European Union European External Action Service <u>http://www.eeas.europa.eu/</u> 14/01/2011 *Check against delivery*

Setting up the EEAS

By David O'Sullivan, Chief Operating Officer, European External Action Service IIEA, Dublin, 14 January 2011

Podcast

I am delighted to be in Dublin today to discuss the launch of the EEAS and how it will help make the EU a more effective and successful actor in the world.

Before I get into the detail of my presentation let me recall a bit of the history behind it. Rewind 10 years, to the days of the European Convention. As some of you may recall, an important part of that discussion focussed on how to increase the coherence and effectiveness of Europe's external action. One of the ways of achieving this aim, it was perceived, was creating a foreign affairs *minister* responsible for the Union's foreign and security policy by merging the functions of Javier Solana's office as High Representative with that of the External Relations Commissioner.

Having made this proposal, the idea of grouping together and streamlining all of the Union's resources, staff and instruments under the authority of a European foreign affairs *chief* was quickly put forward.

In the Lisbon Treaty, Member States retained this vision. With its entry into force in December 2009, HRVP Catherine Ashton has moved very quickly to turn it into a practical reality, articulating the vision which Member States laid out and forging a consensual decision with Council and Parliament.

Her conception for the EEAS is based on the need to act coherently in an interconnected world where power is shifting away from the Atlantic toward the Pacific. It is based on the need to defend Europe's interests and project Europe's values in a more effective way to help build a better, more stable world. To this end, the EEAS needs harness available resources and deliver effectively on strategies that will enhance our ability to act more decisively in an increasingly complex world.

This is the common ground on which the July 2010 Council decision laid out the basic organisation and functions of the new service. Today, getting it up and running is, in itself, a key policy priority for Catherine Ashton and my role as Chief Operating Officer is to support her in this task. The job, however, is challenging and cannot be done in the space of a few months. Indeed, realistically, I'd say we need three years to build the kind of service we need: a modern, agile and

service-oriented organisation that is able to complement national diplomacies in a rapidly changing operating environment.

The challenge we face across the board is that setting up the new service is a time-consuming task which saps part of our energy away from our normal policy work, hence the need to move as quickly as possible.

A tour d'horizon of the first days of our existence reveals three broad categories of challenges:

- First, about personnel and other administrative challenges, particularly integrating the staff from the Council Secretariat and the Commission as well as diplomats from Member States, and how we run our budget;
- Second, about integrating effectively different foreign policy instruments, including the civilian and military missions on the ground under the umbrella of the Common Security and Defence Policy (CSDP);
- Third, about adapting to the new institutional and policy-making context post Lisbon;

At first sight it may appear that ambition and strategy have taken second place to very practical matters. In truth, my main challenge is to put in place the structures that will enable us to focus on delivering policy results.

So what does it this mean in practice? Is a single voice always possible or even necessary? More importantly, how can the EEAS help us address our policy priorities and the challenges we face in the year ahead?

1. Administrative issues

I'll start with personnel issues because without competent and committed officials you simply cannot build an efficient and innovative administration.

The EEAS draws its staff from the European Commission and the Council Secretariat, as well as from national diplomatic services. National diplomats will eventually make up one-third of the EEAS. I am convinced that their skills and contacts will boost our capabilities enormously. Indeed, I firmly believe that blending of staff will be a source of strength for each has a lot to learn from each other. I know that Member States are concerned about ensuring proper representation and, while this cannot be done overnight, we are fully committed to achieving a balanced outcome.

The transfer of staff from Council and Commission took place on 1 January 2011, when the EEAS fully came into being. Today the total number of EEAS personnel

Podcast available here :

stands at 3645, including 1611 at headquarters and 2034 in Delegations. Additionally, over 4000 people are currently deployed in ongoing EU civilian and military crisis management operations around the world.

An immediate challenge is to ensure a proper gender and geographical balance, and make sure we provide challenging careers in order to recruit –and retain talented officials. To this end we will promote better use of HQ and Delegation posts, and provide training opportunities to ensure we stay ahead of the curve in terms of new technologies, language learning and new ways of conducting diplomacy.

In terms of <u>organisational culture</u>, the merger of the different EEAS' component parts is not unlike a merger between corporations: it brings with it the challenge of establishing a common identity. And as with organisational change elsewhere, this will take time to be forged, particularly given the array of resources and instruments that we are bringing together.

The first step in creating a common culture is implementing our provisional organisational structure. Very soon, all staff will work together under one chain of command, which will create a common sense of purpose. Regrouping headquarters staff in a single building will also help enormously in this regard and we hope to do this as soon as possible. The HR has already identified an office block that meets our basic requirements.

Let me say a word about our funding.

The EEAS is treated as an autonomous body in budgetary terms. This means that it manages its own administrative budget for which it is responsible before Parliament.

The budget of the EEAS is €182 million for HQ and €278 for delegations, or €460 million in total.

A major challenge for the service will be to fulfil its numerous duties with the existing resources made available to it, since, in addition to carrying on the work previously done by the Commission and Council in the external relations field, we have taken on new functions: we have assumed the rotating presidency role, the chairing of Political and Security Committee and the different geographical and thematic Council Working Groups, while the HR/VP has been chairing the Foreign Affairs Council for a year already. This also includes the so called political-dialogue meetings with third counties and international organisations. (Literally hundreds of meetings per year.)

However, we have not received all the corresponding staff resources, either for the new roles we have taken on or for activities previously carried out by the Council and Commission services, for example in security, administration and budget management. The challenge will be to cover the remaining deficits by cooperating with the Commission and Council Secretariat, as well as finding efficiencies in our existing resources.

In spite of these constraints, we have had some early successes. The swift adjustment of our Delegations to the post-Lisbon system is a case in point. Having taken on the full responsibilities under the Lisbon Treaty on 1 January 2010, the workload of EU delegations has increased significantly. Their role is now that of embassy-type missions that coordinate with national embassies and then speak for the EU as a whole. That we have successfully assumed these responsibilities demonstrates that Member States are fully ready to support us and that they recognize the value of working together.

However, the EEAS does not mean we need *fewer* national embassies. It was created to complement, not to subsume national diplomatic identities.

2. Instruments

Besides personnel and budgetary issues, the next challenge we face is integrating the various EU's external relations "instruments".

I am referring to the CFSP operations on the one hand, and financial instruments such as the Instrument for Stability, the European Instrument for Democracy and Human Rights on the other. I should also add the interplay with development and humanitarian aid instruments in terms of aid programming and implementation, where we cooperate closely with the Commission services.

Of course, the objective of integrating foreign policy instruments is to harness all the tools we have –diplomacy, political engagement, development assistance, civil and military crisis management—in support of conflict prevention and poverty reduction, security and stability, and the promotion of human rights worldwide.

However, under the Treaty only the Commission can implement the EU's operational budget. For that reason, a new Commission service has been established to handle the operational expenditure of the Union's foreign policy instruments, under the authority of Vice President Ashton. Establishing smooth procedures to ensure a seamless policy planning and implementation cycle will be another one of the key challenges.

Another issue is the need to find synergies between the intergovernmental and community aspects in the preparation and implementation of crisis response, conflict prevention and peace building actions. At the moment we have 20 ongoing 'CSDP' operations, 3 military (stabilisation in Bosnia, anti-piracy off the coast of Somalia, training in Uganda for Somali security forces) and 17 civilian missions. They are governed by Council decisions and are planned and implemented by a dedicated team of crisis-management professionals. We need to find ways of leveraging the Stability Instrument and other tools to operate under one shared comprehensive political strategy with these crisis management structures.

These are the "carrots" in our policy armoury. But the EEAS will also wield responsibility over "sticks", such as sanctions policies, which are an essential element in implementing UN security resolutions, as well as legal instruments designed to fight against torture and trade in "blood diamonds". Our objective is to work seamlessly with the Commission and the Council to propose and implement legislation in these areas. The recent decision to impose a visa ban on certain followers of Ivory Coast incumbent President Laurent Gbagbo is a case in point. A lot was riding on it since it was one of the first real test cases of the service. Fortunately we were able to work quickly and efficiently to put in place a decision that pressures Mr Gbagbo to relinquish power.

While we address these issues we must not lose sight of the strategic nature of our expenditure. If we want the money we spend to have a lasting effect, it has to be part of a political strategy, or to be more precise, it has to build or strengthen institutions (as Jean Monnet said, nothing last without them). We also need to explore innovative ways of using EU funds, such as leveraging initiatives by Member States, or even the private sector in order maximise impact. We will be making suggestions to the Commission reflection on the next Multi-Annual Financial Perspectives with a view to adjusting our external funding programmes to the rapidly changing international environment.

3. Institutional and policy-making changes

The third challenge we face is adjusting to the post Lisbon context. I have already given a glimpse of what it means in practice when I talked about the work of our Delegations. Let me complete that picture by looking at the institutional and policy-making context.

Although the EEAS is autonomous in budgetary and administrative terms it is not strictly speaking a separate institution. Our principal task is to support the HR in her various roles, such as chairing the Foreign Affairs Council and representing the Commission in her capacity as Vice President of that institution.

Additionally, the EEAS assists the President of the European Council and the Commission and its President in their functions in the area of external relations. It plays an active role, for example, in the preparation of summits with non-EU countries. And since the Commission no longer has an external relations DG, it needs our input, just as the EEAS needs to be plugged into the Commission decision-making system in order to be involved in the external aspects of community policies.

Similarly we need to be fully integrated into the policy "conveyor belt" at the Council, which starts with the geographical and thematic Working Groups and makes its way up to the Foreign Affairs Council through the PSC and COREPER.

Looking ahead, the EEAS will establish its identity by working in close cooperation with the Commission and the Council to develop "joined up" policy.

In **<u>policy terms</u>**, the first year of HRVP's Ashton mandate has shown the importance of prioritising, as she has taken on board a job previously done by three different people. The next four years of her mandate also call for focusing on policy areas where there is a clear value-added at the EU level.

In addition to setting up the new service, which as I mentioned, is a policy goal on its own right, for the next 12 months Cathy Ashton has identified the following strategic objectives:

- Building stability and prosperity in our neighbourhood. Having secured peace and stability in our continent we need to work towards extending this area to our wider neighbourhood. This will be one of the first test cases for the HR and the EEAS. The Western Balkans poses a particular challenge in so far as we can help resolve outstanding tensions between Kosovo and Serbia, and more generally in consolidating stability in the rest of the Balkans. Further east we need to assist a region still struggling with the transition toward democracy and market-based economic system. In the south we must deepen and broaden cooperation.
- <u>Advancing the Middle East peace process.</u> This is a mission to which the European Union is committed, and whose resolution would pave the way to build a more stable and prosperous region. The EU supports the Palestinian Authority financially and can help with confidence-building measures. The HR recently visited the region to reiterate the need for the opening of crossings into Gaza in order to allow for its reconstruction and economic recovery.
- <u>Engaging strategic partners</u>: whose support and close cooperation is essential if we want to address issues such as security, human rights or climate change. The EU is equally committed to deepening relations and

Podcast available here :

http://iiea.com/event/download_podcast?urlKey=david-osullivan-chief-operating-officerof-the-european-external-action-service

bilateral exchanges with strategic partners including countries such as Brazil, Russia, India and China.

• <u>Promoting Human Rights and good governance</u>: as the HR has said, this is the silver thread running through everything we do. In addition, the EEAS will also play a key role in deploying electoral observation missions to assist countries around the world consolidate democratic processes.

The above objectives respond to trends in foreign affairs for which we can programme policy activities. But a great deal of what goes on in the world can't be planned ahead, especially in crisis situations. For that reason the EU has developed ways to draw on crisis management capabilities that Member States make available and which can be deployed at relatively short notice. We have launched more than 20 missions so far –in Europe, Africa and Asia—and we have carried out activities through the Stability Instrument to address crises resulting from terrorism, regional instability, natural disasters and gender exclusion.

Finally, our organisational chart itself indicates our standing commitment to development policy; European Neighbourhood Policy; and peace-building and security policy.

What is the end result?

I remain convinced that when Europe pulls its weight together we are capable of attaining extraordinary achievements. Today, Monnet's principle that we should seek common solutions to common problems rings especially true in the face of the global challenges we all confront. The methodology he suggested was deceptively simple: European countries need to sit on the same side of the table, with the problem in the middle. That problem, be it addressing outstanding tensions in the Western Balkans, or deploying a naval force off the coast of Somalia to protect vital shipping lanes, requires combined European solutions.

Think for a minute if each of our 27 Member States had to act on its own in order to address problems such as terrorism, international crime, nuclear proliferation, or energy security, to name a few. One quickly comes to realise that Europe cannot afford to act in a disparate manner in an increasingly inter-linked and unpredictable world.

Some commentators are eager to consign Europe's global role in the 21st century to the second tier, behind not only the United States, but also China and other emerging powers. I do not question the rising diplomatic importance of China, India or Brazil – indeed I see it as a positive factor in global affairs. But neither do I see them as supplanting Europe. There is a good reason why Russia, China

Podcast available here :

http://iiea.com/event/download_podcast?urlKey=david-osullivan-chief-operating-officerof-the-european-external-action-service

and the US agreed some years ago to grant the EU the role of negotiating with Iran – on their behalf - on its nuclear programme. The EU is a trusted interlocutor, both less constrained than its Member States by the baggage of their colonial history, and respected for the integrity of its positions. I certainly believe there should be a role for such an actor in the 21st century.

For now as much as ever there is, unfortunately, no shortage of problems around the world where EU action can prove its unique value. On top of that, it can do so at a time when national budgets are already overstretched. With over 130 Commission Delegations and Offices, a track record of over 20 CSDP missions, and an array of financial instruments ready to be deployed in support of development and peace-building efforts, the EEAS has the economies of scale which are necessary to address common problems in a cost-effective manner. That is the real added value of the EEAS.

Thank you.