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EU development cooperation after the Lisbon Treaty

People, institutions and global trends

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The views expressed herein are those of the authors only and should not be attributed to any other person or institution.

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List of acronyms

ACP	African, Caribbean and Pacific Countries
AIDCO	EuropeAid Cooperation Office
BRIC	Brazil, Russia, India and China
CARIOM	Caribbean Community
COAFR	Council Working Party on Africa
CODEV	Council Working Party on Development Cooperation
CPA	Cotonou Partnership Agreement
CSO	Civil Society Organisation
DCI	Development Cooperation Instrument
DEV	Directorate-General for Development and Cooperation - EuropeAid (European Commission)
DEVCO	Directorate-General for Development and Cooperation - EuropeAid (European Commission)
DG	Directorate-General
EC	European Commission
EDF	European Development Fund
EEAS	European External Action Service
EESC	European Economic and Social Committee
EU	European Union
FAC	Foreign Affairs Council
FAO	Food and Agriculture Organisation
GSP	Generalised System of Preferences
ILO	International Labour Organisation
NGOs	Non-Governmental Organisations
NSA	Non-State Actor
PCD	Policy Coherence for Development
RELEX	Directorate-General External Relations (European Commission)
TEU	Treaty on European Union
TFEU	Treaty on the Functioning of the European Union

Executive Summary

The world is changing rapidly. The balance of economic power is shifting and the continuing trend of globalization increases interdependence, with global challenges, such as climate change, the economic crisis, conflict and terrorism, increasingly requiring joint action. In this changing context, the EU is struggling to remain a key player on the international scene. With the Lisbon Treaty, which came into force in December 2009, the EU aspired to reshape its external action. The aim is for the Lisbon Treaty to lead to a more coherent, efficient and visible EU in the world. The Lisbon Treaty has considerable consequences for the conduct of EU external policy and therefore affects the EU's relations with developing countries. Almost two years after the entry into force of the Lisbon Treaty, this paper examines the current state of play as regards the implications for EU development cooperation. Its purpose is to assess if small steps are made towards a stronger EU contribution to international development and poverty eradication. The analysis is guided by a select number of criteria: the letter of the Lisbon Treaty, leadership in EU institutions, organisational measures taken, specific activities undertaken and expected impact.

The Letter of the Lisbon Treaty

Development cooperation has remained a shared competence between the Commission and the Member States. The Lisbon Treaty nevertheless affects the institutional structures responsible for EU development cooperation. The new High Representative and European External Action Service (EEAS) have specifically been tasked with ensuring the consistency of the Union's external action, thereby bringing different strands of EU external action – such as diplomacy, security and development – closer together. Furthermore, new EU leaders such as the High Representative and the permanent President of the European Council, should contribute to a stronger and more unified EU voice on international affairs, including development matters. EU delegations have a stronger mandate to represent the EU in third countries and as such are expected to coordinate the EU's political dialogue with developing countries, taking over that role from the rotating EU Presidency.

Beyond institutional changes affecting development cooperation, the Lisbon Treaty gives increased prominence to poverty eradication. It is now integrated in the EU Treaties as the primary objective of EU development cooperation; it has become one of the objectives of EU external action and, finally, it is reflected in the overall values that are to be upheld and promoted by the EU. The provision on Policy Coherence for Development (PCD) that requires the EU to take account of development objectives in policies affecting developing countries has effectively been strengthened. All in all, the treaty changes are geared to allow the EU to become a stronger international player and step up its contributions to international development.

Leadership in EU institutions

The Treaty dictates the establishment of the EEAS, without giving any further specifications, as to its operationalisation. Guided by propositions from the High Representative and after months of deliberations, EU Member States and the European Parliament reached an agreement on the organisation and functioning of the EEAS in July 2010, after which the service could formally be established in December 2010. The Commissioner for Development guided the merger of the former DG Development and DG EuropeAid into the new DG Development and Cooperation – EuropeAid (DEVCO) that came into effect in January 2011. In other words, through their leadership the High Representative and the Commissioner for Development have contributed to respectively the establishment of the EEAS and DEVCO.

In terms of actual policy changes, particularly as regards PCD, leadership has been lacking. Baroness Ashton has so far failed to demonstrate clear commitments to development objectives within the full spectrum of EU external action. The High Representative and the EEAS have been primarily focussed on

organisational matters as well as day-to-day responses to international events and coordinating with Member States on 'traditional' foreign policy issues. The High Representative and the EEAS have pushed for integrated EU strategies, such as the strategies for the Sahel and the Horn of Africa. But Policy coherence, even without the D of PCD, has hardly been a priority and PCD is rather seen as a long-term project. The Development Commissioner has presented PCD as a cornerstone of his 'agenda for change' to increase the impact of EU development policy. However, since taking office, he has demonstrated little leadership to actually further PCD, as he has rarely engaged strongly on EU policies beyond development. He has so far kept a low political profile, raising some doubts as to his leeway to exert influence on the High Representative and EEAS, as well as other Commissioners to promote PCD.

In terms of collective action, the EU has taken measures to be able to speak increasingly with one voice. The EU has obtained advanced observer status in the UN General Assembly and as a group the EU Member States increasingly presents joint positions in a plethora of international development fora, which can contribute to Europe's global influence. Nevertheless, the picture is mixed across fora and areas of work with a strong and unified EU voice still lacking in quite some instances, as Member States continue to regularly let national interests and profiling opportunities prevail, at the expense of a strong joint EU approach. Member States have given EU political leaders including the President of the Council, the High Representative and the Commissioner for Development so far limited space to exert the necessary leadership to drive strong EU-wide approaches at the international stage and in partner countries.

Organisational measures taken

The creation of DG DEVCO implies that after several years of separation, development policy making and implementation are again united in one DG, which could help ensure that implementation informs policy making. It also means that the split between different groups of developing countries (ACP versus the rest) across different directorates has come to an end, which could contribute to a more coherent approach across geographic areas. The EEAS is tasked with preparing aid allocation and programming decisions, which presents both opportunities (e.g. more holistic approaches) and risks (e.g. securitisation of aid). While the jury is still out as to the outcome, some major organisational challenges have become apparent. The litmus test for the focus of EU development cooperation (poverty or the pursuit of the EU's - economic, security and migration - interests as some fear?) will be the next programming cycle for the EU's financial instruments under the 2014 – 2020 budgetary framework.

First, the complexity of the programming cycle proves to be a major challenge. Particularly the fact that both the EEAS and DEVCO are leading on different steps of the aid programming cycle makes regular information exchange and good collaboration the more important *and* complicated. So far unclear reporting lines and divisions of tasks between the EEAS and DEVCO has created confusion within as well as beyond those bodies. EEAS and DEVCO staff regularly informs and consult each other, but duplication of efforts and protectionism rather than smooth EEAS – DEVCO collaboration is commonplace. There is a need to step up efforts for effective inter-institutional communication and agree on clear guidelines on workflows defined in an inter-institutional agreement.

Second, ensuring sufficient capacity to work effectively towards development objectives in the EEAS and DEVCO is a challenge. The EEAS has been equipped with a *Development Cooperation Coordination Division* and a cross-departmental *Development Cooperation Task Force* that are still to proof they can warrant mainstreaming of development concerns in the EEAS' work. To date, EU delegations are often understaffed to fulfil the role expected from them under the Lisbon Treaty. As for DEVCO, regardless of ambitions to become a centre of excellence on development policy, its new organisational structure may be counterproductive to these ambitions. DEVCO has undergone a substantial reallocation of staff, which has led to a significant loss of capacity in thematic directorates but has not necessarily resulted in an equally

important strengthening of expertise at geographical level. The slimmed down thematic unit have limited capacity to provide sectoral quality support and operational guidance to geographic directorates and EU delegations, let alone to engage with other DGs on PCD issues as is expected of them. Overall, the establishment of the EEAS and DEVCO and subsequent new division of tasks have so far not shown convincing signs of steps towards more effective EU development cooperation

Specific actions undertaken

In this post-Lisbon setting, the Commissioner for Development recently proposed an agenda for change to increase the impact of EU development policy. As part of this agenda, he focuses on EU support to democracy and good governance as well as inclusive and sustainable growth. This illustrates that while poverty remains at the heart of the Lisbon Treaty, in the first 2 years of the post Lisbon era marked by the financial and economic crisis as well as revolutions in the Arab world, increasing emphasis has been put on the role of development cooperation to promote EU and developing countries' shared values (e.g. democracy) and common interests (e.g. economic growth).

As part of the agenda for change, the Commissioner furthermore seeks to advance joint programming by EU institutions and Member States. Preparatory discussions in the Council are however progressing only slowly, revealing hesitance of Member States to agree on a genuine joint approach, as well difficulties in matching different programming cycles. This illustrates difficulties of the EU to deliver on its commitments to enhance donor harmonisation, one of the core principles of the Aid Effectiveness agenda that it signed up to in Paris and Accra and which should be facilitated by the Lisbon Treaty.

Expected impact

In sum, while the Lisbon Treaty creates great opportunities to strengthen the EU's contribution to global development and the eradication of poverty, the signs of the first two years of the Lisbon Treaty in place are not too promising as to delivering on its potential. Only very limited headway has been made in more EU coordination to increase effectiveness and PCD has not been furthered considerably. The EU's partnerships with ACP and African stakeholders are under strain.

However, the post Lisbon landscape is still evolving and being shaped. The ultimate impact on EU development cooperation will depend on what different actors make of it in the months and years to come. This is up to the High Representative and the EEAS, but also other actors such as the Commission Services, Member States and the European Parliament. External partners, global events and other trends will also influence the outcome and impact. Time is running short though. As it stands, the EU is loosing credibility and international weight fast both in economic-financial and political terms. The current crisis context and shifting global power balances may offer opportunities to foster change more rapidly. It remains to be seen if opportunities are seized or squandered.

Introduction

The world is changing rapidly. The balance of economic power is shifting, particularly with emerging economies in Asia and Latin America gaining ground. The continuing trend of globalization increases interdependence, with global challenges, such as climate change, the financial and economic crisis, conflict and terrorism, increasingly requiring joint action.

In this changing context, the EU is struggling to remain a key player on the international scene. With the Lisbon Treaty, which came into force in December 2009, the EU aspired to reshape its external action. The aim is for the Lisbon Treaty to lead to a more coherent, efficient and visible EU in the world. This is to allow the EU to better promote its values¹ and interests globally.

For this purpose, the Treaty has brought about a number of changes including the introduction of a permanent President of the European Council, a reduced role for the rotating 6-monthly EU Presidencies and more power for the European Parliament. The main novelty in EU external action is the position of High Representative of Foreign Affairs and Security Policy and the creation of the European External Action Service (EEAS), headed by the High Representative. They are tasked with ensuring the consistency of the Union's external action more broadly. Hence, the Lisbon Treaty seeks to bring different strands of EU external action - such as diplomacy, security, trade and development - closer together. The High Representative and EEAS, together with innovations such as the permanent President of the European Council, should also contribute to a strong and single EU voice in international matters, rather than 27 dispersed voices of the individual Member States.

The Lisbon Treaty has considerable consequences for the conduct of EU external action and therefore affects the EU's relations with developing countries. Almost two years after the entry into force of the Lisbon Treaty, and more than a year after a hard-fought agreement was reached on the functioning and organisation of the EEAS², this paper examines the current state of play as regards the implications for EU development cooperation. Its purpose is to assess if small steps are made towards more effective EU contributions to international development and poverty eradication.

The paper is structured around a number of key questions that will guide our reflections:

- Section 1: Cooperation between EEAS and DG Development and Cooperation (DEVCO): can it work?
- Section 2: The EU acting as one in the world: What progress has been made so far?
- Section 3: What is the place of poverty eradication post-Lisbon?
- Section 4: Policy Coherence for Development: has there been any progress?
- Section 5: Strategic partnerships: with whom and for what purpose?

¹ Article 2 of the revised Treaty on the European Union defines the following values on which the EU is founded: respect for human dignity, freedom, democracy, equality, the rule of law and respect for human rights, including the rights of persons belonging to minorities

² Council of the European Union (2010a)

This is followed by a conclusion. In each section, the same criteria to assess the implications of the Lisbon Treaty on EU development cooperation guide the analysis:

- a. *The letter of the Lisbon Treaty*: What the revised Treaty on European Union and the Treaty on the Functioning of the European Union stipulate that affects EU development cooperation³
- b. *Leadership in EU institutions*: Demonstrated leadership in EU institutions towards clear commitments to change the way of organising the response of the EU in a different manner, according to new ambitions;
- c. *Organisational measures taken*: Organisational measures taken to create a favourable environment for staff to act upon those new ambitions;
- d. *Specific activities undertaken*: Specific activities undertaken beyond organisational matters that demonstrate a new way of acting to achieve set objectives, particularly development objectives;
- e. *Expected impact*: Impact that can be expected on the EU's developing partner countries.

Furthermore, throughout this discussion paper, particular attention is paid to the longstanding development cooperation partners of the EU such as the African, Caribbean and Pacific Group of States (ACP) and Africa as a whole.

³ The Lisbon Treaty amended the EU's core treaties that form the constitutional basis of the Union: the Treaty on European Union and the Treaty establishing the European Community. The latter was renamed Treaty on the Functioning of the European Union.

1. EEAS and DEVCO: Institutional rationalisation or rivalry?

The Lisbon Treaty prescribes the creation of the post of High Representative of the Union for Foreign Affairs and Security Policy who is in charge of the Union's Common Foreign and Security Policy (CFSP) and the Common Security and Defence Policy (CSDP) and also chairs the new Foreign Affairs Council. The High Representative is vice-president of the European Commission and also tasked with ensuring the consistency of EU external action. This 'double-hatted' position, named as such because of its leadership role in both the Council and the Commission, is assisted by the EEAS. The Treaty describes the EEAS in general terms (See Box 1), details on the organisation and functioning of the EEAS were not provided.

Box 1: Article 27.3 in the TEU on the EEAS

In fulfilling his mandate, the High Representative shall be assisted by a European External Action Service. This service shall work in cooperation with the diplomatic services of the Member States and shall comprise officials from relevant departments of the General Secretariat of the Council and of the Commission as well as staff seconded from national diplomatic services of the Member States. 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.

Once the Treaty came into force and Baroness Catherine Ashton was appointed as the Union's High Representative in December 2009, months of deliberations followed among Member States and the European Parliament on the operationalisation of the Treaty provision on the EEAS, guided by propositions from the High Representative. This resulted in July 2010 in a Council Decision on the organisation and functioning of the EEAS.⁴ The EEAS was formally established in December 2010, while Commission and Council Secretariat staff was transferred to the EEAS in January 2011. More staff is gradually being recruited since, also from EU Member States' diplomatic services and development arms.

The EEAS operates alongside and in conjunction with the European Commission. For its work on development policy and implementation, the Commission created the Directorate General Development and Cooperation - EuropeAid (DEVCO) in January 2011, which is a merger of the former DG Development and Relations with African, Caribbean and Pacific States, and DG EuropeAid. This section focuses on the EEAS and DEVCO's positioning. What does the creation of the EEAS and DEVCO, and their interactions, mean for EU development cooperation?

1.1. The mission and role division...

The **EEAS** has been created to support the High Representative, as described above. Hence, the Service is to contribute to a more coherent EU external action. Being a diplomatic service, it is responsible for political dialogue with partner countries and regions. For developing countries and regions specifically, the Council decided in July 2010 that the EEAS takes the lead on the allocation and programming of development cooperation. The EEAS is furthermore to ensure that EU policy with an external dimension – environment, development, security, trade – is coherent with the general line of EU foreign policy in a specific region or country.

⁴ Council of the European Union (2010a)

The European Commission's **DEVCO** on the other hand has been made responsible for defining development policy, promoting policy coherence for development, and ensuring development policy implementation. DEVCO is therefore in charge of conducting policy dialogue at sector level. After several years of separation, development policy-making and implementation are again united in one DG since the abovementioned merger in January 2011, providing a single interlocutor for the EEAS as well as other DGs of the Commission. DEVCO policy-making is to respond to field realities and should also simplify the communication with EU Delegations.

1.2. The structure...

EEAS staff is drawn from the European Commission, the Council Secretariat and EU Member States. As regards European Commission staff specifically, the EEAS comprises former external relations (RELEX) Commission staff, in terms of development cooperation previously responsible for Latin America and Asia, and some of the former development (DEV) staff, previously responsible for setting out development strategies for ACP countries. All country and regional desks of the different Commission directorate generals have been moved to the EEAS.⁵ In terms of development cooperation, the split between different groups of developing countries (ACP versus the rest) across different directorates is thus removed and should lead to a more coherent approach as coordinated by the High Representative. The task of the new EEAS desks is now to take a holistic approach on the various countries, taking into account the development dimension, but also other dimensions such as security.

The EEAS is divided into five geographic directorates: 1) Asia 2) Africa 3) Europe & Central Asia 4) North Africa, Middle East, Arabian Peninsula, Iran and Iraq, and 5) Americas. There is no division that deals with the ACP, however the Africa department takes a lead role on ACP matters. A sixth directorate deals with global and multilateral issues, such as human rights, electoral observation or conflict prevention and a seventh one with crisis response and operational coordination. The global and multilateral issues directorate contains a division working on development cooperation coordination. Tasks taken up by this division include coordination of EEAS input on draft Commission Communications prepared by DEVCO, guidance and support to other EEAS divisions to ensure they uphold the EU development cooperation values and principles, supporting the High Representative in preparing Foreign Affairs Council (FAC) meetings of development ministers and promoting coordination among EU member states and institutions on development cooperation. Furthermore, the division facilitates an EEAS Development Task Force, which comprises of staff members from different geographic and thematic departments.

DEVCO's new organisational structure⁶ consists of four policy and thematic directorates, four geographic directorates and one administrative directorate. Dealings with ACP countries are spread over three geographic departments, 1) Sub-Saharan Africa and Horizontal ACP matters (of which one unit deals with the ACP); 2) Latin America and Caribbean; and 3) Asia Central Asia and Pacific. DEVCO's director general has explained⁷ that there is to be more emphasis on Sub-Saharan Africa in the new DEVCO. The former units on policy coherence for development and EU aid effectiveness have been merged.

⁵ For the full organigramme, see: http://eeas.europa.eu/background/docs/organisation_en.pdf

⁶ For the full organigramme, see http://ec.europa.eu/europeaid/who/documents/organigramme-devco_en.pdf

⁷ See ECDPM (2011a)

1.3. How does this role division work in practice?

Neither EEAS nor DEVCO have effectively been in place for a year, thus it is fair to give both institutions time to adjust to the post-Lisbon framework. However, nobody outside the EU is waiting for Europe to sort out its internal reorganisation and it is thus necessary that both organisations function properly and efficiently quickly. A number of problematic areas have arisen from the set-up of the EEAS as well as from decisions taken after the set-up.

A complex programming process.

In the past, EU development cooperation was allocated and programmed either in DG RELEX or in DG DEV, depending on the country concerned. They would do the programming, whereas the EuropeAid Cooperation Office (AIDCO) was responsible for implementation. Now, the EEAS is responsible for allocation and programming through its desks, however, as stated in the Council Decision⁸, “under the responsibility of the Development Commissioner” (see figure 1 for a depiction of the new system). It is important where this responsibility lies, as it concerns the allocation of large sums of financial resources which gives a clear indication of the real priorities being pursued over and above any statement or policy commitments.

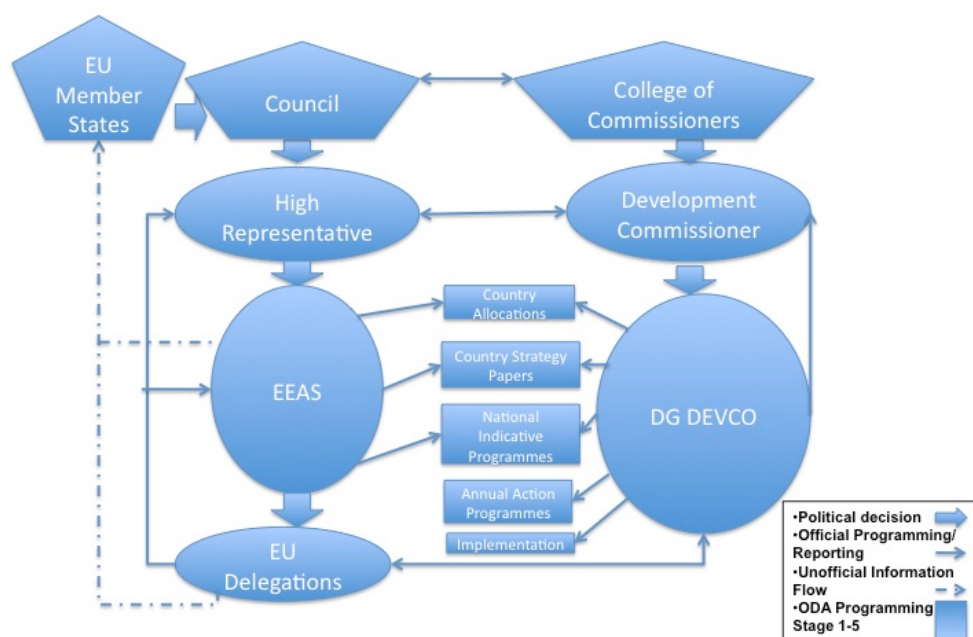
This decision has provoked a lot of debate in the development community as people have questioned whether without staff following country policy contexts in DEVCO, the Development Commissioner would be able to examine whether EEAS suggestions are best for the country from a development perspective. Further concerns have also been expressed that the EEAS being in the lead may bring about a securitisation of EU development policy.⁹

Furthermore, under this arrangement, there are bound to be disputes about the final say on a number of issues. The Council decision sets out that the Commissioner for Development and the High Representative present programming decisions to the College of Commissioners jointly. But who de facto has the final say on programming decision proposals, the Commissioner or the High Representative? Also, while DEVCO makes development policy and may set out conditions for (general) budget support, who decides whether a country receives budget support or not? Is this the EEAS or DEVCO?

A number of questions of this kind pose themselves in this unclear division of roles on programming. EEAS and DEVCO staff regularly inform and consult each other, but interviews reveal some duplication of efforts and protectionism (e.g. geographic desk officers from the EEAS and DEVCO doing similar tasks) rather than smooth EEAS – DEVCO collaboration. The difficulties to conclude an interinstitutional agreement, on which discussions are ongoing, are telling in this sense.

⁸ Council of the European Union (2010a)

⁹ See for example: Concord (2011)

Figure 1: The division of tasks between EEAS and DEVCO post-Lisbon

Adapted from Furness (2010)

DEVCO as a Centre of excellence on development policy?¹⁰

DEVCO's new Director General has said in the European Parliament in May 2011, when presenting the new organisational structure of his Directorate that he wants to make DEVCO a centre of excellence on development policy.¹¹ In an internal presentation he gave to his staff, he outlined the following mission for the new DEVCO: 1) a worldwide concern for development, 2) designing EU development cooperation for the future decade, 3) adding an "EU as a whole" dimension (meaning that development is part of a coherent EU external action, EU sectoral policies are part of a coherent EU policy and development policy contributes to the global challenges agenda). However, DEVCO's new organisational structure may be counterproductive to these ambitions.

DEVCO has undergone a substantial reallocation of staff, which has led to a significant loss of capacity in thematic directorates but has not necessarily resulted in an equally important strengthening of expertise at geographical level. There is a risk that the new slimmed down thematic units dedicate their available time mostly to tasks related to the management of thematic instruments. This could be to the detriment of providing sectoral quality support and operational guidance to geographic directorates and EU Delegations. New "learning thematic networks" will be established that connect geographic and other staff, but such networks have proven largely ineffective in the past. In addition, it has been indicated that there will be budgetary cuts affecting missions from Brussels-based staff to Delegations, likely to widen the gap between headquarter generated policy (including thematic instruments) and implementation in the field. The new DEVCO prioritises quality and impact¹², but there are a number of possible tensions (quick

¹⁰ This paragraph is adapted from Herrero Cangas & Keijzer (2011)

¹¹ ECDPM (2011a)

¹² European Commission (2010)

disbursement vs. quality; showing results vs. engaging in long-term processes with ownership...) which need to be taken into consideration.

In sum, when measured against the assessment criteria defined in the introduction, it is clear that the **provisions of the Lisbon Treaty** and their operationalisation have considerably shaken up the institutional setting to conduct EU development cooperation. Particularly the High Representative and the Commissioner for Development have undertaken efforts to provide the necessary **leadership** for respectively the establishment of the EEAS and the creation of DG DEVCO. Nevertheless, Baroness Ashton has failed to demonstrate clear commitments to development objectives within the full spectrum of EU external action. The Development Commissioner has so far kept a low political profile, raising some doubts as to his leeway to exert influence on the High Representative and EEAS and for that matter the College of Commissioners more widely. DEVCO's new Director General has attempted to define new ambitions for the DG, but these seem undermined by the reorganisation. The **organisational changes** that have been undertaken pose a number of risks for misunderstandings between DEVCO and EEAS, interinstitutional disagreements and a lack of capacity in DEVCO. Unless both institutions develop clear guidelines and make a substantial effort for interinstitutional communication and collaboration, problems may arise. **From a developing countries' perspective**, it may be concluded that in the past months, the EU has been keeping itself busy with its reorganisation rather than focusing on relationships with them and this is likely to continue for at least a few more months. Overall, the new division of tasks and the subsequent reorganisation of DEVCO have so far not shown convincing signs of small steps towards a more effective generation and implementation of EU development policy.

2. The EU acting as one in the world: what progress has been made so far?

Under the Lisbon Treaty, development cooperation remains a shared competence between the Commission and the Member States. The Treaty also specifies that *"in order to promote the complementarity and efficiency of their action, the Union and the Member States shall coordinate their policies on development cooperation"* (see Box 2).

This is not new, but whilst formerly Community policy was to be complementary to the policies of Member States, under the Lisbon Treaty, the Union's development cooperation policy and that of the Member States should complement and reinforce each other. As such, the Treaty now assigns more weight to development cooperation on the European level.

Box 2: Article 210 of the TFEU

In order to promote the complementarity and efficiency of their action, the Union and the Member States shall coordinate their policies on development cooperation and shall consult each other on their aid programmes, including in international organisations and during international conferences. They may undertake joint action. Member States shall contribute if necessary to the implementation of Union aid programmes.

The Lisbon Treaty has provided the EU with institutional and policy provisions to allow the EU to indeed strengthen coordination and act increasingly 'as one'. This section looks specifically at the implications for the EU in international fora (Section 2.1) and the role of the EU Delegations in third countries (Section 2.2).

2.1. The EU on the international stage

What drives the Lisbon Treaty changes is the recognition that the EU needs to increasingly act jointly if it wants to have its voice heard at the international stage and influence global policy decisions. This is pursued through efforts to step up EU representation, combined with stronger internal coordination to prepare joint positions.

In this light, the EU has sought enhanced observer status at the UN General Assembly, which it successfully obtained in May 2011. As a result of this status, the EU now has speaking rights. It may also circulate its communications and present proposals and amendments that can be put to vote. While this can be considered a successful initiative in the spirit of the Lisbon Treaty, it needs to be recognised that a similar initiative in September 2010 failed. Most ACP countries blocked the (more extensive) enhanced observer status resolution tabled by the EU at that time.¹³

Representation of the EU at other UN bodies and international organisations varies, this has not been harmonised as a result of the Lisbon Treaty. This ranges from a seat for the EU as a member (e.g. FAO, G8¹⁴, G20¹⁵, WTO), observer status (e.g. ILO, UNDP, UNEP) to absence of any official position (e.g. Security Council, World Bank). This variation is due to the fact that all UN organs, programmes, funds and specialised agencies have their own rules of procedures and that the EU has different areas of competence as defined by the Treaty. This 'patchwork' of EU representation has led to some confusion, within the EU as well as among its international counterparts.

It is expected that the EU will seek enhanced status in various international fora in the coming years. At the same time, EU Member States have so far shown to be reluctant to give up their seats in exchange for a single EU representation. This may thus lead to considerable power struggles, in fora such as the World Bank and the IMF, as international pressure is mounting to tackle the overrepresentation of the EU as a whole in comparison to its (decreasing) economic power.

The Lisbon Treaty has brought further developments for EU representation at international events at leaders' level, including at G8/G20 summits. The President of the European Council and the President of the Commission will jointly head the EU Delegation to ensure a coherent EU view covering all the relevant policy areas.

Beyond the matter of seats, the strength of the EU's voice in international fora depends on its capacity to present a coordinated, joint EU position that is backed by all EU Member States. In some settings, and on some topics, the EU is more successful than in others. Historically, EU coordination is rather successful in trade matters in the WTO context, where the group regularly manages to have considerable influence as a result of strong joint EU positions. This is facilitated by the fact that trade is a Union competency. More recently, the EU was successful in preparing strong joint positions for the latest G20 summits, resulting in

¹³ The primary reason for the ACP to block the initial resolution was the interest of particularly CARICOM to be allowed to also seek enhanced observer status. A provision to that effect, making it easier for other regional groupings to seek enhanced observer status, was included in the revised resolution adopted in May. See Wouters, Odermatt & Ramopoulos (2011)

¹⁴ While the EU participates fully in the work of the G8, it however does not take the G8 Presidency nor hosts G8 Summit.

¹⁵ As a result of the Lisbon Treaty, the EU is represented at G8 and G20 Summits by the President of the European Council and the President of the Commission. See www.eeas.europa.eu/g7_g8/index_en.htm. Previously, the EU was represented at G20 Summits by the EU Rotating Presidency and the European Central Bank. The Commission only participated in meetings at deputies' level and in the workshops as part of the EU Presidency delegation. See http://ec.europa.eu/economy_finance/international/forums/g7_g8_g20/index_en.htm.

significant influence on the agenda and outcome.¹⁶ In contrast, diverging positions and voting behaviour are also still quite common. Particularly on issues where Member States have a strong national interest or feel they have an opportunity to raise their profile, consensus and joint action is still hard to reach, as in recent months illustrated by the Arab spring.

2.2. The role of EU Delegations

Since the Lisbon Treaty, European Commission Delegations have become EU Delegations. They are part of the EEAS and the Heads of Delegation report to Baroness Ashton.

The Delegations now officially represent the EU in third countries, a role previously performed by the rotating Presidency. The role of the Delegations has thus been expanded to include the coordination of EU political dialogue with third countries and making diplomatic representations on behalf of the EU. For this purpose, EU Delegations are gradually being equipped with staff in newly created political sections to support this role. It is to be noted though that in some developing countries, signs are discernable that strengthening the political section goes at the expense of the operations section tasked with aid programming and implementation. The latter face a halt in recruitment or see staff shift from operations to political matters, raising questions as to the weight of development assistance and objectives in the functioning of the EU Delegations as a whole.

At the same time, EU Delegations continue to be tasked with programming and implementing development assistance and are expected to facilitate coordination among EU Member States, as is stated in the European Consensus on Development adopted in 2005. On the ground however, the EU is still seen as a donor with considerable weight, but not so much a coordinating body. Its coordinating role is weakened by a limited mandate from Member States that don't like to 'be coordinated', tensions between headquarters and the field, and by the availability of alternative coordination platforms (Nordic Plus and donor-wide).¹⁷ Nevertheless, potentially the role of the Head of Delegation convene and chair the EU Heads of Mission meetings is potentially interesting. While discussions in that setting are usually dominated by political issues, they can cover development and aid matters in developing countries and regions.

As the European Commission's recent Communication on EU development policy¹⁸ indicates, efforts are on-going to promote joint programming, implying that EU Delegations and EU Member States in partner countries will ultimately sign up to joint strategic and programming documents. Preparatory discussions in the Council are however progressing only slowly, revealing hesitance of Member States to agree on a genuine joint approach, as well difficulties in matching different programming cycles.¹⁹ This illustrates difficulties of the EU to deliver on its commitments to enhance donor harmonisation, one of the core principles of the Aid Effectiveness agenda that it signed up to in Paris and Accra.²⁰

Not only coordination of the EU Delegation with Member States is a challenge, coordination *within* the Delegations post-Lisbon also deserves attention. The EU Delegation is composed of both EEAS and Commission staff, as well as seconded staff from Member States. Therefore, the EEAS headquarters but also Commission directorates, like development and trade, can give instructions to Delegations. Since the creation of the EEAS, split sections have become an issue (sections in which the one staff receives

¹⁶ Wouters, Sterkx & Corthaut (2010)

¹⁷ Delputte (2011)

¹⁸ European Commission (2011a)

¹⁹ The European Commission has announced it will put forward a proposal on joint programming in the second half of 2011.

²⁰ OECD (2005/2008)

instructions from the Commission, another from the EEAS). In the coming months, clearer lines of reporting and coordination between the institutions will have to be worked out, that may be specified in the interinstitutional agreement that is currently under discussion.

As for now, and as indicated earlier, capacity issues in Delegations in terms of numbers and expertise of staff are still hindering the role they can play to help the EU act as one. Delegations continue to be drastically understaffed. A recent report²¹ by the Court of Auditors points out that the Commission should improve the allocation and use of human resources in Delegations according to the skills of staff. Policy dialogue was one area mentioned in which staff has not been given sufficient guidance. Due to the lack of staff, Delegations have been less able to use the opportunity to engage in policy dialogue that comes with providing budget support, while as a major budget support provider they could be well placed to play a lead and coordinating role in this area. To address this issue, the Commission is stepping up efforts to train its staff at headquarters and Delegations on policy dialogue and will include a chapter on policy dialogue in its upcoming revised Programme and Project Management Guidelines. The Court of Auditors report also notes that contrary to the EU's Code of Conduct on the Division of Labour, Delegations still continue to be involved in many sectors, which stretches their ability to cover any topic in depth.²²

In sum, the EU is shaping up to act more in consort on the international stage and in partner countries and regions, **in the spirit of the Lisbon Treaty**. However, on many occasions a strong and unified European voice and collective action in development cooperation is still lacking. Member States have given EU political leaders including the President of the Council, the High Representative and the Commissioner for Development so far limited space to demonstrate the necessary **leadership** to drive strong EU-wide approaches at the international stage and in partner countries. Future evolutions and **impact** will depend partly on further space and capacity given by the Member States to the EU bodies in general, and the EEAS in particular, to play a coordinating or lead role.

3. What is the place of poverty eradication post-Lisbon?

The Lisbon Treaty gives increased prominence to poverty eradication. It is now integrated in the Treaty on the Functioning of the EU as the primary objective of EU development cooperation. Poverty eradication has also become one of the objectives of EU external action. It is furthermore reflected in the overall values that are to be upheld and promoted by the EU.

Box 3: EU Treaty provisions on poverty eradication

Article 3.5 TEU on overall values of the EU

In its relations with the wider world, the Union shall uphold and promote its values and interests and contribute to the protection of its citizens. It shall contribute to peace, security, the sustain[able] development of the Earth, solidarity and mutual respect among peoples, free and fair trade, **eradication of poverty** and the protection of human rights, in particular the rights of the child, as well as to the strict observance and the development of international law, including respect for the principles of the United Nations Charter.

²¹ European Court of Auditors (2011)

²² Ibid.

Article 21.2 TEU on EU external action

The Union shall define and pursue common policies and actions, and shall work for a high degree of cooperation in all fields of international relations, in order to:

[...] (d) foster the sustainable economic, social and environmental development of developing countries, with the primary aim of **eradicating poverty**;

Article 208 TFEU on development cooperation

[...] Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the **eradication of poverty**. The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries. [...]

Poverty is to be understood in a broad sense, going beyond levels of income. The European Consensus on Development, which serves as a common framework to guide EU institutions and Member States since 2005, highlights the multidimensional character of poverty. In line with Amartya Sen's approach, it is defined by human capabilities such as consumption and food security, health, education, rights, the ability to be heard, human security, dignity and decent work.

Regardless of the stronger provisions on poverty eradication, in the development community concerns have been raised. Some fear that the EU's poverty eradication objective is safeguarded in the Treaty but that concrete practice is lagging behind in the post Lisbon setting. The new institutional architecture may lead to an instrumentalisation of aid for broader foreign policy objectives, such as the pursuit of EU economic and security interests abroad, rather than a focus on the needs of the poor.

The litmus test will be the next programming cycle of the EU's financial instruments under the 2014 – 2020 budgetary framework. Will adequate funding for EU external action, and development cooperation in particular, be secured? How will the resources be allocated across countries and sectors? What considerations will drive the EEAS who will be in the lead on geographic allocation and programming decisions?

First indications of the shape of the future budget can be found in the Commission's recent proposal on the EU's next Multi-annual Financial Framework (MFF).²³ As Vice-President of the European Commission, the High Representative has been involved. Total proposed expenditure for EU external action under Heading IV equal €70 billion (representing 6.8% of the total MFF), which is an increase in real and relative terms as compared to 2007 – 2013, when it amounted to €56 billion, representing 5.7% of the overall framework. Within the budget, a renewed Development Cooperation (€20.6 billion) will continue to have poverty eradication as its primary objective. This is topped by an additional €30 billion to support the ACP through the intergovernmental European Development Fund (EDF) that also seeks to contribute to fighting poverty, outside the budget. All in all, this implies a significant increase as compared to the current budget and EDF, showing an ambition to step up spending on EU external action in general, and development cooperation in particular, in the spirit of the Lisbon Treaty²⁴.

It is uncertain at this stage what decisions will come out of the negotiation process on the Commission's proposals between Europe's co-legislators (the Council and the European Parliament). Decisions will likely be influenced by ongoing discussions on possible strategic reorientations of EU development policy to

²³ European Commission (2011b)

²⁴ This does not necessarily imply that it can be directly ascribed to the Lisbon Treaty, as it is in line with previous commitments.

increase its impact, as proposed by the Commission.²⁵ Nor can it be predicted how the EEAS and DEVCO will exactly use these instruments and policy decisions. So the real tests are still to come. Clearly, poverty eradication will not be achieved by development cooperation alone. It is thus of utmost importance that the EU in its new institutional set-up takes into account its commitment to Policy Coherence for Development, discussed in section 4.

4. Policy Coherence for Development: has there been any progress?

The text on Policy Coherence for Development (PCD) in the Lisbon Treaty (Article 208) requiring the EU to take account of development objectives in the policies affecting developing countries remained unchanged compared to previous treaties.²⁶ However, unlike in previous treaties, poverty eradication became a goal of overall EU external action, which effectively strengthened the provision on PCD.

Box 4: EU Treaty provisions on Poverty Coherence (for Development)

Article 208 TFEU

[...] Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty. **The Union shall take account of the objectives of development cooperation in the policies that it implements which are likely to affect developing countries.** [...]

Article 21 TEU

[...] The Union shall respect the principles and pursue the objectives listed in paragraphs 1 and 2 in the development and implementation of the different areas of the Union's external action covered by this Title and Part Five of the Treaty on the Functioning of the European Union and of the external aspects of its other policies.

The union shall ensure consistency between the different areas of its external action and between these and its other policies. The Council and the Commission, assisted by the High Representative of the Union for Foreign Affairs and Security Policy, shall ensure that consistency and shall cooperate to that effect.

The EEAS has so far emphasized the need for policy coherence, without the D for development, with the basis provided by Article 21 of Lisbon requiring EU external action to be 'consistent' with its overall objectives. It sees its responsibility in ensuring that other areas of EU policy with an external dimension, like trade or migration (which is not part of the external action service), are coherent with the general line EU foreign policy takes on a specific country or region. However, in a limited number of interviews conducted with EEAS officials, it became clear that policy coherence, even without the D of PCD, has hardly been a priority in the first few months of the service and this is rather seen as a long-term project. The EEAS' focus in the first few months has been on organisational matters related to the establishment of the EEAS and power struggles over appointments of new staff, as well as day-to-day responses to international events and coordinating with Member States on 'traditional' foreign policy issues. According to a view widely shared in the EEAS, it is DEVCO's responsibility to promote PCD, and the High

²⁵ European Commission (2011a).

²⁶ Although earlier Treaties referred to Community policies taking account of EU development objectives, and the Lisbon Treaty now refers to Union policies, the provision has always been interpreted as referring to all policies formulated by EU member states and at the EU level (see for instance the 2005 EU Consensus on Development).

Representative has not gone on record to comment on key policy coherence nor policy coherence for development issues (though she might have intervened internally to that effect).

The Development Commissioner has indeed presented PCD as a cornerstone of his 'agenda for change' to increase the impact of EU development policy.²⁷ However, since taking office, he has demonstrated little leadership to actually further PCD, as he has rarely engaged strongly on EU policies beyond development so far. In terms of organisation measures taken, in DEVCO senior officials are of the view that PCD has been 'mainstreamed'. As mentioned above, according to the new Director General, one of the goals of the new DEVCO is the "EU as a whole" dimension which ensures that development is part of a coherent external action and EU sectoral policies part of a coherent development policy.²⁸ Thematic directorates in DEVCO are to follow the implementation of individual EU sectoral policies (trade, migration, climate change, energy etc.) and ensure that they have a positive development effect. While this sounds laudable, the capacity constraints in DEVCO mentioned above make it unlikely that staff in thematic units will have the time to engage with other DGs on PCD issues. Furthermore, none of the draft mission statements for the various DEVCO units that circulated in the spring of 2011 referred to a need to work on promoting PCD in specific areas, except for this one unit with 'coherence' in its name. It is also unlikely that other DGs become particularly interested in engaging on controversial issues affecting developing countries if there is no driver for PCD at a higher level (i.e. the Development Commissioner).

One possible way of ensuring that developing countries' concerns are taken into account is through impact assessments which are carried out by the Commission prior to major EU initiatives, to assess the expected impact of the policy proposals. The EU impact assessment guidelines indeed contain a question on the possible impact on developing countries, and the independent Impact Assessment Board sees to it that DGs follow them (e.g. in the case of the draft impact assessment for the reform of the Common Fisheries Policy it made specific remarks to that effect). However in practice, in many impact assessments this question remains insufficiently addressed and the Commission's impact assessment workflow does not allow for a substantive examination²⁹.

Prior to Lisbon, DG Development had a unit on forward-looking studies and PCD, which effectively focused on PCD. Post-Lisbon, this unit, as mentioned above, has been merged with the one on aid effectiveness and there are now only three staff working specifically on PCD. This makes it very difficult to have a coordinated well-directed approach or in fact any approach on PCD because this small group is made responsible for the rather large commitments the EU has taken on PCD, like issuing a biannual EU (not just Commission)-wide report on the EU's progress on PCD. It should be emphasised, however, that having four full-time officers or more would also be insufficient if the rest of DEVCO would see its technical responsibility to monitor and influence other EU policies fulfilled by these specialists, and not engage in promoting PCD in relation to specific EU policy processes linked to their core area(s) of work.

In sum, despite a **strengthened PCD provision in the Lisbon Treaty**, the signs of the first few months are thus not too promising on making headway on PCD. In the **EEAS, no evidence is found that PC(D) is a priority**, at least for the moment and in DEVCO **PCD has been "mainstreamed"** without very clear indications of what this means for particularly thematic units. While presenting PCD as one of the cornerstones of EU development policy, the Commissioner for Development has so far demonstrated little leadership nor took organisational measures to actually strengthen PCD. It might be useful to specify in the job descriptions of staff in thematic units what and how they are expected to work on PCD to at least give a

²⁷ European Commission (2011a)

²⁸ ECDPM (2011a)

²⁹ For more reflection on this matter see Keijzer (2010)

larger group of staff in DEVCO an incentive to take PCD a step further (e.g. by engaging with other DGs). In the past, ACP countries have made use of Article 12 of the Cotonou Partnership Agreement, (CPA) which also refers to PCD. Developing countries may continue to put pressure on the EU regarding inconsistent EU policies on the basis of Article 12 (CPA) as well as Article 208 of the post-Lisbon Treaty of the European Union, while the EU continues to find a way to best address PCD issues internally.

5. Strategic partnerships with whom and for what purpose?

The Lisbon Treaty includes an article on the principles of EU external action which did not exist in previous treaties. It calls on the Union to develop relations and build partnerships with third countries, as well as regional and international organisations who share the EU's principles.

Box 5: Lisbon Treaty, Article 21 (part 2) on the EU's principles of external action

The Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share the principles referred to in the first subparagraph [democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity and respect for the principles of the United Nations Charter and international law]. It shall promote multilateral solutions to common problems, in particular in the framework of the United Nations.

This section will go into two very different types of partners of the Union. First, the “sought-after” partners with whom the Union has established strategic partnerships, and second the ACP Group, the traditional development partner of the EU.

5.1. The sought-after partners

In early 2011, the High Representative set out the following priorities³⁰ for the EEAS:

- Building stability and prosperity in our neighbourhood
- Advancing the Middle East peace process
- Engaging strategic partners
- Promoting human rights and good governance

Engaging strategic partners is thus a clearly defined goal for the EEAS. However, the EU has not yet been able to define what sets strategic partners apart from other partnerships and what strategic partnerships should contain. European Council President Herman Van Rompuy organised one European Council discussion on the issue in September 2010, with the hope of engaging the heads of state in more of a joint foreign policy with defined strategies and interests (the press release was adequately entitled: “We have strategic partners, now we need a strategy”)³¹ but nothing tangible emerged from the summit. In this context, Van Rompuy also noted that foreign policy should be a point on almost every Council agenda, but Europe’s economic difficulties have interfered with this plan. The current strategic partnerships the EU maintains with countries³² (Brazil, China, India, Japan, Mexico, Russia, South Africa, Canada and the US)

³⁰ O’Sullivan (2011)

³¹ European Council (2010a)

³² The EU also maintains two strategic partnerships with regions: Africa and Latin America, which are usually forgotten in the debate around strategic partners/partnerships.

usually include annual summits and a number of dialogue areas partners engage on at expert level. In December 2010, the High Representative prepared progress reports on the partnerships with China, Russia and the US and presented them to the European Council. The Council³³ invited the High Representative to set out common European interests and identify all possible leverages to achieve them. The European Council would take stock once a year and set orientations. In September 2011³⁴, Ashton presented progress reports to the Foreign Affairs Council on the partnerships with Brazil, China and Russia.

At the European Council summit in September 2010, the High Representative allegedly³⁵ proposed that strategic partnerships could be formed with Egypt, Israel, Indonesia, Pakistan, Ukraine and South Korea. This rather gives the impression that the EU is collecting strategic partners like stamps, instead of engaging in a fundamental debate on the use and need of these partnerships. The type of countries selected is also striking, including neighbourhood countries, emerging economies as well as Pakistan, presumably more of interest due to EU security concerns. According to the Lisbon Treaty, the EU should choose partners on the basis of shared values, such as freedom, democracy and rule of law.³⁶ It is unclear but looks rather unlikely that this has played a role in the selection process so far. It seems rather that European economic and security interests have taken centre-stage. As can be expected given these circumstances, a recent study³⁷ found that since most of the existing partnerships were formed (between 2004-2009), cooperation between the EU and the respective countries within the UN system has not increased.

Thus, while the Lisbon Treaty calls for the EU to form partnerships with countries and regions who share the EU's values, in practice these values (maybe unsurprisingly) do not play a key role. The Council President has attempted to be a leader on strategic partners and Ashton's service has drafted progress reports but during Foreign Affairs as well as European Councils, debates on this topic are usually not a priority for Member States, given the more "urgent" issues of the agenda. This does not give the impression that the EU is aiming for a more coherent and consistent foreign policy, based on well defined partnerships, but rather that it is taking ad hoc measures. What is noticeable with regard to developing countries is that the two strategic partnerships the EU maintains with Africa and Latin America seem completely forgotten in the larger debate around strategic partners.

5.2. The forgotten group of partners?

The EU's relations with the ACP Group historically are the main brick of EU development cooperation in the past. The reference to the ACP, in place since the Treaty of Maastricht of 1992 that safeguarded the intergovernmental nature of EU-ACP relations, has been removed from the Lisbon Treaty. The 'Declaration on the European Development Fund (EDF), part of the Treaty of the EU under the Final Act since the Maastricht Treaty, stipulating that the EDF should be outside the budget, has also been removed. This has stirred some debate within the ACP, but it has to be noted that other developing countries are also not mentioned in the Treaty; the only group that is specifically referred to is Europe's neighbourhood.

The Cotonou Partnership Agreement continues to be the binding framework between EU and ACP until 2020. However, the structural and political changes that have come about on the basis of the Treaty (for example no specific ACP division within the EEAS, political focus on developing stronger partnerships with

³³ European Council (2010b)

³⁴ European External Action Service (2011)

³⁵ Reitman (2010)

³⁶ A full overview of EU values is provided in Footnote 1.

³⁷ Renard & Hooijmaaijers (2011)

the BRICs), do influence perceptions on the future of the EU-ACP partnership. Currently, it looks unlikely that a similar agreement to Cotonou will be formed post-2020.

In recent months, EU officials have put less emphasis on the 'special' partnership between EU and ACP and have stressed³⁸ that they want to treat the ACP like any other partner in the world. In recent interviews with EEAS officials it was said that relations with South East Asia also evolved over time and ACP states should not fear change.

At the same time, there are indications of a 'regionalisation' of the EU's relations with the ACP in recent years. This is demonstrated by separate strategies for the Pacific (2006)³⁹, Africa (2007)⁴⁰ and the Caribbean (process launched in 2010).⁴¹ Since 2007 the Joint Africa – EU Strategy has lost traction, it does not seem a priority of the EEAS and it lacks buy-in from the Member States on both continents. More focus is put recently on strategies covering parts of Africa, such as the Sahel (2011)⁴² and the Horn of Africa (2011), thereby furthering the regionalisation process.⁴³

Meanwhile the ACP is engaged⁴⁴ in its own reflections on its future and the possible need to reopen the Georgetown Agreement. Both sides, but especially the EU, feel the need for new dynamism in the partnership. Whether there will be another agreement like Cotonou post-2020 will very much depend on whether the two sides will find this new 'drive'.

In sum, in the area of development policy, while the EU is still finding its feet in the new post-Lisbon setting and is currently revising its priorities of development cooperation⁴⁵, it looks as if the type of partnership, partners and strategies the EU is seeking is changing. DEVCO is expected to contribute to EEAS priorities like the implementation of the strategies for the Sahel and the Horn of Africa and is likely to take guidance on development partnerships from the EEAS. Whatever route EEAS and DEVCO decide to take, it remains key that principles such as real partnership and ownership as found in the Cotonou Partnership Agreement are safeguarded and applied in the future type of arrangements with the ACP and beyond.

6. Conclusions

The Lisbon Treaty, and particularly the establishment of the EEAS, has significant consequences for the conduct on EU development cooperation, and European external action more broadly. While the process of building up the EEAS is still ongoing, some conclusions can be drawn on initial implications and prospects for the EU's contribution to global development and the eradication of poverty. This is structured according to the earlier defined criteria of (a) the letter of the Lisbon Treaty; (b) leadership in EU institutions; (c) organisational measures taken; (d) specific activities undertaken; (e) expected impact.

³⁸ ECDPM (2011b)

³⁹ European Commission (2006)

⁴⁰ European Union – African Union (2007)

⁴¹ Council of the European Union (2010b)

⁴² Council of the European Union (2011a)

⁴³ Council of the European Union (2011b)

⁴⁴ ACP Secretariat (2010)

⁴⁵ Klavert, Koeb & van Seters (2011)

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The new High Representative and EEAS have specifically been tasked with ensuring the consistency of the Union's external action, thereby bringing different strands of EU external action – such as diplomacy, security and development – closer together. Furthermore, new EU leaders such as the High Representative and the permanent President of the European Council, should contribute to a stronger and more unified EU voice on international affairs, including development matters. EU delegations have a stronger mandate to represent the EU in third countries and as such are expected to coordinate the EU's political dialogue with developing countries, taking over that role from the rotating EU Presidency.

Beyond institutional changes affecting development cooperation, the Lisbon Treaty gives increased prominence to poverty eradication and the provision on Policy Coherence for Development has effectively been strengthened. All in all, the treaty changes are geared to allow the EU to become a stronger international player and step up its contributions to international development.

Leadership in EU institutions

The Treaty dictates the establishment of the EEAS, without giving any further specifications, as to its operationalisation. Guided by propositions from the High Representative and after months of deliberations, EU Member States and the European Parliament reached an agreement on the organisation and functioning of the EEAS, after which the service could be established. The Commissioner for Development guided the merger of the former DG Development and DG EuropeAid. In other words, through their leadership the High Representative and the Commissioner for Development have contributed to respectively the establishment of the EEAS and DEVCO.

In terms of actual policy changes, particularly as regards PCD, leadership has been lacking. Baroness Ashton has so far failed to demonstrate clear commitments to development objectives within the full spectrum of EU external action. The High Representative and the EEAS have been primarily focussed on organisational matters as well as day-to-day responses to international events and coordinating with Member States on 'traditional' foreign policy issues. The High Representative and the EEAS have pushed for integrated EU strategies, such as the strategies for the Sahel and the Horn of Africa. But policy coherence, even without the D of PCD, has hardly been a priority and PCD is rather seen as a long-term project. The Development Commissioner has presented PCD as a cornerstone of his 'agenda for change' to increase the impact of EU development policy.⁴⁶ However, since taking office, he has demonstrated little leadership to actually further PCD, as he has rarely engaged strongly on EU policies beyond development. He has so far kept a low political profile, raising some doubts as to his leeway to exert influence on the High Representative and EEAS, as well as other Commissioners to promote PCD.

In terms of collective action, the EU has taken measures to be able to speak increasingly with one voice. The EU has obtained advanced observer status in the UN General Assembly and as a group the EU Member States increasingly presents joint positions in a plethora of international development fora, which can contribute to Europe's global influence. Nevertheless, the picture is mixed across fora and areas of work with a strong and unified EU voice still lacking in quite some instances, as Member States continue to regularly let national interests and profiling opportunities prevail, at the expense of a strong joint EU approach. Member States have given EU political leaders including the President of the Council, the High Representative and the Commissioner for Development so far limited space to exert the necessary leadership to drive strong EU-wide approaches at the international stage and in partner countries.

Organisational measures taken

⁴⁶ European Commission (2011a)

The creation of DG DEVCO implies that after several years of separation, development policy making and implementation are again united in one DG, which could help ensure that implementation informs policy making. It also means that the split between different groups of developing countries (ACP versus the rest) across different directorates has come to an end, which could contribute to a more coherent approach across geographic areas. The EEAS is tasked with preparing aid allocation and programming decisions, which presents both opportunities (e.g. more holistic approaches) and risks (e.g. securisation of aid). While the jury is still out as to the outcome, some major organisational challenges have become apparent.

First, the complexity of the programming cycle proves to be a major challenge. Particularly the fact that both the EEAS and DEVCO are leading on different steps of the aid programming cycle makes regular information exchange and good collaboration the more important *and* complicated. So far unclear reporting lines and divisions of tasks between the EEAS and DEVCO has created confusion within as well as beyond those bodies. EEAS and DEVCO staff regularly inform and consult each other, but duplication of efforts and protectionism rather than smooth EEAS – DEVCO collaboration is commonplace. There is a need to step up efforts for effective inter-institutional communication and agree on clear guidelines on workflows defined in an inter-institutional agreement.

Second, ensuring sufficient capacity to work effectively towards development objectives in the EEAS and DEVCO is a challenge. The EEAS has been equipped with a *Development Cooperation Coordination Division* and a cross-departmental *Development Cooperation Task Force* that are still to prove they can warrant mainstreaming of development concerns in the EEAS' work. To date, EU delegations are often understaffed to fulfil the role expected from them under the Lisbon Treaty. As for DEVCO, regardless of ambitions to become a centre of excellence on development policy, its new organisational structure may be counterproductive to these ambitions. The slimmed down thematic unit have limited capacity to provide sectoral quality support and operational guidance to geographic directorates and EU delegations, let alone to engage with other DGs on PCD issues as is expected of them. Overall, the establishment of the EEAS and DEVCO and subsequent new division of tasks have so far not shown convincing signs of steps towards more effective EU development cooperation.

Specific actions undertaken

In this post-Lisbon setting, the Commissioner for Development recently proposed an *agenda for change* to increase the impact of EU development policy. As part of this agenda, he focuses on EU support to democracy and good governance as well as inclusive and sustainable growth. This illustrates that while poverty remains at the heart of the Lisbon Treaty, in the first 2 years of the post Lisbon era marked by the financial and economic crisis as well as revolutions in the Arab world, increasing emphasis has been put on the role of development cooperation to promote EU and developing countries' shared values (e.g. democracy) and common interests (e.g. economic growth).

As part of the agenda for change, the Commissioner furthermore seeks to advance joint programming by EU institutions and Member States, while Member States are hesitant to agree on a genuine joint approach. This illustrates difficulties of the EU to deliver on its commitments to enhance donor harmonisation, one of the core principles of the Aid Effectiveness agenda that it signed up to in Paris and Accra and which should be facilitated by the Lisbon Treaty.

Expected impact

In sum, while the Lisbon Treaty creates great opportunities to strengthen the EU's contribution to global development and the eradication of poverty, the signs of the first two years of the Lisbon Treaty in place are not too promising as to delivering on its potential. Only very limited headway has been made in more

EU coordination to increase effectiveness and PCD has not been furthered considerably. The EU's partnerships with ACP and African stakeholders are under strain.

However, the post Lisbon landscape is still evolving and being shaped. The ultimate impact on EU development cooperation will depend on what different actors make of it in the months and years to come. This is up to the High Representative and the EEAS, but also other actors such as the Commission Services, Member States and the European Parliament. External partners, global events and other trends will also influence the outcome and impact. Time is running short though. As it stands, the EU is losing credibility and international weight fast both in economic-financial and political terms. The current crisis context and shifting global power balances may offer opportunities to foster change more rapidly. It remains to be seen if opportunities are seized or squandered.

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About ECDPM

ECDPM was established in 1986 as an independent foundation to improve European cooperation with the group of African, Caribbean and Pacific countries (ACP). Its main goal today is to broker effective partnerships between the European Union and the developing world, especially Africa. ECDPM promotes inclusive forms of development and cooperates with public and private sector organisations to better manage international relations. It also supports the reform of policies and institutions in both Europe and the developing world. One of ECDPM's key strengths is its extensive network of relations in developing countries, including emerging economies. Its partners embrace multilateral institutions, international centres of excellence and a broad range of state and non-state organisations.

Thematic priorities

ECDPM organises its work around four themes:

- Reconciling values and interests in the external action of the EU and other international players
- Promoting economic governance and trade for inclusive and sustainable growth
- Supporting societal dynamics of change related to democracy and governance in developing countries, particularly Africa
- Addressing food security as a global public good through information and support to regional integration, markets and agriculture

Approach

ECDPM is a “think and do tank”. It links policies and practice using a mix of roles and methods. ECDPM organises and facilitates policy dialogues, provides tailor-made analysis and advice, participates in South-North networks and does policy-oriented research with partners from the South. ECDPM also assists with the implementation of policies and has a strong track record in evaluating policy impact. ECDPM's activities are largely designed to support institutions in the developing world to define their own agendas. ECDPM brings a frank and independent perspective to its activities, entering partnerships with an open mind and a clear focus on results.

For more information please visit www.ecdpm.org.

ECDPM Discussion Papers

ECDPM Discussion Papers present initial findings of work-in-progress at the Centre to facilitate meaningful and substantive exchange on key policy questions. The aim is to stimulate broader reflection and informed debate on EU external action, with a focus on relations with countries in the South.

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