"Honourable Members, it's the last time in my mandate that I will address the Parliament for the annual Article 36 debate, which covers Common Foreign and Security Policy and of course Common Security and Defence Policy.

So as well as looking, as the requirement is, at "the main aspects and basic choices" of the last twelve months I wanted to take the opportunity in my remarks, to reflect a little on what we have achieved and built in the last four years and perhaps something about what we might aim for in the next mandate. I know that I can't cover all of the different aspects of foreign policy issues in one speech, so I'm going to take my original priorities as a framework and talk about those, while reflecting too on the European Council’s discussions in December on Common Security and Defence Policy.

Looking back four years ago I set three priorities: we had to establish a European External Action Service; we had to focus on the Neighbourhood – both South and East as the places where, if you like, European action should be judged; and in our Strategic Partnerships. I did this because we had to create some structure to what was by definition a new and undefined role. The Lisbon arrangements for external policy, as Honourable Members know very well, was conceived in better economic times: so my job was to turn those aspirations into reality in the midst of the worst economic crisis the EU had ever faced.
The merger of three jobs into one required some strategic focus - my reasoning was to try and deal with the tasks that had been clearly defined within the Treaties. And I think together, and I do mean together because I acknowledge very much the role of this Parliament, we have made some achievements. We do have a European External Action Service. We do have strong relationships and a clear role in our Neighbourhood and we have deep political strategic relationships with key international partners. We have in other words in place the core components for a comprehensive and coherent EU external policy.

For my part, I can say that my successor will inherit a fully functioning External Action Service. We have 140 Delegations across the world and 1800 full time staff. All that has been achieved by bringing together existing resources within difficult but important budgetary constraints. I confess that in an ideal world I would like to see us represented worldwide. I would want to see us bid to open new delegations particularly in Panama, in Gulf countries where we’re not represented and in Mongolia. But there are other places too.

I am also proud that we have reached the staffing targets that were set for the Service. I was asked to create a Service where we had one third of national diplomats and that meant of course at least two thirds permanent officials. I have dramatically improved the number of female Heads of Delegation from the frankly abysmal level I inherited. It’s now one in five, 20%. It’s still not enough and there are still far fewer female candidates applying for jobs than their male counterparts. But when they do apply do well.

Not everything is complete and there is still plenty of work for my successor to do. I made a series of recommendations in last summer’s EEAS Review many of which I know were shared by this Parliament. I hope that some of these will be implemented in the transition or near to the start of the next mandate: because the EU external service is more than the sum total of its parts. It is a genuine asset whose professionalism and expertise is widely respected around the world. And I am very proud to have played a part in establishing it.

The second priority I identified was the Neighbourhood both East and South. And there is no question that in these last four years our neighbourhood policy has been tested as never before first in the events that happened in what has become known as the Arab Spring or Arab awakening in Tunisia, Egypt, Libya and Syria and of course most recently in the events in the East with Ukraine.

But let me say something about some of these areas of work that we’ve been engaged in. When you think about our Eastern Neighbourhood, we showed the real possibilities of what EU diplomacy could do in helping to resolve the long standing issues between Serbia and Kosovo. From the beginning of this Dialogue I have facilitated 23 rounds of negotiation, total of 230 hours. I give all credit to the courageous leaders on both sides. In concrete terms, we have seen the successful holding of local elections across the whole of Kosovo, and the integration of security and justice structures into the Kosovo legal framework.

This step forward has allowed the EU to respond by opening accession negotiations with Serbia, and by launching Stabilisation and Association Agreement negotiations with Kosovo.
The dialogue will become more and more part of both parties integration paths. I, and the European Union, remain fully committed and engaged in that process the latest discussions of which took place only this week on Monday when the Prime Ministers and Deputy Prime Ministers and Justice Ministers came back together to finalize some of their discussions. I really hope that what has been achieved between Pristina and Belgrade will serve as inspiration and give momentum to others in the Western Balkans. It will be particularly important to help Bosnia and Herzegovina embark on a similar journey, and my recent visit there received the same message I’m giving now.

The Eastern Neighbourhood has also seen the combination of economic and political challenges. The Stabilisation and Association Agreements with Moldova and Georgia are near to being signed. The prospect of signing the Agreement with Ukraine, everyone knows, triggered a series of events that means today we are facing the most tense and difficult situation in our neighbourhood since the end of the Cold War.

Honourable Members, it has been only four months since people took to the square of Maidan, to express their disappointment in commitments made and broken by their President. I visited Maidan, I met with the people. Many members of this house also did. The events that have unfolded have raised challenges for the European Union and its Member States, I would argue, for years to come. Our first priority continues to be to work to de-escalate the situation and to call upon Russia to take clear steps in that respect.

We’ve been clear about Russia’s violation of Ukraine’s sovereignty and territorial integrity. It is just unacceptable. Russia has contravened the international law, and its own international commitments. We will not recognise the annexation of Crimea or the referendum that took place there as legitimate. Honourable Members, you will have seen that the UN General Assembly has also agreed on a resolution calling the Moscow-backed referendum that led to this annexation illegal.

Together with our colleagues and Member States we will continue to engage and use all diplomatic and political means to stabilise the situation and to arrive at a negotiated way through. It is important not to underestimate our economic strength and the potential of our economic response. But in addition, I want to focus on three key issues of our response to this crisis:

First, the solution is political but also economic. We will only succeed if we act at the same time on the needs of the short term and the objectives of the long term. The top priority is to support Ukraine to be a viable economic and democratic state, that can respond to the aspirations of its people. In order to support that, in my role as Vice President of the Commission, I convened a meeting of Commissioners and Cabinets bringing together both the Presidents of the Commission and of the Council to begin drawing a comprehensive EU response.

Honourable Members, you will have seen that Commissioners Füle and Lewandowski led a high level visit to Kyiv last week as part of this overall strategy. And that is to allow us to translate the promise of support into concrete practical action for urgently needed reforms after the signature of the political provisions of the EU-Ukraine Association Agreement.
We have welcomed the $15 billion IMF rescue package and the staff level agreement on an IMF Stand-By Arrangement agreed on 27 March. Following last Tuesday’s presentation in the INTA Committee, we will be able to start implementing our overall support of 1.6 billion euro this month, with significant disbursements hopefully before the Ukrainian presidential elections on 25 May. But I stress again the urgency and importance of supporting the economy of Ukraine to enable it to fulfil the aspirations of its people.

In the meantime, with the support of the European Parliament today, we will front-load, by the end of this month, the trade benefits of the agreement and temporarily remove customs duties on Ukrainian exports to the EU.

The second issue is about the role of the Rada, the Parliament, and the importance of the democratic process. I, like so many Members of this house, commend the measured response shown by Ukraine throughout this crisis. The Rada has worked, voted, decided and led, and I’ve sat in the Rada and seen the way that Parliamentarians tried throughout to work on the issues of concern. As you will have seen, the Party of the Regions still exists and has chosen to be in opposition, but in my discussion with them they have pointed out that they don't oppose the democratic process that will lead to the presidential elections.

Third, as I have made clear to our Russian counterparts many times, our relations with our Eastern partners are not exclusive. These countries must be allowed to decide their own future and for all of them, it is about good relations with their own neighbours as well.

If I turn to the Southern Neighbourhood I would say it has been no less challenging. Following the Arab awakening we have played a key role in supporting Tunisia on the road to a stable and democratic future. It is a real success story, has huge potential and we will continue to work tirelessly - as we do with other nations of the region. Particularly at the moment in Egypt where we have a strong relationship with the people of Egypt and you know the particular role that the EU has played and I have played especially when you think of the events last summer and my visit to the then former president Morsi. I will surely be returning to Egypt as it prepares for presidential elections.

I don’t have to tell Honourable Members what concern we felt that the court in Minya in southern Egypt sentenced 529 Muslim Brotherhood supporters to death. I have made this perfectly clear to Egyptians this week and to the Egyptian Foreign Minister that we need to make sure and we call upon the interim authorities in line with international standards they need to make sure there is a right to a fair and timely trial based on clear charges and proper and independent investigations as well as the right to access and contact to lawyers and family members. I also take the opportunity to condemn the bombings that took place in Egypt yesterday and we have sent our condolences to those that were affected. It is really important that Egypt moves to stabilise in an inclusive society that will enable it to move forward and these are the clear messages that we will continue to give.

Again, I don’t have to tell honourable members how worrying the situation is in Libya and I have met with some representatives in Libya yesterday who were here for the EU-Africa Summit. The knock-off effects of the civil war of course is fuelling the crisis in Mali. We need
to try and again deliver support to the Libyan authorities to allow them to cement their democracy and create the functioning state. We cannot allow terrorists again a foothold in that territory. That is why I will shortly be appointing a personal special envoy to engage specifically with the Libyan authorities and to focus again on bringing international attention and bringing international actors together to try and support the needs of the Libya people.

The situation in Syria of course remains terrible. The failure of international cohesion has prevented serious pressure being brought to bear on Assad to bring the conflict to an end. We continue to remain determined to support the efforts of the UN. In my discussions with Secretary General Ban Ki Moon yesterday we talked about the continuing support to try and get to a political solution. We continue to support the difficult work of Lakdar Brahimi. I share with him the appeal to the parties to return to the negotiating table.

We must continue to urge dialogue and to highlight the deteriorating humanitarian situation. The plight of 9.3 million vulnerable Syrians remains terrible. The risk of regional instability – in particular impacts Lebanon, Jordan and Iraq – and the growth of terrorist and extremist groups such as Al-Qaida. This is an ever present problem. We will carry on our work and will provide humanitarian assistance – it currently stands at 2.6 billion Euro and we will continue to press all parties to allow unhindered access of humanitarian aid. And in our discussions with all countries who have something to do with this or a role to play in this we will continue to push for that.

Coming back to the priorities that I began with, let me turn to our strategic partners. These are at the core of the work that we do. All challenges that we face internationally when you think about peace and security, that all requires to meet them by joining forces and cooperating closely with international, regional and local partners. We are unique in foreign policy terms. I don’t just say this but you can hear this said across the world because we bring together economic, diplomatic, development and military assets in support of a comprehensive approach to complex crises. This approach did not exist 4 years ago and it exists now. And that increasingly makes us the partner of choice.

Foremost amongst those strategic partnerships is the one we have built with the UN. We work closely on all major crises. It is on behalf of the UN Security Council that I lead the E3+3 Iran nuclear negotiations. Honourable members will know after the successful agreement on the Geneva Joint Plan of Action last November, implementation began on 20th January. We are now working towards a comprehensive and final settlement. After the weekend Gymnich meeting I will travel to Vienna for a further round of our talks. All relevant issues that need to be addressed in the final agreement have been put on the table. And as Honourable Members will know, we have experts also meet regularly to examine technical details.

Honourable members also know that I can say little about this process at this very delicate stage. But our strength and credibility derives from the unity of the E3+3, from the support of all European Member States especially those who are directly engaged to whom I pay tribute as well as the international community as a whole. This is a subject most talked about in my travels across the world and with whom we engaged so many other countries who have an interest and a stake in the outcome but I want to thank this house for your continuous support to me in the negotiations that I’ve taken over the last three and a half years.
I think too the EU/US Summit last week was an opportunity to reaffirm our strong partnership with the United States. Our cooperation is unparalleled because of its depth and breadth. We work closely together across the entire spectrum of foreign policy issues especially Ukraine, Afghanistan and on the Middle East where we continue to fully support the ongoing efforts by US Secretary of State Kerry, who was with us yesterday for the EU-US Energy Council which he and I jointly chair. We stand ready in the Middle East to support and to make an unprecedented package of support to the parties in the context of a final status agreement. And I pay tribute to all Member States who work so closely to ensure that what we will be able to offer will really and significantly make a difference. It will help in post-settlement arrangements to ensure that this can go forward for both and this is of an enormous importance.

We also saw in the last few days the EU/China relationship recognised in the visit by the Chinese President. The first ever visit of a Chinese President to the EU and our discussions showed the importance which China attaches to developing relations with Europe as part of a multipolar world. We have differences but we share many common concerns not only economically but also as regards issues of peace and security. And again, China is part of the team that I lead with the Iran nuclear negotiations.

But we also, after my discussions with the Defence Secretary Chang last year, held a joint naval exercise off the Gulf of Somalia as part of the international efforts that we have to combat piracy at sea. This is a really important case in point because this exercise enables us to collaborate. It was led by Operation ATALANTA, out of Northwood, in the UK, and it was led by the Chinese. Together we looked at ways of collaborating further on what is a successful enterprise to try and end piracy but still an exercise that will need to be ongoing – especially when we think about the consequences not just in the Horn of Africa but also what is happening in the Gulf of Guinea. And the other evening here I held a meeting to discuss with key African countries, with our military staff on how we can now support them further, as they consider how to not only deal with piracy at sea, but also to again collaborate on a comprehensive approach to dealing with the causes of piracy on land.

I do want to turn for a moment to our issues of security and defence. Because I think the situation in Ukraine has cast fresh light on this. In my final report ahead of the December 2013 European Council on Security and Defence I said that “the peace and security of Europe has always been a prerequisite for its economic welfare; for the EU to live up to its role as security provider means that European citizens and the international community need to be able to trust and rely on the EU to deliver when the situation demands. We must move from discussion to delivery.”

Honourable Members, this was never more true. The question of how to square the circle of the spiralling cost of complex military systems with the reduction of budgets is best answered through cooperation. The European Commission also has its role to play: we must reverse the trend of fragmentation and move towards consolidation and increased competitiveness of the Defence Equipment Market. The European Council, all Member States, endorsed defence cooperation and I think we now must move further and faster. The maxim of "pool it or lose
it" has never been truer. We have to deliver. So I will be using the upcoming Defence Ministerial Meeting, where I will also be joined by Secretary General Rasmussen of NATO as he usually joins us, to talk about how we can now best use cooperation to ensure that we are able deliver for all Member States their defence needs in what I believe are circumstances that many will see have changed. This renewed sense of urgency has the backing of the European Council to actually help us implement this, which I think is going to be extremely important.

One of the elements specifically mentioned in that Council was making CSDP more efficient and effective, and that is the Comprehensive Approach. Mr Danjean's report correctly stresses the importance of effective coordination and coherence in external action. That's been what I've been trying to do since the day I took office.

In conclusion: the last year was one I hope of delivery for our CFSP and one where the groundwork that we sought to lay in terms of building the Service, building our relationships and building trust and credibility has begun to deliver results. It was also a year when the full potential of what we could do began to emerge. I am delighted that I will be handing over to the next High Representative a Service on which they can build, relationships on which they can build and the strength and support of this Parliament. I thank you for it and I am sure you will offer the same level of support to the next High Representative that you have offered to me.

Thank you."