
- There are about 13 countries where remittances account for more than 10% of GDP (e.g., Kenyan remittances are larger than the country's key economic sectors and exports, including tourism, tea, coffee and horticulture).
- In 2021, over 200 million family members (living mostly in rural areas) of African migrant workers benefitted from remittances sent to Africa and intra-regional remittances (over $95 billion).
- Two major money-transfer companies or operators, MoneyGram and Western Union, control 65% of all remittance payout locations. Effectively, 80% of African countries restrict the type of institutions able to offer remittance services, leaving banks with privileged access over other financial institutions to pay out remittances.
- With a 2022 average of 8% to send $200 and 5.6%, on average, in 2021, sub-Saharan Africa remains the region with the highest average remittance costs (rates are even higher for some intra-Africa transfers).
- Charging between 12 and 25%, banks remain the most expensive channels; this gives further rise to the growth of cross-border mobile money transactions across the continent (in 2022, M-pesa charged, on average, 5.8% in East Africa).
- The challenges for migrants and their families include: underdeveloped infrastructure, lack of learning on policy

Figure 2. Average total cost percentage to send Euro from EU to AU countries, Q4 2023



Source: Elaboration of the author from World Bank data.

reform from less-costly corridors, limited digitalisation and the shift from financial literacy to financial empowerment.

Apart from being a source of livelihood, remittances are often a migrant's first point of contact with a financial service. Remittances can have positive leverage on other financial services, such as savings, credit, insurance or housing. These facts, trends and challenges point to further understanding of how remittance strategies can be impacted by cost, channels and limited market players. It also highlights how financial inclusion (a critical 'twin' objective under GCM objective 20) can be enhanced by extending services to non-bank institutions, already within migrants' reach, as well as how financial inclusion is hampered by migrant-blind policy regulation, limited infrastructure and digitalisation. These should be the cornerstones of transforming the Europe-Africa discourse on remittances that will harness its contribution to sustainable development.

4. Central issues for consideration

4.1. Why good migration data matters in influencing remittance flows

In a paper[12] on another region studying remittances, a positive trend in remittances, as measured using the receiving country's GDP, can be observed with growing numbers of migrants. This observation is not to encourage GDP growth through remittances but to show that remittances have an impact on a country's financial resources and can be leveraged for sustainable development in a well-managed ecosystem of migration governance. Furthermore, surveys and reports continue to show the need for better disaggregation of data to accurately capture other up-to-date dimensions of migrants and migration, including education, skills and employment, year of entry in the destination country, data on family and their stay, wages, social security, health indicators, savings and investment by migrants, amounts and costs of remittances, and data on employers of migrants. In short, the intergovernmental and national data sets need to be complemented with good data.

Apart from being a source of livelihood, remittances are often a migrant's first point of contact with a financial service.

The prevailing migration policy of the country of destination (such as visa regimes and integration measures) contributes to shaping the migrants' remittance strategy. The available pathways and employment opportunities for migrants have an impact on their access to and their preference for using official remittance channels. We can connect the dots all the way to how this stems from decent work and, most critical, whether these migrants have legal identity and official documentation. Irregular migrants are forced either to use regular migrants to remit or to resort to irregular channels, often through handheld remittances. It is prudent to show that there are no other options to choose from in the case of irregular migrants, but, nevertheless, sending money home takes place, against all odds. These irregular flows are often unaccounted for, and analysts looking at the impact of Covid-19 on remittances uncovered that these flows were of great importance.

Furthermore, the World Bank's initial estimates of declining remittance trends at the outset of Covid-19 were met with a different reality: remittances kept growing in most regions; overall remittance flows showed a remarkable resilience with regard to the economic slump during the pandemic. Good data is essential for policymaking in migration governance and ensuring that measures support what migrants need from public policy. Positive narratives drawn from Covid-19 include extending the remittances space through the use of digital channels; promoting innovation, competition and transparency; reducing transaction costs;

and increasing digital and financial inclusion, with lessons for better digital remittance channels, linked to sound infrastructure and digital and financial inclusion.[13]

4.2. Why brokering knowledge from African institutions and actors is critical

Studying remittances in their diversity and complexity are critical elements for the policy discourse. They also support a better understanding of the future of remittances, their link to investment and what the ecosystem can do better to support migrants and their families, from how remittances are managed by migrants all the way to how they are spent and everything in between. Supporting institutions and actors that produce and advance African interests in the remittances discourse means opening up to diverse information sources on migration and development. This includes Africa-led institutions and networks, including migrant and diaspora organisations that aim to position the interests of migrants and diasporas, as well as their families, in benefitting from the policy frameworks set on global remittance space.

The African Institute of Remittances (AIR),[14] an African Union institution, was set up to focus on developing the "capacity of the member

> *Good data is essential for policymaking in migration governance and ensuring that measures support what migrants need from public policy.*

Box 2: Abuja declaration

Re-prioritise Pan-Africanism that is focused on heritage and culture as part of our global history linking the diaspora to countries of origin, and amplifying the **cultural capital** of diaspora in sustaining the cultural heritage of their countries and regions of origin.

Engage diaspora organisations (communities) as **technical partners** with governments to promote skills transfers, upskilling and create decent job opportunities in countries of origin, using their networks.

Enhance **bi-lateral collaborations** that build on diaspora contributions to residence and origin countries, and develop frameworks for access to rights such as portability of social protection.

Promote the engagement of the diaspora that considers the importance of **generational links** through mapping and engagement of multi- generational diaspora as well as targeted activities

Recognise the important contributions of **second and subsequent generations of diasporas** (that is the children of migrants and their descendants) in all areas of migration and development as well as humanitarian support and encourage their continued support in diaspora engagement efforts.

states of the African Union, remittance senders and recipients and other stakeholders to implement concrete strategies and operational instruments to use remittances as development tools for poverty reduction". From working with governments on regulatory frameworks, conducting policy research and engaging in dialogue to study remittance flows within Africa, AIR places an important emphasis on recognising African migrants and diaspora. Its focus is on working towards efforts that will pull diaspora resources, beyond individual remittances, based on trust, transparency and efficiency, to support SDG implementation.[15] Engaging with the African Union Citizen and Diaspora (AU CIDO) is also of critical importance, as this body works with its global diaspora platforms and networks to leverage knowledge on remittances and diaspora investment.

Indeed, there are more key considerations, such as why understanding the informal channels for remittances provides good lessons for policymakers; second- and subsequent generation diasporas and their remittance strategies, and how these link to micro-entrepreneurship programmes in the homelands; and the broader sense of remittances to include social, cultural and technical capital and their impact on societies.

African non-state actors recognise the need for a comprehensive framework on the diversity of diasporas, as well as the various capital that migrants and diasporas transmit, as highlighted in the Abuja Declaration (see Box 2), in response to the Global Forum on Migration and Development priority area on diasporas.

4.3. Why women matter in understanding remittances

Of the 281 million migrants,[16] 48% are women and girls. Only recently, has the focus on women and migration, and specifically women and remittances, started to receive global attention. Given the importance of the increasing number of women on the move, both through regular and irregular channels, there is a need for insights into the role of women in remittances, as senders and receivers. For example, research by the International Organization for Migration shows that women usually send money more regularly and for longer periods of time.[17] Therefore, experts ought to highlight women's remittance strategies to inform policymakers and, consequently, support the adoption of policies aimed at financial inclusion. Another lesson that can be drawn from micro-data empirical analysis concerns the role that women play in the usage and control of remittances and the critical support for the socio-economic well-being of left-behind migrant families.[18] This should lead to reimagining and rethinking the remittances landscape by looking at the pivotal role that women play in transforming lives and impacting economies.

“

Given the importance of the increasing number of women on the move, both through regular and irregular channels, there is a need for insights into the role of women in remittances, as senders and receivers.

“

5. Recommendations on improving the current dialogue and policy setting

These recommendations are targeted at European policymakers, noting their critical role in setting and guiding policies within the migration governance space. The recommendations are based on three premises:

1) remittances are a game changer to show how the focus on the benefits of migration can be a centrepiece of the migration and development agenda;

2) a balanced narrative on migration from EU policymakers has transformational potential to impact public perception of migrants and migration; and

3) Africa has matured in its knowledge and skills base, how it trades, and where its people move, aiming for equitable and enhanced partnership.

The following five recommendations also draw from initiatives that have been tried and tested. They look at the actionable outcomes of the Eighth Global Forum on Remittances Investment and Development Summit,[19] held in June 2023 in Nairobi, Kenya, hosted by the UN and the Kenyan government. They inspire countries that would seek to pilot or champion initiatives.

6. Policy recommendations

1) Continue to push for EU efforts to reduce the costs of sending remittances and promote financial inclusion through more non-bank service providers and options, as well as focus on migrant youth and diaspora and women.

2) Advocate for improved disaggregated data and good data as the basis for progressive migration policies and equitable partnerships between the EU and African countries, which should be based on complementary measures recognising the strengths of both sides to craft win-win solutions, and on the migrants-rights approach. For example, responding, on the one hand, to the EU's needs for growth and, on the other hand, recognising Africa's development potential and its supply of skilled labour.

3) Advocate for the use of remittances data to leverage for innovative bilateral labour agreements between African and European countries, which form a triple win for migrants (social protection, etc), countries of origin (remittances, including technical, social and cultural) and countries of residence (tax, social security and labour gaps filled).

4) Leverage the strong argument that the regularisation of migrants allows for better engagement of migrants and diasporas in their host and homelands (i.e., more investment focused than remittance focused).

5) Pursue effective engagement and partnerships with African actors, including civil society, diaspora and migrant-led organisations, in brokering knowledge on how remittance policies impact lives, as well as other migration governance implications.

Endnotes

1 International Monetary Fund (2008) *Balance of Payments and International Investment Position Manual* (sixth edition) (Washington DC: International Monetary Fund).

2 "Digital remittances towards financial inclusion and cost reduction". United Nations.

3 KNOMAD is a global hub of knowledge and policy expertise on migration and development issues, co-ordinated by the World Bank, which hosts its secretariat. It has been established and envisaged as a platform for synthesising and generating knowledge and policy expertise around migration and development issues. Under KNOMAD, an International Working Group to Improve Data on Remittance Flows has been set up to support the call for timely and better statistics on remittances.

4 "Global compact for safe, orderly and regular migration". Global Compact for Migration, 11 July 2018.

5 See paragraph 42 of the Progress declaration: "Progress declaration of the International Migration Review Forum". United Nations General Assembly, 14 June 2022.

6 World Bank, April 2016.

7 Ratha, D., S. Plaza, E. J. Kim et al. (2023) "Remittances remain resilient but are slowing". Migration and Development Brief 38. KNOMAD-World Bank Group, June.

8 "Digital remittances towards financial inclusion and cost reduction". United Nations.

9 This report informed the 2023 SDG Summit and the 2023 High-level Dialogue on Financing for Development: "Global Forum on Remittances, Investment and Development 2023: Outcomes report". International Fund for Agricultural Development Financing Facility for Remittances, September 2023.

10 "Money travels: 2023 digital remittances adoption". Visa, 2023.

11 World Bank 2023

12 Khadria, B., N. Thakur and R. Mishra (2022) "Migration, health and development in India, South Asia and China: Perspectives in the COVID-19 era". *International Development Policy/Revue internationale de politique de développement.* DOI: 10.4000/poldev.4833

13 "Progress declaration of the International Migration Review Forum". United Nations General Assembly.

14 "African Institute for Remittances (AIR) is officially launched in Nairobi, Kenya". Union Africaine, 28 November 2014.

15 Panel discussion 3rd JUSTREMIT Conference 'Regulating Remittances: Methods, Case Studies and Theories' co-organised by the University of Leiden and GRFDT.

16 "Global issues: International migration". United Nations.

17 "Gender, migration and remittances". IOM International Organization for Migration.

18 Ranjan, R. (2019) "Remittance matters: International migration and left-behind family in Bihar". *Migration and Diasporas: An Interdisciplinary Journal,* 2(2): 115-133.

19 "GRFID Summit 2023: Outcomes report". Global Forums on Remittances, Investment and Development.

About the author

Paddy Siyanga Knudsen

Paddy Siyanga Knudsen is a Zambian national with over 17 years of professional experience as a development economist. She holds a Master's in Financial Economics from SOAS and a BSc in Development and Economics from the London School of Economics. Her work covers development cooperation, regional integration and migration governance. Her experience includes supporting governments, Regional Economic Communities (RECs), bilateral development partners, EU institutions, civil society and UN agencies in engagement strategies, research, programme formulation, implementation as well as monitoring and evaluation. On migration governance, she has worked with IOM, UNESCO, UNHCR, EU institutions, civil society, foundations and diaspora organisations in continental Europe, Jordan, China, Malawi, Tanzania, Zambia, Zimbabwe as well as other assignments in West and East Africa. Her areas of interest in migration governance include labour migration, migration and development as well as diaspora engagement. She is a Vice President of the Global Research Forum on Diaspora & Transnationalism (GRFDT), a member of GFMD civil society International steering committee, a member of UN network on migration workstream on remittances/diaspora as well as a member of the GIZ Diaspora Advisory Board. She also coordinates the African nonstate actors' platform on GFMD/GCM.

About FEPS

The Foundation for European Progressive Studies (FEPS) is the think tank of the progressive political family at EU level. Its mission is to develop innovative research, policy advice, training and debates to inspire and inform progressive politics and policies across Europe.

FEPS works in close partnership with its 68 members and other partners -including renowned universities, scholars, policymakers and activists-, forging connections among stakeholders from the world of politics, academia and civil society at local, regional, national, European and global levels.

European Political Foundation - Nº 4 BE 896.230.213 | Avenue des Arts 46 1000 Brussels (Belgium)

www.feps-europe.eu | X/Twitter/Instagram: @FEPS_Europe | Facebook: @FEPSEurope

About Friedrich-Ebert-Stiftung

Founded in 1925 and named after Germany's first democratically elected President, the Friedrich-Ebert-Stiftung (FES) is the oldest political foundation in Germany. In more than 100 countries across the world, FES is promoting the values of social democracy, peace, and international solidarity.

The FES Flight and Migration Competence Center (FES FMCC) in Addis Ababa, established in 2019, facilitates migration dialogue among AU member states, migration experts and civil society organisations on the African continent. Focusing on four thematic areas, FES FMCC works with African and European stakeholders on EU-Africa dialogue, climate mobility, migration and development as well as gender and migration.

https://fmcc.fes.de/ | X/Twitter: @fes_fmcc | Facebook: FES_online

ON SIMILAR TOPICS

POLICY BRIEF
November 2023

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

THE 'IRREGULAR' DISTRACTION IN THE NEW PACT

ENTRY POINTS FOR EUROPE AND AFRICA

ABSTRACT

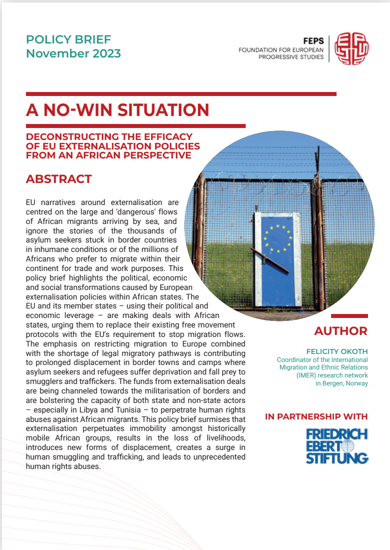
In September 2020, the European Commission presented a 'New Pact on Migration and Asylum' that proposed "a comprehensive approach, bringing together policy in the areas of migration, asylum, integration and border management, and European Union's (EU) relations with third countries". The proposal consists of an intricate and complicated set of legislation that, at least in theory, should reform the EU's current asylum and migration policy, and ensure a holistic approach to migration management. According to the agreed roadmap, the European legislators should adopt the 'new' Pact by May 2024. However, the outcome of the ongoing negotiations is impossible to foresee, as EU member states' deeply conflicting interests may eventually jeopardise a final agreement. In its current form, the Pact has been criticised by many observers, who regard it, beyond the dominant rhetoric that speaks of reform, as 'old wine in a new bottle'. The Pact, in fact, insists on the existing EU strategy, focused on curtailing 'irregular migration' and on the securitisation of migration. Such a regressive approach does not comply with human rights standards and worsens migrants' vulnerabilities. Furthermore, the Pact does not take into consideration the interests and needs of the origin and transit countries it will have an impact on. This policy brief argues that only a negotiated strategy between Africa and Europe that reflects a common understanding of migration, mobility and development can eventually benefit both continents.

AUTHOR

OTTILIA ANNA MAUNGANIDZE
Head of Special Projects, Institute for Security Studies (ISS), South Africa

IN PARTNERSHIP WITH

FRIEDRICH EBERT STIFTUNG



POLICY BRIEF
November 2023

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

A NO-WIN SITUATION

DECONSTRUCTING THE EFFICACY OF EU EXTERNALISATION POLICIES FROM AN AFRICAN PERSPECTIVE

ABSTRACT

EU narratives around externalisation are centred on the large and 'dangerous' flows of African migrants arriving by sea, and ignore the stories of the thousands of asylum seekers stuck in border countries in inhumane conditions or of the millions of Africans who prefer to migrate within their continent for trade and work purposes. This policy brief highlights the political, economic and social transformations caused by European externalisation policies within African states. The EU and its member states – using their political and economic leverage – are making deals with African states, urging them to replace their existing free movement protocols with the EU's requirement to stop migration flows. The emphasis on restricting migration to Europe combined with the shortage of legal migratory pathways is contributing to prolonged displacement in border towns and camps where asylum seekers and refugees suffer deprivation and fall prey to smugglers and traffickers. The funds from externalisation deals are being channeled towards the militarisation of borders and are bolstering the capacity of both state and non-state actors – especially in Libya and Tunisia – to perpetrate human rights abuses against African migrants. This policy brief surmises that externalisation perpetuates immobility amongst historically mobile African groups, results in the loss of livelihoods, introduces new forms of displacement, creates a surge in human smuggling and trafficking, and leads to unprecedented human rights abuses.

AUTHOR

FELICITY OKOTH
Coordinator of the International Migration and Ethnic Relations (IMER) research network in Bergen, Norway

IN PARTNERSHIP WITH

FRIEDRICH EBERT STIFTUNG

POLICY BRIEF
November 2023

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

BRIDGING THE GAP BETWEEN EU MIGRATION AND DEVELOPMENT POLICIES

TOWARDS AN UPDATED POLICY COHERENCE FOR DEVELOPMENT APPROACH

ABSTRACT

Migration policymakers often desire to use development cooperation to manage migration, while development experts insist that development policy should be first and foremost about the Sustainable Development Goals. This policy brief examines how this approach is reflected in the current reform of the Common European Asylum System (CEAS) and other policy initiatives, to what extent the current use of development cooperation for migration management is in line with the SDGs, and whether and how the controversies between the two policy areas can be overcome. It concludes that the EU's current migration and asylum policies are at odds with the SDGs and the EU's Aid Effectiveness Agenda, both in spirit and in practice, for example when it comes to the use of conditionality. The policy brief posits that a progressive migration policy could even argue for the instrumentalisation of migration policy for development goals: promoting fair and well-regulated migration arrangements to foster economic and social development.

AUTHOR

Steffen Angenendt
Senior Fellow and head of the migration unit of the German Institute for International and Security Affairs (SWP), Berlin

NADINE BIEHLER
associate at the German Institute for International and Security Studies (SWP) and member of its migration unit

IN PARTNERSHIP WITH

FRIEDRICH EBERT STIFTUNG

POLICY BRIEF
December 2023

FEPS
FOUNDATION FOR EUROPEAN PROGRESSIVE STUDIES

DESIGNING LABOUR MIGRATION POLICIES THAT WORK FOR THE EU AND AFRICAN COUNTRIES

ABSTRACT

European Union (EU) labour markets increasingly need non-EU workers to fill the labour shortages that exist at all skill levels across the EU. Yet hostile attitudes in EU countries towards immigration stand in the way of addressing domestic shortages with non-EU workers. As for Africa, labour migration to the EU can play a key role in Africa's development, provided that policies are designed with African interests in mind. African countries should therefore be equal players in designing labour migration agreements to safeguard their interests and ensure co-ownership. This policy brief, after unpacking some of these complexities of Africa-EU labour migration, provides recommendations on how to improve labour migration policy for both parties. It calls for better communication on the need for labour migration to the EU, better integration policy and labour migration agreements that are developed in the interests of African countries.

AUTHOR

Jamie Slater
Junior policy officer at the European Centre for Development Policy Management (ECDPM)

IN PARTNERSHIP WITH

FRIEDRICH EBERT STIFTUNG

Growing remittance industry
Focus on the one billion people supported by migrants