



## The Post-Lisbon Landscape: Development at a Crossroads

European Development Days (EDD), 6 December 2010

The EU Lisbon Treaty, which came into effect in December 2009 marked the end of a difficult period of EU internal reform. The Treaty provides a legal framework and new institutions that should enable the EU to underpin its political role on the world stage. In a context of economic and financial crisis and rapidly emerging new global players, it is increasingly important for the EU to become a more coherent, credible, effective and visible actor in the world.

The EU has promoted a long-term vision on development for decades. In the Lisbon Treaty it strengthened its commitment to eradicating poverty. By providing some 60% of all official development assistance (ODA) the EU is a major donor worldwide. It is also an important trading partner with the developing world. The EU is furthermore party to the largest North-South agreement, the ACP-EU Cotonou Partnership Agreement. In recent years the EU has developed a growing number of strategic partnerships with other regions. A particular example is the Joint-Africa EU Strategy, which focuses on a multitude of new global challenges beyond traditional development cooperation.

The main goal of the Lisbon Treaty in the area of external relations is to develop more coherent EU External Action. However, since the Lisbon Treaty came into effect, concerns have been expressed that development could be sidelined by other EU foreign policy objectives. What does the intention of more coherent EU External Action mean in terms of development? Is there a risk that development funds will be used for short-term foreign policy objectives at the expense of long-term development goals? What might the benefits be of forging closer links between development cooperation and other areas of EU policy? What place and importance will the EU give to its longstanding partnerships with Africa and the ACP Group in EU External Action as a whole?

It is increasingly recognised that the Lisbon Treaty presents opportunities but also harbours risks to development. It is therefore crucial to carefully assess with all stakeholders how the potential offered by Lisbon can be utilised to benefit both the EU and its partners in the developing world.

This paper serves as the background paper to the high-level panel discussion that will take place at the European Development Days on 6 December 2010 organised by the Belgian EU Presidency. It aims to provide information and practical analysis on the implications of the Lisbon Treaty for development, in relation to Africa and the ACP Group in particular. It also addresses some key challenges that may be critical in ensuring that the Lisbon Treaty realises its development potential.

# The institutional innovations of the Lisbon Treaty

## The Facts

### Key foreign and development policy provisions of the Lisbon Treaty

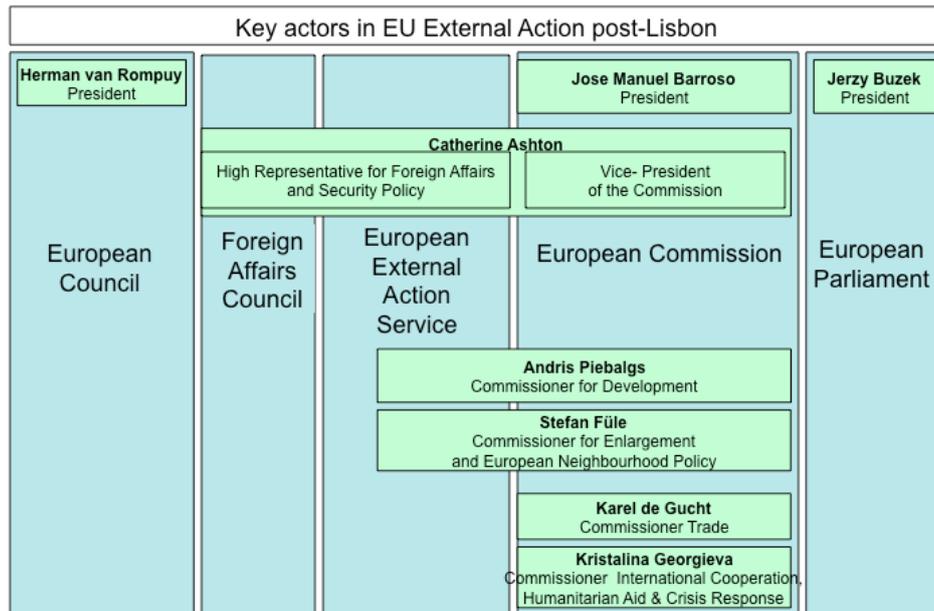
- The Lisbon Treaty gives the EU **wider scope and ambition in External Action**. The EU's **principles** of EU External Action as outlined in the Treaty are: democracy, the rule of law, the universality and indivisibility of human rights and fundamental freedoms, respect for human dignity, the principles of equality and solidarity, and respect for the principles of the United Nations Charter and international law. The Treaty also states that the Union shall seek to develop relations and build partnerships with third countries, and international, regional or global organisations which share these principles, and promote multilateral solutions to common problems.
- The main goal of the Lisbon Treaty in the area of external relations is to develop more **consistent EU External Action, ranging from diplomacy and defence, to trade and development**. The EU's external policy ambitions should also be strengthened through a number of institutional innovations (see below).
- The Lisbon Treaty puts the **fight against poverty** at the **heart of the Union's development policy**: "Union development cooperation policy shall have as its primary objective the reduction and, in the long term, the eradication of poverty."
- In addition to being the primary objective of EU development cooperation, **the eradication of poverty** is for the first time mentioned as an **overall objective of the EU's External Action** ("sustainable economic, social and environmental development of developing countries, with the primary aim of eradicating poverty").
- The language in the Treaty about **Policy Coherence for Development** remains unchanged compared with previous treaties. However, given the elevation of poverty eradication to an overall goal of EU foreign policy, this provision has been strengthened. Under the provision, the EU should ensure that all its policies (agriculture, fisheries, migration, etc) likely to affect developing countries, also take into account the poverty reduction objective of development policy.
- Development Policy remains a parallel, **shared competence** between the European Commission and the Member States. However, while formerly Community policy was to be complementary to the policies of Member States, under the Lisbon Treaty, EU development policy and that of the Member States should **complement and reinforce one another**.

### Who's who and who does what under Lisbon?

- **Herman Van Rompuy** (Belgium), former Belgian Prime Minister, fills the new position **of President of the European Council**, chairing the meetings of the European Heads of State or Government. It is part of his task to ensure the continuity of EU policy priorities beyond the six-month duration of the rotating EU Presidency. The European Council determines the strategic interests and objectives for all External Action.
- The most innovative institutional reform in the Lisbon Treaty is the post of the **High Representative for Foreign Affairs and Security Policy**, who at the same time is the **Vice-President of the European Commission**. Baroness **Catherine Ashton** (UK) is responsible for ensuring coherent and coordinated EU external action. She chairs the **Foreign Affairs Council**, which also discusses development policy.
- The High Representative Baroness Ashton will head the **European External Action Service (EEAS)**, a new diplomatic corps responsible for putting an effective and consistent EU foreign policy into practice. In line with the objective of bringing all EU External Action together under one roof, in January 2011 the

geographical desks for all third countries will be transferred to the EEAS from the Commission Directorates External Relations, Enlargement and Development. The Directorate External Relations will cease to exist as its role is being taken over by the EEAS. The EEAS will comprise staff from the European Commission, the Council Secretariat and the diplomatic services of the Member States. Both the High Representative and the EEAS should provide the EU with a stronger political profile and greater capacity to act on the world stage.

- Former European Commission Delegations in third countries have become **EU Delegations** and represent the Union in all areas, as rotating presidencies did previously. Wherever possible, they coordinate the European Union's response in the partner country. Delegations are part of the EEAS, however they may also receive instructions from the Commission in areas such as trade and development policy, to be implemented under the overall responsibility of the Head of Delegation.



- **Andris Piebalgs** (Latvia), former EU Energy Commissioner, is the current **EU Commissioner for Development**. While his Directorate-General was only geographically responsible for ACP countries prior to Lisbon, it is now responsible for formulating development policy in relation to all developing countries. In addition, the Commissioner for Development holds responsibility for the programming of geographic cooperation under the European Development Fund (EDF)<sup>1</sup> and the Development Cooperation Instrument (DCI)<sup>2</sup>, with the programming being prepared by the EEAS. The High Representative and the Commissioner for Development have to submit proposals to the College of Commissioners jointly. Thematic programmes (i.e. on food security, migration etc.) remain the sole responsibility of the Development Directorate-General<sup>3</sup>. Andris Piebalgs is also responsible for what was previously the EuropeAid Cooperation Office (AIDCO) which will now be merged with the Development Directorate-General.
- **Štefan Füle** (Czech Republic), former Czech European Affairs Minister, is the current **EU Commissioner for Enlargement and European Neighbourhood Policy** (including North Africa, formerly managed by the External Relations Directorate). As in the case of the Development Directorate, the EEAS and the Commission's Neighbourhood Department jointly prepare the allocation and programming for the European Neighbourhood and Partnership Instrument.
- **Karel De Gucht** (Belgium), former EU Development Commissioner, is the current **EU Commissioner for Trade**. Trade remains outside the remit of the European External Action Service.

<sup>1</sup> ACP countries are eligible for the EDF.

<sup>2</sup> 47 developing countries in Latin America, Asia, the Gulf Region and South Africa are eligible for the geographical programmes under the DCI.

<sup>3</sup> With the exception of the European Instrument for Democracy and Human Rights, the Instrument for Nuclear Safety Cooperation and the Instrument for Stability.

- **Kristalina Georgieva** (Bulgaria), former Vice President of the World Bank Group, is the current **EU Commissioner for International Cooperation, Humanitarian Aid and Crisis Response**. Humanitarian aid also remains outside the remit of the European External Action Service.
- The role of the **European Parliament** has been strengthened under the Lisbon Treaty in that 40 new policy fields (including agriculture, fisheries, energy, security and migration) are subject to co-decision (now called 'ordinary legislative procedure') by the Council and the European Parliament from now on. For example, the Parliament will co-legislate the revision of the Generalised System of Preferences (GSP) in the area of trade. Should the EDF become part of the EU budget in 2014<sup>4</sup>, the Parliament will gain a democratic scrutiny role on strategies concerning the ACP countries eligible for the EDF, which it already has for DCI countries.
- At the time of writing there are still a number of institutional aspects related to the reform of EU External Action that need to be further clarified, including the practical division of roles between the Development Directorate-General and the EEAS, the organisational chart of the EEAS and the EU delegations, and the coordination mechanisms between the Commission and the EEAS.

## Where will development policy fit in the EU's External Action?

### Consistent EU External Action – greater opportunities for development policy and cooperation?

In the ongoing debate on the implications for development of the Lisbon Treaty, the following potentially positive aspects of the reform of EU External Action have been identified:

- **Increased EU coherence towards developing countries.** The EEAS will henceforth be responsible for relations with all countries. There will no longer be a split between ACP countries and other developing countries. The High Representative's responsibility for ensuring consistency between different areas of EU policy, internal or external, may give her the policy space required to ensure that other EU policies do not undermine development cooperation.
- **Safeguarding development objectives and development funds.** The Development Commissioner's responsibility for the allocation and programming of funds under EDF and DCI and most thematic programmes gives him the opportunity to ensure that development objectives remain at the heart of the EU's development assistance. The joint preparation of programming documents with the EEAS could also help to further the integration of political and development perspectives. Different approaches to foreign policy and development cooperation (i.e. the need for long-term engagement, a true partnership approach, political dialogue) could be combined in the new EU External Action to the benefit of developing countries, with the Development Commissioner safeguarding development objectives and development funds.
- **Closer cooperation between the EU and developing countries in global fora** such as the UN Security Council or the WTO because of the potential for better integration of foreign policy and development.
- **A more influential European Parliament as a development partner.** The Parliament may become a more important partner in raising awareness on development concerns, as it will have the right to co-legislate in many more areas (see above). The Parliament adopted a report on Policy Coherence for Development in May 2010 expressing a strong commitment to enhance Policy Coherence for Development in the EU and its parliamentary work, showing its willingness to examine more closely the links between development policy and other areas of EU policy.

<sup>4</sup> The current EDF is outside the regular EU budget, based on voluntary contributions from EU Member States.

- **Better and more coordinated delivery of EU development cooperation.** With the Lisbon Treaty there is clear potential for an EU development policy which is more integrated, coordinated and visible (e.g. Member States working together more closely, using country-owned programme-based approaches, etc.). However, strategies on the division of labour have been around longer than the Lisbon Treaty, with mixed results. Change in this area is likely to be influenced by the level of cooperation between EU Delegations, the individual Member States and headquarters. The greater emphasis on managing for results and delivering value for European taxpayers may create incentives for working together more closely to ensure greater impact.

### Consistent EU External Action – marginalisation of development policy and cooperation?

The following concerns have been raised in the debate on the implications for development cooperation of the Lisbon Treaty:

- **The instrumentalisation<sup>5</sup> of development cooperation under EU External Action.** The EU memo issued at the time of the decision-making on the organisation and function of the EEAS, states that “the EU can only have an impact if it is consistent in combining all instruments at its disposal, from development projects to crisis management missions.”<sup>6</sup> Some NGOs have questioned whether development policy should be considered an ‘instrument’ of External Action like any other, or whether development and foreign policy have competing objectives, as development policy seeks to address long-term challenges while foreign policy tends to have to address short-term agendas and manage crisis situations. If the EEAS sets the agenda for overall EU foreign policy and prepares decisions there could be a risk that there will be pressure on the Development Commissioner to allocate resources to programmes that are only marginally ‘development-friendly’. Other stakeholders argue that a combination of instruments is feasible, as long as poverty eradication remains an overall objective and the approaches of development cooperation (e.g. true partnerships, long-term engagement) are given equal weight.
- **Potentially unclear division of roles.** The EEAS will be responsible for the preparation of programming documents under the responsibility of the Development Commissioner. Following the preparatory work, the High Representative and the Development Commissioner will present the proposals jointly to the College of Commissioners. This rather complex and unwieldy division of roles will require effective coordination mechanisms and, more importantly, inter-institutional trust.
- **The risk of marginalisation of the Development Directorate.** If all the geographical desks are moved to the EEAS, some stakeholders question whether enough in-house knowledge and capacity will remain in the Development Directorate (merged with EuropeAid) when decisions need to be taken about country allocations and programming, and whether the Development Directorate will be able to influence the programming effectively done by the EEAS. Concerns have been voiced about whether the Development Directorate will essentially become just a large implementing agency without much involvement in strategic issues. It has been further argued that this possible marginalisation could mean that there may not be any opportunity for development thinking to influence political decision-making in other areas of External Action, beyond ODA allocation and programming. Conversely, some have blamed the focus on bureaucracy and aid management in the Commission and Member States for the marginalisation of development cooperation and the lack of interest by others. They see it as a challenge to make a case for the relevance of development policy in foreign relations beyond aid within the EEAS. How can this be achieved?
- **Insufficient development expertise in the EEAS.** In the new post-Lisbon context, the EEAS will prepare the meetings of development ministers in the Foreign Affairs Council. Will development experts from the Member States be recruited to strengthen development expertise in the EEAS or will members from the Development Directorate be fully involved in the preparation of these meetings?

<sup>5</sup> Other areas of External Action like humanitarian aid face similar concerns of instrumentalisation. Foreign policy staff insist on EU visibility in countries like Haiti or Pakistan, while humanitarian staff press for the principle of neutrality and the need to stay ‘under the radar’, not to be perceived as the long arm of European foreign policy interests.

<sup>6</sup> MEMO/10/311 Brussels, 8 July 2010. EEAS decision – main elements.

- **Doubts about the increased political weight and role of the EU Delegations.** In the past, Commission Delegations found themselves faced with an increasingly ‘political’ agenda from Brussels, which they generally tried to deal with in a pro-active manner. The political and institutional environment, however, was not always conducive to this as the delegations lacked a clear political mandate, had few staff and were burdened with very strict and numerous reporting requirements. How much stronger will EU Delegations be made post-Lisbon in terms of resources and political weight? Will they also be able to feed into the decision-making process in Brussels on political as well as programme decisions, will their weight increase accordingly? Some see a risk of delegations receiving ever more tasks (political representation, coordination of Member States, etc.) without the appropriate staffing to be able to deal competently with these extensive areas of competence. In addition, delegations will receive instructions from the EEAS, as well as from different parts of the Commission. How will the coordination and complementarity of these instructions be ensured?

## What are the implications of Lisbon for the ACP-EU and Africa-EU relations<sup>7</sup>?

The African, Caribbean and Pacific States have been long-standing partners of the EU. These countries have expressed concern about the implications of the Lisbon Treaty for the EU-ACP and EU-Africa partnerships.

The Lisbon Treaty has the following institutional and other implications for the ACP:

- **Reference to the ACP removed.** The reference to the ACP, safeguarding the intergovernmental nature of EU-ACP relations, in place since the Treaty of Maastricht (1992), has been removed from the Lisbon Treaty. The removal of this reference eliminates the formal obstacle to budgetisation. Some have also interpreted the removal as a symbolic shift in EU relations with the ACP in line with the EU’s increasing ‘**regionalisation**’ of relations, developing separate (joint) strategies with Africa, the Caribbean and the Pacific, as more homogenous geographic groupings. Fears have been expressed that this may herald ‘the beginning of the end’ of **the special partnership** between the ACP and the EU that has been in existence since 1975. Is there still a genuine interest and commitment in the EU to uphold the long-term partnership beyond 2020, when the Cotonou Partnership Agreement comes to an end? According to the European Commission these concerns are **unfounded**. Others argue that the removal of the reference to the ACP may be a positive development that will allow the ACP to be **treated like any other region**, allowing for a new era of relations based not on a colonial history.
- **No ACP desk/unit, different managing directors for Africa, the Caribbean and the Pacific.** Institutionally, the EEAS is not likely to have an ACP desk or unit, and relations with Africa, the Caribbean and the Pacific will be managed by separate departments. The institutional format seems consistent with the trend towards a ‘regionalisation’ of EU policy frameworks. This may satisfy African Union (AU) calls to treat Africa as one, but also raises major issues of consistency in EU External Action. For example, how can support to pan-African integration processes be reconciled with deepening relations with neighbouring countries through the neighbourhood policy with North Africa?

### What are the opportunities and challenges facing ACP and Africa in their relations with the EU post-Lisbon?

**Will the ACP and Africa benefit from the more political and multi-dimensional EU approach to development cooperation?** The Joint Africa-EU Strategy already covers a much broader range of global challenges than the AU and the EU intend to address together. The ACP countries will be monitoring how much attention the EU gives to the key objectives of the Cotonou Partnership

<sup>7</sup> The ACP Group comprises 79 states in Africa, the Caribbean and the Pacific. Algeria, Egypt, Libya, Morocco and Tunisia are not part of the ACP Group. All African states except Morocco are part of the African Union.

Agreement, i.e., eradicating poverty, promoting sustainable development and the gradual inclusion of ACP countries in the world economy.

- **Less ACP and AU access to highest EU political levels?** The ACP Group and the AU will want to ensure room for high-level dialogue with the High Representative and the EEAS. Previously, the Development Commissioner was entirely responsible for the ACP-EU and Africa-EU relations. Given her demanding portfolio and her agenda priorities, Baroness Ashton may ask Commissioner Piebalgs to represent her at meetings with African countries, as she has already done for meetings on the Joint Africa-EU Strategy. This may not be in the interests of the ACP and AU States if they want to remain high on the political agenda of the EU. Some stakeholders argue that it would be desirable for the High Representative to make time for at least one visit a year to the AU, the ACP Secretariat and some of the larger capitals within those regions. This would demonstrate the EU's interest in the partnerships and ensure that both sides are well aware of the issues between the two parties and are seeking ways to address them.
- **EU Delegations in ACP and AU countries: better partners?** The EU Head of Delegation, with a stronger political mandate for all areas of EU relations with the country in question, could become a better dialogue partner with whom ACP countries can raise issues of concern and who has more political weight in Brussels to convey their messages. It appears however, that delegations in many countries will hardly obtain more staff responsible for political relations. With so few political staff, it may be difficult to address the concerns that ACP countries have often raised with regard to political dialogue. They have criticised the EU for using dialogue under Article 8 of the Cotonou Agreement to 'control' development efforts (i.e. checking whether the country has met the commitments agreed with the EU) rather than having a real political dialogue on issues of concern to both regions.
- **The European Parliament: champion of ACP/AU interests?** The European Parliament's strengthened role may encourage the ACP to build partnerships with influential Members of Parliament. As the Parliament is now on an equal footing with the Council in key areas like fisheries and agriculture, it could be a powerful partner. However, the Parliament also has a long tradition of insisting on human rights and standards (e.g. decent working conditions or sanitary and phytosanitary measures), which may cause difficulties for the ACP. To be able to work together successfully it may be advisable for ACP countries to acquire a better understanding of how the European Parliament functions and what its powers are. Joint Parliamentary Institutions like the ACP-EU Joint Parliamentary Assembly already exist. Additional consultation mechanisms between smaller groups of parliamentarians could be developed to monitor the progress on ACP-EU or AU-EU matters.
- **Making better use of the provisions on Policy Coherence for Development?** Article 12 of the Cotonou Partnership Agreement allows for ACP countries to request formal consultations on EU policies that could affect their countries' development. With the new political interlocutors in the EEAS whose remit covers consistency in all EU external relations, there may be greater opportunities for the ACP to make more use of this provision.

### Questions for Discussion:

- What do the various institutional actors expect from the Lisbon Treaty in the area of External Action? How do they perceive the role and added value of the European External Action Service? Will the EEAS be able to ensure more coherent EU External Action? What will be the division of roles between the EEAS, the European Parliament and the European Commission?
- What are the opportunities and possible concerns in relation to the importance of development in EU External Action as a whole? How can the risk that development policy becomes sidelined by other EU foreign policy considerations be avoided?
- What impact will Lisbon have on EU relations with Africa and the ACP Group? What will be the place of the ACP in the new institutional set-up? What are the implications for the future of the Joint Africa-EU strategy and the Cotonou Agreement?

## List of abbreviations

ACP	African, Caribbean and Pacific Group of States
AIDCO	DG EuropeAid
AU	African Union
DCI	Development Cooperation Instrument
ECDPM	European Centre for Development Policy Management
EDD	European Development Days
EDF	European Development Fund
EEAS	European External Action Service
EU	European Union
ODA	Official Development Assistance

## ECDPM Briefing Notes

This briefing note is based on ECDPM consultations with ACP and EU stakeholders. It aims to bring together the different strands of thought on the future of EU development policy in relation to External Action. The ideas expressed in this paper do not necessarily reflect the views of ECDPM.

This briefing note was written by Henrike Klavert, Geert Laporte and Jeske van Seters.

info@ecdpm.org  
www.ecdpm.org  
KvK 41077447

**HEAD OFFICE**  
**SIÈGE**  
Onze Lieve Vrouweplein 21  
6211 HE Maastricht  
The Netherlands *Pays Bas*  
Tel +31 (0)43 350 29 00  
Fax +31 (0)43 350 29 02

**BRUSSELS OFFICE**  
**BUREAU DE BRUXELLES**  
*Rue Archimède 5*  
1000 Brussels *Bruxelles*  
Belgium *Belgique*  
Tel +32 (0)2 237 43 10  
Fax +32 (0)2 237 43 19

