

PROC HR(2011) 018

EUROPEAN EXTERNAL ACTION SERVICE



GREFFE – Secretariat of Corporate Board EEAS

**Report by the High Representative to the European Parliament, the Council
and the Commission
of 22 December 2011**

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The European External Action Service

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Introduction

1. The entry into force of the Council Decision establishing the European External Action Service in July 2010¹ was the start of an intense and challenging new phase in building the EU's role in foreign policy and external relations. A central aim of the Lisbon Treaty, the creation of the new service under the authority of the High Representative on 1 January 2011 was an important milestone in strengthening the EU's institutional capacity to rise to these challenges. Its success depends on the sustained political support and collective commitment from Member States and the EU institutions. This message emerges strongly from the recent non-paper from 12 Foreign Ministers as well as the work of the European Parliament, the Council and the Commission.
2. This report, presented under Article 13(2) of the EEAS Decision, covers the functioning of the service in the first year of its operation as well as the challenges for the future. This Article calls for this report to give particular attention to the arrangements for instructions given to EU delegations by the EEAS and the Commission (Article 5(3)), the role of delegations in supporting Member States in their diplomatic relations and their role in providing consular protection to citizens of the Union (Article 5(10)), and the arrangements for the management of external action instruments and programming (Article 9).

Political Context

3. The political and economic context for the launch of the EEAS has been particularly challenging. The global economic crisis and tensions within the euro zone, together with the Arab Spring, have dominated the international agenda. At the same time, public administrations across Europe are under acute budget pressure, with consequences for the diplomatic services of Member States. This is hardly the ideal backdrop for the launch of a new service for the external relations of the Union.
4. Yet the scale of the challenges dictates a strong and coherent response from the EU, and therefore the need for the EEAS to play its full role under the Lisbon Treaty. This means bringing substance and presence to the foreign policy agenda across the board, drawing on the full range of policy instruments and assets. The UN General Assembly Resolution in May on the status of the EU underlines international support for the EU to play its full part. Nowhere is this more important than through the global reach of the network of 140 delegations. The delegations are increasingly the focus of the action of the EEAS, not only through their growing contribution to political, diplomatic and policy work, but also in the support they provide to Member States including through shared reporting and with the future prospect of joint programming

¹ Council Decision 2010/427/EU of 26 July 2010.

of development assistance. As national diplomatic services are scaling back their resources to concentrate on national priorities, the value added of the delegations is ensuring the EU is properly represented throughout the world. This is not about replacing national diplomatic services, but in making a more effective and cost efficient use of resources.

5. The EEAS offers the historic opportunity to rise above the debate on the ratification of the Lisbon Treaty to deliver new substance to the EU's external action. And despite the transitional challenges of setting up the new service, this is what has been happening in a number of key areas:

- The **Arab Spring** is a foreign policy challenge and an opportunity of extraordinary dimensions. For the EU institutions, it has meant bringing together the different tools at our disposal – something the High Representative and the EEAS were created for. To address situations requiring urgent actions, *joint crisis platforms* have united the EEAS and Commission in coordinating the immediate response to the crisis in Libya and Tunisia. The EEAS worked hand in hand with the Commission to develop an EU comprehensive strategy to the Arab Spring in the March communication "A partnership for democracy and shared prosperity with the Southern Mediterranean" which was complemented in May with a revised Neighbourhood Strategy on the basis of a "more for more" approach. To respond to the Arab Spring, EU priorities were reviewed to focus on governance, employment, and youth. The EU will allocate up to **€1 billion in fresh money** (for the period 2011-13. €3,5 billion had already been allocated to the Southern Mediterranean countries).
- The EEAS and the High Representative have taken a pro-active role in **international coordination efforts**, together with the UN, the Arab League and other major actors like Turkey. During the Libyan crisis the High Representative brought together the UN and regional organisations (EU, Arab League, African Union and OIC) in the Cairo Group and she actively participated in the Libya contact group. These efforts contributed to a convergence of views within the international community on how to respond to the Libyan crisis. The High Representative travelled several times to Libya and an EU delegation has been opened in Tripoli. An international Task Force was created to enhance the coherence of international support to countries in transition in the Southern Mediterranean, bringing together the EU, third countries and International Financial Institutions. The September meeting of this Task Force in Tunis was co-chaired by the Tunisian PM and the High Representative and resulted in an overall financial support to Tunisia of about four billion Euros over the 2011-2013 period. Coordination, both inside the EU and with international partners, is a key element in the mandate of the new EUSR for the Southern Mediterranean. Task Forces with other countries are under preparation.
- The Arab Spring has brought more urgency to the **Middle East Peace Process (MEPP)**. The voice of the EU in the **MEPP** became stronger, not least by pushing for a more active role for the Quartet: three Principals' meetings in 2011 (Munich, Washington, New York), around a dozen envoys' meetings, four of them with the parties (separately). The Quartet Statement of 23

September (New York) provided perspective and set timelines to resume negotiations until end 2012. Envoys subsequently met the parties for substantive discussions twice (a third meeting is expected on 14 December).

- The High Representative has continued to lead international efforts aimed at finding a diplomatic solution to the **Iranian nuclear issue**, not only working on behalf of the EU27, but, based on her mandate from the UNSC, also on behalf of the US, Russia and China. The aim has been to convince Iran that it has to demonstrate its readiness to engage in a confidence building process in order to address all existing concerns on its nuclear programme. IAEA findings on Iranian activities relating to the development of military nuclear technology resulted in the adoption of a Resolution by the IAEA Board of Governors expressing deep and increasing concerns. In accordance with the double track approach, the EU has continuously strengthened existing sanctions and is now in the process of preparing additional measures, including in the financial, transport and energy sectors, with a view to have them adopted by the Council in early 2012. At the same time, the European Union has paid close attention to the country's worrying human rights situation.
- In the **Horn of Africa** the EEAS has led CSDP operations and coordinated assistance. EUNAVFOR ATALANTA fights piracy; the EU is also helping to train Somalia's own security forces, through the EU Training Mission (EUTM) in Uganda which has successfully contributed to train around 1800 Somali soldiers to join AMISOM, the AU peacekeeping force in Somalia, funded largely by the EU. Moreover, the EU is the largest humanitarian donor for the Horn of Africa, providing over €700 million in assistance since the beginning of this year. The High Representative has proposed an EUSR for the Horn to address the many aspects of this complex issue.
- At the request of the European Council and in close coordination with the Commission and Council, the EEAS has engaged on a process to formulate a more effective EU policy towards our main **strategic partners**. This has contributed to more focussed and substantive Summits and other high-level meetings with these countries, as well as more active co-operation in other areas of mutual concern.
- The EU has maintained a decisive engagement in the complex political tensions in the **Western Balkans**, in particular by fostering dialogue between Serbia and Kosovo and promoting stability in Bosnia and Herzegovina. And more generally the EEAS is working closely with the Commission in the pre-accession process for the countries with an EU membership perspective.
- Finally, there has been a significant upgrade in the **crisis response capabilities** of the EEAS, including through the creation of the Crisis Management Board chaired by the High Representative or the Executive Secretary General to co-ordinate measures related to crisis prevention, preparedness and response capabilities to crises of all types. In response specific crises, as necessary, the Crisis Management Board will establish Crisis Platforms to bring together all relevant EEAS services as well as services of the Commission and the Council Secretariat. In addition, the EEAS has recently created a new Situation Room to provide a 24/7 contact and information service to support departments in

HQ, EU delegations and other internal and external stakeholders. Co-ordinated by the Managing Director for Crisis Response, these arrangements have already demonstrated their value added in the EU response to events in Ivory Coast, Libya and Yemen. The EEAS is working to consolidate the EU's position in other crisis regions, including in particular in meeting the evolving challenges in Afghanistan and Syria.

6. These examples are intended to illustrate the breadth and geographical spread of the activities of the EEAS. However they are just selected highlights of a much bigger picture that sees the EU increasingly present and active in all major foreign policy arenas. Many of these go well beyond the boundaries of traditional diplomacy, drawing more and more on policies that are managed at EU level or have important EU dimensions, including global financial regulation, climate change and energy security, migration and poverty reduction, non proliferation and disarmament, the fight against terrorism, and the promotion of human rights and democracy. These are all areas where the EEAS can promote the potential for the EU to add value through the coherent use of all national and EU policy instruments, working closely with the Member States and Commission services in particular.
7. In developing these new areas of policy, the EEAS has been guided by the High Representative's declaration on political accountability in relation to the EEAS Decision and Article 36 of the Treaty on European Union. The High Representative and senior EEAS officials have been very active in supporting the work of the European Parliament through regular participation in Plenary debates and meetings of Committees and delegations for relations with third countries. Successful new arrangements have been put in place for the Foreign Affairs Committee to have an exchange of views with some newly appointed Heads of Delegation and EU Special Representatives.
8. The High Representative has intensified co-operation with the European Parliament on the identification and planning of election observation missions, including on the choice of Chief Observers, through the Election Co-ordination Group. The EEAS has provided the European Parliament with timely and comprehensive information on progress in negotiations on international agreements covered by Article 218 of the Treaty on the Functioning of the European Union and has actively developed arrangements for sharing of sensitive information with the Parliament through the Special Committee of security cleared MEPs. Similarly the Joint Consultation Meetings on the CFSP budget have been enhanced and the EEAS has been forthcoming in sharing emerging thinking on the future external assistance instruments and priorities under the next Multi-Annual Financial Framework. Finally, EU delegations have been keen to respond to the needs of the European Parliament in its contacts with third countries and international institutions, in particular in relation to official visits by representatives of the Parliament. The EEAS has also developed its capacities to engage with national parliaments in Member States.

Lisbon Tasks

9. The main innovations of the Lisbon Treaty were to transfer the responsibilities of the rotating Presidency in the area of foreign policy to the High Representative, supported by the EEAS; to give the High Representative responsibility to ensure consistency of

the EU's external actions, including as Vice President of the Commission, in co-ordinating external relations policies within the Commission; and to establish EU delegations as part of the EEAS under the authority of the High Representative. There has been important progress in all these areas.

Presidency Responsibilities

10. The High Representative has taken over the chair of the Foreign Affairs Council as well as the Defence Ministers' Council and the Development Ministers' meetings. On top of this she has become responsible for the institutional and representational obligations previously handled by the Secretary-General/High Representative, the Commissioner for External Relations and the Foreign Minister of the Rotating Presidency.
11. In accordance with Article 4 (4) of the EEAS Decision, the High Representative has appointed the chair of the Council's Political and Security Committee and 16 chairs of geographical and thematic Council working groups in the area of CFSP and external relations. The HR with the support of the EEAS also prepares and makes HR Declarations on behalf of the EU which have replaced the former "Presidency Declarations on behalf of the EU" and HR Statements, replacing the former Presidency statements (as well as the statements formerly made by the SG/HR and the External Relations Commissioner), and assumed responsibility for the coordination of demarches in the area of CFSP. In the period 1 January- 9 November 2011, 504 statements have been issued, including 78 HR Declarations on behalf of the European Union, 279 HR Statements, 102 HR Spokesperson's statements and 45 Local EU statements. The HR and EEAS have also taken over the conduct and organisation of political dialogues formerly led by the rotating Presidency at the level of the HR, Political Director and Senior Officials. Member States' Foreign Ministers and Commissioners have played an important role in supporting the HR where she is unable to take on these commitments. The EU has around 80 ministerial level political dialogue commitments with third countries/organisations every year.
12. These new arrangements are supported by a strong policy co-ordination division in the EEAS, directly attached to the Corporate Board. They have generally contributed to the success of the EEAS in managing the work of the Council in the area of CFSP, including with an increasing emphasis on long-term strategic planning and agenda setting. There are regular contacts at different levels with the MS assuming the rotating Presidency and with other Member States representing the EU locally.

Consistency in the EU's external relations

13. The responsibilities of the High Representative in chairing and co-ordinating the work of the Council are combined with her role as Commission Vice President. This double-hatting naturally contributes to the consistency of the EU's external actions, particularly given the agreement to maintain the geographical desks in the EEAS as the leading source of advice and briefing on their respective countries also for the President of the European Council and the President of the Commission and other Commissioners. In total 937 briefing requests were handled by the EEAS from January 1 to September 30: 243 for the HR, 67 for President Van Rompuy, 125 for President Barroso and 235 for Commissioner Füle. The success of this co-ordination

is most clear in the preparation of Summits and other high-level meetings where the EEAS has the central role. Within the Commission, the EEAS is fully integrated into the inter-service consultation machinery and therefore is able to contribute to discussions on any policy with external relations implications. Since the creation of the EEAS, both the Commission and, to a larger extent, the Council Secretariat have strengthened their central services responsible for co-ordination of external relations issues.

14. Article 13(2) of the EEAS Decision invites the High Representative to report on the experience with the arrangements for co-operation between the EEAS and the Commission services in the management of the external financial instruments, in particular as regards the programming of assistance. At the present phase in the programming cycle, it is too early to make a judgement on the respective roles of the EEAS and Commission services in the preparation of Commission decisions for financial allocations, country strategy papers and national indicative programmes under the main external assistance instruments (Development Co-operation Instrument, the European Development Fund, the European Instrument for Democracy and Human Rights, the European Neighbourhood and Partnership Instrument and the Instrument for Cooperation with Industrialised Countries). This is because for the current multi-annual financial framework and the 10th EDF these texts were largely in place when the EEAS was set up. There is however close co-operation between the EEAS and the Commission on the preparations for the next multi-annual financial framework, both on the drafting of proposals for the new financial instruments and other policy documents, notably the recent Commission communication on the future of EU Development Policy.
15. A new service for Foreign Policy Instruments has been created within the Commission, under the direct responsibility of the High Representative as Vice President, with responsibility for implementing the CFSP budget and short-term measures under the Instrument for Stability. Taking account of the constraints, the co-operation between this service and the relevant EEAS departments is satisfactory, but there remain challenges in ensuring sufficient flexibility and responsiveness in implementing urgent measures in crisis situations given the constraints of the financial regulation. This service will be co-located with the EEAS when the service moves into the new headquarters building.

EU delegations

16. With the entry into force of the Lisbon Treaty on 1 December 2009, the existing network of 140 Commission delegations were formally transformed into EU delegations, and progressively thereafter have assumed the responsibilities previously held by the rotating Presidency for the co-ordination of EU positions and local representation of EU statements and demarches. This process has been accompanied by welcome reinforcement in staff in the political sections of some delegations, although many delegations have managed the transition without any additional resources (more than 20 delegations have no political section, with the head of delegation the only AD official from the EEAS). Despite these constraints, the transfer of Presidency responsibilities has gone remarkably smoothly in bilateral delegations and has been welcomed by third countries, thanks to a high degree of pragmatism and flexibility shown by staff in delegations and Member State diplomats.

The adoption of guidelines for the handling of statements and demarches as well as guidance for cooperation in countries where the EU is not represented and for political reporting should guarantee smooth working arrangements between delegations and national embassies of Member States and EEAS HQ respectively.

17. The situation has in general been more challenging in multilateral delegations (New York, Geneva, Vienna, Paris, Rome, Strasbourg) given the greater complexity of legal and competence issues. The resolution on the participation of the EU in the work of the UN adopted by the UN General Assembly in May 2011 provides a good basis for the EU to be present and have its voice heard. And the recent endorsement by the Council of the general arrangements on handling statements in multilateral fora should provide much needed clarity on the respective role of the EEAS, the rotating Presidency and Member States. The recent blocking of statements has resulted in a temporary reduction in the number of EU statements in particular in the UN and the OSCE. It is to be hoped that the recent clarifications in this area can lead to a more visible and active EU presence in future.
18. The mandate for this report highlights the challenge for delegations in receiving instructions from both the High Representative and the EEAS as well as directly from the Commission in areas of Commission competence (Article 5(3) of the EEAS Decision). The important principle here is that all staff in delegation work under the authority of the Head of Delegation, who can refer issues back to headquarters for further discussion if necessary (eg in the case of conflicting instructions from the EEAS and the Commission). Equally it is important that any instructions from Commission services are routinely copied to the responsible geographical desk in the EEAS, given their responsibility to have an overview of relations with the country in question. These arrangements have not given rise to any systemic problems, even in the relatively special case of the delegation in Geneva to the WTO where, for example, the relevant EEAS services have been able to follow closely the recent debates between Russia and Georgia on Russian accession. More detailed guidance for handling instructions to delegations is contained in a text on working arrangements between the EEAS and the Commission services that is currently under discussion (in line with the requirement of Recital 13 in the EEAS Decision).
19. The High Representative is also invited to report on progress with the implementation of Article 5(10) of the EEAS Decision that requires Union delegations, on the request of Member States to provide support to their diplomatic relations with third countries and in the area of consular assistance to EU citizens. These issues have been at the centre of discussions with Member States that the EEAS has established with Secretaries General of Foreign Ministries and their personal representatives. The EEAS has been very forthcoming in its support for general diplomatic relations, including the sharing of political reporting, more active and substantive meetings between Heads of Mission and thematic co-ordination arrangements. A pilot project for local exchange of classified information is being developed in cooperation with Member States. The EEAS hopes that the necessary security approvals at national level will be in place quickly so that the new system can become operational.
20. Some Member States have expressed a strong interest in seeing EU delegations develop capacity for consular support for EU citizens who find themselves in difficulty in third countries. On the other hand, a number of Member States are clearly

opposed to the EU taking on a greater role in this area, which they see as a national competence. The key point is that it is difficult to see how this objective could reasonably be achieved “on a resource neutral basis” as required by the EEAS decision. It would certainly not be responsible to raise citizens’ expectations about the services to be provided by EU delegations, beyond their capacity to deliver in such a sensitive area. And the existing expertise within the EEAS in this area is extremely limited. However, over the past year we have also seen that the EU Delegations can play an important role in the coordination of evacuations of citizens and that pragmatic solutions can be found on the ground.

Organisation Issues

Structure

21. The setting up of a new organisation on the scale of the EEAS is clearly a long-term project whose success can only be assessed over a period of several years. The initial staff of the EEAS on 1 January 2011 was composed of 2805 people transferred from the Commission (1084 local agents) and 675 from the Council Secretariat (establishment plan figures: 1114 from COM and 411 from GSC without new posts). Between the 2010 and 2011 budgets the service has also received 118 additional statutory posts – to establish the management structures in headquarters and to add staff in EU delegations to perform the new tasks under the Lisbon Treaty (some delegations have only one EEAS staff member in AD grades). Today the EEAS has 3611 staff, including 1551 working in Brussels and 2060 in delegations.
22. In early 2011, the High Representative approved a provisional structure for the new service, reflecting the requirements of Article 4 of the EEAS Decision as well as the declarations on central administration and CSDP structures. Taking advantage of the efficiency savings achieved through the merger of the Commission and Council services, this structure also includes the necessary capacity to service the Council and working group chairs, new resources for crisis response, as well as some additional services necessary for the EEAS to function as an autonomous body (legal service, relations with the European Parliament, security and other areas where the necessary activities could not be handled by the Commission and the Council). A further screening of the resources in Headquarters has recently been completed. A main conclusion of the screening is that real progress has already been made but there is still scope for improvement in order to bring together the culture and working methods of different parts of the service. Other changes resulting from the screening should be implemented while the service moves into the new building (Spring 2012).

Staffing/Recruitment

23. A central feature of the EEAS is the unique composition of its staffing, drawn from permanent officials from the Commission and the Council Secretariat as well as diplomats on secondment from the Foreign Ministries of the Member States. The success of the service will to a large extent depend on getting the best mix of talent and experience from the three sources. The first months of the EEAS’ existence have therefore been strongly influenced by a determined effort to recruit staff to key posts in headquarters and in delegations. Although most posts were occupied at the moment

of the transition, overall the EEAS has managed 181 selection procedures, involving 8800 candidates and 1300 interviews.

24. The resulting appointments have seen significant progress towards the objective of getting to 1/3 of AD staff from national diplomatic services by mid 2013. The EEAS has already exceeded the targets for recruitment of national diplomats in 2011, with a total of 19% of AD posts overall. The 1/3 objective is almost achieved in delegations – with 29% of all AD posts including 31% of management posts already occupied by national diplomats. The proportion is lower in headquarters (13% overall), largely because there have been fewer vacant posts that could be published. However national diplomats are very well represented in senior management positions.
25. Further progress with recruitment of national diplomats can be expected as a result of the posts published in the context of the 2012 rotation and other vacancies in HQ. However, increasingly the constraints in the establishment plan and the available budget are likely to limit the number of posts that can be published for candidates outside the EEAS. At the same time, the EEAS has to remain an attractive and motivating employer for permanent EU officials, capable of providing interesting and challenging opportunities and reasonable career progression. Similarly, it has not proved possible to transform posts held by seconded national experts¹ into AD posts in the establishment plan because of budget constraints (see Recital 12 of the EEAS Decision).
26. The primary consideration in appointments to the EEAS is merit. The High Representative interviews and appoints all senior managers and heads of delegation. At the same time, the service has made good progress towards achieving a meaningful presence of all Member State nationals, notwithstanding the very low representation of some nationalities in the original staff transferred from the Commission and the Council. Taking account of ongoing recruitment procedures, the EEAS has appointed 44 temporary agents from the 12 Member States that have joined most recently, with the nationals of 25 Member States represented among the Heads of EU Delegations and Deputy Heads of Delegation. There have also been significant improvements in the presence of women, including in management and head of delegation positions. From 11 women Heads of Delegation in 2009, there are now more than 30 women in management positions in Delegations.
27. In March 2011, the EEAS has established a Consultative Committee on Appointments including representatives of the Member States, the Commission and the Council Secretariat. This is used for selection interviews for senior management and Head of Delegation posts. Recently, the EEAS has invited the CCA to contribute to a consultation exercise on lessons learned through the recruitment procedures thus far with a view to drawing up new EEAS-specific rules in this area. The EEAS is also developing other aspects of personnel policy, including provisions for appraisal and promotion of staff based on the principle of equal treatment of permanent officials and staff on secondment from national diplomatic services. A specific text covering the procedures for seconded national experts in the EEAS was approved in March 2011.

Budget and financial management issues

28. The budget of the EEAS in 2011 is €464m divided between €184m in headquarters and €280m in delegations. The EEAS also manages €253m on behalf of the Commission for the administrative expenses linked to Commission staff in delegations. The EEAS is expecting a near 100% execution rate for the budget, although it has only been possible to remain within the available resources because of a significant vacancy rate in the first part of the year linked to the recruitment efforts described above. The recent adoption of the amending budget to make adjustments to the EEAS establishment plan allowed the service to meet its statutory obligations for staff promotions.
29. For 2012, the EEAS was obliged to request an increase of €26.9m. The majority of the increase (€17m) is required to ensure basic business continuity taking account of the conservative level of budget transferred to the EEAS in 2011 and the gaps identified in 2011 which need to be addressed in order to allow the EEAS to meet its existing obligations in 2012. Particular shortages have been identified in the salaries for contract agents and local agents and establishment plan posts required to meet statutory promotion rates. The budget proposal also covers provision for 20 additional AD posts in delegations to respond to the needs arising from the crisis in North Africa, the creation of new delegations in Libya and South Sudan and the new activities under the Lisbon Treaty. The budget also provides for the additional costs of transferring 20 AD posts from Brussels to delegations consistent with the focus on delegations as the key centre of activity for the new service. The EEAS is grateful to the budgetary authority for the adoption of a budget commensurate to the challenges it will face in 2012. This decision of the budgetary authority is seen by the EEAS as a strong message of support and encouragement in this phase of construction of the new external service.
30. The EEAS is working on developing its policies for resource management, including an annual management plan and an annual activity report, including declarations of assurance for all staff with financial responsibilities. This will be based on internal control standards and a new policy for risk management. To develop these tools, the EEAS is working closely with relevant experts in the Commission services, in particular in DG Budget and the Internal Audit Service. The High Representative has signed the Audit Charter of the Commission, and had decided that the Commission Internal Audit Service should also work with the EEAS. Separately the EEAS is well advanced in preparing a memorandum of understanding for co-operation with OLAF on anti fraud issues and has developed a close relationship with the Court of Auditors.
31. When the EEAS was created, a basic choice was made to keep the administration of the service light and to rely as far as possible on support services provided by the Commission and the Council Secretariat under service level agreements (SLAs). The EEAS continues to believe that this is the right general approach. However the implementation of SLAs has encountered some difficulties in some cases. For example the service has limited autonomy in designing specific personnel policies different from the standard service on offer from DG Human Resources in the Commission. There has been a consistent problem in reflecting the specific needs of delegation staff in Commission-wide IT systems which were not designed for this

¹ SNEs do not count towards the calculations of the 1/3 target for national diplomats.

purpose and now need to be adapted.. Finally, in a number of cases the services offered by other institutions are digressive or time-limited, creating obvious resource issues for the EEAS in taking up the burden (particular problems of this type occurred in the area of security for the building housing the military staff and crisis management departments).

32. More generally, it would seem that insufficient provision has been made for the needs of the EEAS as an autonomous body in financial and administrative terms. This means that the service is struggling to meet even minimum standards in terms of activity based management and financial programming, personnel policy, security and IT (for example the normal ratio of IT staff is 10% in the Commission and 1.4% in EEAS). Although some of the challenges may be transitional, there is a structural deficit that will need to be addressed over time.

Management of Resources in Delegations

33. The creation of the EEAS has led to a separation of staff in delegations between the establishment plans of the EEAS and the Commission. Initially this was not expected to have a material impact on what staff are doing day-to-day on the basis of the general provision in Article 5 (2) of the EEAS Decision that all staff, from whatever source, work under the authority of the Head of Delegation. However, it has been necessary to ensure that, apart from the special arrangements for Heads of Delegation that have been written into the financial regulation, operational budgets remain under the responsibility of Commission staff. It also means that Commission staff in delegations remain under the responsibility of the Commission for matters like promotions and appointments.
34. The EEAS and the Commission have agreed on how staff in Delegations paid from different budgets should be used and have made arrangements for flexibility within reasonable limits to ensure that all staff work together to promote the external interests of the EU.
35. A consequence of the split in the establishment plan in delegations is the resulting exposure of Heads of Delegation of what they see as an excessive burden of routine administrative management. This is because Commission staff can no longer be part of the financial circuits for the administrative budget of the EEAS. Given the present composition of delegation staffing, this means that the Head of Delegation has very limited options for delegating financial responsibilities and in extreme cases, has no cover when he/she is on mission or on leave, requiring transactions to be managed remotely with the risk that decisions are taken on the basis of incomplete information. This situation is a source of considerable concern to Heads of Delegation and needs to be resolved.

Security

36. The increased political profile of the EEAS and growing instability in many parts of the world (Libya, Syria, Ivory Coast, Yemen, Iraq, Afghanistan etc) underline the need for the EEAS to have a highly developed security culture, in particular for staff in EU delegations. With the adoption of the basic security rules on 15 June 2011, the High Representative has made clear that security is a priority for the EEAS, including in particular the duty of care for staff. This is also reflected in the creation of a dedicated Security Directorate which cooperates very closely with the relevant services in the Council Secretariat and the Commission. A first meeting of the EEAS security committee was held on 21 September at which the EEAS circulated a number of implementing texts for the security rules and procedures of the service for consultation with Member States, Commission and GSC and is looking forward to getting responses to ensure best standards in diplomatic security, in particular in EU delegations in high risk countries, and workable procedures for handling classified information. Given the limited resources, support from the services of Member States is key. The aim is to have a security framework in place by early 2012.

Training

37. Article 6(12) of the EEAS Decision invites the High Representative to take appropriate measures to provide adequate common training for EEAS staff, building in particular on existing practices and structures at national and Union level. In this respect the EEAS has pursued a two-pronged approach:

- a high degree of business continuity regarding the existing training options available for Commission and Council staff working in the area of external relations. This has been strengthened with new areas, including particular emphasis on pre-posting training for Heads of Delegation and other staff who are new to the service;
- continued consultations with Member States and relevant training providers in academic and diplomatic academies on options for the future, including increased reciprocal access to training courses. The creation of a European Diplomatic Academy is not likely to be possible in the short term because of the risk of duplication and budget constraints.

Future Priorities

38. The creation of the EEAS is a long-term challenge that will take several years to reach maturity. This report is intended to give an insight into progress to date, while recognising that it is too soon to make definitive judgements on the emerging shape of the new service. However, in the coming months, the EEAS will continue to work on all the areas covered by this report, taking account of the welcome recent suggestions from a number of Foreign Ministers and input from the European Parliament, the Commission and the Council Secretariat. Priority areas include:

- consolidating the **capacity to deliver policy substance**, concentrating on the priority areas established by the High Representative. This requires sustained efforts in building a sense of collective ownership in the external agenda of the EU among Member States, the European Parliament, the Commission and other key stakeholders, on the basis of strategic policy papers and other proposals from the EEAS.
- increasing substantially the **emphasis on the work of the EU delegations** as the front-line presence of the EU's external action, including through strengthened co-operation with embassies of Member States. This should be accompanied by a progressive transfer of resources from headquarters to delegations. Today, more than 20 delegations have only one EEAS AD official.
- progress in **building a shared organisational culture** for the EEAS drawing on the strengths of its component parts, including getting the best from the three main sources of staffing (national diplomats, and permanent officials from the Commission and the Council). This should include fostering closer co-operation between different services within the EEAS, to bring together the crisis management structures with the geographical and thematic services.
- attention to resolving outstanding issues in the **relationship with the Commission**, including as regards upstream working on policy issues, management of staff in delegations, and reporting lines and financial responsibilities.