

*In the first ten months of 2015, more than 1.2 million illegal border crossings at the external border of the EU have been detected, a level never seen before in Europe. Available evidence suggests that irregular migration also persists in other parts of the world at high levels. Most of the migrants who use these routes put their lives in the hands of unscrupulous human smugglers and traffickers, who make big money out of this business. Tackling these crimes has become a top priority for policy makers.*

*This edition of **Migration Policy Debates** scrutinises the factors that facilitate human trafficking, as well as the smuggling routes to OECD countries. It synthesises available evidence and reviews existing policy tools for tackling such crime. It emphasises the need to undermine the business model of smugglers, including by reducing the demand for smuggling, fighting against corruption and addressing the root causes for irregular migration.*

## Can we put an end to human smuggling?

- **Smuggling is a crime:** Smuggling of migrants takes place when a person facilitates the transportation, attempted transportation or illegal entry of another person into another country, with the aim of making a profit. It is a distinct crime from trafficking in persons, but in practice the two are often linked.
- **Smuggling takes very different forms and may imply a large number of intermediaries:** It can be structured as trans-national networks or, more often, comprise more or less connected informal organisations or individuals. It can be organised from origin to destination or made up of a succession of short travel routes. It can involve irregular border crossings or the use of fraudulent travel documents.
- **Smuggling is increasing:** In Europe, human smuggling has grown significantly, notably via the oriental Mediterranean route but also through the central Mediterranean route. Other major routes of smuggling in Asia persist, although they are not increasing. Smuggling is also prevalent in Central America, with large number of people smuggled as they try to reach the United States.
- **Smuggling is enabled by corruption:** This could be reduced by fully implementing OECD Guiding Principles on Combatting Corruption Related to Trafficking in Persons.
- **Smuggling can be tackled:** Past experience of OECD countries show that co-operation with transit and origin countries can be instrumental to tackle human smuggling. In the longer term, however, this may not be sufficient if we cannot undermine the business model of smugglers.
- **Smuggling should be made “high risk & low reward”:** In addition to reinforcing border controls and international police co-operation, policies should be implemented to reduce the profit for smugglers and to limit the demand for smuggling. Undermining the profitability of smuggling without tackling the demand side carries the risk that smugglers will simply increase their offer on low-cost and deadlier routes.
- **Smuggling demand can be lowered:** For refugees, one of the only available options to curb demand seems to be, at least in the short term, to offer more – and quicker – resettlement options. For economic migrants, curbing demand would entail increasing both prevention and information campaigns and employment options in origin countries and opportunities for legal labour migration, notably in sectors which are structurally dependent on undocumented migrants. It would also require reinforcing controls and sanctions against the illegal employment of foreign workers.
- **Ending smuggling requires new medium and longer-term approaches to development programs and development assistance:** countries should move towards development-led strategies to counter smuggling, adapt development programmes to serve those prone to illicit migration, and increase employment opportunities at the regional level as well as promote intra-regional mobility.

## Smuggling and trafficking

The smuggling of migrants takes place when a person facilitates the transportation, attempted transportation or illegal entry of another person into another country, with the aim of making a profit ([United Nations Protocol against the Smuggling of Migrants by Land, Sea and Air, Art. 3a](#)). A different but related issue is trafficking in persons which consists of acts such as recruitment, transport, transfer, harbouring, receipt of a person, by means of abduction, fraud, deception, coercion, abuse of power or a position of vulnerability and others for the purpose of exploitation, including sexual exploitation, forced labour, and the removal of organs.

Smuggling of migrants is by definition always transnational and always illegal. Contrary to trafficking in persons, it does not involve coercion or deception of victims. Instead, human smuggling is committed with the consent of the persons being smuggled. Once the two willing parties have conducted their business, they generally go their separate ways. Human smuggling therefore does not involve an ongoing or new relationship once the destination is reached (Holmes, 2014).

Different to the smuggling of migrants, trafficking in persons is not necessarily transnational and central to the definition of trafficking is that the acts are committed by fraud, deception or coercion, and with a purpose of exploitation. Once the destination is reached, trafficking involves an ongoing or a new relationship. It violates human rights of those trafficked, most commonly the right to personal autonomy, the right not to be held in slavery or servitude, the right to liberty and security of persons, the right to be free from cruel or inhumane treatment, the right to safe and healthy working conditions, and the right to freedom of movement (for an overview of trends and patterns see Kangaspunta in OECD 2015d).

Although two distinctively different crimes, it is, in practice, not uncommon that what starts off as smuggling of migrants can turn into a situation of human trafficking. For example, a pre-determined fee for entering a country illegally can – once the border crossing has been completed – be raised to an amount that the migrant cannot afford. In order to pay off this increased fee, and under threats from the smuggler to report the migrant's illegal border entry to the authorities, the migrant can end up in a situation of forced labour or sexual exploitation, making this person a victim of trafficking.

Even if smuggling does not turn into trafficking, the underlying and facilitating factors characterising both are intertwined, thus strategies and actions to curb smuggling may be applicable to trafficking in persons and vice versa.

## Emerging smuggling routes

Some irregular migration corridors are well established, but precise smuggling routes may vary according to the evolution of border controls, geopolitical contexts and risks. Some new routes to OECD countries in and from Asia, Africa and Latin America have emerged recently (UNODC 2011a, EC 2015b).

### *From Africa to Europe*

There are currently two main smuggling routes from Africa to Europe, crossing the Mediterranean between Libya and Italy (the central Mediterranean route) and between Morocco and Spain (the Western Mediterranean route). Increasing numbers of Africans transiting via Turkey have been detected recently, although numbers remain relatively low so far (Frontex, 2015a).

Smuggling routes from Africa into Europe have shifted in recent years. Boats from African countries to the Canary Islands were more common in the mid-2000s and peaked in 2006 at close to 40 000 arrivals. Spain worked closely with Mauritania, Morocco and Senegal to prevent departure of boats from these countries, intensifying exchange of information, enforcing returns, supporting development and creating privileged channels for labour migration. Landings in the Canary Islands and in the south of Spain have

decreased drastically since (Table 2). Smuggling networks persist, however, and provisional data from Frontex for the first nine months of 2015 show a sharp increase in illegal border crossings from North Africa to the Iberian Peninsula, as well as through Ceuta and Melilla (10 400 arrivals, half of whom were Syrians, compared to less than 8 000 in 2014).

**Table 2. Illegal maritime arrivals, Spain and Italy, 2002-2014**

|              | 2002  | 2003  | 2004  | 2005  | 2006  | 2007  | 2008  | 2009 | 2010 | 2011  | 2012  | 2013  | 2014   |
|--------------|-------|-------|-------|-------|-------|-------|-------|------|------|-------|-------|-------|--------|
| <b>Spain</b> | 16670 | 19176 | 15675 | 11781 | 39180 | 18057 | 13424 | 7285 | 3632 | 5441  | 3804  | 3237  | 4552   |
| <b>Italy</b> | 23719 | 14331 | 13635 | 22939 | 22016 | 20455 | 36951 | 9573 | 4406 | 64261 | 13245 | 42925 | 172114 |

Source: Ministries of Interior, Italy and Spain

A much larger route crosses the central Mediterranean from Libya (and in 2011, Tunisia) towards Italy. Smugglers hire boats and, if they pilot them, abandon ship before the arrival of the rescuers. Italian co-operation with the Libyan authorities under the previous regime kept the numbers below 10 000 in 2009 and 2010, but co-operation has broken down since the fall of the Gaddafi dictatorship and smugglers have been able to dispatch boats with greater ease. The recent record figures of this route – 172 000 in 2014 and 141 000 through October 2015 – reflect this lack of a counterpart in Libya (Table 2).

While the attention has focused on Libya’s northern shores and on connections to Italy, Libya’s southern frontiers, specifically the Sahelian border zones, are largely uncontrolled, allowing the native semi-nomadic populations of Tabu and Tuareg to travel freely throughout this area. Smuggling networks from sub-Saharan Africa have become well rooted in the Sahel-Sahara and closely ingrained into the local economies in Niger and border towns in southern Libya.

Furthermore, south-eastern Italy counted almost 20 000 arrivals in 2014, many on overcrowded boats that had set out not from Libya, but from Turkey or Egypt. This region had last seen smugglers charter boats in large numbers during the Kosovo crisis in 1998-99, which had led many Albanians to pretend to be Kosovars and take boats to Italy. Italian authorities managed to curb this flow by strengthening co-operation with Albanian police, signing a re-admission agreement with presumption of nationality (accelerated returns), but also by facilitating regularisations and by increasing development co-operation. Another measure was Albanian restrictions on maritime traffic by unregistered craft.

The arrivals of relatively wealthy Syrians migrants on this smuggling route, mostly transiting through Egypt to Libya, and the greater use of social media to reach out potential clients, have increased expected profits and the business for traffickers on the central Mediterranean route. This has created new relatively cheap opportunities for African migrants who are rarely middle-class and may have difficulties to pay the large fee required by smugglers for a full package trip (Box 2).

**Box 2 Smuggling from Western Africa to Europe**

West Africa is a region where mobility is a survival strategy, due to its history, topography and economy. Human smuggling and the elements that characterise it in West Africa are addressed in a report that the OECD and the African Development Bank will release in 2016 (see also UNODC, 2011b). According to the most recent Frontex data, in the first half of 2015 sub-Saharan African migrants comprised at least 35% of all illegal border crossings between border crossing points (BPCs) at EU external borders. The top ranking nationality was Eritrean (18500), but the largest regional share was made of Western Africans, notably from Nigeria (8500).

Unlike in other regions, the smuggling of West Africans has not generated enough profit to warrant proper transnational criminal networks (Lacher, 2012). Those smugglers offering pay-as-you-go system are loose networks that disperse and re-form depending on the transaction involved. Such operations work almost exclusively in cash-based transactions paid directly to smugglers, who also spend in the local economy. Smuggling is also facilitated by

free mobility within the Economic Community of West African States (ECOWAS) region,<sup>1</sup> weak border controls and the fact that several Western African countries have visa-free programmes with North African countries.

Interviews with West African migrants in reception centres in Italy give an indication of the total costs of their journey. Compared to Syrians (who have been known to pay €2 000 for a place on a boat), Africans appear to be paying an average of €600-800. They are consequently treated much worse, including being locked in the holds of boats, not allowed to come out on deck, and packed so tightly that sometimes they asphyxiate (OECD/AfDB, forthcoming).

### Box 3 Smuggling from Africa to Israel

Israel's desert border with Egypt was long unfenced. Starting in the late 2000s, smugglers targeted this open border and the number of smuggled migrants, including asylum seekers – mostly from Sudan and Eritrea – reached 10 000 annually in 2010-2012. In mid-2012, a fence was hastily completed, which, along with instability on the Egyptian side, saw border crossing plummet. Lawlessness in Egypt also increased the risk that migrants would be kidnapped, extorted and abused. Within the country, Israel imposed unfavourable conditions on all smuggled migrants, including a requirement to reside temporarily in a reception facility and restrictions on access to employment. In 2013, the government announced agreements with safe third countries in Africa for the voluntary return of African smuggled migrants, including asylum seekers and beneficiaries of group protection. The agreements remain unpublished so far. Returns exceeded 6 000 in 2014. The combined effect of border control, the above limitations and the prospect of resettlement in a third country, have made Israel a much less attractive destination for smugglers and their clients.

### To and across Europe

Among people who are currently smuggled to Europe, notably through the Eastern Mediterranean route between Turkey and Greece, there are many potential refugees. Most people coming from Syria, for example, use smugglers under pay-as-you-go systems to reach Greece and then connect to other brokers to organise their trip through the western Balkans or travel independently. In the first ten months of 2015, according to latest Frontex data, 580 000 people used this route, including 370 000 Syrians.

People originating from Afghanistan (130 000 in the first ten months of 2015) are either middle class people under full package arrangements and coming directly from Afghanistan or less wealthy families or individuals who work to pay each leg of their trip. Among the rising number of unaccompanied Afghan children, both types can be found (UNHCR, 2010). Part of Afghans seeking asylum in the EU are coming from refugee camps in Iran where their living conditions seem to have deteriorated recently.

Other human smuggling and trafficking routes from Central and Eastern Europe to the EU, notably through the Western Balkans, are older but persist although they are less prominent and the composition of flows and their *modus operandi* have changed since the 2004 and 2008 EU enlargements and subsequent visa facilitations.

### Smuggling routes in Asia

In Asia, smugglers have long worked between Indonesia and Malaysia, bringing Indonesians who will work illegally. One route into Malaysia has developed in the past two years serving a Burmese minority, the Rohingyas, who are fleeing Myanmar. The Rohingyas, a Muslim minority in Myanmar estimated to number 1.3 million, have, despite centuries of settlement, been denied citizenship and face restrictions on marriage, family size, access to public education, medical service and freedom of movement. From January to March 2015 alone, about 25 000 set out from Bangladesh by boat in the Bay of Bengal

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<sup>1</sup> Freedom of movement within ECOWAS is an entitlement of its citizens, part of the treaty that created the economic zone in 1975.

(UNHCR, 2015). In total, UNHCR counted about 150 000 Myanmar refugees in Malaysia in mid-2015, although only about 50 000 of them declared they were Rohingyas.

Rather than pay smugglers upfront, Rohingyas usually only pay when their journey is close to its end. Travelling by boat from Myanmar or from Bangladesh, many transit into camps in the southern jungles of the Thai-Malaysia border. There they await the payment of the transit fee by their families, in order to then be smuggled into Malaysia, where they plan to work illegally. Some are successful and cross the border. For those whose families cannot pay, there is no escape from the camps. Mass graves with hundreds of Rohingyas and Bangladeshis were found in 'death camps' on Thai- Malaysian border in May 2015.

There is also a human smuggling route between Indonesia and Christmas Island, Australia. After a lull in the mid-2000s, the numbers have been increasing since 2009, reaching 18 300 in the 2013-2014 Australian fiscal year and leading Australia to re-open offshore centres on Pacific Island countries for processing asylum claims by illegal maritime arrivals (IMAs). To further discourage individuals from using this dangerous route, Australia separated the asylum track so that IMAs who received protection would not have the same permanent settlement prospects as those who applied through other channels or who were selected for resettlement. Australia also established an agreement with Cambodia to resettle refugees there, in exchange for AUD 40 million of economic support. Following these policy changes, the number of IMAs fell dramatically by 2015.

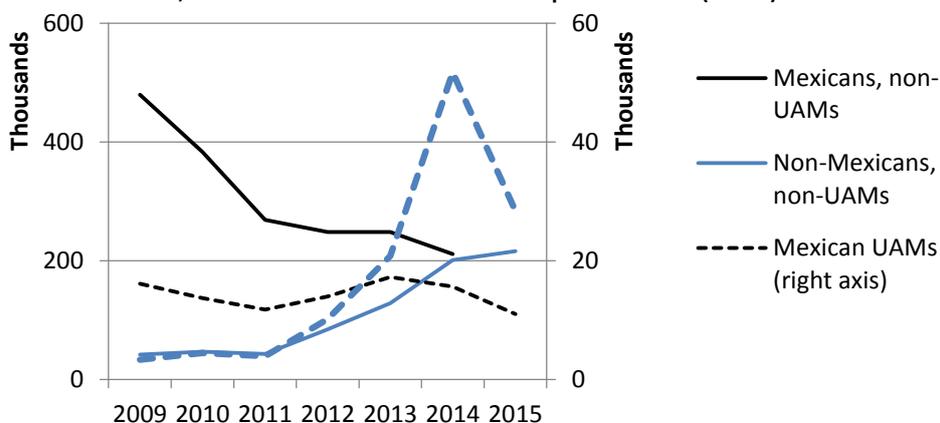
The leading origin country of legal migrants to OECD countries is China. However, smuggling does account for a small part of overall migration from China. While illegal border crossing sometimes occur, smugglers (or "snakeheads") also fraudulently acquire tourist or other short-term visas for their clients, who then overstay (UNODC, 2015). As the price can be extremely high (as much as USD 40 000 for the United States and EUR 20 000 for Europe), migrants generally contract debts to be paid off through labour in the destination country, indenturing themselves to pay for the trip.

### *From Central to North America*

In North America, there are consolidated smuggling networks running across the US-Mexico border, which has grown from small-scale smuggling operations to a lucrative business overseen by organised crime groups. Not all illegal entries are through smuggling networks, and not all those intercepted are using smugglers, but the US Border Patrol statistics on interception on the US-Mexico border gives a picture of certain trends. While the total number of arrests fell steadily from the mid-2000s to 2012, due to increased border security discouraging attempts and worsening economic conditions making the US relatively less attractive for job seekers, this held true for Mexicans only. Central American nationals – primarily from El Salvador, Honduras and Guatemala – were apprehended in stable numbers. Coming from further away, these groups are more likely than Mexicans to use smugglers.

Starting in 2011, the number of unaccompanied Central American minors, began to rise sharply, reaching a peak of about 51 000 in 2014, most of whom arrived in the summer months. Many of them are dependent of smugglers to make their way to the United States and face great risk of becoming victims of trafficking in persons. An increase in the number of women fleeing violence in Central American countries, often with children, was also registered in 2015. Rapid reaction by the US and Mexican administrations led to a decline in 2015. This was due to several factors: widely publicised changes to the reception and judicial system in the United States, information campaigns in origin countries, co-operation with Mexico and Mexico's stepped up efforts on its own southern border. The effects appeared to have faded somewhat by summer 2015, and total arrivals of unaccompanied minors in the United States for full year 2015 were above pre-2014 levels (Graph 1).

**Graph 1. U.S. Border Patrol Apprehensions: Fiscal Years 2009 to 2015, southern border, Mexican and non-Mexican unaccompanied minors (UAMs) and non-UAMs**



Source : Department of Homeland Security, USA

### **Modus operandi, smuggling “services” and facilitators**

Smuggling has very different forms and may imply a large number of intermediaries. It can take the form of structured trans-national networks or, more often, more or less connected informal organisations or individuals. It can involve irregular border crossings or the use of fraudulent travel documents. It can be organised from origin to destination or made up of a succession of short travel routes. Depending on the migration route, certain types of methods and “services” may be predominant, but all the following forms tend to coexist.

#### *Smuggling services: Pays as you go vs. full package*

Smuggling is a specialised industry, often highly localised, requiring local knowledge and specific skills. Migrants call on this service to chart terrain they cannot navigate alone – i.e. a desert or the sea – or because they need to navigate different cultures, i.e. they do not speak the language (UNODC, 2011). There are broadly two forms of smuggling services available: the full-package model and the pay-as-you-go model.

Smugglers offering **full-package** migration function almost like a travel agent: a migrant pays a large sum (often several thousand euros per person) in their country of origin to a smuggler who arranges several services. Only relatively sophisticated groups are in a position to offer such services, since they entail complex co-ordination and financial capital to procure transport and to pay bribes. Payment may occur in several stages. Formal economy purchases (e.g. air tickets) require capacity to launder funds. This type of smuggling often involves corruption at different stages of the process as traffickers need to control the full logistical chain across countries. The high cost of full-package on certain smuggling routes means that large debts may be contracted, increasing the risk of exploitation and coercion (ie. human trafficking) to oblige migrants to repay their debt once they reach the destination country.

The **pay-as-you-go** model, the dominant model in many parts of the world (notably in West Africa), means the final destination might not be predetermined and the speed and direction of the journey will depend on available funds that migrants have at each step. A migrant might work for a few days, weeks or months in places along the way to pay for the different legs of the journey. Fearing thefts, migrants usually carry only what is needed for the next leg of the trip and use international money transfer operators to access their savings.

### *Modus Operandi: Forged documents vs. irregular border crossings*

Techniques used by the smugglers take many forms depending on geography, border controls and enforcement measures, legal migration routes and established smuggling networks. It is, however, possible to distinguish two very different forms of illegal entry.

The first is illegal crossings of a border. This is the case, for example, when someone tries to enter at border crossing points (airports, harbours, and land border check points) hidden in closed compartments in cars, trucks, buses, trains, or containers. People may also try to cross borders illegally between official border crossing points (BCP), whether by land or sea. In the EU, this is the category of illegal entries which has increased the most recently: in 2014, according to Frontex, more than 280 000 illegal border crossings between BCPs were recorded. In the first ten months of 2015 this number reached 1.2 million.<sup>2</sup> By comparison, the number of clandestine entries at BCPs registered by Frontex was only about 3 000 in 2014 and 800 in the first six months of 2015.

A second type of illegal entry corresponds to the case where people try to **enter with fraudulent documents** (e.g. forged, counterfeit or stolen passports, ID cards or visas). This type of smuggling is more likely to be associated with corruption either in obtaining documents or in using them. It is usually very costly, especially for travel to OECD countries that have high security standards regarding travel documents. In 2014, Frontex recorded about 11 000 people denied entry in the EU because of fraudulent documents. This is less than 10% of the total number denied entry every year, either because they do not fulfil the conditions for entry (e.g. no valid documentation or visa, insufficient means of subsistence or no return ticket, no proper justification for entering) or because they are identified as representing a threat to public security. Human smuggling is not necessarily involved in such cases.

### *Facilitators*

Compared to other trans-national illicit activities, human smuggling is less likely to be dominated by overarching mafia-like criminal structures. Many people intervene at different levels to facilitate human smuggling, generally with a clear division of tasks. Depending on the smuggling route, only some of the facilitators discussed below operate (see Table 2 for a more precise description of the different parties in the case of West Africa).

**Co-ordinators** are in charge of the networks and take an overall responsibility for operations, notably in full package offers. They are well connected and capable communicating with different types of facilitators in origin, transit and destination countries. They take different names in different parts of the world such as “coyotes” in Mexico, “snakeheads” in Asia, “burgers” in Nigeria, or “in tchaga” in Niger.

At a lower level, **recruiters** advertise smuggling services and establish contacts with potential migrants. Smugglers generally need to reach a critical number of migrants before they can deal with a transporter. In some cases migrants may have to wait in a “connection house”, controlled by smugglers, until the critical number of people is reached to organise a convoy or load a boat.

**Transporters and guides** execute the operational part of the smuggling. They are in charge of in country transportation and illegal border crossing. They are often in a position to mistreat and exploit the people they are guiding as this is the most risky part of their journey. Guides are generally local people, operating over relatively short distances. Transporters or guides act on their own and only occasionally. In other cases, transporters are well established transportation businesses (e.g. bus companies, taxi drivers etc.).

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<sup>2</sup> This number, however, counts twice people who arrived in Greece and then crossed again an external border of the EU in Hungary, Croatia or Slovenia.

**Service providers and suppliers** are providing services, such as accommodation and food, vehicles or boats, forged or falsified documents etc. **Spotters** are specifically in charge of directing smugglers to the best routes and informing of possible border patrol checks. **Cashiers** are responsible for handing over the migrants' money to the smuggler on successful completion of the operation. **Chairmen** are migrants who have settled in critical locations and are recognised by their own community. They have developed local contacts and may corrupt local authorities. They provide advice to the migrants regarding how to behave in the transit country, connect them with local facilitators or in some case oversee smuggling operations on the next leg of the journey.

There are different levels of co-ordination of these different actors. The vast literature on this issue distinguishes different organisational structures which go from loose networks between local organisations, to occasional alliances between groups and/or individuals or pyramidal cross-country criminal organisations. Overall, chain organisations, without transnational hierarchies, seem to be predominant, but different organisational structures and smuggling technics usually co-exist. As communication and trust between facilitators are key, smuggling usually take place within relatively homogenous ethnic groups.

It is also interesting to note that on some smuggling routes, specific countries of origin are dealt with separately. Asian migrants who use Central American routes to reach the United States, or who go through Africa to reach Europe, use different facilitators from Central Americans and Africans even on the same corridors.

Finally, some people may facilitate illegal cross border movements for other reasons than profit, such as helping family or humanitarian motivations. In that case, this is not human smuggling under the UN definition, even if facilitators are generally still exposed to sanctions in the destination or transit countries.

**Table 2 : Key facilitators of smuggling in West Africa**

| Smuggling function                | Description of tasks  |
|-----------------------------------|---|
| <b>Recruiters/ brokers</b>        | Small offices in West Africa (or through internet) advertise Schengen visas or migration to other destinations and advise migrants on routes and travel hubs (i.e. Agadez, Gao, etc.) and what to expect on the way (i.e. where bribes will be required). In the pay-as-you-go model, they may offer contacts with the broker who will arrange the following leg of the journey. Recruiters transact with individual migrants in the pay-as-you-go model, so they need a critical number of clients to secure a convoy. They may also provide accommodation.                        |
| <b>Transporters (land or sea)</b> | Transporters ensure various types of transportation, based on the price paid by the migrant and the availability of secure routes. Airports may be chosen not for convenience but for where officials accept bribes. In the pay-as-you-go model, the transporter specialises in only one geographic region or only one journey between two cities, handing the migrant to the next broker. In the full-package model only, the transporter may be a transnational network. Such a service requires capital; a fish trawler, for example, may carry 300 people and cost USD 350 000. |
| <b>Specialists</b>                | Smugglers need trusted relationships with a range of specialists: those who provide stolen travel documents (sometimes inside embassies) or forged ones (UNODC, 2011b); a financier, who deals with the money paid by the migrant to handle transactions between the informal and formal economy; providers of security (i.e. to escort vehicles). Accommodation is provided in transit house on the way. As many as 70 such houses, locally known as "ghettos" are in the Agadez region alone.   |
| <b>Corruptors/ controllers</b>    | Corruptors are people who have cultivated specific relationships to enable practices necessary throughout the full package journey. A smuggling route is adapted according to where corrupt pathways exist, whether low level – i.e. airport staff paid to provide access – or higher level, such as justice officials being paid to turn a blind eye or dismiss court cases.   |

Source: OECD/AfDB (forthcoming).

More generally, it is important to note that trafficking in persons and human smuggling would not be as prevalent and widespread if it was not for the leverage supplied by corruption (OECD, forthcoming).

Corruption in the trafficking and smuggling notably facilitates the execution of the crime, for example by loosening immigration control and border protection activities or by incentivizing the issue of fraudulent invitations or forged documents.

### Combating human smuggling

Eradication of human smuggling and trafficking activities is probably unattainable but past experience of OECD countries has shown that it is possible to seriously curb these flows and to harm traffickers' business. In this context, international police co-operation is critical but may not be sufficient. The dismantlement of smuggling networks may be short term, as new criminal organisations quickly emerge to replace those that have been dismantled. Other types of actions are needed to complement police work and to address the root causes of the phenomenon.

#### *Undermining the business model for human smuggling*

The full package business model was first described by Salt and Stein (1997) as having three different steps (mobilisation, "en route" and "insertion and integration"). They show that the separation of tasks is key for survival of the business and suggest placing sharper focus on institutions and vested interest involved rather than on the migrants themselves.

Other authors present smuggling as a service industry based on risk, reputation and trust where competition is high (e.g. Bilger, Hofmann and Jandl 2006). Smugglers are operating in a market with imperfect information, which puts a high premium on their reputation. This reputation may come at a risk for the smugglers, when they have to hide from the police. In this perspective, smugglers are incentivised to deliver the service, not only because they won't be paid if they do not, but also because their reputation and prospects for future business are at stake. Part of the smugglers' fee can be assimilated to a safety premium for migrants: the higher the price the higher the level of security and the guarantee of the outcome. This may explain the co-existence, on the same routes, of relatively safe full package offers and highly risky pay-as-you-go journeys where migrants are treated as goods or worse.

Even without reliable global estimates of the economic impact of human smuggling, there is no doubt that it is a highly profitable business. It is highly profitable for the smugglers who manage to take very low personal risk, but it might also be profitable for smuggled migrants. Koser (2008) for example, found that remittances sent back by Afghani and Pakistani migrants smuggled into the United Kingdom were sufficient to repay smugglers' fees after two years, on average. While not all smuggling routes ensure the same return, migrants and their families usually consider the cost of irregular migration as an investment in future earnings. Obviously, this is not the sort of calculation made by people fleeing war zones or by those whose lives are at threat in their country of origin.

Considering smuggling as a business,<sup>3</sup> two complementary lines of action for policies, in addition to reinforcing border controls and international policy cooperation, emerge for making this crime "high risk & low reward": (i) reduce the profit for smugglers and (ii) limit the demand for smuggling.

#### Reducing profits

A first step to reducing smugglers' profits is to increase the costs they face. This could be financial, but also could be risk of punishment. Increasing the fees that smugglers have to pay to intermediaries can be achieved, for example, by reinforcing anti-bribery policies (see Box 5), by improving technologies to prevent the falsification of travel documents and to increase detection, or by increasing sanctions against

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<sup>3</sup> Some people have, however, criticised these approaches which underestimate the role of personal networks in the migration process and notably that of families (see Baird 2013 and IMISCOE 2007 for a full discussion).

transporters and providing them with more profitable alternative business options. Smugglers' profits can also be reduced by increasing sanctions (FRA, 2014) and improving identification of both money laundering activities and of smugglers themselves.

A second step is to integrate anti-smuggling into a more global analysis of criminal networks, who are taking advantage of enforcement gaps more globally. The recent report of the OECD Task Force on Charting Illicit Trade provides a more integrated understanding of the threats, which are the result of arbitrage and convergence among criminal networks (OECD 2015d). For money laundering, there is first a need to better understand the nature and scope of the financial transactions involved in smuggling. In western Africa, for example, it seems that most of the payments are made in small informal cash payments, which makes them very difficult to track. In other cases, costs are larger and benefits are more concentrated among a limited number of beneficiaries. A FATF/OECD (2011) report clearly underlined the risks of money laundering associated with human trafficking and smuggling and proposed concrete actions to strengthen financial investigations against smugglers.

Better identification of smugglers can be achieved not only through reinforced border controls and international police co-operation, but also through the involvement of smuggled migrants. In some OECD countries, special visas are available for undocumented migrants who participate in the identification and prosecution of their smugglers. Many countries are able to provide temporary permits to individuals co-operating with investigations or court cases. When specific, these are usually designed to combat trafficking in persons, as individuals who have successfully used smuggling services to reach their destination are unlikely to report their smuggler. The U-Visa in the United States, for example, can be obtained by witnesses in cases of fraud in foreign labour contracting, as well as trafficking, slave trade and involuntary servitude.

A challenge is that smugglers quickly adapt their strategy and business offer in response to policy changes. If policy changes affect the profitability of the smuggling business, smugglers have three basic choices: (1) exit the market and refocus on other more profitable illicit activities, (2) increase prices or (3) increase the number of people smuggled to maintain the same amount of profit. They may also shift routes and methods to maintain their profits.

The first option is unlikely because even if smuggled migrants use the same routes as other types of illicit trade (drug, weapons, artefacts, endanger species etc.), human smuggling is different. Unlike drugs or arms shipments, human beings can transit from one smuggler to another on their own, so smuggling is based more on interconnected networks than on international crime organisations' logistics. Prices may be raised, but most potential migrants have limited resources, so price increases will be limited to the high end of the market (safer full package offers).

As a result, undermining the profitability of smuggling without tackling the demand side carries the risk that smugglers will simply increase their offer on low-cost, high-risk routes with ultimately more people involved and an increasing death toll. This can be seen where smugglers pack more clients into boats and where they no longer pilot craft themselves, eventually abandoning smuggled migrants at sea.

#### [Addressing the demand for smuggling](#)

Amongst people currently using irregular migration routes, there are many fleeing their country of origin because of conflict or personal threat. Offering more opportunities for legal labour migration may have little impact on these flows, as asylum seekers may not have the skills that would match employers' demand. Humanitarian migrants may also face major difficulties in accessing legal labour migration routes because of the lack of information, absence of documentation, and the impossibility of waiting to migrate until paperwork is done. In that case, addressing the demand for smuggling could lie in offering

significantly more – and quicker access to – resettlement facilities, in order to allow more people to get international protection in a safe and orderly way.

Amongst those who are looking for better life/employment opportunities, the demand for smuggling should be addressed by weakening the demand for illegal employment of foreign workers and more generally expected benefits for migrants. In addition to compliance enforcement, it is necessary to work with employers, including households, to incentivise them to use legal labour migration channels and to increase sanctions if they do not comply. In some cases, developing more legal labour migration channels according to needs in destination countries, notably in sectors that have become structurally dependant on undocumented migrants, may be necessary to draw aspirant migrants away from illegal routes (see Box 4). More efficient return migration policies can also contribute reducing the benefit to clients of smugglers.

Prevention and information campaigns in origin countries, can affect demand by reducing the risk that clients are misled by unrealistic promises of life in destination countries. Reducing the capacity of migrants to contract large debts in the informal financial market can also affect the demand for facilitating certain types of irregular migration. Finally, pressure to depart can be reduced by promoting employment opportunities in countries of origin, as well as by reinforcing security and stability in origin countries.

#### **Box 4 Can legal migration replace irregular migration?**

The link between the availability of legal labour migration channels and the persistence of irregular migration appears very logical at first glance.

Some economists have used theoretical models to demonstrate that more open labour migration policies could help to reduce illegal migration (see Hanson, 2006, for a survey of the economic literature on illegal migration). Auriol and Mesnard (2012) propose such a framework with the sale of work permits to compete with the illegal offer of smugglers. To dry up the smuggling offer, the price for a legal visa has to push smugglers to compete by pricing their services at marginal costs such that their business is no longer profitable. At the same time, Auriol and Mesnard (2012) show that this policy – without any additional measures – would generate larger immigration inflow and with higher skill diversity. If the sale of visas is used in combination with stricter border and employer controls, then migration flows could be controlled by pushing down the smugglers' fees through the sale of visas and increasing their operating costs through more stringent controls. In addition the resources from selling visas can be used to finance stricter border and employer controls.

In practice, if migrants who have entered illegally mostly work in the informal sector or under working conditions that do not respect local labour laws, augmenting legal labour migration opportunities may have only a limited impact on the demand for illegal employment of foreign workers. Furthermore, the fact that smuggling fees on some risky pay-as-you-go long-haul routes have dropped below USD 1 000 also casts doubts on the ability to set competitive prices for legal visas.

To conclude, many of the actions described above have been undertaken to some degree. The fact, however, that actions have not been implemented in a coherent manner suggests that there is not yet a full understanding of the key determining factors that characterise specific smuggling routes. A more comprehensive and global response, that focuses not only on reinforcing border controls but also consider ways to reduce smugglers' profits and, even more importantly, aims at reducing short term and medium term demand for smuggling.

## International instruments to fight smuggling of migrants

During the past 15 years, steps have been taken at international level to combat smuggling and trafficking in persons. This includes, notably, the 2000 UN Protocol against the Smuggling of Migrants by Land, Sea and Air, which supplemented the UN Convention against Transnational Organized Crime. This protocol entered into force in 2004 and to date about 130 countries have signed it.<sup>4</sup>

The European Commission has also taken concrete steps against human smuggling, notably by adopting a comprehensive Action Plan to counter and prevent migrant smuggling (EC, 2015a). The action plan covers the period from 2015 to 2020 with four main objectives: (1) enhancing police and judicial response; (2) improving gathering and sharing of information; (3) enhancing prevention of smuggling and assistance to vulnerable migrants and (4) reinforcing co-operation with third countries. The importance of enforcing the UN protocol was reiterated in the EC Action Plan as well as more recently in the joint action plan recently agreed between European and African leaders at the La Vallette Summit (11-12 November 2015).

The question of human smuggling is also addressed at regional level, within regional consultation processes such as the Bali process, the Budapest process, the Khartoum process, the Puebla process, or the Rabat process among others.

### Addressing corruption

Considering that human smuggling and trafficking share a similar DNA particularly in the way that corrupt activities may facilitate both illegal acts, combatting corruption is key to effectively curb those illegal practices. The OECD Guiding Principles for Combatting Corruption Related to Trafficking in Persons can show the way (see Box 5).

Solid legal bases are a fundamental starting point for tackling smuggling and trafficking in persons (TIP)-related corruption and relevant international agreements already provide a common basis which should guide countries in their efforts to strengthen their legal framework and intensify international co-operation. However, strategies do not always consider the connection between corruption and illegal migration or TIP issues. Thus it is vital to address and investigate the two in a coherent and co-ordinated way, developing new mechanisms and strategies – or revising existing ones – as needed. Efforts should also target with sectors and industries that may harbour illegal migrants or victims of trafficking, such as construction, brothels, agriculture, fishing and textiles. In parallel, transparency and integrity standards should be designed for those public officials who are most exposed to the risk of being involved in a corrupt deal in relation to smuggling or trafficking, such as border control and immigration agencies. Finally, the collection and use of data on human smuggling and trafficking in persons in relation to corruption should be improved.

#### Box 5 A brief summary of the OECD Guiding Principles on Combatting Corruption Related to Trafficking in Persons

##### ***International co-operation and agreements***

- Relevant international conventions are ratified and international co-operation against corruption and trafficking in persons is promoted.
- Processes of international co-operation in terms of mutual legal assistance and extradition are in place and functioning.

##### ***Jointly addressing and investigating trafficking in persons and corruption with particular focus on at-risk sectors***

- Strategies that address trafficking in persons and corruption, or include corruption issues in anti-trafficking plans, and vice-versa, are in place.
- Sectors prone to trafficking in persons-related corruption are given priority in the implementation of relevant strategies.
- Information and resources are leveraged and shared among relevant actors.

- Corruption is also investigated when investigating trafficking in persons.
- Specialised multi-agency units are established and multi-agency trainings are organised.

***Transparency and an integrity framework for public officials at risk***

- Specific rules/standards of behaviour – such as guidelines or codes of conduct – with respect to corruption and trafficking for public officials at risk are in place. The violations of the codes of conduct entail sanctions.
- The activities of staff working in sectors at risk are performed in a transparent manner.
- A wider framework of integrity for public officials is promoted.
- Mechanisms that allow for public officials as well as the public to expose misconduct and report dishonest or illegal activity and that ensure the effective protection from retaliation are in place.
- The recruitment process of officials is transparent, competitive and subject to independent scrutiny. Upon recruitment, officials receive training, adequate supervision and are subject to regular performance evaluations.
- Key officials receive training so that they are able to correctly identify trafficking victims, understand the nature of the crime, and recognise warning signs throughout the different stages of the trafficking-in-persons process.

***Awareness-Raising and Prevention Measures for Public Officials and the General Public***

- Public awareness regarding the existence, causes, and gravity of trafficking in persons and the active participation of individuals and groups outside the public sector in the prevention of and the fight against trafficking in persons-related corruption is promoted.
- Targeted awareness-raising measures for all parties involved in anti-trafficking issues are provided.
- Preventive measures for potential victims of trafficking in persons are in place, in particular offering counselling about corruption and trafficking before and after they have undertaken a migration journey and alerting communities of early signs of corruption.

***Improvement of Data Collection and Systematic Use of Information***

- Data on trafficking in persons are collected, analysed and used systematically.

***Lift immunity in corruption and trafficking cases***

- Immunity from prosecution of public officials is duly lifted to allow for effective investigation, prosecution and adjudication of corruption and trafficking in persons-related offences.

Source: OECD (2016 forthcoming)

*Addressing the root causes*

Human smuggling has been framed as a criminal issue, but its causal roots are poverty and the aspiration for a better life. While smuggling is technically a transnational organised crime, in many regions or countries of origin it is neither always perceived as criminal nor is it stigmatised. This is particularly true in regions where the population is used to moving freely across borders and in pastoral societies, notably in West Africa (OECD/AfDB, forthcoming). Migrants do not see themselves as victims or as engaging in a criminal act and smugglers similarly do not feel that they are doing something illegal. Rather, they feel they are service providers for an unquenchable flow of aspirational migration.

Therefore, migration, even when smuggling is involved, is at its core a development issue involving economic disparities and the challenges of providing sustainable livelihoods. Criminalisation of the act of smuggling migrants is necessary. However, law enforcement responses should be accompanied by strategies that address the root causes if the objective is to put an end to human smuggling. Below are a few recommendations for addressing the root causes:

- **Shift towards development-led strategies to counter smuggling**

It is impossible to permanently seal borders or coast lines. This strategy mainly displaces migrants to new routes. Furthermore, smuggling has become an economic driver in the several regions and a livelihood for smugglers and residents of key towns along smuggling routes. For the trend to be reversed, alternatives to this industry need to be provided such as through targeted investment in livelihood generation activities (i.e. small enterprise schemes, job creation in the private sector). More generally, finding stable

work opportunities and a safe place to live overrides desire to migrate. Improving employment and living conditions in the countries of origin is probably the most efficient deterrent for irregular migration.

- **Adapt development programmes to serve those prone to illicit migration**

Migrants are typically better off and often less averse to risk than the general population. They are not the usual target group for classic development programmes focusing on the poor. More needs to be done to understand this target group, how they differ from those who do not migrate and to what types of development programmes they would better respond. Training opportunities that include possible channels for legal migration could also be introduced.

- **Increase employment opportunities at the regional level and intra-regional mobility**

Stability, security and employment opportunities should be considered not only at the national level but also from a regional perspective. This is especially important in regions where migration is facilitated by free mobility agreements. Support for regional development plans and existing free mobility agreements in Asia, Africa and Latin America should be enhanced, with a view to reducing the appeal of using smugglers for longer journeys that take migrants to distant countries about which they have more limited information and for which the journey is riskier.

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