Impact of EU's agricultural and fisheries policies on the migration of third country nationals to the EU

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Abstract

This paper examines the possible impact of the EU's common agricultural policy (CAP) and its common fisheries policy (CFP) (particularly its external dimension) on the migration of third country nationals to the EU. First, the expected impacts of both policies are discussed taking into account that both policies have undergone considerable changes in recent years. Data on irregular migration (as an imperfect proxy for economic migration driven mainly by 'push' factors) are used to identify those countries which are the principal sources of irregular migrants to the EU. The likely contribution of the CAP and CFP to these migration flows is discussed. For both policies, detailed case-study work in individual countries would be necessary to discover if either policy does have discernible effects and, if so, the nature of those effects.

JEL codes: F22, F66, Q18, Q22

Keywords: EU common agricultural policy, EU common fisheries policy, migration.

1. Introduction[1]

People move across borders for a wide variety of reasons. People may choose to migrate (voluntary), be fleeing persecution and war (forced) or are put in situations that encourage migration (reluctant). The distinction between voluntary, reluctant and forced migration is often made based on the reason for movement, whether it is based on 'push' (forced) or 'pull' (voluntary) factors, the latter including family reunification. When migration is primarily due to economic reasons, it can be difficult to distinguish whether the primary motivation is the desire to have better economic opportunities in a new country for oneself and one's family which is pulling people out, or whether there are specific deteriorating factors in the home country (harvest failures due to drought, disappearance of fish stocks, governance failures leading to economic mismanagement and corruption) which are pushing people out. Some definitions of voluntary and involuntary migration classify all economic migrants as voluntary migrants, confining

[1] This paper was prepared for the European Policy Centre's Research Project 'Forced migration project: how can the EU play a greater and more coordinated role?' I am grateful for the insightful comments from participants at an EPC workshop in Brussels on 30 September 2015 on an earlier draft of this paper, but responsibility for this final version is my own. Financial support from the King Baudouin Foundation, Brussels is gratefully acknowledged.

involuntary migration to those who are displaced from their home country, have an established or well-founded fear of persecution, or have been moved by deception or coercion (Cassidy 2009).[2]

This paper examines the possible impact of the EU's common agricultural policy (CAP) and its common fisheries policy (CFP) (particularly its external dimension) on the migration of third country nationals to the EU. The impacts of these policies on third countries are economic in nature; we are therefore interested in economic migration and particularly cases where economic migration is driven by 'push' factors. A priori, these policies could have a positive impact on economic welfare and food security in third countries which might tend to reduce economic migration, or (which I suspect will be many people's priors), these policies may reduce economic welfare and food security in third countries and thus be a factor stimulating economic migration. A recent example of the link between the CAP and potential migratory pressure is the Commission proposal offering temporary additional access to Tunisian olive oil exports to the EU market to help support Tunisia's recovery in the difficult period facing the country following recent terrorist attacks.[3] Other observers have noted the potential links between EU fisheries policy and migration, as in the New York Times headline some years ago: "Europe takes Africa's fish, and boatloads of migrants follow", referring to the efforts made by Africans to reach the Canary Islands as a result of collapsing fish stocks off the West African coast.[4]

The structure of the paper is as follows. First, we describe the potential channels whereby the CAP (Section 2) and the CFP (Section 3) may impact on third countries and we summarize the empirical evidence on the importance of these effects. Both the CAP and the external dimension of the CFP have undergone considerable changes in recent years, so it is important to evaluate the likely impacts of current policies and not only those of the past. Next, we use data on irregular migration (as an imperfect proxy for economic migration driven mainly by 'push' factors) to identify those countries which are the principal sources of irregular migrants to the EU, and we speculate on the likely contribution of the CAP and CFP to these migration flows (Section 4). We summarize our findings in a concluding section (Section 5).

2. Common Agricultural Policy

2.1 Background to the CAP

The EU's Common Agricultural Policy (CAP) has three functions: market management (which is now largely confined to safety net support when prices drop to crisis levels or there is a market disturbance due to a loss of consumer confidence); farm income support (provided through direct payments); and aid to rural development. These three functions are structured into two Pillars:

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[2] The Forced Migration Online (FMO) project at the University of Oxford Refugee Studies Centre uses a definition of 'forced migration' which describes it as 'a general term that refers to the movements of refugees and internally displaced people (those displaced by conflicts) as well as people displaced by natural or environmental disasters, chemical or nuclear disasters, famine, or development projects.' The three types are categorised according to their causal factors: conflict, development policies and projects, and disasters. See more at: http://www.forcedmigration.org/about/whatisfm#sthash.HbvGjQJZ.dpuf.

[3] http://europa.eu/rapid/press-release_IP-15-5665_en.htm. Note that, strictly, the decision to offer additional market access to Tunisia falls within the domain of the EU's trade policy. However, trade policy in agricultural products has often been determined by agricultural policy goals to protect EU farmers, and thus some aspects of EU agricultural trade policy are also considered in this paper.

[4] New York Times, January 14 2008, http://www.nytimes.com/2008/01/14/world/africa/14fishing.html?pagewanted=all&_r=4&, accessed 12 October 2015.

- Pillar 1 covers market price support interventions and direct payments and today is mainly geared to direct payments support for farm income. Pillar 1 direct payments are annual payments which are 100% funded by the EU budget.
- Pillar 2 covers rural development (improvement in farm structures, agri-environment-climate and land management programmes, off-farm diversification and village renewal). These schemes often involve multi-annual programmes and the cost is shared between EU and national budgets.

CAP impacts on third countries are mediated through two channels: the level and the volatility of world market prices. To the extent that the CAP encourages additional domestic production (and thus either smaller imports or greater exports of agricultural products), it lowers world market prices below what those levels would otherwise be. To the extent that the CAP attempts to stabilize agricultural prices for EU farmers, it may make world market prices even more unstable, depending on the stabilizing instrument used. In the past, the CAP was frequently criticized for both depressing and destabilizing world market prices.

This focus on the economic channels whereby the CAP affects third countries ignores some other possible mechanisms through which EU agriculture might have an impact. For example, the EU is a major importer of agricultural commodities, whose production may have important environmental impacts in third countries. Additional exports from developing countries may require the use of land, water and other resources which may not be available to poorer groups in the local population, depending on their security of tenure and access to these resources. Additional exports may also require expansion of the agricultural land area at the expense of wetlands and tropical forests in the exporting country. EU public authorities as well as private actors have put in place some control and monitoring mechanisms to limit potential abuses (e.g. sustainability certification schemes, rules to prevent the import of illegally harvested timber or fish). These are important issues, but for reasons of space only the rules on illegal fishing are further discussed in this paper.

Another caveat about the coverage of the paper is that other EU policies which impact on the level and stability of world market food prices, apart from agricultural/trade policy, are not addressed. The most obvious example is EU policy on renewable energies, in particular the mandate requiring a specific percentage of transport fuel to be met by sustainable biofuels but also the encouragement for the use biomass in electricity and heat production. These policies, by diverting the use of EU agricultural resources from food to energy, directly affect both the level and stability of world market food prices. Another example might be the EU regulation of financial derivatives which may affect the extent to which speculative behaviour can influence futures markets and hence commodity prices. To do these issues justice would require a much longer paper than what is envisaged for this scoping paper.

Returning to the CAP, the impacts on third countries, and particularly those developing and transition economies from which migrants come to the EU, are very heterogeneous. Developing (including transition) economies can be divided into three groups depending on how they are likely to be affected by the CAP. Developing country exporters of agricultural commodities which are protected by the CAP face tariff barriers on access to the EU market. They also face greater competition on the markets of third countries. They may also face higher costs because of the need to comply with EU sanitary and phytosanitary (SPS) regulations as well as other technical barriers to trade. As a result, their export earnings will be lower, and more unstable, than might otherwise be the case.

However, some developing country exporters have preferential access to the EU market. Although they may still face increased competition with their exports on third country markets, their preferential exports to the EU market benefit from the same protection as EU producers receive. The overall impact on their economic welfare will depend on the relative shares of EU and non-EU markets in their total exports.

The third, and largest, category consists of those developing countries which are mainly importers of agricultural commodities protected by the CAP. In the short-term, to the extent that the CAP increases EU production and lowers world market prices, these countries have an economic benefit in that they can purchase their import requirements more cheaply. In particular, consumers in these countries benefit from the lower cost of imports. The consumer benefit of low world market food prices was emphasised in the 2008 and 2011 price spikes. However, competition from low-cost imports discourages domestic food production and will reduce employment opportunities in domestic agriculture. This effect will be exacerbated if the developing country concerned decides not to prioritize investment in domestic agriculture because of its low profitability, leading to a cumulative spiral of neglect.

In summary, the potential impact of the CAP on migration flows depends on whether a potential source of migrants is a net exporter or importer of products supported by the CAP, the commodity composition of its exports and imports, the nature of its trade relationship with the EU, the structure of its agriculture sector, its distribution of income and the urban–rural breakdown of its poor. It also depends on just how distorting of world food markets the CAP is. The magnitude of these distorting effects is now much smaller than it was in earlier decades as a result of successive reforms of the CAP. It is also smaller because the EU's share of global exports and imports has been falling over time (Table 1). The fall in the EU's share of developing country exports and imports is particularly marked has fallen by around one-third over the period shown.

2.2 CAP – a reformed policy

The CAP has undergone extensive reform over a twenty-year period since 1992 which has mitigated (though not removed) many of its most trade-distorting features. The trajectory of this reform has been to reduce market price support and to compensate farmers for the expected loss of income through direct payments. Initially, in the 1992 MacSharry and *Agenda 2000* 1999 reforms, these compensatory direct payments were coupled to production. Farmers had to produce in order to benefit (although in the case of the major arable crops the payments were also linked to set-aside which reduced production). In the 2003 Fischler reform and the 2008 Health Check, payments were changed to decoupled payments. In the past, internal EU farm prices often exceeded world market prices by a factor of two or three; today, the gap is very much smaller. For the major crop products, EU farmers are now producing at world market prices. A similar trend is observed for livestock products, although EU producers of beef, poultrymeat and pigmeat still benefit from positive protection (OECD 2014). What this means is that the CAP now has much less significant world market effects than it had before.

The significance of the changes can be examined by looking more closely at the reforms in market management instruments, including export subsidies, and direct payments.

The use and importance of market support instruments and particularly public intervention has steadily diminished. The number of commodities eligible for public intervention has been reduced, limits have been placed on the guaranteed quantities, and support prices have been lowered to safety-net levels in the successive CAP reforms. Indeed, inflation is further eroding the real value of these safety net guarantees as reference prices have not been updated. For example, the reference (and intervention) price for cereals has remained the same at €101.31/t since 2000/2001 despite the doubling of world market prices over this period. For developing countries, the reduction in the sugar intervention price has probably had the most significant impact. Under the Sugar Protocol attached to the Cotonou Agreement, export prices of a group of ACP sugar exporters were linked to the EU sugar intervention price, so that the reduction in the latter had a direct effect on ACP sugar export earnings. In the most recent 2013 CAP reform, new safeguard clauses are introduced for all sectors which allow the Commission to take emergency measures to respond to general market disturbances but, as shown by the Commission's response to the 2015 fall in milk prices it is reluctant to return to direct market intervention.

Table 1. EU-28 share of agrifood exports to and imports from selected regions

PARTNER	Exports to.. USD million 2012-2014	EU share of total exports to..			Imports from.. USD million 2012-2014	EU share of total exports from..		
		1995-97	2004-06	2012-14		1995-97	2004-06	2012-14
World	554,300	44.6%	45.4%	38.3%	542,792	44.9%	45.6%	37.5%
Developed economies	460,168	54.4%	58.2%	56.8%	420,307	53.1%	56.9%	51.2%
Extra-EU developed economies	51,270	11.7%	13.9%	12.8%	39,974	12.8%	11.8%	9.1%
Transition economies	21,742	49.8%	35.8%	32.6%	10,608	18.6%	19.4%	20.7%
Developing economies	71,279	18.7%	14.7%	12.6%	110,595	29.4%	27.3%	19.3%
LDCs (Least developed countries)	6,055	31.7%	20.7%	14.0%	4,605	47.5%	34.8%	24.2%
High-income developing economies	53,194	17.9%	14.5%	13.4%	72,057	26.2%	26.5%	18.2%
Middle-income developing economies	14,801	19.7%	14.8%	10.7%	34,050	34.9%	27.8%	21.1%
Low-income developing economies	3,284	27.4%	16.7%	11.2%	4,487	55.4%	43.4%	29.6%
Asia	51,857	14.2%	12.4%	11.0%	39,361	17.2%	17.4%	13.7%
Northern Africa excluding Sudan	10,547	41.2%	32.6%	29.7%	4,715	60.4%	60.9%	41.6%
Sub-Saharan Africa	11,805	36.6%	29.3%	22.8%	16,935	56.4%	51.3%	37.6%
South America and Central America	5,918	12.3%	8.5%	7.7%	48,998	34.7%	30.8%	20.9%
Memo item:								
Intra-EU trade as share of global	408,899	32.7%	35.2%	28.2%	380,332	30.0%	31.8%	26.3%

Source: Own calculations based on UNCTADStat. Agrifood exports defined as SITC 0 + 1 + 22 + 4.

Supply management instruments have been dismantled. Set-aside of arable land was abolished as part of the CAP Health Check in 2008. The 2013 CAP reform confirmed the elimination of milk quotas from 1 April 2015 and the ending of sugar quotas in September 2017. However, the planned abolition of vineyard planting rights was reversed after pressure from wine-producing member states and replaced by a system of planting authorisations. Note that supply management measures acted to restrain the increase in production that would otherwise have occurred where EU producer prices were maintained at levels higher than world market prices as a result of high border tariffs or high market support. The relaxation of milk quotas over the last few years and their ultimate abolition in April this year has thus led to an increase in EU milk production. The abolition of sugar quotas in 2017 is similarly expected to lead to some increase in EU sugar production, and to the transfer of sugar now used for bioethanol production to the food market.

The EU in the past made very significant use of export subsidies to manage its agricultural markets, both to maintain and to stabilise producer prices at levels above world market prices. Under the WTO Agreement on Agriculture which entered into force in 1994, the EU committed to limit both the value of budgetary outlays on export subsidies and the volume of subsidised exports. Recent changes to the EU's Common Market Organisation (CMO) regulation mean that not all products for which the EU has the right to use export refunds under its WTO schedule of commitments are now eligible to be granted export refunds. Products such as wine, tobacco, olive oil and fruits and vegetables which were eligible for export refunds in the past are no longer eligible following the reforms of these market regimes. Also, the EU's use of export subsidies has fallen dramatically. Total expenditure on export refunds has reduced from €10 billion per year in the late 1980s and early 1990s to zero today.

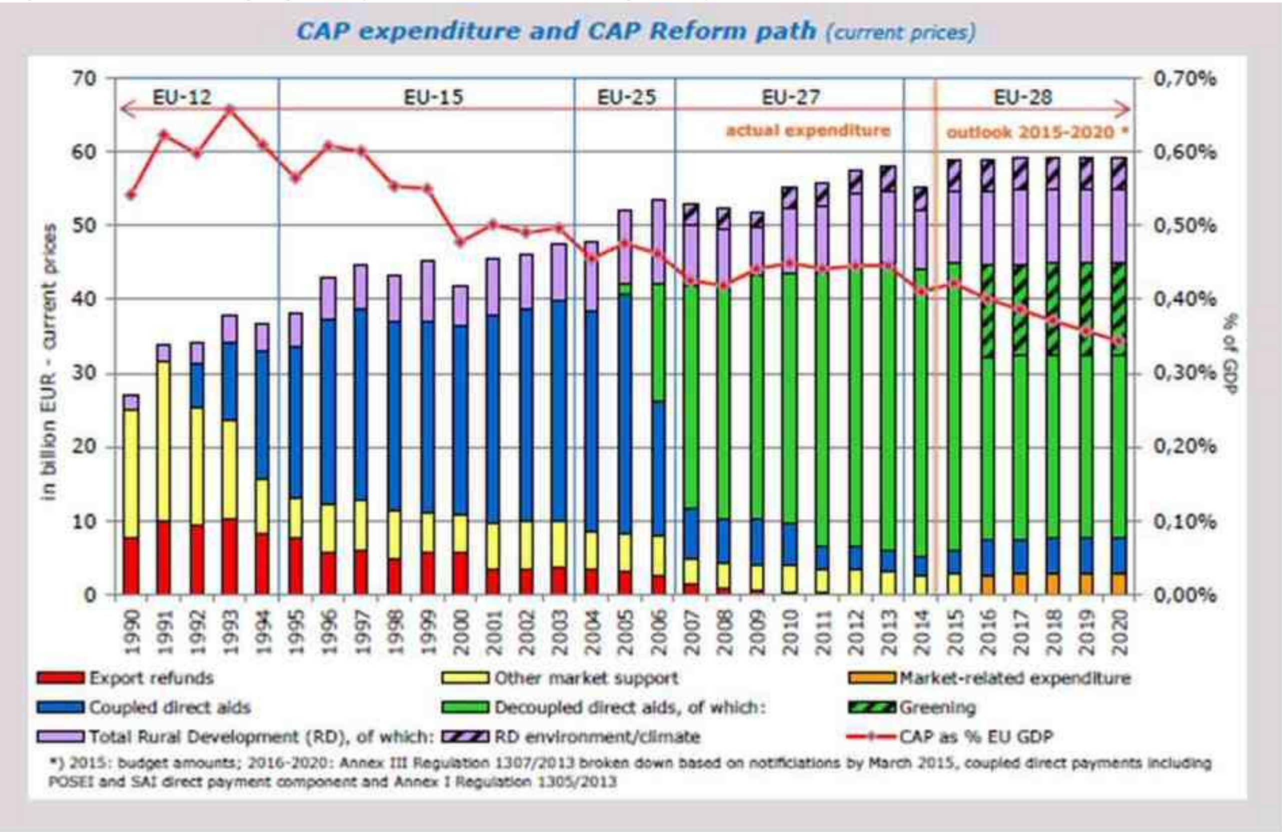
The fact that the EU currently does not use export refunds does not rule out the possibility that it could make greater use of this policy instrument in future if there were a sharp reduction in world market prices from their current levels. However, the 2013 CAP reform confirmed that export subsidies will no longer be used as a normal market management instrument but will only be used when 'exceptional measures' are required to balance the internal market. The EU has also forbidden the use of subsidies on exports to developing countries in Africa and the Caribbean with which the EU has an Economic Partnership Agreement (EPA) - even in times of crisis when this instrument could still be used.

Direct payments were introduced into the CAP in the 1992 MacSharry reform in the form of coupled payments as compensation for the reductions in cereal and beef intervention prices which occurred at that time. Over the years, the importance of direct payments in support to EU farmers has increased, while the design of direct payments has changed. The 2003 CAP reform converted the bulk of the coupled payments into decoupled payments and this process was continued in the 2008 Health Check. Farmers in receipt of payments are required to observe specified management and environmental practices under cross-compliance requirements. In the 2013 CAP reform implemented from 2015, direct payments have been restructured into a Basic Payment Scheme (about 55% of the total), a green payment top-up (30% of the total) and various targeted measures for young farmers, small farmers, farmers in areas of natural constraints and coupled payments. Some of these uses are optional for member states, while others (such as the young farmers' payment) are mandatory.

Most analysis of the impact of the CAP on developing countries focuses on the market price and income support covered by Pillar 1 of the CAP. Over time, the relative importance of Pillar 2 rural development measures in total CAP expenditure has grown, to the point where it now accounts for around one-quarter of the total. The measures funded in Pillar 2 are a mixed bag from a producer perspective. Some measures, such as those encouraging investment in agriculture and providing vocational training to farmers to improve their human capital, have the effect of increasing the EU's agricultural supply capacity. Other measures, such as agri-environment measures or measures to encourage organic production, tend to reduce its supply capacity. In general, the measures included in Pillar 2 are reported in the WTO's category of green box domestic supports, meaning that they are deemed to have no or minimal effects on trade. In the new rural development regulation adopted as part of the 2013 CAP reform, greater emphasis is put on encouraging more innovation in agriculture particularly by encouraging 'operational groups' bringing researchers, farmers, advisors and businesses together to tackle concrete problems. This initiative, if successful, could help to reverse the downward trend in total factor productivity growth in EU agriculture and thus improve its competitiveness on world markets. Figure 1 illustrates the way in which successive reforms of the CAP are reflected in the changing composition of the CAP budget.

While market support is now much less important to EU farmers, agricultural income remains heavily dependent on the direct payments received under the CAP. On average across the EU, decoupled income payments account for 30 percent of EU farm value added; when Pillar 2 payments such as agri-environment payments and compensatory payments for farming in areas of natural constraints are added, the total rises to 40 per cent. For particular commodity sectors (particularly drystock) and countries, the percentages can be much higher. Decoupled payments further reduce the distortionary effects of agricultural policy because they do not affect the marginal incentive to produce. But there are still a number of mechanisms whereby even decoupled payments would be expected to encourage additional production compared to a situation in the absence of such payments, although there is controversy over the magnitude of these effects (McVittie et al. 2009). However, the production effects of decoupled payments will be smaller than those of coupled payments and much smaller than market price support. Also, in the EU, farmers in receipt of direct payments must observe a series of farm management measures incorporated in cross-compliance conditions. These are of two kinds: statutory minimum requirements linked to the respect of environmental, food safety, animal health and welfare standards which are part of the EU's legislative framework and a set of good agricultural and environmental conditions which are defined at the national level and which mandate particular farming operations. While many of these conditions simply reflect good farming practice, others add to the cost of production. An example would be the requirement to establish buffer strips along water courses to help reduce the run-off and leaching of nitrates to surface and ground waters introduced in the CAP Health Check. Cross-compliance conditions thus work in opposition to any production stimulus from direct payments.

Figure 1. The changing composition of CAP budget expenditure



Source: European Commission, DG AGRI

The changing nature of EU farm support is clearly evident when the composition of EU expenditure on the CAP is examined (Figure 1). Market management expenditure (including export refunds) has virtually disappeared while direct payments, first as coupled payments and then as decoupled payments, have grown in importance. In the 2013 CAP reform, additional flexibility was given to member states to recouple direct payments. As a result, the share of coupled payments in total direct payments has increased from its low point of around 7% in 2012 to around 12% of the direct payments budget (Matthews 2015).

2.3 High tariffs remain, but trade preferences are important

Despite the trend towards fewer market distortions in the way the EU supports its farmers using its agricultural policy measures, tariffs on agricultural products imported into the EU are still high and protect domestic producers. Tariff policy is, strictly, an element of the EU's external trade policy but it cannot be ignored when evaluating the overall effect of the CAP. Most-favoured-nation (MFN) tariffs (that is, the tariffs applied to imports of agricultural commodities which are not eligible for a preferential tariff rate) averaged 14.8% in 2013, a small decrease from 17.8% in 2008 and 15.2% in 2011. This was mostly due to the effect of increasing world prices reducing the *ad valorem* equivalent of specific tariffs.[5] Dairy is subject to the highest average tariff rate, followed by sugars and confectionary, live animals and meat, and cereals and preparations. Very high tariff equivalents apply to specific commodities, for example, prepared or preserved mushrooms (197% and 170%), citrus juice including orange juice and grape juice (196.3% and 165.3%), certain meats and edible meat offal (192.1% and 120.1%), goat meat (166.7%), whey (164.8%), olive oil (154.1% and 120.6%), and isoglucose (135.3%) (WTO 2013).

For particular groups of developing countries, these high agricultural tariffs are mitigated by preferential access arrangements. Of special significance for many years were the special arrangements for sugar, bananas and beef under the Cotonou Agreement which provided market access for limited volumes to the high-priced EU market for certain African, Caribbean and Pacific (ACP) exporters. In 2001 the EU offered duty-free and quota-free access to least developed countries (LDCs) under the Everything But Arms scheme (with delayed implementation for rice, bananas and sugar), then extended that provisionally under the Market Access Regulation in 2008 to all ACP countries which had signed interim Economic Partnership Agreements (EPAs). Many of these countries have now signed comprehensive EPAs which confirm the duty-free and quota-free access for their agri-food exports to the EU. Other transition and developing countries have signed free trade agreements with the EU that also provide varying levels of preferential access (such as Mediterranean countries, Chile, Colombia, Korea, Mexico, Peru, South Africa, Vietnam).

2.4 Regulations and standards

Although also only partly governed by the CAP, the impact on agrifood trade of the steady increase in regulation affecting agricultural production and the food industry should be highlighted. These regulations affect developing countries in two ways. Greater regulation may make it more difficult for developing country exporters to access the EU market. But, on the other hand, if regulations only apply to EU producers but not to third country exporters, then third country exporters may gain a competitive advantage. Broadly, the distinction between the two kinds of regulations is between those that affect the product itself (e.g. is the product likely to transmit disease?) and those that affect only the way in which the product is produced (e.g. do egg-laying hens have cages of a sufficient size?). WTO trade rules allow countries to regulate third country imports where regulations affect the product (most obviously, food safety), but countries cannot impose their regulatory standards on third countries when they only concern production methods and processes (animal welfare, fair trade). However, in these latter cases, such standards are increasingly required of third country exporters not by the EU public authorities but by private supermarket chains pursuing niche markets dependent on regulation (e.g. organic products, fair trade, certified sustainable).

[5] Specific tariffs are set in absolute amounts (e.g. EUR/t) and thus vary inversely with the import price in percentage terms. *Ad valorem* tariffs are set already in percentage terms. The EU has a high share of specific and mixed tariffs.

Sanitary and phytosanitary (SPS) standards can be a major barrier for developing country exporters seeking access to the EU market. They are likely to bear heaviest on developing countries, both because the 'regulatory gap' between measures in place in export and domestic markets is likely to be greatest for these countries, and because of the more limited availability of compliance resources at the country and firm level. On the other hand, standards may help to improve access to the EU market by enhancing the reputation of developing countries' exports. There is also evidence that standards may have a catalytic effect in that investments, for example, to meet hygiene requirements may also lead to increased productivity and lower costs. Whether EU regulatory standards help or hinder developing country exports is best explored on a case study basis. EU development assistance, e.g. aid for trade programmes, can help developing countries to demonstrate compliance with relevant standards.

2.5 Impact of the CAP on developing countries

There is an extensive literature on the ways in which the CAP impacts on developing countries, but much of this is qualitative in nature and there are relatively few empirical studies. Empirical studies fall into two groups. On the one hand, case studies have been undertaken, often by NGOs, examining the impact of EU exports of particular commodities (milk powder, pig and poultry meat, tomato paste) in particular countries (Curtis 2011; APRODEV 2007; GermanWatch 2009; GermanWatch 2008; Fowler 2002; Fritz 2011). A problem in interpreting these studies is that they do not develop a clear counterfactual of what would happen in the absence of the CAP. These case studies usually focus on the impact of EU exports in importing countries. But EU exports may have occurred even without CAP support, so the effect being measured is the result of the volume of exports rather than the contribution of the CAP to those exports. EU agricultural protection may also adversely affect the interests of developing country exporters, either directly by restricting access to the EU market, or indirectly by competing with these exporters in third country markets. These effects cannot be picked up just by looking at trade flow data. Again, the main problem in identifying these effects on exporters is establishing the counterfactual of what trade flows would occur in the absence of the CAP.

Modelling helps to address these two criticisms, but at the cost of introducing a new set of difficulties. In recent years, a wide array of simulation results has been published examining the impact of agricultural protection in OECD countries on developing countries (Anderson & Martin 2005; Anderson et al. 2006; Brooks 2014; McMillan et al. 2007; OECD 2007). There is wide variation in the published empirical results. Partly, this variation reflects improvements that have taken place in the models and databases over time. In part, the variation reflects the inherent complexities in modelling the causal links between EU policies (and OECD policies more generally) and their impacts in a developing country as well as the impact of the assumptions that the modellers must make. However, relatively few studies publish the impacts of the CAP alone, simulated by a unilateral EU liberalisation of its agricultural policy. Of those published studies which do identify the impact of the CAP on world markets, many are now considerably dated and are no longer a reliable guide to CAP impacts.

Given the different ways in which developing countries can be affected by the CAP, it is difficult to make generalisations and a case study approach is the most satisfactory. One example is the recent study of the impact of the CAP on Uganda by Boysen et al. (2014). Uganda is a least developed country with a large farming sector and a high proportion of its poor people working in agriculture. It benefits from duty-free access to the EU market for its agricultural exports. A feature of this study was that it separately distinguished the impact of border tariffs from direct payments, and it also examined the impact on poverty directly as well as the overall effect of the CAP on Ugandan GDP. The policy simulation results show that EU agricultural support has marginal but nonetheless negative impacts on the Ugandan economy and its poverty indicators. The slight negative effects are driven by the assumption that direct payments are significantly coupled to production. High border tariffs actually benefit Uganda because of the preferences it received on the EU market. Other important insights from the study are the importance of the assumption regarding how easily changes in world market prices are transmitted beyond the border to producers and consumers within Uganda, as well as the importance for the poverty results of how the government responds to the changes in revenue due to the changes in economic activity induced by the CAP. We make use of these insights in discussing the potential contribution of the CAP to migration in Section 4 of the paper.

3. External policy of the Common Fisheries Policy

3.1 Background to the CFP

The CFP originally formed part of the CAP but formally established its own identity with Regulation (EEC) No. 170/83 in 1983. The external dimension of the CFP was introduced at the same time following the introduction of the UN Convention on the Law of the Sea (UNCLOS) in 1982 which extended coastal states' fishing rights from the previously recognized three nautical miles (nm) to 200 nm Exclusive Economic Zones (EEZs). As significant areas of ocean which had previously been exploited by foreign fleets came under the sovereignty of coastal states, fishing agreements had to be negotiated in order to maintain access to previously exploited areas. These fishing agreements were negotiated by the EU Commission on behalf of the EU fishing industry. Currently, fishing possibilities are obtained in accordance with either Fisheries Partnership Agreements (FPAs), concluded bilaterally between the EU and individual third countries or access rights granted by Regional Fisheries Management Organisations (RFMOs).

The number of European public fishing access agreements steeply increased after the implementation of the Common Fisheries Policy in 1983, from two during the period 1980–1983 (Senegal and Guinea-Bissau) to 16 in 1991. Subsequently, their numbers have mostly oscillated between 12 and 16. After 2010, the total number of agreements decreased to nine, notably because of difficulties to approve (e.g., Morocco, Micronesia) or renew some of them (e.g., Mauritius, Senegal), but also due to political instability (e.g., agreement with Guinea suspended in 2009) (Le Manach et al. 2013). There are two main types of agreements:

- **Tuna agreements** – these allow EU vessels to pursue migrating tuna stocks as they move along the shores of Africa and through the Indian Ocean.
- **Mixed agreements** – these provide access to a wide range of fish stocks in the partner country's exclusive economic zone. Mixed agreements provide access to a range of fish species, including demersal species and small pelagics. They tend to be much larger agreements in terms of the number of boats allowed access and the size of payments made by the EU.

The 14 FPAs with southern countries currently in force is shown in Table 2.

RFMOs are international organisations formed by countries with fishing interests in an area. Their role is to guarantee the management, conservation and sustainable exploitation of the living marine species covered in their remit by setting catch limits, technical measures and control obligations. There are two types of RFMOs: those which only manage highly migratory fish stocks, like tuna (tuna RFMOs), and those which manage other fish stocks (non-tuna RFMOs). The EU plays an active role in 6 tuna RFMOs and 11 non-tuna RFMOs.[6] RFMO measures adopted by its members must be enacted into EU law.

[6] http://ec.europa.eu/fisheries/documentation/publications/2015-cfp-international_en.pdf.

Table 2. Fishing agreements currently in place with southern countries

Country	Type of agreement	Comment
Cape Verde	Tuna	FPA entered into force in 2007. Current protocol 2014-2018
Comoros	Tuna	FPA entered into force in 2005. Current protocol 2014-2016.
Côte d'Ivoire	Tuna	FPA entered into force in 2007. Current protocol 2013-2018.
Gabon	Tuna	FPA entered into force in 2013. Current protocol 2013-2016.
Kiribati	Tuna	FPA entered into force in 2012. Current protocol 2012-2015.
Madagascar	Tuna	FPA entered into force in 2007. Current protocol 2015-2018.
Mauritius	Tuna	FAP entered into force in 2012. Current protocol 2014-2017.
Mozambique	Tuna	FPA entered into force in 2007. Current protocol 2012-2015.
Morocco	Mixed	FPA entered into force in 2011. Current protocol entered into force in 2014 following absence of access in previous three years.
Mauritania	Mixed	FPA entered into force in 2006. Current protocol 2015-2019.
Guinea-Bissau	Mixed	FPA entered into force in 2007. Current protocol 2014-2017. Adoption of protocol suspended between 2012 and 2014 due to military coup.
Sâo Tomé and Principe	Tuna	FPA entered into force in 2007. Current protocol 2014-2018.
Senegal	Tuna	FPA entered into force in 2014. Current protocol 2014-2019. Previous protocol had ended in 2006.
Seychelles	Tuna	FPA entered into force in 2013. Current protocol 2013-2019.

Note: The EU has also 4 "dormant" agreements with Micronesia, Solomon Island, Gambia and Equatorial Guinea. Dormant agreements stand for countries which adopted an FPA but do not have a protocol in place and EU vessels are not allowed to fish in these waters. Previous agreements with Angola and Guinea- Conakry have not been renewed.
Source: DG MARE website, information on individual agreements.

The objectives of the original bilateral fisheries agreements were to reduce imports from non-EU countries while encouraging the displacement of surplus capacity from European fisheries to overseas EEZs (Seto, 2015). They gave rise to a long list of criticisms by NGOs and academics and in the media. The NGO Transparentsea has summarised weaknesses in the original agreements in the following list, although not all of these criticisms would be accepted in such stark form by the authorities.[7]

1. The EU has used fisheries agreements to export overcapacity in European fishing to developing countries.
2. Host countries receive unfair payment for fishing access, with the majority of economic benefits accruing to European companies.
3. Because the EU has paid for access for European fishing firms, access agreements operate as a subsidy, which in turn contributes to global overfishing.
4. EU fisheries agreements allow for fishing of stocks in third countries' waters beyond sustainable limits and in direct competition with domestic fishing companies, including the small-scale sector.
5. European fishing vessels operating under an EU access agreement have engaged in fraud, including under-declaring catches and commercially exploiting fish that are classified as by-catch and incur no fees or management.
6. The spending of EU funds in host countries has lacked accountability and effectiveness.

[7] http://transparentsea.co/index.php?title=EU_Fisheries_Agreements.

7. Because the EU link the size of revenues for host countries with the scale of fishing permitted, there is an economic incentive to allow for overfishing.
8. The EU has resisted efforts to increase transparency and public participation in the negotiation and review of its fisheries agreements, including publishing its own *ex ante* and *ex post* scientific and social evaluations.

In response to these criticisms, a further reform of the CFP was introduced in 2004. Under this reform, 'fish, pay and go' access agreements with third countries were replaced by Fisheries Partnership Agreements intended to provide a legally binding framework through which policy dialogue about sustainability issues would be promoted. All FPAs negotiated since 2004 were intended to have a development as well as a commercial dimension. Improvements compared to the first agreements included clauses related to monitoring, local processing, and employment of local crew. The process of jointly agreeing on the use of the financial contribution was intended to ensure that most of these funds would be used for the conservation and sustainable management of fisheries resources. However, despite this attempt to address some of the criticisms, problems remained, as outlined in European Commission (2011) and European Parliament (2012). Private joint venture arrangements between EU boat owners and African interests allowed more than half of the boats in West African waters originating in the EU but flagged to a non-EU country to avoid the restrictions imposed by FPAs (Agritrade 2013). As summarised by Seto (2015) writing about West Africa:

> "West African states represent some of Europe's closest neighbors, and the waters comprising their Exclusive Economic Zones (EEZs) are some of the most productive fishing grounds for European fleets. The interests of European fishing nations and those of coastal West African states have often been at odds, however, and scholars have argued that the combined CFP policies have led to a range of consequences, from degraded habitat and diminished stocks to conflicts between domestic and foreign fishers and stymied local economies" (Seto 2015).

Furthermore, RFMOs were criticised for their ineffectiveness as they have not reversed the decline in international fish stocks (European Commission, 2011). A principal problem is overcapacity which is an important driver of overfishing in areas managed by RFMOs. Another important problem of RFMOs is the lack of compliance and control which has undermined their role in fisheries management; this has driven the EU to complement multilateral actions with unilateral ones, such as banning imports into the EU market of fish caught illegally as well as funding capacity-building in developing countries. The requirement for consensus in decision-making in RFMOs means that the conservation and management measures adopted often do not follow the scientific advice.

3.2 The 2014 CFP reform

The most recent reform of the CFP in 2014 was intended to address these criticisms. The Commission set out its ideas in its Communication on the external dimension of the CFP reform in 2011 (European Commission 2011a). These included the need to create a new generation of Sustainable Fisheries Partnership Agreements (SFPAs), to make Regional Fisheries Management Organisations more effective, to fight Illegal, Unreported and Unregulated (IUU) fishing and to strengthen coherence between EU policies. These orientations were endorsed by the new Common Fisheries Policy of December 2013 which enshrines the external dimension of the CFP for the first time.[8]

[8] Regulation (EU) N° 1380/2013 of the European Parliament and of the Council of 11 December 2013 on the Common Fisheries Policy, amending Council Regulations (EC) N° 1954/2003 and (EC) N° 1224/2009 and repealing Council Regulations (EC) N° 2371/2002 and (EC) N° 639/2004 and Council Decision 2004/5 85/EC.

SFPAs allow EU fleets to fish in third countries' EEZs within a regulated and guaranteed environment. New SFPAs target surplus stocks only (hence the designation *Sustainable* FPAs), and aim towards resource conservation and environmental sustainability, ensuring that EU fishing laws and principles (including human rights) are respected abroad just as at home. In exchange for access rights, the EU, firstly pays for those rights, and secondly also contributes financially to support local fishing sectors and third countries' fishing governance, including the fight against IUU, and scientific research. There is better control of the fishing activity of the EU long distance fleet, in particular through the introduction of the Electronic Reporting System (ERS). EU vessels should not compete with the local fleet, in particular the smaller fishermen. Governance of SFPAs is also being strengthened through transparency and non-discrimination measures while the overall reference price offered to third countries has been increased as well as the ship-owners' contribution to the costs of access (European Commission 2015). The Commission has also proposed a revision of the Fishing Authorisation Regulation (FAR) which deals with authorisations to fish and reporting obligations of the EU vessels outside EU waters in the context of the fight against IUU. The FAR revision will monitor the EU fleet wherever it operates and whatever the framework it operates under. A public consultation was held in 2013 and progress on this legislation is expected later this year.[9]

This new legislation must be seen in conjunction with IUU Fishing Regulation which was adopted in 2008 and entered into force in 2010.[10] A second regulation (commonly referred to as the 'Control Regulation') establishes a modernized system to ensure the compliance of European operators with the rules of the EU's CFP.[11] IUU is a major contributor to the problem of overfishing and biodiversity depletion, undermines efforts to implement sustainable fisheries policies and harms legitimate fishing activities and livelihoods. One estimate is that it may account for up to one-fifth of all ocean fish caught globally.

The IUU Fishing Regulation aims to ensure that anyone who wishes to import fish and fish products to the EU can only do so if the country under whose flag the fish was caught can show that it has in place and enforces laws and regulations to conserve and manage its marine resources.[12] Among other measures, the regulation allows EU member states to ban fish imports if they are not accompanied by a catch certificate recognised by the EU authorities, were caught by a vessel that has been found to engage in IUU fishing, were caught by a vessel included in the EU IUU fishing list, or were caught by a vessel flying the flag of a non-cooperating third country. Actions against non-cooperating third countries can include a prohibition on imports of fish products caught by vessels flying their flag and a freeze on negotiating new fisheries partnership agreements with the EU to grant European fleets access to listed countries' waters (as well as consideration of terminating existing agreements).[13] In March 2014, the EU made use of these powers for

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[9] A number of NGOs recently launched a fisheries transparency website including a database of the EU vessels authorised to fish outside EU waters. However, it only includes vessels authorised to fish under FPAs and excludes information on private partnership agreements between EU operators and third countries. See http://mediterranean.panda.org/?250071/NGOs-launch-fishing-transparency-website-identifying-15264-EU-vessels-authorised-to-fish-outside-the-EU.

[10] Council Regulation (EC) No 1005/2008 establishing a Community system to prevent, deter, and eliminate IUU fishing.

[11] Council Regulation (EC) No 1224/2009 of 20 November 2009 establishing a Community control system for ensuring compliance with the rules of the Common Fisheries Policy.

[12] DG MARE, http://ec.europa.eu/fisheries/cfp/illegal_fishing/index_en.htm.

[13] A recent study commissioned by DG MARE has evaluated the EU's efforts to tackle IUU, see Study on the State of Play Regarding Application and Implementation of Council Regulation (EC) No 1005/2008 Of 29 September 2008, Establishing a Community System to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing (IUU Regulation), Specific Contract NO. 3 Lot 2: Retrospective and prospective evaluation on the common fisheries policy, excluding its international dimension.

the first time when announcing restrictions on fish imports from vessels flying the flag of Belize, Cambodia, and Guinea, due to the three nations' failure to cooperate in tackling illicit fishing activities. EU vessels were also prohibited from fishing in the three countries' waters.[14]

An important change following the Treaty of Lisbon is that the European Parliament now is a co-decision-maker on fisheries policy, including the external dimension. The EP was thus fully involved, for the first time, in the 2014 reform of the CFP on an equal basis with the Council. Prior to the entry into force of the Lisbon Treaty, the Parliament had tried to insist on joint control of the external dimension, claiming that its consent was needed for international fisheries treaties, but this claim had been rejected by the Court of Justice. Now, each individual SFPA needs the Parliament's consent before it can come into force, ensuring much greater transparency and debate around the content of these agreements.

The principles behind the SFPAs have already been incorporated into the latest agreements with coastal countries even before the latest reform was agreed. There is considerable optimism that the new arrangements will address the problems perceived in earlier agreements with developing countries, but much will depend on implementation. Agritrade (2013) notes some issues to be kept under review as the new policy is implemented:

- Competition for access to fisheries with the fleets of other countries (e.g. China, Russia) which apply less strict conditions under their agreements than the EU risks losses for the coastal countries in terms of degradation of stocks, illegal operations, competition with local fleets, etc.
- Increased attention should be paid to the gathering and dissemination of basic information on the operation of all long-distance fleets operating in ACP waters.
- The basis for determining whether surplus stocks exist that are not fully exploited (which is the basis for offering access) is obviously hugely important, and it will be important to ensure that there is scope to allow the development of the local fishing industry.
- Clarity will also be needed on how the ban on discards by EU distant-water fleets is to be enforced. It will be important to ensure that the application of this ban does not lead to local landings of by-catches that then disrupt local fish markets, though there is often a local demand that by-catches should be landed.
- Whether regulation can be effective without requiring landing of catches at local ports.

3.3 Impact of the CFP on developing countries

The EU is by far the largest market for fish and fish products, with imports valued at more than US$50 billion in 2013, or slightly less than half of world imports.[15] More than a quarter of the fish caught by European fishing boats are actually taken outside EU waters. Around 8% of EU catches (2004-06) are made under fishing agreements with countries outside the EU, while another 20% are taken on the high seas, mainly in regions under the care of regional fisheries management organisations.[16]According to DG MARE, the EU external fleet represents around 24% of the EU's fishing capacity expressed in tonnes and contributed 21% of the EU's total catch quantity for human consumption (European Commission 2011b).

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[14] http://www.ictsd.org/bridges-news/biores/news/eu-blacklists-fish-imports-from-three-nations.

[15] FAO, *State of the World Fisheries and Aquaculture 2014*, Rome, Food and Agriculture Organization of the United Nations 2014, 8, 31.

[16] http://ec.europa.eu/fisheries/cfp/international/index_en.htm.

This intensive fishing effort is, at least potentially, likely to have consequences for the coastal states where this fishing takes place. The importance of fisheries to livelihoods and food security in developing countries is great. The World Bank provides a useful summary:[17]

> "For billions around the world—especially the world's poorest—healthy oceans mean jobs, food and protection. FAO estimates that fisheries and aquaculture assure the livelihoods of 10-12 percent of the world's population with more than 90 percent of those employed by capture fisheries working in small-scale operations in developing countries. Oceans are equally important for food security and jobs. In 2012, fisheries produced roughly 160 million tons of fish and generated over US$129 billion in exports while securing access to nutrition for billions of people and accounting for 16 percent of total global animal protein."

In broad terms, FPAs represent an exchange of financial resources from the EU to third countries for the right to access and exploit a share of their fish stocks. Third countries benefit in terms of the transfers received, although it is generally recognised that the more important benefits accrue through the level of value-added through, for example, the activity of EU vessels in local ports, whether they land or tranship fish locally and the use of local services. The cost to the EU to enter these agreements as rent for obtaining fisheries access, including the amount earmarked for local fisheries development, increased from €6 million in 1981 to around €190 million in the late 2000's according to internal Commission estimates, with the lion's share of this going to two countries, Mauritania and Morocco. Of this €191 million, €158 million was paid by the EU budget and the remaining €33 million by the shipowners. In the 2016 budget, a total of €150 million (the same as in 2015) was set aside for payments from the EU budget under SFPAs and compulsory contributions to the RFMOs and other international organisations;[18] European fishing companies pay an additional amount in access fees. There may be increased exports where these countries can purchase 'originating' fish for processing from EU vessels and benefit from duty-free access to the EU market.

Costs borne by the third country signatories may be economic, social and environmental. Economics costs include the costs for catch monitoring as well as the impact on catches and the income of the local fleet. There may also be a potential reduction in local fish availability if the FPA has an impact on the status of stocks consumed locally. There may also be indirect impacts due to the high subsidization by EU member states of their domestic fleets fishing in EU waters which create an uneven playing field for developing countries (Keijzer 2011). Employment benefits may be positive if EU ship-owners take on local crew but may be negative if FPAs reduce stocks or lead to dumping of certain species on local markets and therefore undermine employment in local artisanal fisheries. Environmental effects will depend critically on the status of the stocks being fished and whether a surplus exists or not (Walmsley et al. 2007).

One very dated study from the mid-1990s suggested that every euro paid by the EU for fisheries agreements with developing countries generated a turnover of €3.1 (cited in Walmsley et al., 2007). The motivation behind the recent CFP reform was a recognition that the benefit-cost ratio for third countries, even if positive, was not positive enough and that more needed to be done to increase their benefits. Nonetheless, the alternative to these agreements is that consortia of individual boat-owners enter into their own private agreements with third country nationals, thus making the achievement of the EU's objectives even more difficult.

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[17] http://www.worldbank.org/en/topic/environment/brief/oceans.

[18] The amounts paid to each individual country, including the amounts earmarked for fisheries policy development, are shown here, http://ec.europa.eu/fisheries/cfp/international/agreements/index_en.htm.

4. Linking the CAP and CFP to migration to the EU

In this section, we speculate on the possible contribution of the CAP and the CFP to migration flows. We are specifically interested in migration flows to the EU, but we should recognise that, if these policies have an impact on 'push' migration, then it is also possible that migration flows, for example, to neighbouring countries, may also be affected. Thus, failure to identify an impact of these policies on migration flows to the EU does not mean that these policies do not have an impact on livelihoods in countries of out-migration.

We reiterate that the impacts of these policies on third countries may be either positive or negative, depending on the relative importance of the different channels through which these policies affect third countries, and depending on the structure of the third country economies and the nature of their trade relations with the EU. The causal logic is that these policies can impact on the absolute incomes of particular population groups in third countries. Where the impact is negative, this may contribute to the 'push' factor behind economic migration; where it is positive, it may diminish the 'push' factor and thus reduce economic migration to the EU and/or to neighbouring countries. To assess these impacts, it would be necessary to adopt an individual case study approach. However, in-depth case studies go beyond the brief for this scoping paper. Instead, we make some preliminary observations based on the countries which have been the main sources for 'push' economic migration to the EU.

There is no hard-and-fast way to identify whether economic migrants are primarily attracted to the EU by the promise of greater economic advancement or are pushed out by deteriorating economic conditions at home. Some economic migrants, for example, may be actively sought by firms and households within the EU because of particular skills and may be supported in obtaining visas and residency permits. We make the assumption that those who are pushed to migrate for economic reasons are more likely to enter the EU 'illegally'. We make use of a number of Eurostat migration series to identify the source countries of these irregular migrants: the nationality of rejected asylum seekers;[19] the nationality of persons refused entry at the EU's external borders; and the nationality of third country nationals found to be illegally present in the EU.[20] To avoid giving undue weight to particular circumstances in any year (for example, the conflict in Syria led to a large increase in the number of Syrian nationals found to be illegally present in 2014), we sum the rankings of each country on each series over the seven years 2008-2014. To provide a summary estimate for the three series, we weight them equally by adding the individual rankings to present a 'super' ranking. The top 50 source countries are shown in Table A1 in the Annex. In addition to a ranking of source countries based on total irregular migrants, we present a ranking normalised for differences in population size. This is calculated by summing the total number of irregular migrants over the seven years in the three series and dividing by each country's population. Irregular migrants from advanced OECD countries are omitted from the table on the grounds that 'push' economic motives are unlikely to be their motivation.

[19] Refugees, those who are granted asylum, are likely to be fleeing persecution or war, while unsuccessful asylum-seekers are likely to be economic migrants seeking to enter the EU by claiming refugee status.

[20] We recognise again that these series are very imperfect proxies for what we want to measure. For example, those found to be illegally present in the EU may have originally entered the EU validly but then stayed longer than they were entitled to. Another possible series is the nationality of those granted citizenship in an EU member state in any year. While this could include those who had entered illegally in the past and benefited from an amnesty, it will also include many who have migrated to the EU under family reunification or because they were recruited to jobs in the EU, for example, in the health or IT sectors. For this reason we do not make use of this series here.

We first comment on the results for total irregular migrants in Table A1. Looking at the top 20 source countries, 8 are countries in the Middle East and North Africa (MENA) (Turkey, Georgia, Iraq, Algeria, Morocco, Armenia, Syria and Iran) while 6 are European (Russia, Serbia, Albania, Bosnia and Herzegovina, Ukraine and Kosovo). The remaining 6 include 5 Asian economies (Pakistan, China, India, Bangladesh and Sri Lanka) and one African economy (Nigeria). These rankings are clearly influenced by proximity to the EU and by population size. The second set of rankings in Table A1 control for population size. There are still 6 MENA countries (Morocco, Georgia, Armenia, Tunisia, Palestine and Syria) and 5 European countries (Albania, Kosovo, Serbia, Moldova, Bosnia and Herzegovina) in the top 20, but the rank importance of the source countries changes when population size is taken into account. Looking at the ranking of source countries by the proportionate importance of irregular migration also means that a number of smaller African countries now enter the top 20 list (Eritrea, Gambia, Somalia, Comoros) as well as two smaller Latin American and Caribbean countries (Dominica and Saint Lucia).[21]

How might the CAP have contributed to 'push' economic migration from these countries? Some relevant structural characteristics for the top 20 source countries normalised by population size are shown in Table 3.

In terms of per capita income, just four of the 18 countries for which data are available are LDCs (the per capita income threshold to be classified as an LDC in 2015 is $1035).[22] In general, irregular migrants seem to come from middle-income countries rather than the poorest countries. It is also the five LDCs (including Somalia) where agricultural employment is the dominant (> 50%) source of employment; for the remaining countries on the list, the average share of agricultural employment is just 16%. The trade data indicate whether a country has a positive or negative balance on its agricultural trade with the EU. While there are many data gaps, most countries are net importers, the exceptions being Serbia and Moldova with Morocco and Georgia close to balance. The implications of these trade figures for 'push' migration are ambiguous. On the one hand, the EU's positive trade balance in agricultural trade implies that it is increasing the available food supply in these countries. On the other hand, its agricultural exports may contribute to increased competition for third country farmers and thus undermine their livelihoods. Only a detailed investigation by country would help to unravel the balance of these effects.

Finally, data is shown on the tariff barriers imposed by the EU on agricultural exports from these countries. Two indicators are shown: the average trade-weighted tariff and the size of the preferential margin granted to each exporter. The latter is calculated as the difference between the trade-weighted MFN tariff and the trade-weighted preferential tariff applied. The preference margin captures the real benefit of a trade preference, as there is no benefit in a preferential tariff of zero if the MFN tariff which applies to one's competitors is also zero. In general, for 13 of the 18 countries for which data are available, the applied tariff is 1% or less (although for five of these countries, Gambia, Afghanistan, Syria, Mongolia and Saint Lucia these preferential tariffs are not meaningful as the preferential margin is less than 1%). For a second

[21] For comparison, we also present data in Table A2 on the principal countries of birth of those living but not born in the EU-28 (against limited to developing and transition economies). This table captures a very different aspect of migration. First, it is a stock figure (those living in the EU in 2014 who were born outside the EU) rather than a flow figure based on annual arrivals. Second, it counts those who have successfully entered the EU, whereas the irregular migrants series are based on those who unsuccessfully attempted to enter or who were liable to subsequent deportation. Third, even for the most recent year, the Eurostat figures are very incomplete with detailed data missing from major countries of destination for migrants such as France, Germany and the United Kingdom. Thus, the figures give an incomplete and misleading source of information (for example, the absence of Germany means that the importance of those born in Turkey now living in the EU is underestimated) but they are the best available from Eurostat.

[22] http://www.un.org/en/development/desa/policy/cdp/ldc/ldc_criteria.shtml.

group of countries, particularly Morocco, Serbia, Tunisia and Bosnia and Herzegovina, EU tariffs on their agricultural exports remain high even if some preference is given relative to MFN exporters. These are cases where the CAP unambiguously makes agricultural producers in these countries worse off and where the elimination of CAP protection would help to strengthen their economies and limit migration flows.

Table 3. Selected indicators for twenty top sources of EU irregular migrants on population basis

Country	GNP/ Capita 2014	Agric. empl. Share 2014	EU agric. imports, 2014	EU agric. exports, 2014	Tariff on agric. exports to the EU, 2014	Pref. margin on agric. exports to EU, 2014
	USD	%	€m	€m	%	%
Albania	4,460	39	49	328	0.0	4.6
Morocco	2,980	23	1,508	1,628	6.4	7.9
Kosovo	4,000	n.a.	19	200	n.a.	n.a.
Serbia	5,820	11	980	833	9.7	7.1
Eritrea	680	72	n.a.	n.a.	n.a.	n.a.
Georgia	3,720	13	155	159	0.5	5.3
Cape Verde	3,450	15	1	106	0.0	4.4
Armenia	3,780	9	7	94	0.3	12.6
Moldova	2,550	13	375	232	1.0	10.1
Dominica	7,070	19	n.a.	n.a.	0.0	10.8
Tunisia	4,310*	19	291	577	15.5	4.6
The Gambia	440	75	12	50	0.0	0.0
Afghanistan	670	58	25	43	0.0	0.6
Bosnia and Herzegovina	4,780	2	161	789	7.5	4.6
Palestine	3,060*	7	11	38	n.a.	n.a.
Somalia	n.a.	64	n.a.	n.a.	0.0	n.a.
Syria	n.a.	18	24	231	0.8	0.9
Comoros	820	68	n.a.	n.a.	0.0	5.0
Mongolia	4,280	16	42	62	0.0	0.0
Saint Lucia	7,080	20	n.a.	n.a.	0.0	0.0

Source: Table A3. An asterisk means the data are from 2013.

The discussion above on the external dimension of the CFP also suggested that, for coastal countries, the effects would be a balance between the financial transfers received and the local employment and value added generated, compared to any reduction in stocks available to local fishers or reduction in fish protein supplies to local populations, as a result of the activity of the EU fishing fleet in the EEZ's of these countries. Determining this balance would, again, require a detailed country-level analysis. However, a first indication of whether FPAs might have any observable impact on migration flows to the EU is to examine the scale of irregular flows from the countries with which the EU has an FPA (Table 4).

When ranked according to total flows, only Morocco emerges as a significant source of irregular migrants to the EU. However, as argued above, expressing flows as a proportion of a country's population provides a more accurate indicator of its significance to the source country. Three of the FPA countries are in the top twenty source countries for irregular migrants to the EU on a population basis (Morocco, Cape Verde and Comoros). Most of the others are in or close to the top quarter of the table (ranks between 20 and 45). There are some FPA countries (Madagascar and Mozambique) where migration flows relative to population seem tiny. No obvious relationship jumps out from the data. This is not to say that the FPAs do not have an impact (which may be positive or negative); rather, the impact is too localised and specific to be picked up at this very aggregate level.

Table 4. Irregular migration from countries with which the EU has an FPA

Country	Rank based on total flows (n=161)	Rank based on flows in proportion to population (n=155)
Cape Verde	102	7
Comoros	86	18
Côte d'Ivoire	36	68
Gabon	104	45
Kiribati	144	43
Madagascar	108	143
Mauritius	75	23
Mozambique	123	148
Morocco	11	2
Mauritania	65	39
Guinea-Bissau	76	25
Sâo Tomé and Principe	130	29
Senegal	30	34
Seychelles	135	42

Source: Annex Table A2.

5. Summary and conclusions

The EU is a major global player and its domestic policies are very likely to have, often unintended, effects on third countries. In this paper, we evaluate the likely contribution of the EU's CAP and CFP to migration pressure on the EU. The paper adopts a two-pronged approach. First, it describes the likely impact of both policies on third countries and it identifies the channels of these impacts. Second, it uses an innovative approach based on the nationality of irregular migrants to the EU to identify those countries where economic migration is likely to be mainly driven by 'push' factors. It then focuses on these countries and some selected characteristics to evaluate the possible impact of the CAP and CFP on these migration flows.

It is argued that both policies can, in principle, have either positive or negative effects on third countries depending on the characteristics of these countries. The CAP affects third countries mainly through its effects on the level and volatility of world market prices. The nature of its impact will depend on the trade status of the country (whether it is an importer or an exporter of CAP products), whether it has a preferential trade agreement with the EU or not, and its poverty profile (whether vulnerable and food insecure people are largely living in urban or in rural areas). In the case of the CFP, positive elements include the payments made to coastal countries for access to the fish resources in their EEZs and possible spin-off employment and value added from the provision of services, while negative elements can include the reduced availability of fish stocks for local fishers and/or reduced availability of fish protein for local consumption.

The paper underlines that both policies have been very significantly reformed in recent years to reduce and remove their negative impacts on third countries. In the case of the CAP, this reform process over a period of two decades has greatly reduced the importance of market management instruments such as market price support and export subsidies. However, farmers have been compensated through direct payments which are now a very important component of their incomes. Although there is debate on how trade-distorting decoupled direct payments are, they are much less trade-distorting that either market price support or coupled direct payments. As a result, the trade-distorting and price-destabilizing effects of the CAP are much smaller than they were previously. However, tariff protection for EU farmers remains high, although many low-income developing countries benefit from favourable preferential access. The CFP has also undergone a series of reforms designed to address criticisms that the EU external fishing effort was damaging the fishing potential of coastal states. There is optimism that the most recent reform in 2014 will finally ensure both a reasonable return to coastal states for the right to fish, improved local fisheries governance as well as a sustainable fishing effort, but all comes down to implementation.

The paper identifies sources of 'push' economic migration using data on irregular migration to the EU. When countries are ranked according to their importance as sources of irregular migrants to the EU, neighbouring countries in Europe and the Middle East and North Africa strongly dominate with Asian countries also important. When irregular migrant flows are measured in relation to population size as a better indicator of migrant pressure, Asian countries drop out and are replaced by a number of Sub-Saharan African and Caribbean countries. In general terms, source countries for 'push' economic migrants tend to be middle-income rather than least-developed countries. The agricultural sector is thus not necessarily a major source of employment. Nonetheless, there is evidence that, for some of these countries, EU tariff protection designed to protect the incomes of EU farmers limits their export earnings potential and contributes to migration pressure.

Fewer definite conclusions can be drawn with respect to the CFP. With three exceptions, countries with which the EU has an FPA are not major sources of 'push' economic migrants relative to their population size. However, the inability to detect any obvious impact of the CFP, whether positive or negative, may not indicate the absence of an impact, but rather that the impact is too localised and specific to be picked up using a very aggregate level of analysis. For both policies, detailed case-study work in individual countries would be necessary to discover if either policy does have discernible effects and, if so, the nature of those effects.

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ANNEX TABLES

Table A1. Irregular migration by southern source country, 2008-2014

Country	Rank illegally present	Rank refused entry	Rank refused asylum	Overall rank (total nos.)	Region	Overall rank (per millions pop.)	Country	Region
Russia	5	3	2	1	Europe	1	Albania	Europe
Serbia	5	5	1	2	Europe	2	Morocco	MENA
Albania	1	4	17	3	Europe	3	Kosovo	Europe
Turkey	5	9	8	4	MENA	4	Serbia	Europe
Georgia	5	8	15	5	MENA	5	Eritrea	SSA
Nigeria	5	14	9	6	SSAfrica	6	Georgia	MENA
Pakistan	5	19	4	7	Asia	7	Cape Verde	SSA
China (including Hong Kong)	5	11	13	8	Asia	8	Armenia	MENA
Iraq	5	27	3	9	MENA	9	Moldova	Europe
Algeria	5	16	19	10	MENA	10	Dominica	America
Bosnia and Herzegovina	5	17	18	11	Europe	11	Tunisia	MENA
Morocco	3	1	36	12	MENA	12	Gambia, The	SSA
India	5	15	21	13	Asia	13	Afghanistan	Asia
Armenia	5	29	11	14	MENA	14	Bosnia and Herzegovin a	Europe
Ukraine	5	2	38	15	Europe	15	Palestine	MENA
Syria	4	24	20	16	MENA	16	Somalia	SSA
Bangladesh	5	38	7	17	Asia	17	Syria	MENA
Kosovo (under United Nations Security Council Resolution 1244/99)	5	42	5	18	Europe	18	Comoros	SSA
Sri Lanka	5	37	12	19	Asia	19	Mongolia	Asia
Iran	5	36	14	20	MENA	20	Saint Lucia	America
Democratic Republic of the Congo	5	41	10	21	SSAfrica	21	Bolivia	America
Afghanistan	2	49	6	22	Asia	22	Suriname	America
Belarus	5	7	48	23	Europe	23	Mauritius	SSA
Guinea	5	39	16	24	Asia	24	Paraguay	America
Moldova	5	13	54	25	Europe	25	Guinea-Bissau	SSA
Egypt	5	30	39	26	MENA	26	Belarus	Europe

Ghana	5	33	40	27	SSAfrica	27	Grenada	America
Tunisia	5	23	52	28	MENA	28	Equatorial Guinea	SSA
Cameroon	5	46	30	29	SSAfrica	29	São Tomé and Príncipe	SSA
Senegal	5	22	56	30	SSAfrica	30	Ukraine	Europe
Angola	5	47	34	31	SSAfrica	31	Saint Vincent and the Grenadines	America
Côte d'Ivoire	5	54	28	32	SSAfrica	32	Iraq	MENA
Congo	5	50	33	33	SSAfrica	33	Jamaica	America
Somalia	5	62	22	34	SSAfrica	34	Senegal	SSA
Colombia	5	40	51	35	Latin America	35	Congo	SSA
Philippines	5	21	76	36	Asia	36	Lebanon	MENA
Vietnam	5	65	32	37	Asia	37	Algeria	MENA
Lebanon	5	63	35	38	MENA	38	Saint Kitts and Nevis	America
Libya	5	55	43	39	MENA	39	Mauritania	SSA
Mali	5	53	45	40	SSAfrica	40	Libya	MENA
Brazil	5	6	96	41	America	41	Guinea	SSA
Zimbabwe	5	79	23	42	SSAfrica	42	Seychelles	SSA
Azerbaijan	5	77	27	43	MENA	43	Kiribati	Pacific
Kazakhstan	5	56	49	44	Asia	44	Antigua and Barbuda	America
South Africa	5	31	74	45	SSAfrica	45	Gabon	SSA
United States	5	10	98	46	America	46	Sri Lanka	Asia
Venezuela	5	18	93	47	America	47	Barbados	America
Mongolia	5	85	29	48	Asia	48	Honduras	America
Haiti	5	93	24	49	America	49	Dominican Republic	America
Bolivia	5	48	73	50	America	50	Zimbabwe	SSA

Source: Own calculations based on Eurostat [migr_eipre],[migr_eirfs] and [migr_asydcfina]. Rank data are based on the average for the years 2008-2014. Population data from the World Bank, World Development Indicataors average 2010-2014. Top fifty countries shown on each overall rank.

Table A2. Principal countries of birth of those living but not born in the EU-28

	Country	2014
1	Morocco	1,521,492
2	India	1,044,489
3	Pakistan	727,123
4	China (including Hong Kong)	713,038
5	Russia	573,527
6	Ecuador	527,915
7	Albania	457,855
8	Ukraine	442,411
9	Colombia	429,012
10	Turkey	388,574
11	Philippines	383,434
12	Bangladesh	356,663
13	Argentina	339,506
14	Nigeria	324,917
15	Peru	318,180
16	Moldova	272,627
17	South Africa	267,168
18	Brazil	257,111
19	Sri Lanka	248,327
20	Former Soviet Union (before 1991)	236,256
21	Iraq	222,267
22	Venezuela	210,763
23	Dominican Republic	208,095
24	Suriname	185,702
25	Former Yugoslavia (before 1992)	183,948
26	Bolivia	180,135
27	Bosnia and Herzegovina	174,373
28	Cuba	168,731
29	Kenya	166,983
30	Jamaica	157,893
31	Iran	151,945
32	Indonesia	142,411
33	Senegal	141,286
34	Egypt	140,157
35	Belarus	139,335
36	Tunisia	135,684
37	Serbia	128,629
38	Somalia	118,183
39	Algeria	116,455
40	Vietnam	113,372

Source: Eurostat [migr_pop3ctb]. Data for major countries such as France, Germany and the United Kingdom not available.

Table A3. Selected indicators for twenty top sources of EU irregular migrants on population basis

Country	GNP/ Capita 2014	Agric. empl. Share 2014	Tariff on agric. exports to the EU, 2014	Pref. margin on agric. exports to EU,	EU agric. imports, 2014	EU agric. exports, 2014	Agricultural trade relationship with EU
	USD	%	%	%	€m	€m	
Albania	4,460	39	0.0	4.6	49	328	Western Balkans autonomous trade preferences grant duty-free access for all agricultural exports except sugar, wine, baby beef and certain fisheries products which are limited by tariff rate quotas
Morocco	2,980	23	6.4	7.9	1,508	1,628	Free trade area under Association Agreements, negotiations commenced on DCTFA. Tariff rate quotas on horticultural exports
Kosovo	4,000	n.a.	n.a.	n.a.	19	200	Western Balkans autonomous trade preferences grant duty-free access for all agricultural exports except sugar, wine, baby beef and certain fisheries products which are limited by tariff rate quotas
Serbia	5,820	11	9.7	7.1	980	833	Western Balkans autonomous trade preferences grant duty-free access for all agricultural exports except sugar, wine, baby beef and certain fisheries products which are limited by tariff rate quotas
Eritrea	680	72	n.a.	n.a.	n.a.	n.a.	LDC duty-free access
Georgia	3,720	13	0.5	5.3	155	159	Association agreement with DCFTA applied provisionally since Sept 2014. Agricultural imports previously restricted by duties and SPS barriers
Cape Verde	3,450	15	0.0	4.4	1	106	Duty-free access for agricultural exports to EU under West African EPA
Armenia	3,780	9	0.3	12.6	7	94	GSP preferences. Association Agreement with DCFTA negotiated but put on hold following Armenian decision to seek membership of customs union of Russia, Belarus and Kazakhstan
Moldova	2,550	13	1.0	10.1	375	232	Western Balkans autonomous trade preferences grant duty-free access for all agricultural exports except sugar, wine, baby beef and certain fisheries products which are limited by tariff rate quotas
Dominica	7,070	19	0.0	10.8	n.a.	n.a.	Duty-free access under EU-CARIFORUM EPA
Tunisia	4,310*	19	15.5	4.6	291	577	FTA under Association Agreement, negotiations expected to commence on DCTFA in 2015. Tariff rate quotas on horticultural exports including olive oil

The Gambia	440	75	0.0	0.0	12	50	Duty-free access under West African EPA
Afghanistan	670	58	0.0	0.6	25	43	No trade agreement; MFN tariffs
Bosnia and Herzegovina	4,780	2	7.5	4.6	161	789	Western Balkans autonomous trade preferences grant duty-free access for all agricultural exports except sugar, wine, baby beef and certain fisheries products which are limited by tariff rate quotas
Palestine	3,060*	7	n.a.	n.a.	11	38	FTA since 1997 with partial liberalisation of agricultural, processed agricultural and fish products since 2012
Somalia	n.a.	64	0.0	n.a.	n.a.	n.a.	Duty-free access as an LDC to EU market
Syria	n.a.	18	0.8	0.9	24	231	1977 Co-operation Agreement provides for duty-free entry to EU for industrial goods but not agriculture; Association Agreement negotiated but not yet signed
Comoros	820	68	0.0	5.0	n.a.	n.a.	Duty-free access as part of interim EPA with Eastern and Southern Africa
Mongolia	4,280	16	0.0	0.0	42	62	GSP access
Saint Lucia	7,080	20	0.0	0.0	n.a.	n.a.	Duty-free access under EU-CARIFORUM EPA

Notes: FTA Free Trade Agreement: DCFTA Deep and Comprehensive Free Trade Agreement, GSP Generalised System of Preferences, EPA Economic Partnership Agreement, MFN Most Favoured Nation.

Sources: GNP/capita from World Bank, World Development Indicators (* represents 2013 data); Share of agricultural employment in the economically active labour force from FAOSTAT; tariff data from WTO, World Tariff Profiles (the implicit tariff applied on agricultural exports to the EU is derived by subtracting the preferential margin (trade-weighted basis) from the MFN tariff (trade-weighted basis); EU agricultural trade data from DG Trade, Statistics.

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WTO World Tariff Profiles http://stat.wto.org/TariffProfile/WSDBTariffPFHome.aspx?Language=E

DG TRADE, Statistics http://ec.europa.eu/trade/policy/countries-and-regions/statistics/index_en.htm