



Programming EU External Action Post-Lisbon: New Opportunities or Business as Usual?

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Over 90% of the external relations budget of the EU is processed through its external financial instruments. With the Lisbon Treaty and the creation of the new European External Action Service (EEAS), the institutional architecture of these instruments was significantly reformed. This contribution analyses strategic programming both pre- and post-Lisbon, identifies 'winners' and 'losers', and examines the potential of the new provisions to increase the coherence of EU external action. The examination shows that the instruments can be categorised into three groupings: 'the big three' comprising the bulk of funding characterised by joint programming and responsibilities; the 'Commission-only' instruments where all powers remain with the Commission; and the 'EEAS-led rest' in which the High Representative and the EEAS play a strong role but only have limited financial resources available. The new system calls for strong coordination of all involved actors in order to make it work. Findings of a case study on the Instrument for Stability reveal, however, that so far the establishment of the EEAS has not made a substantial impact on strategic programming in its first two years.

Introduction

One area of external relations in which the EU has traditionally played an important role is that of technical and financial cooperation with third countries through its external programmes. These geographic and thematic financial instruments constitute one of the EU's most important tools for shaping its external environment and wielding its influence on the international stage. The Treaty of Lisbon started a process of institutional restructuring that shifted the competences for programming and implementation of the instruments within the EU machinery. The new High Representative of the Union for Foreign Affairs and Security Policy/Vice President of the European Commission (HR/VP) was tasked to ensure 'the unity, consistency and effectiveness of the Union's external action, in particular through the (...) external assistance instruments'¹. This has led to a complex new allocation of competences. The new EEAS plays a significant role in the strategic programming of certain instruments; while simultaneously, the Commission maintains the overall authority to manage and implement the instruments. The last two years saw intense turf wars between the EU institutions on the overall division of competences in this matter.

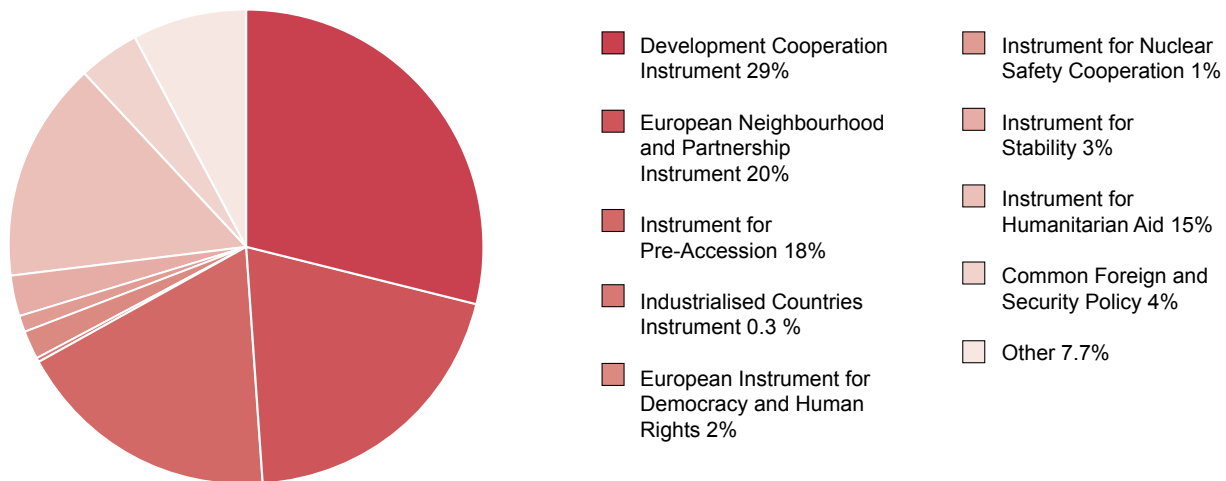
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programming setting are the Commission Directorate-General (DG) Development and the newly established EEAS². Programming usually includes the following five steps: fund allocation, strategy paper, multi-annual indicative programme, annual action programme, and implementation.

The new programming provisions were laid down in the Council decision of July 2010 that established the EEAS, although the exact distribution of competences between the EEAS and the Commission remained unclear in the first year of the service. Voices in the Commission acknowledge that the first version of an inter-service agreement meant to settle these issues was not very well drafted. It took the involved actors more than a year after the EEAS was officially declared operational to agree on detailed working arrangements between the Commission and the EEAS. According to who decides on what in the new system, the nine instruments can be subdivided into three general groupings: the 'big three', the 'Commission-only' instruments, and the 'EEAS-led rest'.

Figure 1: EU Budget 2011, Heading 4 'The EU as a global actor'



Source: European Commission (2012) EU budget 2011 - Financial Report.

The financial instruments of EU external action account for more than 90% of its external relations budget expenditure. This amounts to €6.9 billion or 6% of the overall EU budget in 2011. The 10th European Development Fund adds another €22.7 billion to EU development cooperation for the years 2008-13, but is so far not part of the EU budget.

As a general rule, it is the Commission as the EU's executive branch, which has the competence to execute the budget and manage programmes. The main actors in the new

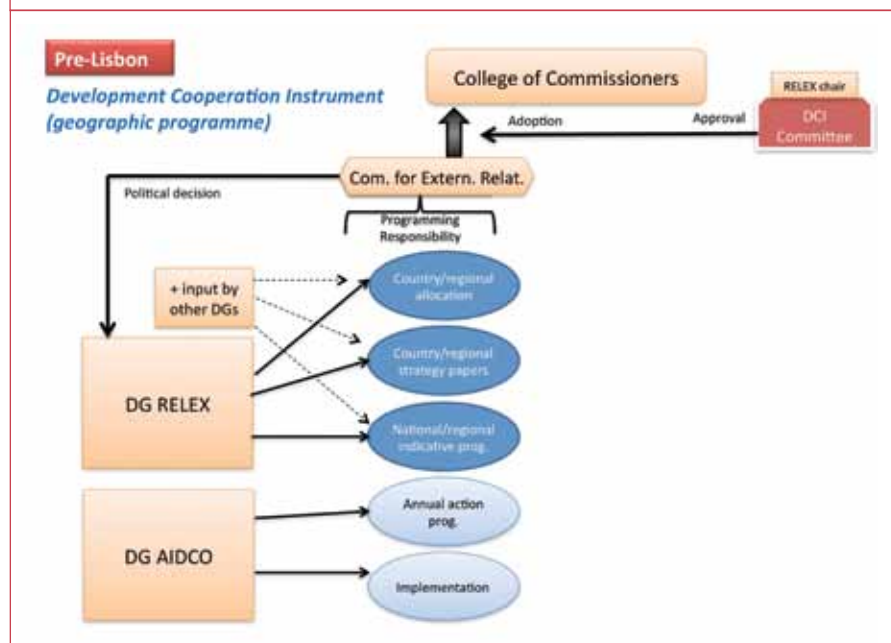
The 'big three' instruments

The first group consists of the three financially best equipped geographic instruments: the Development Cooperation Instrument (DCI), the European Development Fund and the European Neighbourhood and Partnership Instrument, which all share a similar strategic programming procedure. Both the Commission and the EEAS share competences like in no other group of instruments and the development of the work relationship between the two actors will have a significant

influence on how EU external action is conducted. Significant changes took place especially in the part of the DCI which finances cooperation with countries in Asia, Latin America, the Middle East and South Africa. While the Commission succeeded in keeping the competence for thematic funds (e.g. for migration, health, environment) under its influence, the geographic programming now involves new actors.

Parliament, tried to keep the political responsibility for the instrument in its sphere of influence. At the end of the process, however, both the Development Commissioner and the HR/VP have to sign the strategic documents and submit them jointly to the College of Commissioners for adoption, although it is expected it will mostly be the cabinet of the Commissioner who is actively involved in the actual programming process, e.g. through the coordination of services and cabinets.

Figure 2: Key actors and procedures in DCI strategic programming pre-Lisbon



In pre-Lisbon times it was solely the Commission's DG External Relations (RELEX) which was in charge of preparing strategic documents, under the responsibility of the former Commissioner for External Relations (see Figure 2).

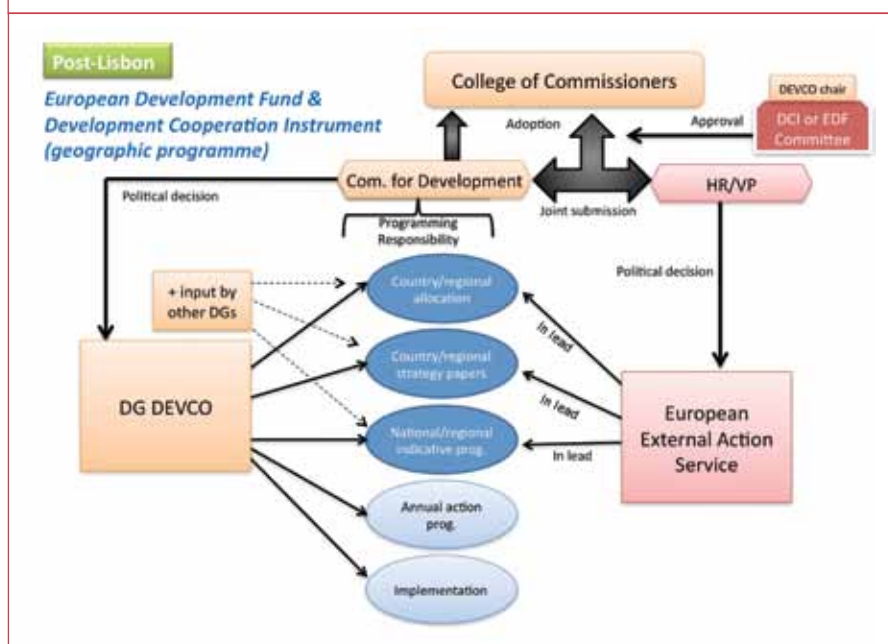
Now the EEAS and DG Development share the competence to jointly undertake the strategic programming under the responsibility of the Commissioner for Development (see figure 3) with the EEAS being the lead service during the whole process. It is apparent that DG Development and the Commissioner for Development received a significant amount of influence over the DCI post-Lisbon which they did not previously possess. Although all geographical desks responsible for programming were transferred to the EEAS during its inception, the merger of the former DG Development with DG EuropeAid has led to the incorporation of the geographical units of the latter into the new DG. This seems like a duplication of programming desks in both EEAS and DG Development, but this is to a certain degree unavoidable given the sole responsibility of DG Development for the geographic implementation of the financial instruments. In addition, the political responsibility for the DCI was not given to the HR/VP, as one could have expected, but instead to the Commissioner for Development. This shows how the Commission, supported by the European

One interesting detail of the new provisions concerns the European Neighbourhood and Partnership Instrument and points to an asymmetric power distribution within the Commission. In pre-Lisbon times, the competence for the instrument was located with the former Commissioner for External Relations. The responsibility for the instrument was then transferred to the portfolio of the Commissioner for Enlargement and European Neighbourhood Policy by a 'pre-emptive strike' of Commission President Barroso to defend Commission competences vis-à-vis the direct influence of EU Member States. It is remarkable that the Commissioner now has the political responsibility for European Neighbourhood Policy, while 'his' DG is only in charge of enlargement countries and has neither the staff nor the competence to programme the neighbourhood instrument. This is instead done by the EEAS and DG Development.

The 'Commission only' instruments

The second group of financial instruments includes instruments that are programmed and managed exclusively by the Commission services under the direct responsibility of a Commissioner other than the HR/VP. After the inception

Figure 3: Key actors and procedures in DCI strategic programming post-Lisbon



of the EEAS, only three instruments remain in the category: Instrument for Pre-Accession, Instrument for Humanitarian Aid, and the thematic programme of the DCI. The programming of, for instance, the Instrument for Pre-Accession is solely in the hands of the Commission, with DG Enlargement in the lead under the direct responsibility of the Commissioner for Enlargement. Not much has changed following the Lisbon Treaty concerning the programming procedure. It should be stressed that the Instrument for Pre-Accession is completely omitted from the influence of the EEAS headquarters. It is surprising that the EEAS now has, in general, the leading role in the planning of geographic cooperation with third countries (e.g. with the Ukraine), with only the exception of enlargement countries (e.g. Serbia). Whether these provisions help to enhance the coherence and efficiency of EU external action on an institutional level is questionable, although at the practical level and from the perspective of the EU delegations that carry out crucial planning and implementation work 'in the field', not much of a difference can probably be observed.



The 'EEAS-led rest'

The third group consists of four instruments – Industrialised Countries Instrument, European Instrument for Democracy and Human Rights, Instrument for Stability (IfS), and Instrument for Nuclear Safety Cooperation – which are characterised by a strong leading role of the EEAS in terms of strategic programming under the direct responsibility of the HR/VP. Furthermore, these instruments all have a rather limited budget in comparison to the big programmes covering development cooperation, and accounted for only 6.3% of EU external action funds in 2011. Before the entry into force of the Lisbon Treaty and the establishment of the EEAS, it was the competence of the former DG RELEX to draft the strategy of these instruments. Today, the services of the Commission are no longer substantially involved because the competence for strategic programming was transferred to the EEAS. It is apparent that the HR/VP has strong authority over all stages of programming of the instruments, although of course all decisions of the Commission still have to be adopted by the College of Commissioners and approved by the Member States in the respective comitology committees.

Implications for policy coherence

The establishment of the EEAS and its new role in strategic programming might have a significant influence on the focus and direction of EU external action. It is essential to highlight that the EEAS incorporates several policy fields of EU external action under one roof, but has diverging competences in each of them. Ideally the new structures will allow for several fields to be combined in order to achieve common objectives and thus lead to a more coherent EU external action. This was, after all, the main objective to establish the new service in the first place: fusing the competences for relevant policy fields, strategies and instruments into one service. However, the leverage of the EEAS in the fields of, for instance, development cooperation, security, crisis response and human rights, varies significantly. At the same time, important policy fields such as trade and enlargement remain almost completely in the Commission's sphere of influence. This development

was caused by concerns, especially stemming from the supranational institutions, the Commission and European Parliament, about a loss of political influence in EU external action to the EU Member States.

The new role of the EEAS and the shift of programming competences among the EU institutions could yet also have adverse effects for policy coherence. Observers already fear that the new role of the EEAS might lead to a 'securitisation of aid', meaning that instead of pursuing poverty eradication, development funds might rather be used to address other foreign policy goals. The discussion on the military dimension of the African Peace Facility financed by the EDF is a prominent example of this. Some officials in EU delegations now perceive a slight shift of focus towards more security-related issues with the inception of the EEAS, and name also the Sahel strategy on security and development in this regard. As a consequence of the involvement of the EEAS in strategic programming, the demarcation between community and Council actions might be blurred, which could in turn lead to a more coherent EU external action; but this also carries the risk of encroaching on the competences of the Community institutions in a similar way as in the 'ECOWAS case'³.

So far, the HR/VP has not displayed a great interest in pushing development policy objectives and has left the topic primarily to Development Commissioner Piebalgs. Similarly, it seems that for most officials in the EEAS, policy coherence for development ranks rather low on their agenda. The development cooperation coordination division in the EEAS finds it difficult to raise awareness for development policy among their colleagues and only has limited resources at its disposal to push this policy issue. DG Development would have a strong interest in doing that, but because of the significant transfer of staff to the EEAS it has lost programming expertise without gaining much additional human resources. Moreover, on the political level in the Commissioners' cabinets, officials argue that there is no willingness to promote own agendas, e.g. development policy, in the portfolios of other Commissioners.

New programming structures – business as usual?

When the EEAS became operational the strategy papers of most external instruments were already in place. The only exception was the new strategy paper for the long-term component of the Instrument for Stability⁴, which was drafted mainly in 2011, thus constituting a first test for the strategic programming capacity of the EEAS post-Lisbon. Throughout the whole process however, significant changes to pre-Lisbon times were not observable and working relations between officials in the EEAS and the Commission went largely unaffected by inter-institutional struggles that simultaneously took place at the macro level. One important point to consider is that EEAS staff, which is now responsible for the Instrument for Stability, consists mostly of the same officials that previously had this responsibility in DG RELEX. Interviews with staff from EEAS and the Commission reveal that one of the main reasons why working relations run smoothly is that the officials already know each other, have worked together before and are used to the Community procedures applied in the Commission. Especially the latter point might be

important in the medium term when an increasing number of Member States' diplomats not accustomed to Commission working procedures will join the EEAS.

Conclusion

Following the cumbersome process of macro-institutional scramble in 2010 and 2011, the true litmus test of the effects of the new provisions on the coherence, effectiveness and efficiency of EU external action will be the upcoming programming cycle for the 'big three' instruments. It does not seem that the inception of the EEAS and the reshuffling of competences have had a significant effect on strategic programming in the first two years of the service, but this is likely to gradually change from now on. The new political allocation of funds to partner countries, led by the EEAS, or the strategic objectives of the new documents will hint towards the further direction of EU external relations.

Due to the complicated net of responsibilities for the external instruments post-Lisbon, strong institutional ties and coordination efforts are needed. Above the everyday working relations of EU officials, whose effect on coherence may diminish with the incorporation of more national officials into the EEAS, guidance of the political level of the Commissioners and especially the HR/VP is required. The upcoming EEAS review by the HR/VP, expected in mid-2013, offers the opportunity to better adjust and fine-tune the new structures and procedures. Until then, more coordination efforts of the Commissioners and their cabinets and more engagement of the HR/VP, also in development policy, would help to improve the programming of the external financial instruments and thus the visibility and effectiveness of EU external action.

Notes

- * Research for this article was conducted during a stay at EIPA from November 2011 to February 2012 in the framework of the Marie Curie ITN, 'EXACT' on EU external action.
- ¹ Article 9 Council Decision of 26 July 2010.
- ² Some observers raised doubts about the legality of equipping the EEAS with programming competences regarding development cooperation instruments (cf. Van Reisen 2010), while others state that the competence allocation is in legal accordance with the EU treaties (cf. Duke, S. and S. Blockmans 2010).
- ³ In the ECOWAS case (Case C-91/05, *ECOWAS*) the European Court of Justice found that the Council had encroached upon the development cooperation competence of the European Community when using a CFSP legal base for the support of ECOWAS in the fight against the proliferation of small arms and light weapons (Hillion, C. and R. A. Wessel 2009).
- ⁴ The IfS is split in a short-term (crisis response and preparedness) and a long-term component (e.g. counteracting global and trans-regional threats) of which only the latter is programmable. Responsibilities for the instrument are distributed between the EEAS, DG Development and the new Foreign Policy Instrument Service which is legally part of the Commission but co-located with the EEAS.

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