

Special Report

## The establishment of the European External Action Service



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Luxembourg: Publications Office of the European Union, 2014

ISBN 978-92-872-0580-3  
doi:10.2865/17377

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*Printed in Luxembourg*

**Special Report****The establishment of  
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Action Service**

(pursuant to Article 287(4), second subparagraph, TFEU)

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## **Reply of the EEAS**

## I

The Lisbon Treaty created the post of High Representative for Foreign Affairs and Security Policy who is also Vice President of the European Commission (hereinafter HR/VP). The HR/VP aims to ensure the consistency of EU foreign policy and is supported in this task by a new diplomatic corps, the European External Action Service (EEAS).

## II

The EEAS became formally operational on 1 January 2011 comprising a headquarters located in Brussels and a global network of 140 delegations to represent the interests of the EU.

## III

The audit examined whether:

- The establishment of the EEAS was adequately prepared.
- The resources of the EEAS were prioritised, organised and allocated efficiently.
- The EEAS has coordinated effectively with the Commission and the Member States.

## IV

With the establishment of the EEAS, the EU now has an operational foreign policy service, equipped with policy desks and crisis management structures, a wide network of diplomatic posts and with a balanced presence of different sources of staff. However, the Court found that:

- The establishment of the EEAS was rushed and inadequately prepared, beset by too many constraints and vaguely defined tasks.

- Weaknesses in the prioritisation, organisation and allocation of resources had reduced the EEAS's efficiency and the EU special representatives are not sufficiently integrated.
- Coordination with the Commission and Member States had improved, but was still insufficient for the EEAS to fulfil its potential.

## V

This report is the result of an independent assessment of the establishment of the EEAS. The Court's audit took place at the same time as the preparation of the EEAS mid-term review. The Court's findings and recommendations are generally in line with the EEAS self-assessment, which reinforces the need to address the weaknesses identified.

## VI

The report sets out a number of recommendations to enhance EEAS added value and efficiency such as clarifying its tasks and objectives, streamlining its organisational design, simplifying its administrative framework, strengthening its strategic role and developing its planning. The report also recommends reviewing the appointment process and functioning of EU special representatives and EEAS recruitment procedures. The EEAS should work with the Commission to mitigate the impact of the rigidity of its financial and staff regulations on the efficiency of EU delegations. Finally, the EEAS should continue its efforts to promote information sharing and co-location with Member States; and should assess the opportunity to offer certain consular services.

## Legal basis and background

### 01

The Lisbon Treaty created a new EU foreign affairs chief, the High Representative for Foreign Affairs and Security Policy who is simultaneously Vice President of the European Commission (hereinafter HR/VP)<sup>1</sup>. The HR/VP is supported by a new diplomatic corps, the EEAS. These changes brought an end to the former 'troika' mechanism<sup>2</sup> which had conducted EU foreign policy during the previous two decades.

### 02

The EEAS was envisaged as the cornerstone of a new EU foreign policy, 'a modern and operational foreign policy service, equipped to promote EU values and interests as well as to ensure coordination and consistency in the EU's relations with the rest of the world'<sup>3</sup> leveraging the efforts of both the EU institutions and the Member States. To this end, its staff bring together the joint forces of the main stakeholders: the Commission, the Council and the Member States. The diverse origin of its staff was considered a critical element for its success and was therefore specifically stated in the Lisbon Treaty<sup>4</sup>.

### 03

When the Lisbon Treaty entered into force on 1 December 2009, the Member States were still exploring different options for establishing the EEAS. Acting on a proposal of the HR/VP after consulting the European Parliament and after obtaining the consent of the European Commission, the Council adopted the Council Decision of 26 July 2010 establishing the organisation and functioning of the EEAS<sup>5</sup> which confirmed its autonomy, stated the basic principles of its organisational set-up and decided which services would be transferred from the Commission and the General Secretariat of the Council (hereinafter GSC) to the EEAS.

### 04

The EEAS's unique characteristics make it different from the Commission (a supranational institution) and the Council (an intergovernmental institution). Depending on whether the subject matter is a community competence or not, it functions like a Commission department or as the GSC. When it works as a Commission department, the EEAS has the same rights and competences as any other department to participate in the internal coordination mechanisms of the Commission.

- 1 Article 18 of the Treaty on the European Union.
- 2 The High Representative for Common Foreign and Security Policy, the Commissioner responsible for external relations, and the Ministry of Foreign Affairs of the Member State exercising the rotating Presidency.
- 3 Council conclusions on the EEAS Review, General Affairs Council meeting, 17.12.2013.
- 4 Article 27(3) of the Treaty on European Union states that the EEAS must be staffed with Commission and General Secretariat of the Council (GSC) officials and with diplomats seconded by Member States.
- 5 Council Decision 2010/427/EU of 26 July 2010 establishing the organisation and functioning of the European External Action Service (OJ L 201, 3.8.2010, p. 30).

## 05

The Council Decision called for a mid-term review of the establishment of the EEAS. This review, published on 29 July 2013, summarises the progress made, the difficulties encountered and includes medium and short term recommendations to improve its functioning. On 17 December 2013, the Council adopted its conclusions on the review<sup>6</sup>, which included supporting the implementation of the short term recommendations and inviting the next HR/VP to present by the end of 2015 an evaluation on the organisation and functioning of the EEAS and, if necessary, a proposal for a new Council Decision.

## 06

The Court's audit work took place in parallel with the mid-term review carried out by the EEAS. The Court is aware of the review and of the related conclusions of the Council, and observes that in many points its conclusions and recommendations converge with both documents. In this context, more particularly in the light of the corrective action to be taken, the Court provides an independent assessment of a crucial new European body.

## Organisational set-up

### 07

The EEAS became formally operational on 1 January 2011. It comprises a headquarters located in Brussels and a global network of 140 former Commission delegations<sup>7</sup>, which were handed over to the EEAS on that date and upgraded to 'EU' delegations with a greater political mandate - to represent the interests of the Union.

### 08

The EEAS is independent for administrative matters. It was initially staffed exclusively via the transfer of some GSC and Commission departments and gradually recruited Member State diplomats. The Council Decision set a target that, at full capacity, one third of EEAS administrators<sup>8</sup> should be diplomats from the Member States<sup>9</sup>. As at June 2013, the EEAS had 3 392 staff, 1 487 at its headquarters and 1 905 in its delegations, and Member State diplomats occupied 33 % of its 935 administrator positions<sup>10</sup>.

### 09

For 2014, the EEAS has a budget of 519 million euro which is split between headquarters (41 %) and delegations (59 %). The Commission tops up the delegations' budget with approximately 270 million euro annually. This is due to the fact that EU delegations still host a significant number of Commission staff, most working on the implementation of EU operational budget for which the Commission is responsible.

6 Council conclusions on the EEAS Review, General Affairs Council meeting, 17.12.2013.

7 A network initiated by the Commission 50 years ago.

8 The Staff Regulations of officials and the conditions of employment of other servants of the European Communities breaks EU officials down into two groups, according to the nature and importance of their duties: administrators and assistants. Administrators carry out administrative, advisory, linguistic and scientific duties while assistants carry out technical and clerical duties.

9 Article 6(9) of Council Decision 2010/427/EU.

10 46 % at delegations (376 administrator positions) and 24 % at headquarters (559 administrator positions).



# Audit scope and approach

## 10

The Court audited the establishment of the EEAS by answering three questions:

- (a) Was the establishment of the EEAS adequately prepared?
- (b) Were the resources of the EEAS prioritised, organised and allocated efficiently?
- (c) Has the EEAS coordinated effectively with the Commission and the Member States?

## 11

The audit covered the preparatory work conducted by EU institutions and the Member States and the activities carried out by the EEAS from its launch on 1 January 2011 to December 2013.

## 12

The Court gathered evidence for its assessment through various means:

- (a) documentation analysis and literature review;
- (b) a sample of 30 briefing requests<sup>11</sup> made by the President of the Council, the President of the Commission, the HR/VP and other Commissioners during 2011-12;
- (c) a sample of 30 administrator recruitment procedures: 15 at headquarters and 15 in delegations;
- (d) a sample of 14 EEAS staff training courses organized since 2011;
- (e) a quantitative analysis of EEAS staffing data as of 15 April 2013, 10 January 2012 and 25 January 2011;
- (f) a survey of a sample of 35 EU delegations (all 35 replied);
- (g) a survey of Member States which was completed by 15 of them<sup>12</sup>;
- (h) interviews with representatives of the GSC and nine Commission Directorates-General to obtain their views on cooperation with the EEAS;
- (i) interviews with EEAS managers and staff, with the EU Special Representatives for Human Rights, the Southern Mediterranean, and Kosovo, and with representatives of the Foreign Ministries of Belgium, Germany, France, Luxembourg and Poland.

11 Briefing requests support the preparation of high level meetings. The EEAS staff answer them through documents in various forms (e.g. speaking points, speeches or background notes).

12 Bulgaria, Czech republic, Estonia, Spain, Italy, Cyprus, Latvia, Hungary, Netherlands, Austria, Poland, Portugal, Slovakia, Sweden and United Kingdom.

## **The establishment of the EEAS was rushed and inadequately prepared, beset by too many constraints and vaguely defined tasks**

### **13**

This section (paragraphs 13 to 22) answers the first question: Was the establishment of the EEAS adequately prepared? The report analyses whether EEAS tasks are clearly specified, limited in number and understood equivalently by the Commission and the Member States; and whether the EEAS has the policy and financial tools it needs to perform its tasks.

## **The role of the EEAS was decided late and defined in vague terms**

### **14**

Due to uncertainties concerning the ratification of the Lisbon Treaty<sup>13</sup>, the Member States and EU institutions did little preparatory work prior to setting up the EEAS. As a result, when the Lisbon Treaty entered into force on 1 December 2009, the characteristics of the future service were still under discussion by the Member States, the Commission and the Council.

### **15**

An important factor during this discussion was that the EU's objectives were not set out in an overarching EU foreign policy strategy, which could have guided this preparatory work<sup>14</sup>.

### **16**

Consequently, the Council Decision does not state any objectives for the EEAS. Instead, it merely states its tasks<sup>15</sup>:

- (a) supporting the HR/VP to fulfil her triple-hatted mandate: conducting the Common Foreign and Security Policy, presiding over the Foreign Affairs Council and being Vice-President (VP) of the Commission;
- (b) assisting the President of the European Council, the President of the Commission and the Commission itself in the exercise of their respective functions in the area of external relations;
- (c) supporting the diplomatic services of the Member States, the GSC and the Commission, and other institutions and bodies of the Union, in particular the European Parliament and cooperating with them.

13 The Irish electorate rejected the Lisbon Treaty in June 2008 before approving it in a second referendum on 2.10.2009.

14 The latest overarching EU strategic document is still the 2003 European Security Strategy which, although updated in 2008, does not reflect the evolving geopolitical events which have transformed the world. However, Member States disagree on the case for a new strategy as some consider that the principles stated in 2003 are still valid.

15 Article 2 and Article 3 of Council Decision 2010/427/EU. In addition, in the context of the HR/VP's mandate to ensure policy consistency with regard to EU external action, Article 9 recognises a key role for the EEAS in the programming of the Commission's external action instruments.

## 17

The Council Decision reflects the agreement among the Member States, the European Parliament and the Commission at the moment of drawing up the text. It does not further define these wide-ranging tasks and says little about their substance.

## 18

As a result, departments were transferred to the EEAS not on the basis of their expected contribution to the fulfilment of EEAS objectives, but on the basis of their activities and their administrative position within the Commission or the GSC. This is particularly evident with regard to the external dimension of internal EU policies, for which the EEAS received no resources from the Commission<sup>16</sup>. In particular, the EEAS was created with no departments to deal with global issues of relevance to the EU such as climate change or energy security, as the resources dealing with these issues were transferred from the former Commission Directorate General for External Relations (DG RELEX) to other Commission departments before the establishment of the EEAS. This has contributed to the de facto outcome whereby the EEAS has had practical difficulties to coordinate some actions of the Commission with impact over EU foreign policy.

## The EEAS has faced a number of political and financial challenges

## 19

The establishment of the EEAS took place during a time of increasing turmoil in the Southern Mediterranean<sup>17</sup>. The EEAS focused its attention on leading the EU's response<sup>18</sup> which took priority over the development of foreign policy initiatives, long awaited by Member States and EU institutions alike, such as the reform of the common security and defence policy procedures and structures and the development of the EU's comprehensive approach<sup>19</sup>.

- 16 EU internal policies and actions can have significant impacts beyond EU's borders, likewise external events can also impact on EU internal dynamics. The 'external dimension of internal policies' generally refers to the situations where the external aspects of internal EU policies have a growing foreign and security policy dimension. As an example of the impact of EU internal policies over EU foreign policy, bilateral relationships with Canada have been dominated for a long time by the discussion on the impact of EU's policies on climate change over the access to European markets of oil produced from tar sands.
- 17 The EEAS started operations during the Arab Spring, specifically on the eve of the international intervention in Libya.
- 18 This response included numerous initiatives such as the development of a new neighbourhood policy adopted in May 2011, the opening of the EU office in Benghazi in May 2011 and the appointment of a European Union Special Representative for the Southern Mediterranean in July 2011. The EU Delegation to Libya was finally opened in November 2011.
- 19 The EU's comprehensive approach is an integrated approach towards a country or a region which combines the use of traditional instruments (e.g. development assistance) and common foreign and security policy actions (e.g. sanctions) in support of a high level objective. The value added of such combination was recognised before (e.g. after the Balkan wars) but its implementation was affected by the multiplicity of EU foreign policy actors at that time. A joint communication from the HR/VP and the Commission on this subject was published on 11.12.2013.

## 20

In a time of austere EU and national budgets, the Council decided that the establishment of the EEAS should follow the principle of budgetary neutrality<sup>20</sup>. However, establishing a new institution is inherently costly, even more so when the resulting body has to carry out new tasks. Indeed, the Council decided it without a resource assessment that should have taken into account both the new demands<sup>21</sup> and the potential for synergies resulting from the merging of Commission and GSC structures.

## 21

The budgetary-neutral condition was applied strictly and only foreign policy structures were transferred into the new service. This meant that the EEAS did not receive resources for support functions. Instead, the Commission and the GSC continued to provide services ranging from staff management (such as recruitment, medical examinations or payment of salaries) to administrative support (such as IT, buildings or meeting room facilities). To this end, the EEAS signed service level agreements with the Commission and the GSC. This was a pragmatic solution in the short term but, overall, the services provided did not fully address EEAS' needs:

- (a) The EEAS had no opportunity to assess or alter the scope and benefits of these service level agreements which were drafted in accordance with the support given before its establishment.

- (b) The duration of the agreements did not take into account the EEAS's needs. For instance, the GSC's support for the maintenance of the secured systems used for distributing classified information ended before an alternative and effective solution was established (in line with the budget neutral principle).

## 22

No overall assessment was made to compare the operational costs of the EEAS with the costs of the previous structures, including Member States. In this respect, the establishment of the EEAS is likely to have brought Member States considerable savings. For example, Member States can rely on EEAS political reporting instead of producing their own reports, the rotating Presidency has a smaller workload in preparing and chairing Council working groups and the salaries of the seconded diplomats are now paid by the EEAS.

20 Recital 15 in the preamble to the Council Decision states that: 'the establishment ... should be guided by the principle of cost-efficiency aiming towards budget neutrality'.

21 The administrative tasks associated with the EEAS's autonomy, tasks previously carried out by the rotating Presidency (e.g. chairing some Council working groups) and the new political duties of EU delegations (e.g. coordinating all EU embassies on the ground).

## Weaknesses in the prioritisation, organisation and allocation of resources reduce the EEAS's efficiency

### 23

This section (paragraphs 23 to 50) answers the second question: Were the resources of the EEAS prioritised, organised and allocated efficiently? The Court audited samples of recruitment procedures, briefings and training courses, and made a quantitative analysis of staffing data.

### 24

Based on that, the Court assesses the management strategy, the objective setting and planning, the organisational structure of the EEAS, the role of EU special representatives and the management of human resources, focussing on recruitment, staff allocation and training.

## The EEAS did not treat as a priority the development of an overarching strategic framework for EU foreign policy, and did not adopt an internal strategy

### 25

In view of a rapidly evolving international situation, the EEAS has favoured ad-hoc approaches instead of proposing an overarching foreign policy strategy. The EEAS has also opted not to propose an overarching approach to deal with EU's strategic partnerships, although the existing ones<sup>22</sup> had been established long before the Lisbon Treaty in an ad-hoc way and may have no clear link with current EU foreign policy priorities. The absence of an overarching strategic framework has been criticised by some Member States<sup>23</sup> and the European Parliament<sup>24</sup>, which expected a more proactive role for the EEAS in developing the EU's foreign policy<sup>25</sup>.

### 26

Whenever strategic guidance is missing, the EEAS consults with the EU institutions and the Member States to prepare the EU's responses. The resulting ad-hoc strategies are the outcome of intense debates before being formally adopted by the Commission and endorsed by the Council. This process does not facilitate timely action.

- 22 The EU currently has strategic partnerships with ten countries: Brazil, Canada, China, India, Japan, Mexico, Russia, South Africa, South Korea and USA. These partnerships were entered into by the Council long before the EEAS was set up.
- 23 Spain, Italy, Poland and Sweden considered that a broad strategic approach for EU external relations was needed and decided to fund the 'Think-tank process for a European Global Strategy' initiative to prepare it.
- 24 European Parliament Report on the Implementation of the Common Security and Defence Policy (A7-0357/2012), 31.10.2012.
- 25 Half of the Member States that replied to the survey thought that the EEAS should contribute more towards the development of EU foreign policies, such as regional strategies.

## 27

The EEAS has not yet adopted an internal strategy or management plan. In 2011 the HR/VP did, however, set three initial priorities:

- (a) setting-up the EEAS as a working institution;
- (b) developing the ten existing EU Strategic Partnerships;
- (c) strengthening the European Neighbourhood Policy in response to the Arab Spring.

Besides this limited number of priorities, the EEAS was flexible enough to adapt to changing circumstances and played key facilitator roles on the Kosovo-Serbia dialogue and the Iran nuclear programme talks.

## 28

The EEAS has neither established objectives nor developed detailed criteria to assess the achievement of these priorities. It has also not developed a comprehensive planning framework, so each department decides how to plan its own activities. This hampers the EEAS's overall efficiency, as tasks and resources do not necessarily follow top-level objectives. In addition, the lack of a comprehensive planning framework makes it more difficult to integrate its activities within the wider context of the Commission's annual work programme or the 18-month trio programme<sup>26</sup> (prepared by the group of three rotating Presidencies and the GSC).

## The complex organisation of the EEAS does not facilitate timely cooperation between departments

## 29

The overall structure of the EEAS is complex, partly due to the fact that, unlike a typical ministry of foreign affairs, it has additional functions which are characteristic of defence ministries, interior ministries and intelligence services. The geographical desks, largely taken over from the former Commission Directorate for External Relations (DG RELEX), and the crisis management structures taken over from the GSC<sup>27</sup> create two distinct parts of the organisation, the latter reporting directly to the HR/VP.

## 30

The EEAS's structure follows a pyramid organisational design which is more complex than the foreign policy structures it replaces:

- (a) geographical desks, the core function of the EEAS<sup>28</sup>, having additional levels of management than hitherto (see the **Table**);
- (b) there are more organisational units which are also of smaller size (managers have a narrower span of control, with approximately 20 % fewer staff reporting to them) and;
- (c) the EEAS has twice the number of senior management staff as its predecessors<sup>29</sup>.

26 The trio Presidency was established in 2007, following a Decision by the European Council, according to which the Union's Member States are divided in groups of three consecutive rotating Presidencies of the Council of the EU, which form the trio. It aims to achieve continuity and consistency in the work of the Council.

27 The Crisis Management and Planning Directorate (created in 2009), the Civilian Planning and Conduct Capability (2007), the Intelligence Analysis Centre (2002) and the Military Staff (2001). They are essential to deploy civilian and military instruments decided by the Council in response to crises (e.g. the launch of a military training mission in Mali in February 2013 to support stability in the Sahel region).

28 A geographical desk consists of one or more EEAS staff covering the same country. They are grouped into geographical services.

29 DG RELEX had four senior managers (one Director General and three Deputy Directors-General) and the GSC two senior managers (a Director General and a Deputy Director General). In contrast, the EEAS has 13 senior managers.

Table

## Overview of management levels at EEAS, DG RELEX and GSC

New structure	Previous structures	
EEAS	DG RELEX	GSC
(six levels)	(five levels)	(five levels)
1. HR/VP	1. Commissioner	
2. Executive Secretary-General/ Chief Operating Officer	-	1. Secretary-General
3. Deputy Secretaries General	-	-
4. Managing Directors	2. Director General	2. Director General
-	3. Deputy Directors General	3. Deputy Director General
5. Directors	4. Directors	4. Directors
6. Heads of Division	5. Heads of Unit	5. Heads of Unit

Source: EEAS staffing data and Official Directory of the European Union, 2010.

## 31

The top-heavy nature of the EEAS is partly due to the Council Decision, which envisaged the creation of Directorates-General for geographical areas and required that one third of EEAS staff should come from the Member States. As most of the management posts transferred to the EEAS were already occupied by permanent officials, the EEAS created a top-heavy structure, allowing a significant number of top posts to be occupied by Member State diplomats.

## 32

The common security and defence policy's structures taken over from the GSC were created on a case by case basis over the years without an overarching framework and overlap with other crisis management departments<sup>30</sup>. The EEAS has started to address these issues, but this is a complex process which requires the unanimous support of Member States to change several Council decisions. In the meantime, it has established new mechanisms to foster coordination, such as the crisis management board and the crisis platform (see **Box 1**).

<sup>30</sup> In particular, with the crisis response and operational coordination department, the security policy and conflict prevention directorate and to certain extent with the global issues and counterterrorism division. For example, the audit revealed overlaps on crisis prevention, crisis response planning, space policy and security sector reform.



## Box 1

### The crisis platform

The crisis platform is a new coordination mechanism to provide the EEAS and the Commission with clear political and strategic guidance for the management of a given crisis. Depending on the characteristics of a particular crisis, the crisis platform brings together crisis management structures, geographical and horizontal departments, and relevant Commission services.

When a crisis platform is launched, the geographical managing director transfers the lead over the country to the Managing Director for Crisis Response and Operational Coordination, who coordinates the EU's response. This limits the number of crises which the EU can deal with at the same time, as the crisis response managing director does not have sufficient resources to manage more than two crises simultaneously. As a result, a crisis platform for a given country may be called off when the crisis is still on-going and the EU's response has not yet taken shape (e.g. Libya).

## 33

The EEAS has a Corporate Board, composed of its four most senior officials<sup>31</sup>. It aims to ensure that activities carried out by the EEAS are consistent and contribute towards achieving the political objectives established by the HR/VP. The EEAS internal procedures do not consider it as a collective entity with a distinctive role and functions. Although the Corporate Board has facilitated coordination among the top managers, it could not reduce as expected the workload of the HR/VP, who still has 23 direct reporting lines.

## 34

As in any diplomatic service, having timely access to information is of key importance. The audit assessed the effectiveness of the existing procedures for the production and distribution of two main types of information products:

- (a) The EEAS provides support for the preparation of meetings held by the President of the European Council, the President of the Commission, the HR/VP and Commissioners by responding to briefing requests in due time. However, answers can take a relatively long time to be prepared, notably due to the validation process, which is the result of the EEAS's structure<sup>32</sup>. Moreover, departments rarely receive feedback regarding either the text or the final outcome of the meeting for which a given briefing note was prepared, making it more difficult for them to improve.

31 The Executive Secretary-General, Chief Operating Officer and two Deputy Secretaries-General.

32 In the sample, the validation process took an average of four days and included up to five validators (deputy Head of Division, Head of Division, Director, Managing Director, Member of the Corporate Board) before reaching the Cabinet, where there is a possibility that the text may be redrafted.



(b) With the establishment of the EEAS, intelligence services and delegations were for the first time part of the same organisation, increasing the potential for combining political reporting and intelligence to assist decision makers. However, the distribution of intelligence products is still limited because of the practical difficulties of sharing classified information with some recipients. In this regard, most EU delegations are not prepared to deal with classified documents, many heads of delegation do not yet have the appropriate security clearance and the systems used for political reporting and intelligence reporting are still incompatible<sup>33</sup>. As a result, access to and the use of classified information within the EEAS, notably by the delegations, is seriously constrained.

## EU special representatives are not sufficiently integrated in the EEAS

### 35

One of the oldest instruments of the common foreign and security policy is the deployment of EU special representatives to deal with crises or specific tasks on behalf of the EU<sup>34</sup>. Special representatives are appointed by the Foreign Affairs Council on recommendation of the HR/VP and benefit from strong support from Member States.

### 36

Initially, the special representatives had an important role in helping coordinate foreign policy between the Council and the Commission, which, however, became redundant after the establishment of the EEAS. Still, taking into account their special tasks dealing with regional problems and ad-hoc crises, the EEAS continues to consider them as a useful instrument and the Council appreciates them as a valuable foreign policy tool. That is why after a temporary decrease in their number (from 12 in 2010 to 9 in 2011), there were 11 special representatives at the end of 2013.

### 37

The special representatives have broad mandates. This allows for a high degree of flexibility during implementation, but also makes it more difficult to evaluate their performance. Despite being considered as ad-hoc crisis-response instrument, special representatives are in place for an average of eight years, which risks leading to their proliferation and an undermining of the role of the normal EEAS structures.

33 This is a heritage from GSC systems, which were built to avoid mixing civilian and military information.

34 Special representatives had been at the disposal of the Council since 1996. Initially the Council could appoint a special representative whenever it deemed necessary, but, after the entry into force of the Lisbon Treaty, only the HR/VP can propose this.

### 38

In December 2013, 7 of the 11 special representatives were based in Brussels and co-located in the premises of the EEAS. The EU special representatives are only integrated into the EEAS structure when double-hatted as heads of delegation (4 out of the 11, all located outside the EU). In the absence of clear procedures, it is left to the discretion of the individual special representatives to decide how to manage coordination with the relevant EEAS departments, thus increasing the risk that their actions are inconsistent with other EU actions. Only half of the surveyed heads of delegation considered that they were adequately informed about the activities of special representatives.

### 39

The special representatives are funded by the 'operations' EU budget managed by the Commission which, at times of budgetary constraint, gives the EEAS significant additional resources outside the EEAS administrative budget<sup>35</sup>. However, this also leaves them outside the administrative and management framework established for the EEAS, notably in terms of staffing, salaries, and reporting, and obliges them to comply with extra administrative and financial obligations reducing their availability for policy making.

### The EEAS faced difficulties in staffing critical functions with the resources transferred

### 40

The EEAS started operations with given resources and services, with staff being transferred on the basis of their status as of 31 December 2010. In 2011, the EEAS performed an initial screening exercise focusing on the rationalisation of the geographical desks. In 2012, a second screening procedure was launched with more ambitious goals in terms of assessing needs and aligning resources with EU foreign policy priorities. These two screening procedures allowed the EEAS to strengthen its administrative and support functions which were not sufficiently staffed when it was set up.

### 41

Despite 18 redeployments, the staffing of the delegations' political sections is still not completed and no new resources had been provided to take over responsibilities relating to the rotating Presidency. Similarly, the relevant departments<sup>36</sup> had not received corresponding new staff resources for the operational planning and implementation of the wave of common security and defence policy missions launched in 2012 and 2013 to respond, in particular, to the crises in Libya, the Horn of Africa and the Sahel.

35 In 2012, common foreign and security policy funding for special representatives amounted to 27 897 500 euro which is equivalent to 5,7 % of the total EEAS expenditure for 2012. These amounts are funded by common foreign and security policy operational appropriations.

36 In particular, the Civilian Planning and Conduct Capability which is in charge of operational planning and implementation of civilian common security and defence policy missions.

## 42

In addition to climate change and energy security (see paragraph 18), the audit revealed several areas where a shortage of thematic expertise was particularly problematic: economic and financial issues, common security and defence policy expertise at delegation level, code of conduct in space, cyber-security, migration, sanctions and asset recovery. The thematic desks are the main interlocutors with the Commission during the inter-service consultation procedure which is the key opportunity for the EEAS to influence policy making. Consequently, these gaps make it more difficult for the EEAS to ensure policy consistency regarding the external dimension of internal policies.

## 43

The GSC and the Commission foreign policy structures used different IT applications. In addition, the establishment of the EEAS brought new requirements, for example in terms of secured communication networks to share information with delegations. However, the EEAS could not address its immediate needs, such as updating and integrating the applications inherited from the Commission and the GSC and improving communications with the delegations and Member States.

## 44

The EEAS is largely dependent on seconded national experts that are not included in the establishment plan (366 at headquarters and delegations as of June 2013). This means that more than half of the EEAS's administrator level staff are seconded from Member States for a limited period and can be recalled, which is a risk for the EEAS's institutional memory and its business continuity.

## The recruitment procedures were lengthy, costly and did not fully correct pre-existing imbalances

## 45

The EEAS was required to renew its workforce by recruiting one third of its executive staff from the Member States in two and a half years, an unprecedented obligation for any EU institution. The EEAS has reached this objective.

## 46

Fulfilling the one third requirement through natural attrition was inherently difficult as most existing staff had permanent contracts. Subsequently, career prospects were affected and many staff left the EEAS, in particular staff coming to the end of their appointments at delegations<sup>37</sup>. This was a loss of valuable experience and a cause of staff distress.

## 47

The EEAS's recruitment procedures are lengthy, especially for head of delegation positions, as the HR/VP decided to interview all short-listed candidates, no matter the size of the delegation. They are also costly, as many candidates are located outside the EU and interviews are held in person in Brussels<sup>38</sup>. Due to the HR/VP's busy schedule, it is difficult to arrange interviews with early notice or avoid last minute changes, resulting in additional costs, time delays and media criticism.

37 Overall, 35 % of the heads of delegation who returned to Brussels have not been given a management function.

38 The full costs of EEAS recruitment procedures are unknown, as the EEAS Human Resources department only pays the costs for Member State diplomats, while EU institutions pay the related expenses for EU officials. The requirement that the delegations must finance the expenses for their staff when they participate in recruitment procedures has also put pressure on their own budgets.

### 48

Representatives of the Member States, the Commission and the GSC participate in the recruitment of sensitive posts, which facilitates an unbiased procedure in terms of origin of the candidates. However, the EEAS has not established a competency framework for managers as a basis for the evaluation of pre-selected candidates. In addition, the EEAS decided not to use assessment centres for managerial positions despite the possible advantages. For example, assessment centres may reduce the need for interviews<sup>39</sup>, provide additional input on the candidate's competences and identify training and development needs.

### 49

Significant gender and geographical imbalances, which already existed in the previous foreign policy structures<sup>40</sup>, still remained as of September 2013:

- (a) Too few women worked as administrators (34 %) and they were even more underrepresented at delegations (26 % of administrators) or within the category of managers (21 %).
- (b) Only 14 % of managers came from the Member States which joined the Union in 2004 and 2007, below the 21 % that would represent their share of the EU population.

### 50

Induction training was insufficiently targeted to address the needs of new EEAS staff, as Member State diplomats are not familiar with Commission procedures and practices and EU officials are not well trained in their new diplomatic functions. However, changes to the induction training were implemented in September 2013.

39 75 and 39 candidates were invited more than once for interviews in 2012 and 2013 respectively. In 2013 the ten candidates with the greatest number of invitations combined 37 interviews in Brussels.

40 In January 2011, 28 % and 13 % of the administrators were women and nationals of the Member States which joined the Union in 2004 and 2007 respectively.

## Coordination with the Commission and Member States is improving, but is still insufficient for the EEAS to fulfil its potential

### 51

This section (paragraphs 51 to 67) answers the third question: Has the EEAS coordinated effectively with the Commission and the Member States? The Court used criteria related to the effectiveness of the EEAS coordination mechanisms with the Commission and the Member States, both at headquarters and at delegation levels.

## Coordination with the Commission was partly effective

### 52

The EEAS is meant to contribute towards greater foreign policy consistency. This mandate requires close cooperation with the Commission which under the Lisbon Treaty retains responsibility for some external relations areas (such as development, trade, enlargement, humanitarian assistance and the external aspects of internal policies).

### 53

As Vice President of the Commission, the HR/VP plays a full part in the Commission's decision-making, but, given the nature of her job, she was not able to attend two thirds of the Commission meetings in 2012, including those with direct or indirect impact over EU foreign policy. In addition, it proved to be difficult to organise formal meetings of External Relations Commissioners, with only five held in 29 months, all chaired by the President of the Commission<sup>41</sup>. In this respect, there has been limited progress clarifying what are the concrete functions/powers of her VP role, notably when coordinating other Commissioners. This is in contrast with the progress defining the powers of the VP role of the Commissioner for Economic and Monetary Affairs and the Euro which was established in October 2011 as a response to the gravity of the financial crisis<sup>42</sup>.

### 54

At working level, there are different fora where the EEAS and the Commission coordinate their activities. The audit found that country teams, the intelligence steering board and the crisis management board meet less frequently than envisaged and that participation does not include all relevant parties<sup>43</sup>. More systematic coordination took place through the weekly coordination meetings between the Commission's Secretariat-General and the Policy Coordination Division, and in the meetings held between the EEAS and the Commission DGs in the context of the Council Working Groups' preparatory work.

41 The EEAS review states that 'Unfortunately these meetings have not been held frequently enough. The President of the Commission and the High Representative have recently agreed that the Relex Group of Commissioners should meet more regularly, with the High Representative in the Chair'.

42 The Commission reinforced the role of the Commissioner for economic and monetary affairs by elevating the post to that of Vice-President, and giving the post-holder additional working instruments.

43 Country team meetings are organised by each geographical service on average twice to three times per year; they often do not include all relevant participants such as thematic desks, common security and defence policy structures or EU special representatives. The EEAS managing directorate responsible for counter-terrorism and development issues, DG ECHO, DG Development and Cooperation – EuropeAid and the special representatives are not represented in the Crisis Management Board. DG Home Affairs is the only Commission Directorate-General represented in the intelligence steering board.

## 55

The EEAS participates in the Commission's inter-service consultations, although its limited resources affect its impact on the external dimension of internal policies. In the common foreign and security policy, a field of intergovernmental competence, the HR/VP assesses whether a topic falls predominantly, or exclusively, under this category when deciding whether to consult the Commission. Sometimes, this is a matter of opinion and the proposal may nevertheless have implications for the Commission's areas of competence.

## 56

The EEAS and the Commission have established formal working agreements to coordinate their activities. Overall, the new procedures are less flexible and more demanding than the ones that existed when DG RELEX was in charge of external relations as the EEAS is separated from the Commission. Although many ex-Commission EEAS staff still had good networks of contacts, which facilitated coordination, these networks are likely to weaken over time. In addition, the establishment of the EEAS as a separate entity increased the number of EU institutions dealing with the same matters and this can make it more difficult to agree on an efficient division of labour, as is shown by the current set-up of crisis rooms within the EU (see **Box 2**).

### Box 2

#### Crisis rooms

Situation monitoring is the continuous review and analysis of events occurring worldwide using all available resources, including reports from EU delegations, intelligence sources, and public media. The EEAS created the EU Situation Room in 2012 using existing resources which had previously been split over three separate departments. Although this was a positive step in the reduction of crisis rooms with similar roles, much remains to be done at EU level.

In May 2013, the Commission established its own Emergency Response Centre, to provide 'a better coordinated, faster and more efficient response when disaster strikes in Europe and the rest of the world'. In addition, the GSC supports the implementation of the EU emergency and crisis coordination arrangements (EU-CCA), which were designed to 'ensure rapid and coordinated EU cross-sector policy responses in serious crises under the leadership of the rotating Presidency'. Currently there is no clear division of responsibilities between the EU Situation Room, the Emergency Response Centre and EU-CCA structures to mitigate the evident risk of overlaps.

Other specific centres also continue to play a relevant role in crisis response<sup>44</sup>. The current architecture raises questions in terms of efficiency and effectiveness, as information and responsibilities are scattered over different players and, for example, the EU will only have a joint integrated threat and risk assessment report as of 2015.

<sup>44</sup> The strategic analysis and response capability (DG Home Affairs), the health emergency operations facility (DG Health and Consumers), the emergency operations centre within the European Centre for Disease Prevention and Control, and the Frontex situation centre.

## The new set-up of EU delegations demands more coordination work and its administrative management is less efficient

**57**

At delegation level the strict distinction between the administrative budgets of the EEAS and Commission has added complexity to the budget preparation and implementation stages. For example, during 2012, the Commission funded administrative costs in delegations through eight different directorates-general and three instruments. Having separated budgets has a negative impact on the efficiency of the delegations, as the current set-up requires more resources to manage the administrative budget and it is a source of risk in a framework of limited resources and de-centralized budget implementation (see **Box 3**). In November 2013, the EEAS made a proposal to the Commission for simplification which if implemented will reduce the number of funding sources to a maximum of two.

**58**

Heads of delegation also face significant difficulties in allocating staff to priorities, as they can only allocate Commission staff to EEAS duties within a limit of 20 % of their working time. In addition, Commission staff cannot authorise EEAS expenditure. As a result, heads of delegation spend a significant part of their time on administrative rather than political issues, which hampers their effectiveness<sup>45</sup>.

**59**

Heads of Delegation and desk officers at headquarters are not always informed about the instructions and reports sent between the Commission headquarters and Commission staff in delegations. This puts at risk the consistency of EU actions.

<sup>45</sup> According to the replies received from the heads of delegation to the Court's survey, 46 % spend 50 % or more of their time on management/ administrative tasks.

### Box 3

#### Financial authorisation restrictions

There are strict restrictions on which delegation staff can authorise EEAS administrative expenditure and Commission operational expenditure. The sole exception is the Head of Delegation, who works for the EEAS but is sub-delegated by the Commission to authorise Commission operational expenditure. This has led to situations where nobody is authorised to implement some of the fundamental steps of financial transactions, notably in delegations where the only EEAS administrator is the Head of Delegation: in his/her absence no one else can authorise EEAS administrative expenditure.



### 60

The EEAS and the Commission coordinate the management of delegations through EUDEL, a body that meets at both senior and operative levels. At the same time, however, the Commission also has a separate forum, 'COMDEL', to deal with Commission-specific matters. The EEAS does not receive the minutes of COMDEL meetings and is not consulted on relevant initiatives. As an example, the Commission carried out a major workload assessment for Commission posts in delegations in 2011, which did not cover the relative workload of all delegation staff (including EEAS staff) and the EU's overall priorities. The existence of two separate bodies to deal with delegation-related matters complicates the working arrangements.

### 61

Despite these issues, the Member States judge that the transformation of the former Commission delegations into EU delegations has been a considerable success for the EEAS.

### **Member States and the EEAS have not yet fully exploited the potential for synergies between their networks of diplomatic representations**

### 62

The EEAS has established regular meetings with the diplomatic services of the Member States to discuss issues of common interest. These meetings were organised at different levels and allowed the EEAS to coordinate a wide range of topics, from political issues to administrative matters such as training or security.

### 63

However, the new role for EU delegations has not been followed by a significant exploitation of synergies with the diplomatic services of the Member States, which is largely attributable to the short time passed and a lack of commitment from the Member States themselves. The co-location of EU delegations and Member State diplomatic representations is still very limited and common political reporting is exceptional. In practice, the information flow between the delegations and Member State embassies remains one-way with delegations receiving little information. Co-location and common political reporting are areas which provide good opportunities for the EEAS to provide added value<sup>46</sup>.

<sup>46</sup> In this regard, the Council has given its full support to further enhancing co-location and sharing reports and information in the Council conclusions on the EEAS review.



### 64

The Lisbon Treaty, which set-up EU delegations, increased expectations that these 'houses of Europe' would provide consular services, including consular protection of EU citizens. However, much still remains to be done, and the EEAS has not yet prepared a detailed analysis of the financial implications of addressing these issues, especially of meeting the expectations of some medium-sized and small Member States. The Member States have neither reached a common position on this issue nor agreed on the harmonisation of rules and legislation applicable in crisis and emergency situations, staff training and the distribution of costs.

**The potential benefits from having the EEAS as permanent chair of Council preparatory bodies have not been fully realised**

### 65

The HR/VP chairs the Foreign Affairs Council, one of the configurations of the Council of the European Union, and appoints the permanent chairs of some of its preparatory bodies, including the Political and Security Committee. Although this facilitates coordination and gives the EEAS significant influence on the whole foreign policy cycle, there are some shortcomings such as the absence of a preparatory body to deal with the external dimension of internal policies.

### 66

Having permanent chairs was considered to represent an advantage over the previous rotating chair model due to the opportunity for long term planning and more strategic thinking. However, according to the answers of the Court's survey of Member States, the EEAS's chairing of Council committees and working groups did not lead to a more strategic approach than when they were chaired by the rotating Presidency.

### 67

Overall, the current set-up still requires close cooperation with the rotating Presidency, which chairs the General Affairs Council responsible for key topics, like accession negotiations, the Committee of permanent representatives, and some relevant Council working groups such as the one on development. This coordination has so far worked in practice although its efficiency has suffered from weaknesses in the EEAS's planning and agenda-setting, which has led to the late submission of documents and short notice before international summits.

## 68

This report is the result of an independent assessment of the establishment of the EEAS. The Court's audit took place at the same time as the preparation of the EEAS mid-term review. The Court's findings and recommendations are generally in line with the EEAS self-assessment, which reinforces the need to address the weaknesses identified.

## 69

With the establishment of the EEAS the EU has an operational foreign policy service, equipped with policy desks and crisis management structures, a wide network of diplomatic posts and with a balanced presence of different sources of staff.

## 70

The establishment of the EEAS took place during a time of financial constraints and of increasing turmoil close to the EU's borders. It was also rushed and inadequately prepared and, at the same time, was beset by too many constraints and vaguely defined tasks. Overall, all these factors contributed towards a difficult start-up environment. (See paragraphs 13 to 22)

## 71

Weaknesses in the objective-setting and planning, organisation and allocation of resources have also reduced the EEAS's efficiency. The integration of the EU special representatives within the work of the EEAS is not yet sufficient. As regards recruitment, the Court found that significant gender and geographical imbalances have not yet been fully corrected and that the recruitment procedures are costly and lengthy. (See paragraphs 23 to 50)

## 72

Overall, coordination between the EEAS and the Commission was only partly effective, mainly due to the absence of effective coordination mechanisms at top level and a rigid financial and administrative framework at delegations, which takes resources away from political tasks. The coordination with Member States improved although it can be further developed to exploit synergies such as information sharing or co-location, to improve consular services, including consular protection of EU citizens, and to facilitate a more strategic role for the Council and its preparatory bodies. (See paragraphs 51 to 67)

## 73

Based on the above conclusions, the Court recommends that:

- (a) The EEAS should clarify its objectives, tasks and competencies, streamline its organisational design and simplify the administrative framework in which it operates.
- (b) The EEAS should examine with the Member States and the Commission the necessity and feasibility of preparing a new overarching strategic framework for EU foreign affairs and security policy, to be submitted to the European Council for approval.
- (c) The EEAS should develop its comprehensive planning to strengthen the internal coherency of its activities and to better connect them with the Commission's annual work programme and the trio programme of the rotating presidencies.

## Conclusions and recommendations

- (d) The EEAS should propose to the Council a review of the existing framework applicable to the EU special representatives to ensure their smooth integration with the work of the EEAS, including clarifying the conditions for their appointment, the characteristics of their mandate, the mechanisms to evaluate their performance, and proposing changes to their administrative position including staffing and financial aspects.
- (e) The EEAS should review its recruitment procedures on the basis of the lessons learnt during the first three years, adopting a competence framework for managers, increasing the use of new technologies to save costs, introducing the use of assessment centres for sensitive posts and being more selective on which posts merit the involvement of the political level in the selection procedure.
- (f) The EEAS and the Commission should propose a new administrative and financial framework for the management of EU delegations to reduce the complexity and rigidity derived from the current budgetary arrangements and allow for a flexible use of delegation staff in the interest of the EU.
- (g) The EEAS should continue its efforts to promote information sharing and co-location with Member States; and prepare a feasibility study for initiating consular services, including consular protection of EU citizens.

This Report was adopted by Chamber III, headed by Mr Karel PINXTEN, Member of the Court of Auditors, in Luxembourg at its meeting of 20 May 2014.

*For the Court of Auditors*



Vítor Manuel da SILVA CALDEIRA  
*President*

## Observations

### **The role of the EEAS was decided late and defined in vague terms**

15

The task that has been assigned to the EEAS consist in assisting the HR in fulfilling his/her mandate, which in turn is to conduct the Union's CFSP and CSDP as mandated by the Council, as well as to ensure the consistency of the Union's external action.

Decisions on CFSP is subject to unanimity among EU Member States, the EEAS could have outlined an overarching foreign policy strategy only if EU MS would have given a clear mandate to the HR to proceed in that direction, which has not been the case. Instead, there have been some initiatives by a limited number of MS – such as the project for a 'European Global Strategy', promoted by ES, IT, PL, SE – but not supported by others, to which the EEAS has been closely associated.

The EU strategic approach continues to be based on the European Security Strategy adopted in 2003 and its implementation report issued in 2008, whose findings are in many respects still valid and pertinent to date (see also our comments to paragraph 25).

### **The EEAS has faced a number of political and financial challenges**

21

Concerning the General Secretariat of the Council, the pattern was one of the progressive and rapid phasing out.

### **The EEAS did not treat as a priority the development of an overarching strategic framework for EU foreign policy, and did not adopt an internal strategy**

25

Since the inception of her mandate, the HR/VP has repeatedly indicated that relations with strategic partners were among the priorities of EU foreign policy. How to make sure that the EU would

improve its approach to these crucial relationships has been the subject of intense discussions, also at the highest political level, including at the European Council (September 2010) and at ministerial levels (Foreign Affairs Council of December 2010), and especially in the Gymnich format in September 2011 and on a number of other occasions. Due to the heterogeneous nature of the group of the strategic partner countries and of their respective relations with the EU, it has always been recognised that a 'one size fits all' approach to these partnerships might have been not the most beneficial one. Initially, the main focus of discussions was on strategic partnerships with the US, Russia, and China. Then, the focus was also on Brazil, India, and South Africa and, of course, on all other strategic partners. It is also worth mentioning that, the structure of the strategic partnerships - which implies a set of regular meetings at different levels and, particularly the regular organisation of Summits - facilitates a systematic follow-up by the Member States and the progressive adjustment of these partnerships to the political priorities and to the evolving international situation. Particularly relevant, in this context, are the discussions which take place in the COREPER in the wake of the Summits.

### **The complex organisation of the EEAS does not facilitate timely cooperation between departments**

#### **32 and Box 1 – the crisis platform**

Two new mechanisms have been established to foster coordination, such as the crisis management board which deals with horizontal issues and the crisis platform which organises the EU response to a crisis from all relevant aspects (diplomatic, humanitarian, security, crisis management, etc.) with all relevant stakeholders from the EEAS and from the Commission (in particular ECHO and DEVCO). When a crisis platform is launched, the HR, or the ESG, or the geographical managing director with the crisis managing director for the operational aspects of the crisis coordinate the meeting in view of adopting operational conclusions with all actors involved in shaping the EU's response. As stated in the recently adopted Communication on comprehensive approach, Crisis platforms shall be organised on a very regular basis for all countries in crisis, like it was the case for the EU's response in Libya until October 2011.

### 34

With reference to **indent (b)**, the same applies to reports issued by civilian CSDP missions.

In figures, 70 Heads of Delegation out of the 140 have a security authorisation. This is a process that takes time due to the involvement of national services. However, since its creation the EEAS has realised considerable progress on that topic and the trend is still improving. Our objective is to reach a situation where every HoD has the appropriate level of security clearance. In order to do so Ministries of Foreign Affairs will be informed that their candidates should already have as much as possible a security clearance.

With respect to classified information, registers are in place within the Delegations that have to deal with EU CONFIDENTIAL documents and above. RCOs (Registry Control Officers) are trained and prepared to deal with these classified documents.

As regards to the classified systems: All the Delegations have the possibility to send and receive information of EU RESTRICTED level and below – including reports on this level of information. The same system combines political and intelligence reporting.

23 Delegations are currently equipped with systems allowing the sending and receipt of information of until level EU SECRET. This number will increase to 30 at the end of the year 2014 and the target for mid-2016 is 60. The system combines also the two kinds of reporting here.

Finally, a complete reworking of the classified information systems is on-going with the objective to transform the still heterogeneous current systems in one 'EEAS Corporate' system. The latter should be operational in 2016.

### EU special representatives are not sufficiently integrated in the EEAS

### 36

Besides their mission of ensuring consistency and coherence of Union action, the EUSRs support the work of the HR/VP, in their respective regions or thematic areas. They play an important role in the development of a stronger and more effective EU Foreign and Security Policy (CFSP) and in the Union's efforts to become a more effective, more coherent and more capable actor on the world stage. They provide the EU with an active political presence in key countries and regions, acting as a 'voice' and 'face' for the EU and its policies.

### 37

In principle, the EU SRs coordinate their actions with relevant EU actors. For example, as stated in Article 12(2) – Coordination of the Council Decision 2011/426/CFSP of 18 July 2011 appointing the EUSR in BiH: In support of Union crisis management operations, the EUSR, with other Union actors present in the field, shall improve the dissemination and sharing of information by those Union actors with a view to achieving a high degree of common situation awareness and assessment.

However it is true that their integration into the structures represents a challenge.

### 38

However, as stated in their mandate, ... The EUSR shall be responsible for the implementation of the mandate, acting under the authority of the HR ... The EUSR shall work in close coordination with the European External Action Service (EEAS) – These provisions reduce considerably the scope of 'discretion'.

### 39

The Commission is responsible for the financial implementation of the Council Decisions adopted for each mandate of the respective EUSRs. Most of the EUSRs' budgets relate to staffing and logistical expenditure which can be seen as administrative expenditure by their nature, but are currently managed as operational expenditure because of their source of financing under the CFSP budget. This set-up gives rise to a different set of procedures which is not optimal and the main reason is that each EUSR has to set up and manage its own office and handle all administrative, logistic, contractual and financial matters with very few staff and the challenge to have all the necessary specialised knowledge and experience to run an office. In 2013, the amount committed for the EUSRs under the CFSP budget was 23.5 million.

This could be improved substantially if the support staff and functions were brought together through one of the following options:

- Integration into the European External Action Service;
- Integration in a shared-service centre;
- Creation of a specific support cell.

Under the current situation, the EUSRs receive extensive support from FPI in certain areas (in particular on finance and contracts, procurement, use of FWCs for essential services and equipment) and also from the EEAS. The EEAS provides extensive logistical support (offices, office furniture, IT and communication equipment and services) formalised through MOUs. The Brussels based EUSRs are co-located in the EEAS premises and the double-hatted EUSRs, as Head of Delegation and located outside the EU, share the offices and services with the Delegation they are based in.

However, whatever integration option would be taken in the future, the EUSRs would still need to report on their activities separately from the EEAS, because specific provisions in the Treaty will continue to apply to them.

### **The EEAS faced difficulties in staffing critical functions with the resources transferred**

#### 43

Please see comment on paragraph 34.

#### 44

The EEAS has been conceived in a way to favour cross-fertilization between the cultures of the national diplomatic services of the EU Member States and the staff coming from the European Institutions. It was intended since the beginning that the seconded staff would essentially be rotating. The national experts who are seconded to the EEAS have the opportunity to familiarise themselves with the operational side of European policies and with the European structures. These aspects are undoubtedly representing a benefit for their respective administrations.

### **The recruitment procedures were lengthy, costly and did not fully correct pre-existing imbalances**

#### 47

Interviews in Brussels for the candidates to positions of Head of Delegation is deemed necessary as they would be occupying challenging management positions outside headquarters.

Although it does sometimes happen that final interviews for Head of Delegation positions by the HR/VP need to be rescheduled owing to unavoidable changes in her diary, every effort is made to ensure that candidates are always notified of the change in the date and/or time of their interview before they have to travel.

#### 48

The EEAS did analyse the possible advantages of using assessment centres for managerial positions. We reached the conclusion that they did not represent an optimal solution for an institution like ours, in particular during a start-up phase and in presence of the obligation of rapidly fulfilling the quota of Member States diplomats.

**49**

Taking the figures of February 2014 it's true that women represent a lower percentage than men for the category of administrator, but the percentage of women in management positions has increased up to 25.5 %.

Notwithstanding the inherited geographical imbalance, the EEAS has made significant efforts to recruit MS Diplomats coming from the 'New' Member States. As of February 2014, 29% of the MS Diplomats in management position are from the 'New' Member States.

As regards gender and geographical balance, the success rate of women who apply remains higher than for men, but the problem is getting enough application forms by women.

On geographical imbalance, it may depend which figures have been used : In the 2013 staffing report, we highlight an increase from 16.9 to 18.6% of EU-12 at AD level where the size of these countries correspond to 20.6%, so not far off and improving fast. On ASTs we went from 12.7% to 16.1% in one year. For Contract agents the figures are lower.

**50**

The programme of the preposting seminars aiming at preparing staff for a first post in a Delegation has indeed been adapted to the needs of newly nominated colleagues. During the annual seminars for staff in Delegations, trainings related to diplomatic tasks have also been systematically organised.

**Coordination with the Commission was partly effective**

**54**

More effort arguably needs to be made to bring in the CSDP structures to improve coordination both with the Commission and within the EEAS itself.

Furthermore, the weekly EEAS COO-DEVCO DG meeting and the weekly meeting with the Cabinet of the Commissioner responsible for Enlargement and European Neighbourhood Policy, are important examples as well. In addition to periodic meetings, other coordination mechanisms have contributed to the effectiveness of the EEAS Commission collaboration. Written agreements (e.g. The EEAS Commission Working Arrangements, see paragraph 56) as well as Committees (e.g. EUDEL, see paragraph 60) are good examples of such mechanisms.

**56**

The EU Situation Room mainly deals with political crises and major natural disasters outside the EU.

The European Emergency Response Centre (EERC) mainly deals with natural disasters outside and inside the EU, according to EU legislation on humanitarian aid and civil protection.

To encourage synergies and minimise overlaps, co-location of the EERC and the EU Situation Room was proposed in the EEAS Review in 2013.

**The new set-up of EU delegations demands more coordination work and its administrative management is less efficient**

**57**

The EEAS fully shares the Court's analysis on the financial circuits in delegations which is also valid for the CFSP budget, in particular as regards the efficient management of the budget of civilian CSDP missions.

**59**

The rule applicable to the relations between HQ and the Delegations, as agreed between the EEAS and the Commission, is that all Heads of Delegations should be informed of all instructions coming from HQ to Delegations and should see all reporting from their Delegation to HQ.



60

This dual system (COMDEL-EUDEL) does lead to multiple debates on the same issues, delays in decision-making and can be an obstacle to direct contacts between the EEAS and Commission services. However, in recent months the EUDEL format has been adjusted and now takes place at Director's level, more suited for decision making. We nevertheless agree that the coordination of the management of Delegations would be less complicated if only one 'forum', the EUDEL, existed.

### **Member States and the EEAS have not yet fully exploited the potential for synergies between their networks of diplomatic representations**

63

In addition to the 4 colocation projects already existing, 8 colocations projects with different Member States have been established since the creation of the EEAS, in 7 third countries. Other co-location projects are under examination and we are confident that this practise will develop further. Co-locations represent a priority for the EEAS not only for practical and economic reasons but also for their symbolic value.

As regards report-sharing between EU institutions and Member States, there is a more systematic and standardized system, at Headquarters and Delegation level. The EEAS continues the practise of sharing reports about summits, EU and bilateral meetings, visits, etc via COREU as previously done by the rotating EU presidency. The EU Delegations also share a number of EU coordination meetings at different levels such as Heads of Mission, Deputy Heads of Mission, Economic and Trade Affairs, Cooperation, Press, Information and Culture, etc. Joint EU HOMs reports are also regularly produced by EU Delegations and EU Member States Embassies in third countries. Delegations also regularly distribute other reports, analytical surveys and assessments, and e-notes. The EEAS is also distributing on daily basis LTTs (Line-to-take) on significant events in international affairs. The LTTs are an efficient way to make known the EU line on international policy issues or on other issues of international relevance, such as economic and trade issues, migration, security, etc. EU Delegations normally distribute regularly LTTs to EU Member States Embassies in third countries.

64

It should indeed be recalled that consular protections remains a national competence, therefore Delegations do not provide direct assistance to EU citizens. Delegations support the MS in facilitating cooperation and in helping them to provide assistance to unrepresented citizens. This is done in a number of countries. One recent example is South Sudan where the delegation helped the local coordination of evacuation unrepresented citizens (main nationalities of unrepresented citizens: Italy, Belgium, Finland, Portugal, Sweden, Ireland, Greece, Denmark) other examples are Lebanon and Philippines just to mention the most recent cases.

### **The potential benefits from having the EEAS as permanent chair of Council preparatory bodies have not been fully realised**

#### **Common reply to paragraphs 65-67**

This is, indeed, still work in progress. However, the stability and growing experience in the Chair brought by those who have been doing the job has resulted in many benefits, and the further development of their role, notably in how working parties and committees engage with third parties through third country visits and regular chair's dialogues with third countries, civil society and other stakeholders.

65

There are several Council Working Parties that deal with the external dimension of internal policies such as COTER (external dimension of terrorism), JAIEX (external dimension of justice and home affairs policies). These, however, are chaired by the rotating Presidency, within the sectorial domains they concern.



## Reply of the EEAS

### 66

It is in the nature of CFSP that most of the policy areas that it covers are those related to unplannable and unpredictable events and the need for an urgent response to crisis. The real advantages of having a permanent chair are:

- (1) Having a continuous interlocutor for political dialogue and consultation with third countries. To take one example, the PSC Chair has been able to revive a moribund dialogue with the United States, who were previously uninterested in meeting a new interlocutor every six months.
- (2) The avoidance of policy priorities being set according to the political exigencies of delivering within a six month period. Policies such as the strategies on maritime security or Gulf of Guinea were prepared gradually and thoroughly over a much longer timeframe and are better products.

### 67

The operation of co-ordination between bodies chaired by three different Presidencies (EEAS, rotating Presidency and Chair of the European Council) when dealing with the same policy area is a complex task. To note also that the co-ordination process is made more complicated than necessary by the fact that the mandates of Council bodies have not been changed since the Lisbon treaty, meaning that divisions of responsibility along CFSP/non-CFSP lines do not always reflect the different responsibilities held by EEAS, Commission and Council.

## Conclusions and recommendations

### 71

During the first months after the EEAS kick-off, all administrative services had put the focus on streamlining processes which were before totally or partially done with support of the Commission services (HR, IT,...). In 2012, and especially in 2013, the reorganization of the EEAS Headquarter structure, the redeployment of 20 AD posts from Headquarter to Delegations and the Zero-Based Review reallocation of Delegations' resources are the first initiatives to improve efficiency in planning and allocation of resources.

The adoption of the EEAS staff appraisal system in 2012 and subsequent launch of the first exercise in 2013 are meant to lay the foundation of a more comprehensive and integrated approach to performance management.

This process is expected to gradually strengthen the link between the staff inputs and EEAS priorities, for the benefit of the Institution's efficiency and effectiveness.

EEAS efficiency will actually improve through a closer alignment between organizational and individuals' objectives.

### 72

Since 2012 there are regular working meetings between EEAS and DEVCO HR teams dealing with post management in Delegations which represents relevant contributions to EEAS-COM coordination improvements.

Also HR systems, such as SYSPER2, have been re-engineered to improve the co-management (Job Context system).

### 73 (a)

The EEAS takes note of the Court's recommendation and is already addressing it in the context of the EEAS Review.

### 73 (b)

The EEAS is not convinced by the necessity and feasibility of a new overarching strategic framework for EU foreign affairs and security policy, for the reasons presented above (see reply to paragraph 25). However it is open to re-examine the matter with the Council and the Commission, in the future.

### 73 (c)

The EEAS accepts this recommendation. At the same time the EEAS emphasizes the efforts already made to assure internal and inter-institutional coherence and reiterate its intention to further progress in this area in close coordination with other concerned EU institutions and EU member states.

### 73 (d)

The EEAS accepts this recommendation. Proposals were made to the Council and the Commission and will continue to be discussed.

### 73 (e)

The EEAS takes note of the Court's recommendation and shares the spirit of it. However it reiterates its doubts about the use of assessment centres at the present state of development of EEAS HR policies.

### 73 (f)

The EEAS accepts this recommendation which would be extended to cover the management of CSDP civilian missions. Proposals are currently discussed with the Commission and the EEAS will continue to plea for a simplification of the financial management framework of delegations.

### 73 (g)

The EEAS accepts this recommendation and points out that on colocation, intense and fruitful contacts are ongoing with EU Member States and other EU Institutions such as EIB. On Consular services, bilateral contacts with Member States have taken place to understand their specific needs and expectations. All progress in this area is dependent on Member States agreement.

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The Lisbon Treaty created a new EU foreign affairs chief, the High Representative for Foreign Affairs and Security Policy, who is also Vice-President of the European Commission. The High Representative is supported by a new diplomatic corps known as the European External Action Service (EEAS). This report addressed the question of whether the setting-up of the EEAS has been managed effectively. It concludes both that the EEAS was established without adequate preparation and that its efficiency was impaired by shortcomings in its management of resources. The Court also found that, although coordination between the EEAS and both the Commission and Member States was improving, it was still inadequate.



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