# **Eurostep Briefing No. 43** The Lisbon Treaty's provisions on external relations: Institutional reforms and the place for development

October 2009

### **Key issue:**

The Lisbon Treaty is now nearing the end of its ratification procedure, with the expectation that it will come into force by 1 January 2010. contained by the Lisbon treaty will have far reaching consequences for the EU's external policies, and will require some far reaching reforms of the EU's institutions. In particular the appointment of a High Representative for Foreign Affairs and Security Policy (HR) who will also be a Vice-President of the European Commission, and the establishment of a European diplomatic service to support the HR – the European External Action Service (EAS), will require changes to be made in both the structures of the Council and of the Commission.

The changes established by the Lisbon treaty in the way in which the EU's external policies function should lead to the EU playing an increasing constructive and responsible role in the world. For this to be realised requires a reform of the EU's institutional structures that enable the EU's different external policies to operate effectively according to their specific objectives including the EU's relations with developing countries.

The Treaty identifies development cooperation as an independent policy area with EU competency providing the principal framework for the EU's relations with all developing countries. It sets the eradication of poverty as the principal objective of this policy.

This requires capacity within the Commission, which is specifically, dedicated to the implementation of the EU's development policies, as well an equal representation in the decision making structures of the Commission and EU as a whole. Consequently development policy should not be part of the EAS, there should be a single development service within the Commission, responsible to a Commissioner for development cooperation and humanitarian affairs who is a full member of the College of Commissioners.

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### 1. The implications of the Lisbon Treaty for the EU's external policies

The Lisbon Treaty contains provisions that will have significant implications for the management of the EU's external relations. These include:

- A new expanded role for the High Representative of the Union for Foreign Affairs and Security Policy (HR). The HR will not only have an increased role within the Council, but also becomes a Vice-President of the Commission. The HR will chair the new External Relations Council, represent the EU externally, ensure consistency of the EU external policies, and be responsible for coordination of all external relations policies
- The establishment of the **European External Action Service (EAS)** that will support the HR. The EAS will comprise staff from the Commission, Council secretariat and from EU Member States.
- The Lisbon Treaty article on development policy (Art. 208) clarifies the role for development policy which is applicable to all developing countries, with poverty eradication being the primary objective defined in the Treaty.
- Humanitarian Affairs is included in the Treaty for the first time (Art. 214).
- EU external trade policy becomes subject to co-decision.
- The Commission delegations in third countries become EU delegations for which the HR and
  the EAS will be responsible. (The questions remaining here: from which side will the head of
  EU delegation be recruited and would the delegation officials working on development be
  directly reporting to the Commissioner for Development? The latter would be necessary to
  ensure the full responsibility of the Commissioner over the implementation of development
  policy.)
- The General Affairs and External Relations Council will be split into two bodies: one of which will be a **separate External Relations Council** chaired by the HR. It is likely that Development Policy will be included in this new body. The Lisbon Treaty does not specify this issue.

The implementation of these provisions is subject to the ratification of the Lisbon Treaty.

**Procedures:** According to the Treaty the organisation and functioning of the European External Action Service shall be established by a decision of the Council. The Council shall act on a proposal from the High Representative after consulting the European Parliament and after obtaining the consent of the Commission.

In preparation for the establishment of the EAS some discussions have been taking place within the Council, Commission and Member States. These discussions, which have been informal, have involved relatively few people, with little transparency.

## 2. The Establishment of the European Diplomatic service

With Ireland's ratification of the Lisbon Treaty now being finalised formal negotiations on the establishment of the EAS are proceeding quickly. It is clear that substantial preparations have been made already through informal discussions between a relatively limited number of representatives of the Member States, Council secretariat and Commission. These discussions, which have taken

place behind closed doors excluding a range of relevant actors, both inside the institutions as well as outside, are likely to be the basis for the negotiations being pursued rapidly. The European Council that meets on 29 and 30 October is expected to adopt a formal decision on the establishment of the EAS.

### 3. Ensuring the integrity of EU development policy

It is critical that the EU's development policy can be implemented according to its defined objectives. For this to be the case it will be necessary to ensure:

- ➤ A single service for development in the Commission. Currently the EU's development cooperation with developing countries is managed by three principal Commission Directorates DG Development covering development policy and relations with countries from the Africa Caribbean and Pacific (ACP) group; DG External Affairs responsible for cooperation with developing countries in Asia and Latin America, as well as those covered by the European Neighbourhood Partnership Instrument; and EuropeAid that is charged with implementation of the EU's development assistance. A single development service within the Commission is desirable. It needs to come under the responsibility of the Commissioner for Development, cover all developing countries, and be responsible for the whole programme cycle. The Treaty clearly makes development policy the principal framework for the EU's cooperation with all developing countries, and it is important that the single service is given the capacity and status to pursue these interests.
- That in this regard a **single Commissioner for Development and Humanitarian Assistance** is needed, with the ability to promote the interests of the EU's development policy within the college of Commissioners, and towards the other EU institutions.
- That the **programming of the EU's development assistance** should be the clear responsibility of the Commissioner for Development and Humanitarian Assistance.
- That there are effective mechanisms to link management of EU development cooperation and humanitarian assistance: While the specific roles of the two policies needs to be respected, there is a need clearly recognised mechanism for ensuring strategic planning from humanitarian phases to development (LRRD). The reforms of the institutional structures provide an opportunity for this to be addressed.
- > Separate budgets for development and humanitarian assistance: Separate budgets need to be maintained for development on the one hand and for humanitarian assistance on the other. The responsibility for these needs to lie with the relevant Commission services. The financing of foreign policy activities of the EAS needs to be met from the provision of additional resources.
- ➤ Direct link between Single service and development staff in delegations: With the implementation of the Lisbon Treaty the Commission's delegations in third countries become

EU delegations, with some consequence for their role. In developing countries development cooperation should remain the substantive part of a delegation's activities. It is therefore important that the Commission's development service has a direct influence on the appointment of delegation staff involved in development cooperation activities, and that they report directly to the development service with respect to these activities. The same is true for staff involved in the implementation of humanitarian assistance of the EU vis a vis the Commission's service on humanitarian assistance.

- The implementation of the **EU's trade policies** towards developing countries also needs to be related to these processes. There has been no suggestion that trade should be integrated into the EAS. It will undoubtedly remain a separate service within the Commission, but mechanisms for ensuring that these policies respect development policy objectives need to be explicitly identified.
- ➤ All EU policies likely to affect developing countries need to support development policy and its objectives: In establishing development policy and its objectives as the principal framework for the EU's cooperation with all developing countries the Lisbon Treaty does establish a hierarchy in its policies towards cooperation with developing countries. This implies that all EU policies that are likely to affect developing countries should support development policy and its objectives. In any reforms that are put in place it would be logical to establish clearly defined mechanisms to promote this. While this should be the responsibility of all institutional services responsible for external policies, the Commissioner for Development and Humanitarian Assistance should have a particular responsibility for assuring this is implemented, with support from the Commission's development service.

#### > Role of the Parliament:

The Lisbon treaty will increase the role of the EP in the EU's external policies and their implementation. In the short term it is important to ensure that this is reflected in any reforms of the Commission and the Council. The Parliament's Committee for Development should retain the lead role. There is also a need to ensure that the European Parliament develops its capacity to effectively scrutinise the EU's country and regional strategies.

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Eurostep is a network of autonomous European non-governmental development organisations working towards peace, justice and equality in a world free of poverty.

#### **Eurostep's Vision of a Responsible Europe in the World**:

The European Union is a community, born of a desire for peace and stability, and based on a commitment to the values of democracy, equality, social justice, human rights, tolerance and the international rule of law. It is also a unique model of cooperation amongst states, and a testament to the importance of recognising strength in diversity, fostering common interests, increasing collective prosperity and building strong and secure relationships. As it evolves in size and stature, these shared values must continue to shape Europe's cooperation both within and beyond its borders.

As a global player and as the largest provider of development aid, Europe now has both the opportunity and the mandate, to articulate an alternative to the increasingly unilateral world order by rooting its Foreign Policy in positive values. It should become the advocate of people living in poverty by fighting harder in favour of a fairer world in which injustices and inequalities are abolished, women are empowered, human rights are respected and the environment is protected.

Our Vision of Europe is a community of states, which honours our shared values and recognises our shared responsibilities - a Union that manifests itself in word and deed as a Responsible Europe.