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EU Budget Challenged by the Present Migration and Refugee Crises – External Dimension of Actions

Abstract

The present migration and refugee crises in Europe required not only operational and legal EU responses but also budgetary ones. Additionally, the EU has resorted to use funds allocated to external action for migration purposes much more extensively than ever. This has turned the authors' attention to the external dimension of the EU migration and asylum budget. In a spirit of emergency accompanied with the urgent search for flexibility the following budgetary measures on the external side were proposed: two trust funds: the EU Emergency Trust Fund for Africa and Regional Trust Fund in Response to the Syrian Crisis along with the EU Facility for Refugees in Turkey. These actions had serious budgetary consequences since they resulted in establishment of new financial solutions and hence caused budget reorganisation, refocus and reprioritisation. The new external developments have not only introduced cash pooling but also diminished the role of the European Parliament at the expense of the European Commission's one. Such an approach may have far-reaching consequences for the EU as it conveys new flexibility, limits the role of the long-term programming and redefines the relationship between the EU and third countries.

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Introduction

The European Union (EU) is aware of the threats, challenges and problems which have been brought on by the present migration and refugee crises, and thus these crises are currently one of the most important subjects of discussions in EU institutions, particularly when financial issues are being decided upon. As the only international organisation of supranational character, the EU has at its disposal particular non-financial and financial resources.¹ The latter are extensive, especially when compared with other international organisations. The EU's financial resources constitute a form of "economic power" in the international arena.² Based on them, the EU is able to solve crucial global problems, like the aforementioned migration and refugee crises. It can thus be argued that the EU is an important entity whose role is to manage global international affairs, including migration and refugee issues.

Faced with a massive influx of migrants and asylum seekers in the first half of 2015, in May 2015 the EU has developed a comprehensive set of legal, financial and operational measures called the European Agenda on Migration (EAM) in order to address the challenges arising from the deteriorating migratory situation within and outside the EU. The European Agenda on Migration³ specifies four pillars of better migration management that are built around (1) reducing incentives for irregular migration, (2) managing EU's external borders effectively, including saving lives and securing external borders, (3) formulating a strong common asylum policy in the EU and (4) developing a new policy on legal migration. It represents a chief migration policy-making document where, from the very beginning, the significance of sufficient funding needed to implement the proposed measures effectively has been emphasized. The EAM, though developed in response to an emergency with regard to comes to funding sources, falls under the same budgetary rules as all other EU policies.

¹ M. Rewizorski, *Poza „kompleksową współzależność” – w poszukiwaniu nowych rozwiązań dla starych problemów (Beyond "Comprehensive Interdependencies" – in Search for New Solutions for Old Problems)*, in: *Globalne zarządzanie i jego aktorzy (Global Management and Its Actors)*, ed. M. Rewizorski, Warszawa 2016, pp. 19–21.

² J.S. Nye, *The Future of Power*, New York 2011, p. 22.

³ European Commission (EC), *Communication from the Commission to the European Parliament, the Council, the European economic and Social Committee and the Committee of the Regions, A European Agenda on Migration*, COM(2015) 240 final.

Therefore, its funding has to come from the already binding Multiannual Financial Framework (MFF) and respective annual budgets or additional resources have to be requested or generated mainly through new financial solutions, sometimes based on co-funding. This study focuses on the new financial developments under the EU budget (within the MFF for the years 2014–2020) addressing the EU's external actions directed at managing the contemporary twin migration and refugee crises. It is a very topical and important issue, as the consequences of the crises will be felt worldwide for many years to come, and their scale requires enormous, and thoughtfully managed financial input. Certainly funding is needed both internally and externally, however, from the authors' perspective, a focus on the root causes of irregular migration and countries of origin of migrants needs special attention. Therefore, the scope of research has been limited only to the external dimension of financial developments rooted in the EU budget. Moreover, the issue of EU budgetary resources, especially for external actions, dedicated to migration and refugee problems has not yet been widely examined in the professional primary sources on the subject.

The main objective of this paper is to examine the EU's budgetary responses to the contemporary twin migration and refugee crises in Europe against the backdrop of EU budget and regular budgetary procedure (within the MFF and annual budgeting) as it comes to external dimension of EU's actions. The paper also presents the new role of the European Commission (EC) as a chief budget coordinator and supervisor, and makes the case for the EU external migration policymaking through funding. Additionally, it argues that the EU's newly established external financial solutions might set a dangerous precedent for tackling urgent budgetary needs, as they are highly dependent on individual Member States (MS) and on third countries' willingness to play according to EU rules: they redirect funds from already established budget categories, as well as exclude close scrutiny by the European Parliament (EP) embedded in the regular EU budgeting. The additional purpose of this paper is to confront these new financial solutions, dedicated to tackling migration and refugee issues outside the EU with the well-established rules governing the EU budget, and analyse them in terms of flexibility.

Analysis and synthesis were used interchangeably in the present study, based on professional primary sources, documents and reports by the EU institutions, as well as statistical data available in official statistical sources. The conceptual apparatus typical for research in economics and international finance, as well as international relations, was applied. Research was completed on the April 30 2018.

The Unique Nature of the EU Budget

The EU budget constitutes one of the most important sources of financing the measures to mitigate the ongoing twin migration and refugee crises. It is a unique budget, since it constitutes the balance of EU's revenue and expenditure in a single document⁴ for the period of one calendar year.⁵ The fact that the expenditure is planned first is an important characteristic. The expenditure concerns specific EU priorities⁶ for the upcoming years that are adopted under the Multiannual Financial Framework, i.e. a medium-term (currently seven-year) expenditure plan. The financial resources within the MFF are allocated to the tasks partly delegated to the supranational level by the MS, including the task of resolving the contemporary migration and refugee crises inside and outside the EU. The MFF for the years 2014–2020 has been divided into six areas: “Competitiveness for growth and jobs”, “Sustainable growth: natural resources”, “Security and citizenship”, “Global Europe”, “Administration” and “Compensations”.⁷ It has to be stressed that the EU budget is used to cover the cost of both internal and external functioning of the EU, which is untypical for other international organizations. The internal dimension of the EU's migration and refugee policy is in principle related to expenditure included in the third section of the 2014–2020 MFF, “Security and citizenship”, whereas the external dimension refers to the fourth section, “Global Europe” of the 2014–2020 MFF. However, it is worth mentioning that in response to the present migration and refugee crises the EU has resorted to financial resources under the fourth section of the current MFF much more extensively than ever. Hence, the budgetary perspective of the external actions aimed at tackling migration and refugee problems constitutes the subject of this study.

Although the current MFF ensures greater flexibility in the execution of the expenditure from the EU budget than the previous one (effective until the end of 2013), both in particular expenditure groups and between these groups, as well as in creating ad hoc special-purpose new financial solutions, it has still proved rather rigid when confronted

⁴ A.D. Alfonso, *How the EU budget is financed: The “own resources” system and the debate on its reform*, European Union 2014, p. 6.

⁵ M. Proczek, M. Janczak, *Przegląd budżetu ogólnego WE – stanowisko Polski (Overview of the EC General Budget – Polish Position)*, in: *Gospodarka Polski w Unii Europejskiej. Wybrane zagadnienia (Polish Economy in the European Union. Selected Issues)*, eds. H. Bąk, G. Wojtkowska-Łodej, Warszawa 2009, pp. 72–73.

⁶ G. Cipriani, *Financing the EU Budget*, London 2014, pp. 76–77.

⁷ <http://www.consilium.europa.eu/pl/policies/multiannual-financial-framework/mff-2014-2020/> (13.12.2017).

with the present migration and refugee crises. Flexibility is designed to make the EU budget more adjustable to changing circumstances and priorities. The lack of it constituted a serious obstacle to the EU's capacity to react to the new challenges.⁸ However, applying it hastily might pose a threat to the long-term spending of the EU budget, which in turn may translate into further EU problems when it comes to financing priority areas and regular expenditure mainly based on long-term programming.

As for the EU budget revenue, instead of members' subscriptions, voluntary donations or share capital contributions, the EU and its MS have worked out a system of own resources⁹ that ensures financial autonomy of this organisation and independence from its MS.¹⁰ In consequence, the annual functioning of the EU is based upon a sustainable and upfront planned budget which provides sufficient resources for financing its tasks and objectives determined under the MFF, taking strict budgetary and uniform discipline into consideration. The European Commission, the Council of the EU and the European Parliament are always involved in the annual budgetary process based on the MFF, although the latter two, as the budgetary authority, play the primary role. It has to be emphasised that ever since the Lisbon Treaty, the role of the Parliament in the process of passing the EU budget has considerably strengthened. The Treaty has made the Parliament equal to the Council as regards this procedure, not, as before, an advisory institution making non-binding decisions.¹¹

From the EU budget's perspective, the EU funding supporting external dimension of migration and refugee issues is mainly guaranteed under and channelled through the fourth section "Global Europe" of the MFF. This section covers regular expenditure under the EU budget related to migration and mobility and asylum policies of non-MS under the Global Approach to Migration and Mobility (GAMM) and the European Agenda on Migration.

⁸ Resolution (EP) of 13 June 2012 on the Multiannual Financial Framework and own resources, P7_TA(2012)02452012.

⁹ Currently, EU's own resources include:

- agricultural customs duties and sugar payments,
- customs duties on industrial products collected at EU customs borders,
- VAT payments,
- payments from the so-called "fourth source", proportional to the Member States' national gross income,
- other, e.g. fees, fines or taxes.

¹⁰ European Commission (EC), *European Union Public Finance*, 5th Edition, Luxembourg 2014, p. 22.

¹¹ Treaty of Lisbon (TL) amending the Treaty on European Union and the Treaty Establishing the European Community, OJ 2007 C306.

As a result of the threats, challenges and problems caused by the current twin migration and refugee crises in Europe and other parts of the world, the EC has reached out for new, flexible financial solutions. Outside the EU, two trust funds have been created for third countries: the EU Emergency Trust Fund for Africa and Regional Trust Fund in Response to the Syrian Crisis, and the Facility for Refugees in Turkey has been launched. These actions have had serious consequences for budgetary expenditure, since they resulted in establishment of new financial solutions and, hence, in budget reorganisation, refocus and reprioritisation. These new solutions are flexible, oriented toward quick fixes, and tend to bypass the regular budgetary procedure, diminishing the important role of the EP as a budgetary authority. These moves establish a precedent for the budgeting process in the EU.

Financial Measures to Address External Migration Issues

One of the EAM's main aims, described under its first pillar, is to tackle the root causes of irregular migration and forced displacement in countries of origin and transit through close partnership with these countries. To address this issue the EU has resorted, among others, to the new financial solutions, which are: the EU Regional Trust Fund in Response to the Syrian crisis (the Madad Trust Fund), the EU Emergency Trust Fund for Africa (EUTF for Africa) and the EU Facility for Refugees in Turkey. The novelty of these solutions is evident in their composition and emergency nature that implies flexibility. As for structure these financial solutions combine the existing EU funding (in particular the EU budget's fourth section "Global Europe", and non-budgetary European Development Fund (EDF)) with extra contributions from EU MS or other donors in order to achieve the leverage effect that in turn ensures greater coordination and effectiveness of actions. Hence, the structure is new, but the funding comes, at least partially, from the "good old" budget which implies substantial EU budget relabelling, redeployment and shifting.¹² Also, the issue of transferring bilateral funds by MS for external EU facilities on top of standard EU budget and EDF contributions evokes a debate on the ownership and increased role of the EC which takes over the management of these funds by acting as a final decision maker. Therefore, MS are not enthusiastic about making commitments, especially because trust funds require a minimum EUR 3m donation to ensure voting rights on their boards. With regard to flexibility of funding, the contemporary

¹² L. den Hertog, *EU budgetary Responses to the 'Refugee Crisis' reconfiguring the Funding Landscape*, "Liberty and Security in Europe", no. 93/2016, p. 5.

migration and refugee crises have proven that the EU needs simple, quick and flexible financial solutions to address emergencies. However, flexibility in the budgetary context might be risky as it translates into simplification or shortening of the standard procedure, which often means bypassing some of its stages, which in turn limits thorough scrutiny, and poses a threat of not delivering on long-term goals arising from the funding regulations and programming. Therefore, the application of new funding might have dangerous consequences mainly on the long-term budget execution, accomplishment of external action long-term goals, international and internal relations.

Starting from 2013, in the area of external action the EC can establish and administer trust funds for emergency, post-emergency or thematic actions with the main purpose of strengthening the international role of the EU as a visible and efficient external action actor and development aid provider.¹³ Trust funds, though not integrated in the budget, are in fact using EU's budgetary and non-budgetary funds as major part of their funding. They operate based on constitutive acts signed with donors, which determine their objectives, composition, bodies, operational rules and duration. They can be created exclusively when their objectives can be better addressed at the EU level, they create new value added or they bring clear Union political visibility and managerial advantages.¹⁴ The Commission plays a leading role in trust funds as it acts as a trust fund maker and manager. It establishes trust funds based on the new comitology rules, namely, by submitting a draft decision to create a trust fund to a relevant committee with a request for opinion which, in turn, constitutes a basis for the trust fund's establishment. The EP's involvement is limited to the right of scrutiny for draft implementing acts relating to a basic act adopted under the ordinary legislative procedure, a request to discontinue appropriations or to seize operations of a trust fund, and annual information on activities. So far, the EU has established four trust funds in external action, of which two, the Madad Trust Fund and the Emergency Trust Fund for Africa, deserve special attention due to their thematic scope.

The EU Regional Trust Fund in Response to the Syrian crisis is considered the first EU regional trust fund leveraging on joint efforts of the EU and its MS, as well as other donors, to address the migration and refugee crises created by the civil war in Syria. It was set up in 2014 with

¹³ Regulation (EU, EURATOM) no. 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) no. 1605/2002, OJ 2012 L 298/1.

¹⁴ *Ibidem*, art. 187(3).

an initial budget of EUR 41m¹⁵ that increased substantially in the subsequent years to reach EUR 1.3bn in December 2017, including contributions from 22 EU MS, amounting to over EUR 105m.¹⁶ The Trust Fund operates under the European Neighbourhood Instrument (ENI), however, other instruments currently used in response to the Syrian crisis may contribute to it as well.¹⁷ The Trust Fund's objectives are in line with the actions addressing the root causes of irregular migration, hence the Fund promotes equal and qualitative education for all children and young people, both refugees and the vulnerable in host communities, and reduces the pressure on host countries through investments in livelihoods, food, health, sanitary infrastructure, jobs, education and social cohesion.¹⁸ The projects already approved amount to EUR 1.2m, of which more than EUR 550m have been contracted in 30 projects to the Trust Fund's implementing partners on the ground¹⁹ which provides for evidence that funds under this trust fund are effectively implemented.

The Emergency Trust Fund for Africa was set up at the Valetta Summit in 2015 as part of the EAM to address the root causes of irregular migration. Through its unique composition²⁰ of three windows for the Sahel region and Lake Chad, the Horn of Africa, and the North Africa it brings a new focus on migration²¹ where aid meets the most urgent regional needs. Its initial budget of EUR 1.8bn has increased to over EUR 3.2bn of which over EUR 2.9bn comes from the EDF and EU budget: ENI, Development Cooperation Instrument (DCI), EU Humanitarian Aid and Civil Protection (DG ECHO) and DG Migration and Home Affairs (DG HOME), and EUR 260.5m from MS and other partners. Up to

¹⁵ A.D. Alfonso, B. Immenkamp, *Briefing: EU Trust Funds for external action, First uses of a new tool*, 2015, p. 6, [http://www.europarl.europa.eu/RegData/etudes/BRIE/2015/572797/EPRS_BRI\(2015\)572797_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/BRIE/2015/572797/EPRS_BRI(2015)572797_EN.pdf) (23.12.2017).

¹⁶ European Commission, *Factsheet on the EU Regional Trust Fund in response to the Syrian Crisis*, https://ec.europa.eu/europeaid/sites/devco/files/eu-emergency-trust-fund-africa-20171124-3_en.pdf (23.12.2017).

¹⁷ European Commission, *Agreement establishing the European Union Regional Trust Fund in Response to the Syrian Crisis, 'the Madad Fund', and its internal rules*, 2016.

¹⁸ European Commission, *EU Regional Trust Fund in response to the Syrian Crisis*, 2016, https://ec.europa.eu/neighbourhood-enlargement/neighbourhood/countries/syria/madad_en (23.12.2017).

¹⁹ *Ibidem*.

²⁰ European Commission, *Factsheet on the EU Trust Fund for Africa*, p. 1, https://ec.europa.eu/europeaid/sites/devco/files/eu-emergency-trust-fund-africa-20171218_en.pdf (23.12.2017).

²¹ European Commission, *Report from the Commission to the European Parliament, the European Council and the Council, Progress report on the European Agenda on Migration*, p. 12, COM(2017) 669 final.

December 2017, 117 programmes were approved for approximately EUR 1.9b, of which Horn of Africa received EUR 665m, North of Africa – EUR 255.4m, Sahel/Lake Chad – EUR 988.9m, and Cross-Window Projects – EUR 21.6m²² proving that this trust fund serves its purpose by supporting jobs and economic development with an emphasis on vocational training and micro and small enterprises, securing food and basic services for local populations, ensuring effective migration and border management, including combating illegal immigration and human trafficking, as well as promoting stability and good governance.

The EUTF for Africa as a complementary development tool for managing emergency or post-emergency needs raises concerns over the aid's original purpose: that it should address the structural causes of poverty and pursue long-term external action goals.²³ The reports on the EUTF for Africa²⁴ conclude that:

- it responds to a political emergency in Europe rather than to African long-term needs as it focuses on pursuing EU domestic agenda and delivering quick results, which contradicts the principle of sustainable development;
- mixing funds for external action and crisis management, combined with flexible operations, makes it even easier to divert attention from long-term goals;
- a separation of political roots of the EUTF for Africa from its current operations is needed, as curbed migration flows should not be a driver;
- implementing partners may be anxious, as their mandate to implement projects guided by local input is undermined, which is not in line with internationally agreed aid effectiveness principles since it minimises country ownership of aid programmes and does not address national priorities putting migration-related issues first;
- the good governance, accountability and transparency principles of the Trust Fund might raise some concerns, as there is evidence for the lack of open project selection procedure, clear project eligibility criteria and chaotic EU communication.

²² European Commission, *Factsheet on the EU Trust Fund for Africa*, p. 1, op. cit.

²³ C. Castillejo, *The European Union Trust Fund for Africa: A Glimpse of the Future for EU Development Cooperation*, “Discussion Paper”, no. 22/2016, p. 28.

²⁴ Global Health Advocates, *Misplaced Trust: diverting EU Aid to Stop Migration, The EU Emergency Trust Fund for Africa*, http://www.ghadvocates.eu/wp-content/uploads/2017/09/Misplaced-Trust_FINAL-VERSION.pdf (23.12.2017); E. Kervyn, R. Shilhav, *Briefing note. An emergency for whom? The EU Emergency Trust Fund for Africa – migratory routes and development aid in Africa*, Oxford 2017.

From the EP's point of view, both trust funds were set up as complementary financial envelopes to the EU existing funding and as flexible tools for effective crisis management. Therefore, the EP:²⁵

- expects greater contributions from MS comparable to the EU's share, stressing that the low and volatile contributions prove that financial tools outside the EU budget are not a viable way to collect additional funds;
- recognises the ad hoc nature of the existing tool and, hence, calls for the development of a more holistic solution and consideration of the inclusion of the crisis mechanisms in the MFF for the sake of the EU budget's unity;
- is also concerned with the fact of diverting appropriations from the established instruments to channel them through trust funds, as this may jeopardise the success of the EU long-term external policy. In that respect the set-up of financial solutions outside the EU budget must remain exceptional, as it bypasses the budgetary authority and undermines budget unity.

The third new coordination solution, The EU Facility for Refugees in Turkey, has been established in 2015 by an EC decision, then amended in 2016.²⁶ It is meant to help Turkey in addressing current migratory pressures, especially humanitarian needs of refugees and host communities. It has a budget of EUR 3bn for 2016–2017, of which EUR 1bn comes from the EU budget, and EUR 2bn from contributions of MS, as it is designed as a fund pooling tool.²⁷ After the first period the Facility could be prolonged into the second one (2018) with an additional EUR 3bn to be allocated. The extension depends on the implementation by Turkey of its commitments under the EU-Turkey Joint Action Plan, but commitments from MS are crucial as well. The Facility coordinates the external funding from: humanitarian aid, ENI, DCI, Instrument for Pre-Accession Assistance (IPA II) and Instrument contributing to Stability and Peace (IcSP).²⁸ It is managed by a steering committee chaired by the EC and composed of representatives of MS, with Turkey exercising an

²⁵ European Parliament, *Report (2015/2341(INI)) on the EU Trust Fund for Africa: the implications for development and humanitarian aid*, 2016, p. 6, <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//NONSGML+REPORT+A8-2016-0221+0+DOC+PDF+V0//EN> (23.12.2017).

²⁶ Decision (EC) on the Facility for Refugees in Turkey amending Commission Decision C92015 9500 of 24 November 2015, OJ 2016 C 60/03.

²⁷ European Commission, *Communication from the Commission to the European Parliament and the Council, First Annual Report on the Facility for Refugees in Turkey*, COM(2017) 130 final, p. 4.

²⁸ *Ibidem*, p. 6.

advisory function. Since its operationalisation in February 2016 over EUR 2.5bn has been contracted under 58 projects, of which over EUR 1.1bn has been disbursed.²⁹ The international organisations running humanitarian projects, namely the World Food Programme, World Bank, UNICEF and UNHCR received substantial funding. The instrument is providing humanitarian (EUR 1.4bn) and non-humanitarian assistance (EUR 1.6bn).³⁰

The criticism of the Facility centres on its dependence on the delivery of the pledges made by MS and its dependence on the third country, in this case Turkey, and willingness of this country to play according to the EU rules.³¹ The solution rests upon considerable contributions from MS, therefore, its continuation in 2018 is jeopardized by insufficient pledges. In August 2017 European Commissioner for Budget, Günther Oettinger, asked MS for more pledges to fund the continuation of the Facility. The uncertainty has led to increased tensions with Turkey, and has been reinforced by the public misperception that all money goes to the Turkish government to block refugees from entering the EU.³² This situation has also started a discussion on reorganisation of national budgets that are supposed to find extra funds for solving migration related issues.³³ Additionally, the dependence on Turkey has turned out to be expensive, as Turkey asked for another EUR 3bn during negotiations with the EU. Additionally, the EU's reputation has been questioned as Turkey has not respected human rights and maintained appropriate standards in the detention camps.³⁴

Conclusion

Newly developed financing solutions involving budgetary reorganisation measures represent the cross-cutting element for the EC to reform and adjust its policies, as well as to respond to contemporary problems, including the ongoing migration and refugee crises. The crises manage-

²⁹ European Commission, *Factsheet on the EU Facility for Refugees in Turkey*, p. 1, https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/frit_factsheet.pdf (23.12.2017).

³⁰ *Ibidem*, p. 7.

³¹ L. den Hertog, *op. cit.*, p. 2.

³² T. Reno, *The EU Facility for Refugees in Turkey – Prevailing Misperception vs. Actual State of Play*, 2017, p. 2, <http://www.iris-france.org/wp-content/uploads/2017/09/Obs-Turkey-TReno-21-sept-2017.pdf> (23.12.2017).

³³ L. den Hertog, *op. cit.*, p. 1.

³⁴ L. Haferlach, D. Kurban, *Lessons Learnt from the EU-Turkey Refugee Agreement in Guiding EU Migration Partnerships with Origin and Transit Countries*, "Global Policy", vol. 8, sup. 4/2017, p. 88.

ment sets an example of the phenomenon of so called “policy-making through funding,” which has been employed by the EC.³⁵ This approach is justified, because the EU budget constitutes one of the most important sources of financing this challenge. It is a unique budget, differing from the budgets of other international organisations in numerous aspects, especially in the scale of financial resources available which represent a form of “economic power” making the EU the main international player addressing effectively great contemporary challenges.

As a result of numerous threats and challenges caused by the ongoing migration and refugee crises, the EC has reached out for new, flexible financial solutions in external dimension of the EU’s operations. Outside the EU, two trust funds have been established for third countries: the EU Emergency Trust Fund for Africa and Regional Trust Fund in Response to the Syrian Crisis, and the Facility for Refugees in Turkey has been developed. These actions have had immediate budgetary consequences, since they brought budget reorganisation, refocus and reprioritisation. Newly established financial solutions tend to be result-oriented and concentrate on quick fixes. Also they bypass the regular budgetary procedure diminishing the important role of the EP as a budgetary authority, expanding the role of the EC instead.

In comparison with the existing external action instruments, trust funds ensure faster decision making process and flexibility, which can be of great importance in emergency and post-emergency situations. As they combine funding from the EU, MS and other donors, they guarantee greater resources for external action. The fund pooling also translates into better coordination between different EU donors in selected areas of intervention. However, along with the benefits, some risks need to be stressed. The MS’ involvement in trust funds is insufficient, possibly due to the increased role of the EC and funding ownership issues. The EC’s reinforced powers are also criticised by the EP, which feels excluded from the management of funds partially sourced from the EU budget. This proves that in order to address the aspect of flexibility a new tool, facility or mechanism within EU budget should be developed that will address external emergencies.

The role of the EC as a key player in the migration and refugee crises management is also reflected in the nature of the EAM and hence its role in the trust funds and facility established in Turkey.

Next, the EU’s dependence on third countries, especially in the context of the EU Facility for Refugees in Turkey, where the EU’s policy

³⁵ L. den Hertog, *op. cit.*, p. 7.

objective of reducing the numbers of asylum seekers was outsourced to Turkey, comes with a price. On the one hand, financial resources are at stake, on the other internal and international relations, as well as reputation of the EU.

Finally, an extremely important issue is that all “new” financial solutions focus predominantly on migration and asylum, prioritising it over other long-term goals set under EU external action programming. Pushing the EU’s current domestic agenda at the expense of long-term external programming goals is rather short-sighted and therefore widely criticised. Such goals cannot be limited to immediate reaction to a crisis with an emphasis on quick fixes, as this contradicts the inherent nature of sustainable development.

Last but not least, the most profound effects may lead to a process of undermining the role of third countries in defining aid needs and introducing some unprecedented changes to the relationship between migration and EU’s development policy. This relationship is more often based on an approach in which cooperation between the EU and a third country is dominated by the EU’s external agenda on migration.

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