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EU reconstruction aid in conflict states: The foreign policy instruments in the grey area of security and development

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The European Union maintains close relations with numerous states that are in precarious transition processes. These states and their societies are struggling to leave the legacy of war and violence behind them, but nevertheless remain far from achieving the long-term stability they seek. In many cases, state institutions have either limited capacity, or none at all, to deliver basic services like those associated with security, health or social security.

International assistance aimed at overcoming these transition processes is primarily supposed to contribute to reconciling political disputes, restoring state services and stimulating social and economic development. In this sense, reconstruction aid plays an important bridging function between short-term crisis management and long-term development cooperation. At the same time it has to satisfy certain requirements, which contradict the classical principles of long-term development cooperation in a number of fundamental ways. These include, in particular, quick availability of aid, great flexibility in planning and use of resources as well as systematically taking into account the security policy objectives of the recipient state. Reconstruction aid therefore falls into the tense grey area of security and development.

To what extent will the European Union succeed in adapting its policies to the demands of reconstruction aid in conflict states? In order to address this question, a close examination is worthwhile, above all, of the EU financial instruments with a primary focus on development policy – i.e. the European Development Fund and the Development Cooperation Instrument – as well as the Instrument for Stability (IfS). The latter was established in 2006 in order to increase the Union's capacity for action in crisis situations in which other types of aid were either too slow or could not be provided at all. The EU's financial instruments are a key component of the Community's foreign policy. How decisions are made on distribution and use of the available resources is therefore an indicator of which objectives and priorities European policy is following in an international setting.

Over the past decade, security policy considerations have increasingly found their way into the planning

and delivery of EU aid. A true harmonisation of security and development policy objectives has not yet taken place, however. Instead there has been considerable fighting within as well as among EU institutions over decision-making competences. This fighting negatively impacts the European Union's ability to act in an effective manner in conflict states. The current Multiannual Financial Framework (MFF) covering the period from 2007 to 2013 has not allowed for enough flexibility in the use of EU aid. Too high expectations in terms of transparency, accountability and national ownership quite often constitute barriers to action in transition situations.

Opportunities for addressing these problems have arisen with the new legal framework provided by the Treaty of Lisbon, the creation of the European External Action Service (EEAS) as well as the negotiations that have been ongoing since the summer of 2011 over the EU's next MFF after 2013. In June 2011, the European Commission published a comprehensive draft for the next Financial Framework from 2014 to 2020, followed in December by specific legislative proposals for the individual external instruments.

Among other things, the Commission suggests an elaboration of so-called "Joint Framework Documents", which would integrate all aspects of EU external action as well as available tools vis-à-vis a partner country or region. In order to put this useful concept into practice, the Union's main actors – the member states, European Commission and the EEAS – should concentrate on a first step of developing integrated transition strategies for a few selected conflict states. The strategies would serve to specify the most important concerns of the EU towards the respective state and should ensure that the link between short, medium and long-term activities functions as smoothly as possible. Examples of potential "pilot states" include the Democratic Republic of Congo, South Sudan and, following Gaddafi's overthrow, Libya. The European Parliament would need to be involved from an early stage since it increasingly demands to be heard in foreign and development policy discussions.

When implementing these joint transition strategies, the High Representative of the EU for Foreign Affairs and Security Policy and the EEAS should be provided with a high degree of political independence. The member states would be obliged to align their national contributions according to this maxim and to refrain from unilateral foreign policy actions. If this approach proves successful by enabling more effective support during the transition and more political influence for the EU, other conflict states can be incorporated into the common framework. The process could benefit from the experience gained by the United Nations Peacebuilding Commission. This body was formed in 2006 to formulate integrated strategies for a limited number of conflict states. Currently there are six states on its agenda.

The Commission's legislative proposals of December 2011 would allow the EU to better react to political and security crises as well as unforeseen events, such as natural disasters, in partner countries. For development cooperation, reserves of aid, not already budgeted for multiple years in advance, would be established. Moreover, it would be easier to review and revise longer-term Country Strategy Papers according to changing situations – as has most recently been witnessed in North Africa.

More flexibility is not enough, however. It will have to be accompanied by more strategic direction in the use of the respective instruments. Since 2007, the Instrument for Stability has been mobilized for more than 100 individual actions in 48 countries worldwide. If the development policy instruments will be administered in a less rigid fashion than in the past, this would also enable a more targeted application of the IfS. In the future, better use should be made of its relative strengths. These include rapid mobilization of resources in particularly critical phases of the transition process, the possibility of direct cooperation with civil society and local actors as well as activities that do not meet the criteria for the allocation of Official Development Aid (for example in the civilian-military sector).

In order to prevent misuse or wasting of resources, the Commission should publish more information about the use of EU aid and to establish reliable evaluation systems for activities that have been undertaken. Based on this information, regular hearings on EU reconstruction aid in conflict states could be held in the European and national parliaments. Strengthening EU delegations and providing them with more qualified personnel, particularly in conflict states, could contribute considerably to the collection of more relevant information for decision making in Brussels and member states' capitals, to the direct monitoring of use of resources, and therefore also to risk minimisation.

Reconstruction Aid in Transition Processes

Characteristics and requirements

Reconstruction aid should support partner countries in making the transition from a state of permanent violence to self-supporting stability. However, the term does not presuppose a schematic or even linear understanding of the course conflicts take, according to which internal or intra-state wars are automatically followed by a short post-war phase and ultimately stability.[1] On the contrary, the perpetuity of violence, the transition phase and the aspired strengthening of security, justice and economic opportunity for the population are most often interconnected processes. Success is just as possible as setbacks. Experiences in Haiti, Congo, Afghanistan and other places have shown that the transition can be drawn out over a very long timeframe. As a general rule, it takes place under the conditions of fragile statehood. The respective governments are either insufficiently prepared or entirely unable to protect their own people and deliver the basic state services.[2] The greatest obstacle to self-supporting development is the precarious security situation.

While the extent of violence during the transition process for the most part allows for civilian reconstruction approaches, it often prevents long-term development cooperation from bearing fruit.[3] For example, even after the 2006 elections, the eastern region of the Democratic Republic of Congo has still not succeeded in getting by without a substantial military presence from the United Nations. During transitions, international actors often assume very dominant roles.[4] Then the objective is to gradually transfer responsibilities to national bodies (local ownership) and to build up local institutions to take on these responsibilities in the long term (capacity building).

Reconstruction aid provided during a transition must satisfy three requirements in particular, which each lie within the tense grey area of security and development:

Quick availability of resources. Success is vitally dependent on how quickly national and international actors can react to escalating crises or, in a positive scenario, make use of opportunities that arise for reducing tensions. This should signal to conflicting parties that escalation entails greater costs and is less useful than de-escalation. The people should be convinced that their own government and international donors are capable of stemming violence and introducing political and economic reforms, which improve living conditions in a timely and visible manner.[5] Decisions taken during the the first two or three years following the end of civil wars or other violent conflicts have a large influence on the prospects for long-term development. In fact, the critical phase following political upheavals, ceasefires or settlements, sometimes only lasts for several weeks or months.[6]

Unlike development cooperation planned out over the long-term, reconstruction aid works towards less ambitious objectives. At this stage, the focus is not yet on comprehensive and sustainable socio-economic development. At most, reconstruction aid can pave the way for such development and serve as a catalyst. It is meant to have an effect over the short to medium-term and therefore functions on a two to three-year

1 World Bank, *World Development Report 2011. Conflict, Security, and Development* (Washington, D.C., 2011), 2.
2 Stefani Weiss, Hans-Joachim Spanger and Wim van Meurs, "Precarious States Strategies: Toward a Culture of Coherence", in: same (eds.), *Diplomacy, Development and Defense: A Paradigm for Policy Coherence* (Gütersloh: Bertelsmann Stiftung, 2009), 9–53 (13); Wil Hout, "Between Development and Security: the European Union, Governance and Fragile States", *Third World Quarterly* 31 no. 1 (2010): 141–57 (145).
3 Cf. Philipp Rotmann, *Built on Shaky Ground: The Comprehensive Approach in Practice*, NATO Research Paper; 63 (Rome: NATO Defense College, December 2010), 3.
4 Guy Banim, "EU Responses to Fragile States", in: Weiss, Spanger and van Meurs (eds.), *Diplomacy, Development and Defense* (see note 2), 303–57 (306).
5 World Bank, *World Development Report 2011* (see note 1), 13.
6 On the importance of swift and timely reconstruction aid, cf. United Nations Development Programme (UNDP), *Crisis Prevention and Recovery. Bureau for Crisis Prevention and Recovery Overview*, http://www.undp.org/cpr/we_are/we_are.shtml (retrieved on 7 February 2012).

rather than a ten-year timescale.[7] Since the resources must be available as promptly as possible, reconstruction aid cannot be subjected to the same standards as development cooperation in terms of transparency, accountability and partnership orientation. Promptness, however, should not be confused with fast-paced action. Violence and fragility can only be overcome if short and medium-term actions to create trust and confidence in the transition process are linked with long-term approaches to establishing legitimate institutions.[8]

Flexibility. International support for transition processes requires the capacity for reacting to constantly changing situations within the recipient countries.[9] In this context, analytical capacity is needed in order to correctly recognise and assess local developments. This information must feed directly into planning and decision-making processes related to reconstruction aid.[10] Moreover, it is necessary to expand both the scope of action as well as the circle of potential partners within the country. This constitutes an additional area of tension with official development cooperation, which is linked to clear and internationally agreed criteria and principles (OECD Criteria for Official Development Aid, ODA). Accordingly, certain state responsibilities, primarily those related to the military sector, cannot be part of development cooperation.[11] Armed forces within the country, however, are often among the most important players during the transition. Moreover, due to the partnership principle, classical development cooperation is often focussed and reliant on central government bodies.[12] During many transition processes, however, the central government is not only weakened but is one of the conflict parties itself. Support for other relevant political or social forces is therefore often not among the government's priorities or is even something it is working against. Reconstruction aid must therefore be able to extend beyond the central government partners[13] and, when necessary, even circumvent these partners.

Systematic Consideration of Security Policy Objectives. Development actors view their primary objective as spurring socio-economic development within the society in order to reduce poverty. Actions based on political or security interests are therefore viewed with great scepticism.[14]

International reconstruction aid, however, also expressly follows political and security policy objectives. This becomes manifest in two different ways. First, during the planning and decision-making process, prominent positions are held by players that are first and foremost following a political or security policy agenda. Relevant examples include the United Nations peacekeeping operations department, NATO, governments of intervening states and collective bodies like the United Nations Security Council or the European Union's External Relations Council. The second aspect relates to the criteria and principles of aid distribution, which likewise form an area of tension between security and development. Development aid is particularly oriented towards the needs of the recipient, with people in distress being treated according to the principle of equality. Reconstruction aid, on the other hand, follows more of an "ethics of reconstruction".[15] In this sense, targeted support is occasionally provided to groups that are deeply involved in a certain crisis and which play a particularly important role in stabilising the security situation.[16] According to this logic, it can make sense to first provide support for the reintegration of combatants, since there is a risk of these individuals once again turning to violence. Former combatants, however, are not necessarily the neediest members of a society.

7 Cf. on this topic United Nations, *Report of the Secretary-General on Peacebuilding in the Immediate Aftermath of Conflict*, A/63/881-S/2009/304 (New York, 11 June 2009), 26.

8 World Bank, *World Development Report 2011* (see note 1), 10.

9 Weiss, Spanger and van Meurs, "Precarious States Strategies" (see note 2): 15.

10 Organisation for Economic Co-operation and Development (OECD), *Supporting Statebuilding in Situations of Conflict and Fragility. Policy Guidance* (Paris, 2011), 13.

11 For a detailed discussion of ODA criteria and the associated limits on Official Development Aid in the grey area of civilian and military aid, cf. Michael Brzoska, "Extending ODA or Creating a New Reporting Instrument for Security-related Expenditures for Development?", *Development Policy Review* 26, no. 2 (2008): 131–50 (140f).

12 OECD, *Transition Financing – Building a Better Response*, Conflict and Fragility Series (Paris, 2010), 80.

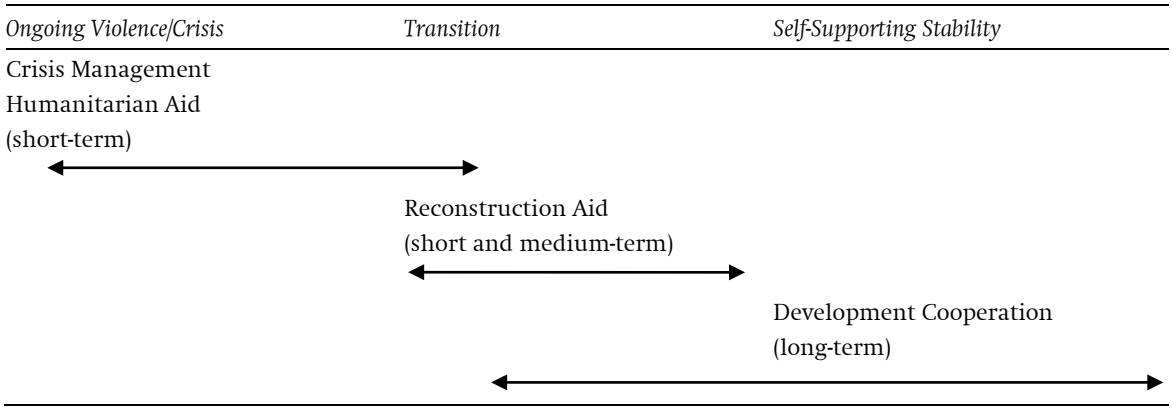
13 Ibid., 32f.

14 Cf. for example Oxfam, *Whose Aid Is It Anyway? Politicizing Aid in Conflicts and Crises*, Oxfam Briefing Paper; 145 (Oxford, 10 February 2011); European NGO Confederation for Relief and Development (CONCORD), *CONCORD Principles for the EU Multiannual Financial Framework (MFF) 2014–???* (Brussels, January 2011), 4.

15 Graciana del Castillo, *Rebuilding War-torn States. The Challenge of Post-Conflict Economic Reconstruction* (Oxford: Oxford University Press, 2008), 35.

16 Ibid., 305.

Table
Bridging Function of Reconstruction Aid



In addition to the requirements on the "how" of the support measures, namely speed, flexibility and the link to security objectives, reconstruction aid also differs from long-term development cooperation in terms of the respective content priorities. Due to the precarious security situation existing in many states during transitions, special attention must be paid to reforming the security sector, demobilising and reintegrating combatants, controlling small arms and eliminating minefields. In order to win the confidence of the public and strengthen the legitimacy of a newly established political order, it makes sense to support the preparation and holding of elections in addition to providing assistance in mediation and reconciliation between the state and society. Instead of focusing on macro-economic reforms, attention must be paid first and foremost to rapidly creating jobs.[17]

Pressure on the EU and other Donors to Adapt

Multiple layers of tension therefore exist between reconstruction aid and "normal" development cooperation. Since aid has to be available more readily and on shorter notice, it is only possible to a limited extent to meet the internationally anchored norms of transparency and accountability. Furthermore, in crisis situations speed and flexibility require a considerably higher readiness for risk taking than is generally evident among development actors.[18]

The pressure to adapt, however, does not rest solely on development cooperation organisations. The preeminence of security policy considerations in reconstruction aid likewise carries risks. If aid is used predominantly as a political instrument without taking into account development needs within the respective country, it generally lacks the requisite sustainability. Experience gathered in countries like the Central African Republic or East Timor demonstrates that political considerations can lead to waning commitment and beguile international donors into setting the wrong priorities.[19] Politically motivated reconstruction aid runs the risk of going with the flow of the news media and just focusing on quick fixes. This explains why reconstruction aid rapidly and generously flows following wars or natural disasters, only to recede all too quickly to a level that is far too low.[20]

In the past decade, all of the major donor organisations – like the United Nations, the World Bank, regional investment banks and the International Monetary Fund – have put reforms into practice that enable them to operate much more effectively with violent conflicts and crises in their partner countries. In 2005, the European Commission already stated that the development process for countries following a crisis must be guided by "integrated transition strategies comprising at the same time political responses

17 United Nations, *Report of the Secretary-General on Peacebuilding in the Immediate Aftermath of Conflict* (see note 7), 6.

18 OECD, *Supporting Statebuilding* (see note 10), 90.

19 OECD, *Transition Financing* (see note 12), 19.

20 Cf. Paul Collier et al. (eds.), *Breaking the Conflict Trap. Civil War and Development Policy* (Washington, D.C.: World Bank/ Oxford University Press, 2003), 8.

and financial support appropriate to the changing needs".[21] Since then, however, the EU has struggled to follow up on this insight with concrete action. The crux of the EU's problem lies in the fragmentation of its foreign policy system, which has remained largely unchanged by the Treaty of Lisbon. In addition, the Commission had to concede in 2010 that the procedures for administering EU foreign aid during crisis situations are too inflexible.[22]

Within the context of the debate over reforming the range of EU instruments, two different basic positions can be distinguished. According to one view, development cooperation aid should continue to be used exclusively to work towards long-term development policy objectives. It is feared that these objectives are hollowed out in conflict states. For this reason, other instruments – like the Instrument for Stability – must be further developed to provide targeted support of transition processes. However, a corresponding political consensus between the member states and the EU institutions has not emerged. According to the other viewpoint, it would therefore be necessary to reform all the important financial instruments in order to take better account of the differing demands of "normal" developing countries as opposed to conflict states. The European Commission's proposals for the next Multiannual Financial Framework (2014–2020), published in June and December 2011, point in this direction. In this way, the future financial framework should, among other things, facilitate more flexible activities during reconstruction following crises.[23]

21 European Commission, *Proposal for a Joint Declaration by the Council, the European Parliament and the Commission on the European Union Development Policy "The European Consensus"*, COM (2005) 311 final (Brussels, 13 July 2005), 4.
22 European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions and the National Parliaments, *EU Budget Review*, COM (2010) 700 final (Brussels, 19 October 2010), 20.
23 European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *A Budget for Europe 2020* – Part II: *Policy Fiches*, COM (2011) 500 final (Brussels, 29 June 2011), 47.

EU Foreign Policy Instruments at the Interface between Security and Development

Overview of the Instruments

For the realisation of its foreign policy objectives, the EU has Community funds at its disposal that are administered by the European Commission. The member states provided approximately EUR 56 billion for this purpose in the financial framework from 2007 until 2013 – this corresponds to about 6 percent of the entire EU budget.[24] In addition there is the European Development Fund (EDF) for which the Commission is also responsible, but which is not part of the common budget. These funds are split among different "instruments", each of which has a specific geographic or thematic focus. At the outset of the current Financial Framework 2007, the number of foreign policy instruments was reduced from over 30 down to 10 in order to make the EU's foreign policy simpler, more transparent and more effective.[25] These instruments are not operative capacities in the proper sense, but rather the European Union's funding sources for specific purposes. When it comes to implementing the planned activities, the EU generally relies on other international organisations, non-state actors or even private companies.

Historically, development cooperation has been closely connected with the emergence of the European Community as an international actor[26] and today it constitutes the largest portion of the common EU funds for external policy. With a quota of 56 percent, the EU and its member states are collectively the largest provider of Official Development Assistance.[27] The European Development Fund and the Development Cooperation Instrument (DCI) are the strongest instruments in a financial sense making up 31 and 23 percent, respectively, of funds available for EU foreign policy.[28] The EDF holds a special position as it is not provided for from the EU general budget, but rather directly from the member states in accordance with a set distribution key. The activities and programmes financed from the Development Fund should benefit the states in Africa, the Caribbean and the Pacific (the so-called ACP states, largely former European colonies). In contrast, the funds from the Development Cooperation Instrument are primarily reserved for projects in states located in Latin America, Asia, Central America, the Gulf Region and South Africa.[29] The central and overriding objective followed by the EU with both instruments is eliminating poverty through sustainable development in the partner countries as well as implementing the other Millennium Development Goals (MDG).[30]

Other European Union foreign policy instruments include the European Neighbourhood and Partnership Instrument, the Pre-Accession Instrument, the Humanitarian Aid Instrument and the European Instrument for Democracy and Human Rights. The latter is meant above all to support civil society development in the partner states and does not require the consent of the respective government. A further focus area is support for election observation and strengthening independent electoral commissions. The Instrument for Stability (IfS) was created in 2006 to enable the European Union to act more effectively in its partner countries

24 European Commission, *Financial Programming and Budget. Financial Framework 2007–2013*, http://ec.europa.eu/budget/figures/fin_fwk0713/fwk0713_en.cfm (retrieved on 7 February 2012). The figure is based on current prices.

25 Mikaela Gavas, *Financing European Development Cooperation: the Financial Perspectives 2014–2020*, ODI Background Note (London: Overseas Development Institute [ODI], November 2010), 2.

26 Isabelle Tannous, "Die Entwicklungszusammenarbeit und humanitäre Hilfe der Europäischen Union", in: Werner Weidenfeld (ed.), *Die Europäische Union. Politisches System und Politikbereiche* (Bonn: Bundeszentrale für politische Bildung, 2008), 434–54 (435).

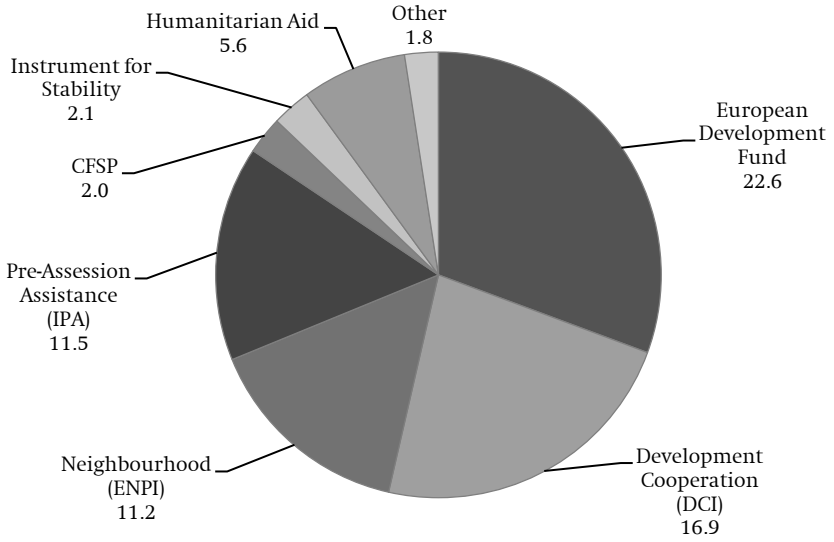
27 Ibid., 434.

28 Based on the numbers of the *Multiannual Financial Framework for 2007 to 2013*.

29 For an overview of these so-called geographical instruments, cf. European Commission, Directorate-General Development and Cooperation – EuropeAid, *Geographic Instruments*, http://ec.europa.eu/europeaid/how/finance/geographic_en.htm (retrieved on 7 February 2012).

30 European Union, "Council Regulation (EC) Nr. 617/2007 of 14 May 2007 on the implementation of the 10th European Development Fund under the ACP-EC Partnership Agreement", *Official Journal of the European Union* (OJ), L 152 (13 June 2007): 7; European Union, "Council Regulation (EC) No. 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation", in: *OJ*, L 378 (27 December 2006): 44.

Graphic
The EU's Foreign Policy Instruments (2007–2013): Allocation of Funds (in billions of Euros at constant prices)



Source: author's depiction based on data from the European Commission, *Instrument for Stability Strategy Paper 2007–2011* (Brussels, 3 August 2007), 20.

in the face of conflicts and crises. In addition, it should help other international and transnational actors to build up their own capacities for preventing and dealing with crises and risks.[31]

The graphic provides an overview of the proportion of each of the instruments making up the total resources (Community budget plus EDF) available for the EU's foreign policy interests over the timeframe from 2007 until 2013. This also includes the budget of the Common Foreign and Security Policy of the EU, which covers among other things the costs of the EU's civilian crisis management missions.

Most likely there will be no fundamental changes to the structure of the instrument box during the next multi-year financial framework from 2014. The Commission, for example, has refrained from recommending that the EDF be transferred into the EU budget.[32] The main innovation of the EU's toolbox will be a new "Partnership Instrument" – if approved by the Council and the European Parliament. This new instrument shall go "beyond development cooperation" and target major global issues, such as energy security and climate change. Although it shall have a global reach, its addressees would first and foremost come from industrialized countries outside the EU, emerging powers and "countries where the EU has significant interests".[33]

31 European Union, "Regulation (EC) Nr. 1717/2006 of the European Parliament and of the Council of 15 November 2006 establishing an Instrument for Stability", in: *OJ*, L 327 (24 November 2006): 3. The precursor to the IfS, the Rapid Reaction Mechanism (RRM), was provided with even less funding – on average around EUR 30 Million per year. In addition, the RRM projects had a maximum running time of just six months. Stefan Gänzle, Coping with the "Security-Development Nexus": *The European Community's Instrument for Stability – Rationale and Potential*, DIE Studies; 47 (Bonn: Deutsches Institut für Entwicklungspolitik, 2009), 6.

32 European Commission, Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, *A Budget for Europe 2020* – Part I, COM (2011) 500 final (Brussels, 29 June 2011), 24.

33 The Multiannual Financial Framework: The Proposals on External Action Instruments, Press Communiqué, 7 December 2011, http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/878 (retrieved on February 14, 2012). The overall amount proposed by the Commission for the external instruments package, including the EDF, for 2014–2020 is EUR 96 billion (current prices). Compared with 2007–2013,

Harmonizing Security and Development Policy Objectives

Over the course of the European integration process, the EU's security and development policies have developed along clearly separated paths. While the member states' development policy cooperation was already anchored in the Treaty of Rome, international security remained the exclusive domain of individual nations. Even when the EC/EU for the first time explicitly received development cooperation responsibilities with the Maastricht Treaty (1993), the CFSP remained under the sole control of the Council and the member states.

Since the end of the 1990s, the separation of the two policy areas has increasingly been blurred as the international environment changed. The international community and the organisations it supports have focused their attention on the complex crises in Bosnia (since 1992), Kosovo (since 1999), Afghanistan (since 2001), Congo (since 2002), Haiti (2010) and other places. They have attempted to design approaches meant to bring together a broad range of military and non-military instruments. Security policy objectives – from the prevention of the structural causes of violence to the stabilisation of post-war situations – have therefore increasingly fed into development policy programmes[34], as is evident in the "European Consensus" on development policy from 2006.[35]

This becomes particularly apparent in the cooperation between the EU and the ACP states, which is outlined in the 2000 Cotonou Agreement. This agreement was later modified in 2005 and 2010. Compared with its predecessors, the Lomé Convention, a new aspect in the Cotonou Agreement was the systematic expansion of the political pillar. It now encompassed not only support for democracy and rule of law, but also peacebuilding and prevention as well as handling of violent conflicts.[36] It was expressly included among the financial cooperation principles of the Cotonou Agreement that there must be greater response to the specific needs of states in post-war conditions.[37] In 2010, the second revision to the Cotonou Agreement put an even greater focus on the linkage between security and development in situations of fragile statehood.[38] The main instrument for implementing the Cotonou Agreement is the European Development Fund.

One special case is the African Peace Facility (APF), which is supported with financing from the EDF. It is noteworthy insofar as the European Union provides funding from a development pot in order to build up the capacities of African states to engage in peacekeeping operations within the framework of the African Union. This makes it possible to co-finance the operations of African peacekeeping troops, for example the costs associated with their transportation and deployment in the target country and special training for participating security forces. Military and armament spending remains excluded.[39] Financing security policy activities from development aid funds, however, is met with suspicion by some EU governments. Therefore it has been suggested to finance the Peace Facility from the EU's Common Foreign and Security Policy budget in the future.

Cleavages within the EU

The increasingly tight linkage between security and development policy objectives within the EU's foreign policy programme has provoked new conflicts within as well as among the Brussels institutions. Since the European Council meeting in Göteborg in June 2001, the European Commission has devoted greater focus, under the heading of conflict prevention, to the civil-

the financial allocations would thus be slightly higher but not radically altered.

34 Niagalé Bagoyoko and Maria V. Gibert, "The Linkage between Security, Governance and Development: the European Union in Africa", *Journal of Development Studies* 45, no. 5 (2009): 789–814 (791).

35 Lisbeth Aggestam et al. (eds.), *Institutional Competences in the EU External Action: Actors and Boundaries in CFSP and ESDP*, SIEPS Report; 6–7, (Stockholm: Swedish Institute for European Policy Studies, May 2008), 159; *Joint declaration by the Council and the representatives of the governments of the Member States meeting within the Council, the European Parliament and the Commission on the development policy of the European Union entitled "The European Consensus"*, 2006/C 46/01 (Brussels, 24 February 2006).

36 Cf. Article 11 of the Cotonou Agreement from 2000 on "Peacebuilding, Conflict Prevention and Resolution".

37 Cf. ibid., Article 56.

38 European Commission, Directorate-General Development and Cooperation – EuropeAid, *Second Revision of Cotonou Agreement*, http://ec.europa.eu/europeaid/where/acp/overview/cotonou-agreement/index_en.htm (retrieved on 7 February 2012).

39 The APF was established in 2003 following a decision by the ACP-EU Council of Ministers. A total of EUR 300 million were available to it from 2008 until 2010. European Union, *Summaries of EU Legislation, African Peace Facility*, http://europa.eu/legislation_summaries/development/african_caribbean_pacific_states/r12529_en.htm (retrieved on 7 February 2012).

ian aspects of international security.[40] As a consequence, community action has expanded to reforming the security sector, to disarmament, demobilisation and reintegration of combatants, as well as to the coupling of emergency aid, reconstruction and long-term development cooperation.

At that time, the Commission unequivocally stated that within the context of its responsibilities, it wished to play an increasingly active role in the security sector.[41] These developments led to conflicts over competences between the Council and the Commission since the member states view security and defence as their domain.[42] Accordingly, negotiations between the Council, the Commission and the European Parliament on the legal basis of the Instrument for Stability stretched from 2004 until 2006.[43] In 2004, the Commission presented a draft IfS regulation, which also provided support for "military surveillance" and peacekeeping activities.[44] The corresponding passages within the regulation were removed during the negotiations due to pressure from the Council, as the member states saw it as codifying a security policy competence of the Community institutions.

The Commission and Council also used legal pathways to argue out these points of controversy. In 2004 the Council decided to support activities by the Economic Community of West African States (ECOWAS) aimed at combating the proliferation of small arms. The Commission saw this as a violation of its rights, because it viewed this support as following both security as well as development policy objectives. According to the Commission, the Council should not have been allowed to decide on ECOWAS support based on the legal framework of the Common Foreign and Security Policy. The European Court of Justice largely agreed with the Commission's arguments in its ruling from May 2008.

As a consequence of the ruling, integrated transition strategies in conflict states have become more difficult to implement, because the security and development policy components would have to be clearly separated and each concluded according to a different legal framework – CFSP or Community competence. The Treaty of Lisbon does not provide a solution to this problem either.[45] In addition, the mistrust between the Council and Commission increased as a result of this ruling. Henceforth member states pay particular attention to ensuring that their common action does not give the Commission any leverage for expanding its competences even further into the area of security.

Within the Commission, the linkage of security and development policy objectives also caused tensions. Before the European External Action Service was established, responsibility for administering foreign policy instruments was split between two different Directorate-Generals. The Directorate-General for External Relations (DG Relex) was responsible for handling the general budget and therefore also had the majority of the instruments under its watch. The Directorate-General for Development (DG Development) was in charge of administering the European Development Fund.[46]

Due to its mandate, DG Relex was fundamentally more open to the political exigencies of EU foreign aid than its development policy counterpart and also had a more direct connection to the General Secretariat of the Council.[47] In 2001, a Conflict Prevention and Crisis Management Unit was created within DG Relex. One of its main tasks was to incorporate an assessment of the conflict potential and security risk factors into the Commission's respective country strategies. Regarding the delivery of EU aid, however, the Unit was seldom able to make its voice heard. This was mainly due to resistance from actors within the Commission with a primary focus on development.[48]

40 Cf. *Presidency Conclusions Göteborg European Council* (Brussels, 15/16 June 2001), 12.
41 European Commission, *Communication on Conflict Prevention*, COM (2001) 211 final (Brussels, 11 April 2001), 16.
42 Cf. Daniela Sicurelli, "Framing Security and Development in the EU Pillar Structure. How the Views of the European Commission Affect EU Africa Policy", *Journal of European Integration* 30, no. 2 (May 2008): 217–34 (232).
43 Gänzle, *Coping with the "Security-Development Nexus"* (see note 31), 54.
44 Frank Hoffmeister, "Das Verhältnis zwischen Entwicklungszusammenarbeit und Gemeinsamer Außen- und Sicherheitspolitik am Beispiel des EG-Stabilitätsinstruments", *Europarecht, Beiheft* 2 (2008): 55–76 (66).
45 Joni Heliskoski, "Small Arms and Light Weapons within the EU's Pillar Structure: An Analysis of Article 47 of the EU Treaty", *European Law Review* 33, no. 6 (December 2008): 898–912 (911); Christophe Hillion and Ramses A. Wessel, "Competence Distribution in EU External Relations after ECOWAS: Clarification or Continued Fuzziness?", *Common Market Law Review* 46, no. 2 (2009): 551–86 (582–4).
46 Tannous, "Die Entwicklungszusammenarbeit und humanitäre Hilfe der Europäischen Union" (see note 26): 439f.
47 Bagoyoko and Gibert, "The Linkage between Security, Governance and Development" (see note 34): 793.
48 Richard Youngs, "Fusing Security and Development: Just Another Euro-platitude?", *Journal of European Integration* 30, no. 3, (2008): 419–37 (423).

Ultimately, the variety in positions and viewpoints among member states imposes additional limits on common EU reconstruction aid in conflict countries. National governments take very different approaches to how foreign and security policies interact with development cooperation.[49] A number of countries, in particular the United Kingdom, Denmark and the Netherlands, set out to reform their government and financing structures and have found innovative solutions that integrate the respective administrations for foreign policy, defence and development cooperation.[50] The Netherlands, for example, established a stability fund in 2004 in order to deliver aid more quickly and with less bureaucracy to promote peace, security and development in third states.[51]

While on a national level the British government looked for increasingly integrated approaches for delivering aid, within the EU context it was a proponent of dedicating European development policy to combating poverty as a first priority.[52] The United Kingdom is one member of a group of like-minded states within the Council that also includes Sweden and Finland. This group is championing the promotion of development cooperation on a European level.[53] Each state having its own geographic focus areas for the delivery of aid can be an additional burden on achieving coherency of joint EU approaches.[54] There are also differences in the multilateral orientation of development cooperation. Germany, for example, provides a considerably larger portion of its aid through EU channels than the Netherlands does.[55]

Prospects for the Treaty of Lisbon

The Treaty of Lisbon and the creation of the European External Action Service under the leadership of the EU's High Representative for Foreign Affairs and Security Policy, Catherine Ashton, have offered new opportunities for reconciling the above-mentioned conflicts at the intersection of security and development. The new structures have the potential to realise a greater number of integrated policy approaches in conflict states on a European level. Since the High Representative serves a double function – as chair of the Foreign Affairs Council and Vice-President of the Commission with responsibility for foreign policy – she can help to bridge the differences of opinion between the two institutions. Correspondingly, areas of responsibility and work units, which had been separate before, are being combined under the organizational umbrella of the EEAS.[56] This is true of the Directorate General for External Relations, the foreign policy departments of the Council Secretariat and the military crisis management structures. In addition, the EEAS will be responsible, together with the Commission, for the planning and delivery of EU aid in third states.

In order to take advantage of the opportunities offered by the new institutional environment, all of the participating actors must be prepared to cooperate and support the process. But in this regard, the experiences so far since the establishment of the EEAS have been rather sobering. The question as to who should control the European development budget ignited serious arguments among the EU institutions.[57] It is feared above all in the Commission's Directorate-General Development and Cooperation – EuropeAid (DG DevCo)[58] and within the European Parliament's

49 Tannous, "Die Entwicklungszusammenarbeit und humanitäre Hilfe der Europäischen Union" (see note 26): 450.
50 OECD, *Transition Financing* (see note 12), 49.
51 Ibid., 52.
52 Therese Brolin, *EU and Its Policies on Development Cooperation*, Perspectives; 8 (Göteborg: Center for African Studies, Göteborgs Universitet, October 2007), 33.
53 Ibid., 34.
54 On the different areas of national focus in distributing aid, cf. Mirjam van Reisen, "The Enlarged European Union and the Developing World: What Future?", in: Andrew Mold (ed.), *EU Development Policy in a Changing World. Challenges for the 21st Century* (Amsterdam: Amsterdam University Press, 2007), 29–65 (51).
55 On this topic, it was written in a study by the German Development Institute: "[The UK, Germany and the Netherlands] represent a spread of commitment to aid spending through Brussels, with Germany spending around 20% of its aid budget through the EC, the UK approximately 18% and the Netherlands around only 9%." Mikaela Gavas, Deborah Johnson and Simon Maxwell, *Consolidation or Cooperation: The Future of EU Development Cooperation*, Discussion Paper; 6/2010 (Bonn: German Development Institute, 2010), 11.
56 Julia Lieb, *Diplomatisches Neuland für die EU. Den Erfolg des Europäischen Auswärtigen Dienstes durch regelmäßige Evaluierung sichern*, SWP-Aktuell 5/2011 (Berlin: Stiftung Wissenschaft und Politik, February 2011), 1.
57 Mario Giuseppe Varrenti, *EU Development Cooperation after Lisbon: The Role of the European External Action Service*, EU Diplomacy Papers; 6/2010 (Bruges: College of Europe, Department of EU International Relations and Diplomacy Studies, 2010), 4.
58 In the beginning of 2011, the Commission's formerly separate Development and EuropeAid Directorate-Generals were combined. The resulting Directorate-General Development and Cooperation – EuropeAid incorporates the planning and implementation competences of European development cooperation. European Commission, *About Development*

Development Assistance Committee that development policy objectives could be sidelined due to a more thorough embedding of development cooperation within foreign policy.

In this regard, the Council Decision of July 2010 establishing the organisation and functioning of the EEAS leaves a number of important questions unanswered. The Decision states that the administration of EU programmes for cooperation with third states continues to fall within the responsibility of the European Commission. The EEAS is supposed to prepare Commission decisions on the multi-year strategy documents and indicative programmes. In the future, under the High Representative's leadership, the EEAS is also responsible for activities within the context of the crisis component of the Instrument for Stability and the CFSP budget.[59] The balanced provisions in the Council Decision were achieved with a great deal of effort and not only leave latitude for interpretation, but also reflect a certain degree of mistrust between the Council, member states and the Commission.

Confidence in the new institutional system established by the Treaty of Lisbon is more likely to be created through practical cooperation experience rather than general debates within and among the institutions. The European External Action Service must first demonstrate that it can actually carry out Europe's foreign policy more effectively than is possible through the individual actions of member states. For this reason, the EU should concentrate as a first step on formulating transition strategies for selected conflict countries, integrating all available EU instruments in a sensible manner. These include humanitarian aid, civilian and military crisis management within a CSDP context, reconstruction aid for restoring state services and stimulating economic activity, opening of markets and long-term development policy. The Common Foreign and Security Policy must also provide supplementary political approaches to conflict resolution.

Integrated transition strategies are always case-specific. They should define the EU's respective priorities *vis-à-vis* the country, and complement the actions of other actors like the United Nations. In addition, they should ensure that the transition from short to medium and long-term activities proceeds as smoothly as possible. Therefore they must constantly be adapted to match the changing situations within the countries.

With a view to the European Union's priorities in Africa, the Democratic Republic of Congo, for example, would lend itself to this type of approach. In addition, South Sudan stands out as one of the first new test cases for EU reconstruction aid in accordance with the Treaty of Lisbon. The European Union's Special Representative to Sudan, Rosalind Marsden, the EEAS and the Commission have been working on a common policy for facing the complex challenges following the South's independence. Not least among these challenges is the virtual lack of governmental and administrative structures as well as the consequences of the civil war for the security situation.[60] The European Union wants to intensify its political dialogue with the country. Brussels also plans to use the Instrument for Stability to address the security situation in the border region to the North. In addition, the European Union is following new approaches in South Sudan aimed at systematically coordinating development cooperation programming with other member states and international organisations active in the country, in particular the United Nations.[61]

Following the toppling of the Gaddafi regime, Libya could also be an appropriate candidate for an integrated transition strategy from the EU under the leadership of the High Representative. A joint approach to reconstruction is desirable, particularly since the Union was late in forming a coordinated policy in regards to the violent conflict in the North African state.[62]

The Treaty of Lisbon opens up the possibility of establishing the European External Action Service as the central location for strategy development and coordination of EU reconstruction aid in conflict states. Moreover, the Treaty strengthens the Parliament's co-decision rights in the Union's foreign rela-

and Cooperation – EuropeAid, http://ec.europa.eu/europeaid/who/about/index_en.htm (retrieved on 7 February 2012).

59 The corresponding provisions can be found in Article 9 of the "Council Decision of 26 July 2010 establishing the organisation and functioning of the European External Action Service", *OJ*, L 201 (3 August 2010): 36f.

60 On the challenges in South Sudan, cf. Wolfram Lacher, *Staatsaufbau im Südsudan. Rahmenbedingungen, Erfolgsaussichten und Grenzen internationalen Statebuildings*, SWP-Studie 19/2011 (Berlin: Stiftung Wissenschaft und Politik, August 2011), 5.

61 Council of the European Union, *Council Conclusions on Sudan*. 3101st Foreign Affairs Council Meeting, Luxembourg, Press Release (Brussels, 20 June 2011).

62 Marco Overhaus, *Gaps in the Toolbox. The Political Upheavals in North Africa Reveal Deficits in EU Crisis Management*, SWP Comments 10/2011 (Berlin: Stiftung Wissenschaft und Politik, April 2011).

tions. The parliamentarians in Strasbourg are therefore demanding more influence over the setting of priorities and the distribution of EU aid.[63] The right balance needs to be struck between more parliamentary control and transparency on the one hand, and the need for faster and less complicated aid on the other. For this purpose, regular hearings could be held in parliaments on the European as well as national level regarding EU reconstruction aid in conflict states.

63 Under the heading of "delegated acts", the European Parliament demands a say in the drafting of multi-annual country strategies, thematic strategies and the associated indicative programmes. cf. European Parliament, "Strengthening Parliament's Scrutiny over EU External Financing Instruments", Press Release (26 January 2011), http://www.europarl.europa.eu/news/en/pressroom/content/20110124IPR12370/html/Strengthening-Parliament's-scrutiny-over-EU-external-financing-instruments (retrieved on 7 February 2012).

EU Planning and Decision-Making Processes – Not Yet Fast and Flexible

Programme Planning Deficits

The planning and decision-making processes related to the EU's financial instruments are largely comprised of three steps: multi-year programme planning, decisions on concrete activities that are summarised in annual action programmes, and finally the implementation of these activities.

EU aid priorities for the individual partner states, transnational regions or specific thematic issues are defined in the programme planning. For this purpose, in the past the Commission – and now the European External Action Service – drafted strategy papers. Based on these, Indicative Programmes are designed, which include information about allocation of funding for each focus area, as well as implementation timelines, when applicable. Country strategies and National Indicative Programmes must be agreed upon with the respective countries and are valid for several years. In accordance with the principle of national ownership, the two types of documents should also be oriented towards the priorities of the partner governments. Financial decisions remain the Commission's sole responsibility.

The EU member states participate in planning and decision-making via the comitology procedure. This means that within the context of special committees,[64] representatives of the member states can delay or even block Commission Decisions with a qualified majority. The complexity of the process limits the co-determination opportunities of individual member states.[65] In practice, however, the vote of individual countries can carry great political weight – particularly if a government has indicated strong interest in a certain activity.

The decision-making and planning processes follow the principles of long-term orientation and ownership of the partner state. The greatest possible degree of transparency and accountability should be ensured during the distribution of funds. Therefore numerous actors are involved in the process – the Commission, EEAS, local EU delegations, partner governments, member states, European Parliament. The flipside to the high demands on transparency and accountability is that the programme cycle becomes protracted and difficult to steer. It renders the short and medium-term political control that would be necessary for reacting to changing conditions within the partner state elusive.[66]

The drafting of the 2011 action programme for Afghanistan, for example, began in February 2011 and was not completed until December.[67] Further time will pass in the country before the EU aid finally becomes available. Afghanistan, however, already benefits from an abbreviated tendering procedure for crisis states, which makes it possible for project partners to be identified more quickly. For other partner countries that are not counted as being in a crisis situation according to the Commission's definition, this process can be even more time-consuming due to the EU's extensive financial regulations. As a result, more than one and a half years can pass between the identification of a project and when funds actually begin flowing.

The current regulations guiding the Development Fund as well as the Development Cooperation Instrument provide for the possibility of special measures in the case of "unforeseen [...] needs or circumstances related to natural disasters, civil strife or crises" in the partner countries.[68] Such measures stand outside of the normal programming processes and are therefore not part of the multi-year country strategies and Indicative Programmes.[69] For example, the Commission

64 Sandra Bartelt, "The Institutional Interplay Regarding the New Architecture for the EC's External Assistance", *European Law Journal* 14, no. 5 (2008): 655–79 (675f).

65 The described procedure relates to the European Development Fund (Art. 11 Par. 3 of the implementation regulation for the 10th EDF) and the Development Cooperation Instrument (Art. 35 Par. 2 of the respective regulation).

66 Matthias Dembinski, "EU-Außenbeziehungen nach Lissabon", *Aus Politik und Zeitgeschichte*, no. 18 (2010): 9–15 (11).

67 Interview with an official of the European Commission, Brussels, 10 May 2011.

68 European Union, "Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation", *OJ*, L 378 (27 December 2006): 58.

69 European Union, "Regulation (EC) No 617/200" (see note 30), 7. Special measures are provided for in Article 8 of the

supported elections in Afghanistan in 2009 and 2010 within the framework of a special measure with EUR 35 million, because it became apparent that the funds provided by other donors for this purpose had been too tightly budgeted.[70]

As long as special measures cost less than EUR 10 million, they are not subject to the comitology process. In this case it is sufficient for the Commission to inform the respective committees after the fact – within a one month period.[71] In addition, a so-called B-envelope for unforeseen needs is included in the European Development Fund for financing special measures.

In practice, however, the opportunities offered by special measures have not been optimally exploited. The procedures are not as quick and simple as they initially seem. Special measures costing more than EUR 10 million must go through the same protracted comitology process as any other programme. What is even more problematic is that financing for these types of measures is hardly a certainty.[72] Since the largest portion of the funds, by far, is programmed out over the long-term, few resources remain left over for unforeseen needs. Compared with the programmable funds, the Development Fund's national B-envelopes only make up a small portion.[73]

Unlike the European Development Fund, the Development Cooperation Instrument does not have access to any sort of special tranche for unforeseen needs, which means that measures have to be financed from budgetary reserves.[74] Furthermore, more intensive use of flexible processes can also pose risks for proper implementation of the budget.[75] The existing legal framework and the work culture within the Commission, however, have left the organization's staff with scant incentives for accepting such risks.

In December 2011, the European Commission published specific proposals for the next Multiannual Financial Framework (2014–2020), which would address some of the shortcomings mentioned above. The objective is to adapt the planning and decision-making processes for foreign policy instruments to better match the demands of crisis situations such as transition and democratisation processes. The information box on page 22 provides an overview of the proposed changes. At the time of writing, they are still in the process of being negotiated between the Commission, the Council and the European Parliament.

Procedures of the Instrument for Stability

The Instrument for Stability should partially balance out the procedural deficits described here for financial instruments with a long-term orientation. It is meant for use in exactly those situations in which no appropriate or effective action is possible with the other foreign policy instruments. This can be the case when insufficient funding is available, when the particular activity does not correspond with the previously agreed country priorities, or when the measures are supposed to be carried out more quickly.

The IfS has both a short-term and a long-term component. The latter applies to "conditions of stable cooperation" as opposed to crisis situations. Among other things, it should provide the EU with a way to help international, national and non-state organisations build up their own capacities to deal with crises.

The larger portion of the funding by far, however, is dedicated to the short-term component.[76] It is comprised of "exceptional assistance measures" and interim programmes that are not programmable, meaning that the funds are not tied up over the longer-term to country strategies and indicative programmes. Assistance measures are allowed to run for a maximum of 18 months and must, in the case of longer-term objectives, be continued either through interim programmes or other instruments like the EDF or DCI. In this sense, the Instrument for Stability functions as a bridging option, which covers a broad spectrum of different measures. It can support political dialogue,

Implementation Regulation for the 10th European Development Fund from 2007 and in Article 23 of the Regulation of the Development Cooperation Instrument of 2006. The procedures for both instruments are largely identical.

70 European Commission, *Commission Decision on the Special Measure 'Support to the Second Afghan Electoral Cycle' as Part of the Action Programme 2009* (Brussels, OJ), 2.

71 European Union, "Regulation (EC) No 617/2007" (see note 30): 7; European Union, "Regulation (EC) No 1905/2006" (see note 68): 58.

72 Interview with an official of the European Commission, Brussels, 4 May 2011.

73 Interview with an official of the European Commission, Brussels, 5 May 2011.

74 Ibid.

75 Statement from a Commission official during an internal discussion in the European Parliament (Brussels, 3 May 2011). Interviews with two European Commission officials, Brussels, 5 May/10 May 2011.

76 The regulation of the stability instrument provides for a maximum of 27 percent of IfS funds being designated to the long-term components.

mediation processes, establishment of interim governments and judicial institutions, reform of the non-military security sector, reintegration of combatants, economic reconstruction and clearing of landmines.[77]

The Instrument for Stability's planning and decision-making process includes substantial participation from those offices within the EEAS and the Commission with special security and country-specific responsibilities. This is supposed to enable a carefully coordinated reaction from the EU to conflicts and crisis situations that is as politically inclusive as possible.[78]

Numerous actors within and outside of the EU can propose an IfS project; this also includes international organisations, non-governmental organisations or individual member states.[79] Before the European External Action Service was created, a crisis reaction team within the Commission collaborating closely with respective country experts and local delegations was responsible for identifying and elaborating project recommendations. Provided that the Commission leadership has approved a recommendation, it is presented to the Political and Security Committee (PSC) in which the ambassadors of all the EU member states are represented. While the PSC is not required to provide the projects with any sort of formal blessing, due to the political character of most of the activities under this instrument, the Commission has hitherto made sure to consult with the governments.[80]

Within the new institutional environment created by the Treaty of Lisbon, the EEAS under the leadership of the High Representative is responsible for the crisis component of the IfS. Planning, however, continues to predominantly occur within the Commission, since it has the sole right to administer the EU budget.[81]

Just like the special measures under the development policy instruments, the Instrument for Stability's short-term component provides for expedited procedures, which should allow for a faster and more flexible EU reaction. In this case, the financial threshold to circumvent the comitology procedure is twice as high as with the EDF and DCI, namely EUR 20 million. Based on experiences since 2007, the Instrument for Stability measures are mostly implemented over a timeframe of three weeks to three months when measuring from the time of project identification until the provision of funding.[82] The EU could react particularly quickly if the measures were seen as high international priorities and there was agreement between the member states and EU institutions that prompt action was necessary. One more recent example was the EU support for presidential elections in Haiti, which took place between November 2010 and March 2011.[83]

In comparison with the development policy instruments, the IfS is therefore also applicable in a wider variety of situations, since it is not required to fulfil the internationally set criteria for providing Official Development Aid and it is also less strictly bound by the partnership principle. This means that while it is desirable that the partner government agrees to the projects, this is not a formal requirement. In conflict states, this makes direct cooperation easier with civil society actors and public authorities at the local level, for example in the districts or provinces.[84] In addition, the EU can be more insistent on placing its own points of emphasis even if these do not correspond with the priorities of the central government in the partner state.[85] Therefore the Instrument for Stability is suitable for implementing politically sensitive measures that receive insufficient support

77 European Union, "Regulation (EC) No 1717/2006 of the Parliament and of the Council of 12 November 2006 establishing an Instrument for Stability", *OJ*, L 327 (24 November 2006): 3f.

78 Hoffmeister, "Das Verhältnis zwischen Entwicklungszusammenarbeit und Gemeinsamer Außen- und Sicherheitspolitik" (see note 44): 74.

79 Interview with an official of the European External Action Service, Brussels, 2 May 2011.

80 Hoffmeister, "Das Verhältnis zwischen Entwicklungszusammenarbeit und Gemeinsamer Außen- und Sicherheitspolitik" (see note 44): 74.

81 Decisions on the Instrument for Stability are being prepared in the newly created Foreign Policy Instruments Service, which answers directly to the High Representative, but continues to remain part of the Commission.

82 Gänzle, *Coping with the "Security-Development Nexus"* (see note 31), 76.

83 Interview an official of the European Commission, Brussels, 3 May 2011. The EU has provided approximately EUR 5 million to support the elections in Haiti following the devastating earthquake in early 2010. An additional EUR 500,000 was given to the election observation mission during the second round of presidential elections in March 2011. European Union, *EU Announces Additional Support to Haiti Electoral Observation Mission*, http://www.eurunion.org/eu/2011/EU-Announces-Additional-Support-to-Haiti-Electoral-Observation-Mission.html (retrieved on 7 February 2012).

84 This is also true of the European Instrument for Democracy and Human Rights. In this regard, both instruments can supplement one another in a sensible manner.

85 Statement by an official of the European Commission during an internal discussion in the European Parliament, Brussels, 3 May 2011.

from state authorities.[86] For this reason, the Commission used the Instrument for Stability to launch a programme aimed at establishing a transparent administration for the Congolese police because the government in Kinshasa had neglected this sector.[87] This makes it possible to selectively circumvent a reform-reluctant partner government and to achieve results more quickly, but at the cost of national ownership.

Due to its flexibility, the IfS has been used since 2007 for a broad spectrum of activities and in numerous countries.[88] In 2009 and 2010, projects were initiated in more than 40 countries from Madagascar (EUR 60,000) to Georgia (EUR 30 million).[89] The IfS, however, has justified its existence primarily based on the shortcomings of other instruments. So far, there is no evidence of a clear focus to the instrument and therefore no strategic orientation either. In the future, the European External Action Service could help to better harmonize the identification of projects with the EU's overall political priorities.

A further challenge consists of making IfS projects compatible with long-term EU assistance. In practice, this often causes difficulties, not least due to the different programming and planning cycles of the various instruments.[90] In addition, politically sensitive activities initiated under the Instrument for Stability – for example, reforms to the security sector – cannot be continued over the long run without approval and active support from the side of the partner government.

Ultimately, it should not be forgotten that the Instrument for Stability has very limited financing. Over the timeframe from 2007 to 2013, just EUR 2 billion has been made available. This corresponds to less than three percent of the entire foreign policy budget of the Community including the European Development Fund. Based on these financial restrictions, the IfS can only make a significant contribution to the EU's reconstruction aid in conflict states if it is combined with other instruments in a sensible manner.

In the context of the next Multiannual Financial Framework (2014–2020), the European Commission has also proposed significant changes to the planning and decision-making procedures of the Instrument of Stability. These proposals are, along with those pertaining to other external instruments, summarized in the information box on page 22.

The Role of Delegations in Partner States

The European Union's delegations in partner states play a prominent role in the planning process for foreign policy instruments, since the local actors are in the best position to quickly recognise developments and to design possible courses of action. In 2000, the Commission already initiated reforms and thereby increased the responsibilities of its delegations in the delivery of the EU's foreign aid. Over the course of this "deconcentration", new administrative responsibilities and capacities were transferred to the country delegations. Today they are responsible to a considerable extent for identifying, designing and implementing aid activities. In addition, they received greater pull in shaping the multi-annual programme planning. With the Treaty of Lisbon, the Commission's external offices are upgraded to EU representations and placed under the purview of the High Representative for Foreign Affairs and Security Policy.

The reforms mentioned were supposed to make EU aid available more quickly and increase its quality. In 2011, however, the European Court of Auditors determined that these objectives have hitherto only been partially realised. It indicated that the valorisation of the delegations had accelerated the availability of funding in many cases. At the same time, however, the Commission had neglected to make full use of the new opportunities, namely through stepping up

86 According to the Commission, the Instrument for Stability is particularly suitable for putting integrated and politically sensitive aid on the right track; cf. European Commission, *2009 Annual Report from the European Commission on the Instrument for Stability*, COM (2010) 512 final (Brussels, 28 September 2010), 2.

87 Interview with an official of the European External Action Service, Brussels, 5 May 2011.

88 "The Instrument for Stability has been used for all types of things so far because it's so flexible", according to an official of the European Commission during an interview with the author, Brussels, 5 May 2011.

89 For an overview of the IfS projects that have been initiated and executed, cf. European Commission, Commission Staff Working Document. *Accompanying Document to the Annual Report from the European Commission on the Instrument for Stability in 2008*, SEC (2009) 932 (Brussels, 9 July 2009).

90 Interview with an official of the European External Action Service, Brussels, 2 May 2011, as well as with an official of the European Commission, Brussels, 5 May 2011. The interviewees also indicated, however, that the situation has markedly improved in comparison with the earlier Rapid Reaction Mechanism.

Information Box
Towards simpler rules for programming and delivering EU assistance – Legislative Proposals for the external instruments (2014–2020)[a]

In December 2011, The European Commission presented specific legislative proposals for nine external instruments, among them the Development Cooperation Instrument and the Instrument for Stability. The stated overall objective is to simplify rules and procedures for programming and delivering EU assistance, including in conflict countries. The proposals include the following innovations:

Horizontal regulation for implementation of EU assistance:
- The Commission proposes a single regulation to cover the implementation modalities of EU assistance across several external instruments. This is supposed to ensure a higher degree of harmonization.
- Urgency procedure: The Commission may, "on duly imperative grounds of urgency, such as crises, post-crises and fragility situations", adopt acts and amend existing action programmes or measures in partner countries without prior submission to the committee of member states.
- The threshold for having to invoke the comitology procedure for "special measures" is raised from currently EUR 10 Mio to EUR 30 Mio.

Development Cooperation Instrument:
- For the first time, part of the funds shall remain unallocated, e.g. not budgeted in advance.
- A new Article 12 of the draft regulation deals specifically with "programming for countries in crisis, post-crisis or fragility situations"

Instrument for Stability:
- Exceptional Assistance Measures can be extended twice (up to a maximum of 30 months), rather than just once as is currently the case.
- In cases of protracted crisis, the European Commission may adopt a second Exceptional Assistance Measure building on a previous one.

European Development Fund
- The next (11th) EDF will still remain outside the common EU budget, but it shall be better synchronized with the other instruments.

The proposals are the basis for negotiations with the Council and the European Parliament which in turn ought to be concluded in 2012.

a For more detailed information see: *Multiannual Financial Framework 2014–2020. Strengthening Europe's Place in the World*, http://ec.europa.eu/europeaid/how/finance/mff/financial_framework_news_en.htm (retrieved on February 14, 2012).

the dialogue with recipients in the partner state and improving monitoring of aid delivery.[91]

Furnishing the EU delegations with qualified personnel has remained another challenge. In conflict states, it is often the contract staff members who command the greatest level of subject-matter expertise. Fluctuations in personnel weaken the capacity for action and the delegation's effectiveness.[92] Within their new mandates, EU representations will not only have to deal with the financial and technical components of cooperation programmes, but will also have to focus more attention on the political implications. As a result, diplomats and country specialists will gain importance *vis-à-vis* administrative experts.[93]

91 European Court of Auditors, *Has the devolution of the Commission's management of external assistance from its headquarters to its delegations led to improved aid delivery?*, Special Report; 1/2011 (Luxemburg, 2011), 35.
92 Ibid., 7.

93 In the special report of the European Court of Auditors, it states that the Commission is facing the problem of "the balanc[ing] of staffing between aid management and other functions". Within this context, the Court of Auditors recommends, among other things, that the delegations provide more support for the "key area of policy dialogue". Ibid., 38.

EU Reconstruction Aid in Practice – The Case of Afghanistan

Afghanistan continues to remain a focal point of international security policy. The highest priority is to transfer primary security responsibilities within the country from the North Atlantic Treaty Organization (NATO) to the Afghan army and police by 2014. A successful transition process requires not only a build-up of local security forces, but also palpable political and economic improvements. Using the case of Afghanistan, it is possible to illustrate a number of key problems, which arise when the array of EU foreign policy instruments is used at the interface between security and development policy objectives. These difficulties become particularly conspicuous when considering the EU's support for building up the security and justice sectors as well as its support for the Provincial Reconstruction Teams (PRTs).

Overview of the EU Commitment

Without any doubt, the challenges facing the international community in Afghanistan are tremendous. The civil war of the past decades has largely destroyed the country's political, economic and social structures. Under conditions of a deteriorating security situation, functioning state institutions are supposed to be established while also spurring economic and social development.[94] This makes Afghanistan a particularly difficult case of international reconstruction aid in conflict states.

The European Union and its member states have committed to sizable investments in Afghanistan's security and reconstruction – between 2002 and 2010, these have totalled approximately EUR 8 billion.[95] The majority of the 27 member states have contributed to NATO's international peacekeeping force, collectively making up a third of the soldiers. The EU has provided bilateral aid to Afghanistan predominantly within the framework of the Development Cooperation Instrument. Between 2007 and 2013, around EUR 1 billion are allocated for the country from this source. These funds are supposed to be used principally for building up the health sector, the government and rural development.[96] The EU has granted additional aid through its regional and thematic programmes, for example under the auspices of the Instrument for Democracy and Human Rights or the Instrument for Stability. Aside from its longer-term focal areas, the European Union has also been involved in humanitarian aid, mine clearing operations and the reintegration of refugees.

The EU has struggled to translate its financial contributions into political influence over developments in Afghanistan and over international policy towards Afghanistan. Its local presence has been too fragmented and incoherent, and the political will among the EU institutions and member states has been too weak to follow a common political strategy.[97] A number of the problems are specific to the EU, but others affect the international community as a whole. Since the security situation has also escalated, at this point military actors dominate many aspects of the reconstruction.

Building Up the Civilian Security Sector and Judicial Institutions

From 2002 to 2006, the security and justice sectors were not focal areas for EU aid.[98] The USA was mainly

94 "Afghanistan: Flawed Election, New Strategy, Doubtful Prospects", in: International Institute for Strategic Studies (IISS) (ed.), *Strategic Survey 2010: The Annual Review of World Affairs* (London, 2010), 319–30 (323).

95 Joanna Buckley, *Can the EU Be More Effective in Afghanistan?*, Policy Brief (London: Centre for European Reform, April 2010), 2.

96 European Commission, *Country Strategy Paper – Islamic Republic of Afghanistan 2007–2013*, C (2007) 1479 (Brussels, 2007), 4; European Commission, *Afghanistan. State of Play* (Brussels, January 2011), 1.

97 Buckley, *Can the EU Be More Effective in Afghanistan?* (see note 95), 1; Eva Gross, "The EU in Afghanistan. Crisis Management in a Transatlantic Setting", in: Eva Gross and Ana E. Juncos (eds.), *EU Conflict Prevention and Crisis Management. Roles, Institutions and Policies* (Abingdon: Routledge, 2011), 117–30 (124).

98 Within the framework of the first country strategy (2003–2006) for Afghanistan, the European Commission concentrated primarily on the areas of human capital, social protection, reconstruction of the physical infrastructure, trade and investment.

involved in the build-up of the Afghan military, while supplementary contributions were provided by other donor states. As the security situation deteriorated, however, the build-up of the police and justice sector increasingly became a focus of the European Union.

Over the course of 2006, it became apparent that the approaches that had been followed up until that point by individual nations had failed. The Federal Republic of Germany was supposed to build up the Afghan police, and Italy the Afghan legal system, but both efforts were failures across the board. The still catastrophic state of the police and justice system[99] fuelled the violent insurgency within Afghanistan and stoked the people's mistrust of state institutions. During the London Conference on Afghanistan in early 2006, the European Union committed to provide support for building up the judicial system within the framework of its Community aid.[100] In September of the same year, the EU sent a fact-finding mission to Afghanistan from the Council and the Commission. As a result of this mission, the European police mission EUPOL Afghanistan as well as a first European Commission judicial programme – within the framework of the Instrument for Stability – were planned and initiated over the course of 2007.[101]

In addition, the Commission is one of the largest contributors to the Law and Order Trust Fund for Afghanistan (LOTFA), which among other things pays the wages of Afghan police.[102] Institutional reforms – first and foremost of the Afghan Ministry of the Interior – have developed into an additional LOTFA priority.[103] Since 2007, the European Union has followed a holistic approach, which is aimed at bringing together the largely neglected dimensions of civilian police work with building up the justice system.

From the EU's fact-finding mission in September 2006, the recognition emerged that it is not enough to just send a European police mission, but rather that this must also be supplemented by increased efforts to build up the Afghan justice system. The country strategy paper (2007–2013) published by the Commission and the indicative programme for 2007 through 2010 included support for the justice sector.[104] 40 percent of the anticipated funds were reserved for the governance sector, which also includes the justice components. Among other things, there were plans to provide technical support for Afghanistan's most important justice institutions on a national level as well as on the provincial and district levels.[105]

The EU institutions did not succeed, however, in mobilising support from the Development Cooperation Instrument quickly enough in order for contributions to building up Afghanistan's formal judicial institutions to already be visible in 2007. For this reason, the Commission initiated its planning procedure to use the Instrument for Stability for the first time in Afghanistan.[106]

Finally in June 2007, a programme with IfS funding totalling EUR 2.3 million was launched. A team of experts was to be deployed to support Afghanistan's justice system with the establishment of a functioning personnel management system. This included transparent remuneration structures, the development of performance profiles, and data collection. EU specialists should continue to support their Afghan counterparts on budgeting issues and design a programme that should help Afghan people have better access to

99 International Crisis Group (ICG), *Reforming Afghanistan's Broken Judiciary*, Asia Report; 195 (Brussels, 17 November 2010), I; Cornelius Friesendorf and Jörg Krempel, *Militarized versus Civilian Policing: Problems of Reforming the Afghan National Police*, PRIF-Report; 102 (Frankfurt: Hessische Stiftung Friedens- und Konfliktforschung, 2011), 11.

100 Eva Gross, *Security Sector Reform in Afghanistan: the EU's Contribution*, Occasional Paper; 78 (Paris: European Union Institute for Security Studies, April 2009), 40.

101 European Commission, *Commission Decision on the Annual Action Programme 2008 in Favour of Afghanistan – Action Fiche: Support to the Justice Sector*, DCI-ASIE/2008/20112 (Brussels, OJ), 3; European Commission, *Commission Staff Working Document Accompanying the 2009 Annual Report from the European Commission on the Instrument for Stability*, SEC (2010) 1114 final, (Brussels, 28 September 2010), 10.

102 European Commission, *Afghanistan. State of Play* (see note 96), 7.

103 European Commission, *Commission Decision on the Annual Action Programme 2009 in Favour of Afghanistan – Action Fiche: Support to the Law and Order Trust Fund for Afghanistan* (LOTFA), Phase V, DCI-ASIE/2009/021131 (Brussels 2009), 3.

104 European Commission, Multiannual Indicative Programme 2007–10 – Islamic Republic of Afghanistan, C (2007) 1476, Brussels 2007; on the judicial components of the country strategy, cf. European Commission, *Country Strategy Paper – Islamic Republic of Afghanistan 2007–2013* (see note 96), 22.

105 European Commission, *Multiannual Indicative Programme 2007–10* (see note 104), 10.

106 According to officials from the Commission and the EEAS the rationale for involving the IfS was that in this manner it was possible to start the project within the span of a few months. This would not have been possible with the Development Cooperation Instrument. Phone interview with a former official of the European Commission Delegation in Afghanistan, 5 May 2011, as well as with an official of the European Commission, Brussels, 11 May 2011.

the legal system.[107] The programme was limited to 18 months and expired at the end of 2008. From the very beginning, it was conceived as a first step towards a more comprehensive EU commitment within the justice sector. That's why, in parallel to the IfS project plans, the Commission engineered a considerably more comprehensive successor project funded from the DCI.[108]

This second project started in early 2009. With an initial three-year estimated duration and funding totalling EUR 20 million, it continued the activities financed by the Instrument for Stability. In addition, it was supposed to support the Afghan government's national justice programme as well as United Nations initiatives within the areas of justice and human rights. It primarily focused on training officials, improving the legal assistance system throughout the entire country, and creating infrastructure for the judicial system.

The second Afghanistan programme launched by the Commission within the context of the Instrument for Stability supported the build-up of civilian police forces. When the first Afghan National Police Strategy was approved in March 2010, officials in Brussels saw it as an opportunity for promoting the civilian police force, an idea that had been favoured by the EU institutions and pursued through the EUPOL mandate since 2007.[109]

In this way, the Commission sought to take advantage of the newly declared interest of international donors and the Afghan government in building up the civilian police force and thereby expand the European Union's influence. Ultimately, this was supposed to also facilitate the work of the EUPOL mission. But just like with the judicial reform, the Development Cooperation Instrument could not be mobilised in time for these purposes either. A related problem was that the largest part of available DCI funds was already tied up through EU contributions to the Law and Order Trust Fund.

The Commission approved the IfS measure in May 2011. It has an 18-month timeframe and a financial volume totalling EUR 15 million.[110] Two training institutions for Afghan police should be built with this funding, namely a general staff academy in Kabul and a regional training centre in Bamiyan. Moreover, a smaller quick-impact programme was planned, which should serve to develop civilian police capacities in Kabul and in the Afghan Ministry of the Interior.[111]

Preparations for this IfS programme were overshadowed by disputes among the EU institutions. The construction of both training facilities was championed by a number of member states, the EU special representative for Afghanistan and the local EU delegation as well as staff of the new European External Action Service in Brussels.[112] The Directorate-General for Development within the European Commission opposed the project, because it viewed it as neither a top priority nor self-sustaining.[113] It had particular doubts regarding the will and the ability of the Afghan government to cover the running costs of both training institutions over the long-term from its own budget. Instead, the planned measure was criticised as a hasty solution of several EU member states that focused primarily on political visibility.[114] In addition, the Directorate-General for Development complained that it was not included from the start in the planning process. In the end, it was political pressure from a number of member states that paved the way for the IfS-programme to start.[115]

The differences in opinion among the EU institutions caused substantial delays in the planning process. This was compounded by complications in cooperation with the Afghan authorities. Since the planned IfS measure was supposed to last for a maximum of 18 months, numerous hurdles on the ground had to be eliminated prior to the project's official start. Construction permits had to be acquired and property rights needed to be clarified. More than a year elapsed between the identification of the measure in March 2010 and the Commission's decision in May

107 European Commission, *Commission Staff Working Document Accompanying the 2009 Annual Report* (see note 101), 10f.
108 Interview with an official of the European External Action Service, Brussels, 5 May 2011, as well as a former official of the European Commission Delegation in Afghanistan, 5 May 2011; European Commission, *From Warning to Action: Reportage on the EU's Instrument for Stability* (Luxemburg, 2008), 25.
109 European Commission, *Commission Decision on Adopting an Exceptional Assistance Measure under the Instrument for Stability to Support "Civilian Police Capacity Building in Afghanistan"*, C (2011) 3137 (Brussels, 2011), 2.
110 Ibid., 3f.
111 Ibid., 9–11.
112 Interview with an official of the European External Action Service, Brussels, 6 May 2011.
113 Interviews with an official of the European External Action Service, Brussels, 6 May2011, as well as with an official of the European Commission, Brussels, 10 May 2011.
114 Interview with an official of the European Commission, Brussels, 10 May 2011.
115 Ibid.

2011. For a project financed from the Instrument for Stability, this was an unusually long process.

The long-term operation of both training institutions for Afghan police should now be guaranteed based on a memorandum between the EU and the Afghan Ministry of the Interior. Within the memorandum, the Afghan side commits to cover the operating costs from its own budget starting in 2013, a figure estimated by Brussels amounting to approximately EUR 3.4 million.[116] The European Commission had rejected covering these costs from the DCI.[117]

The general staff academy and the regional training centre can only be building blocks in the development of Afghanistan's civilian police capacities. These efforts will only be crowned with lasting success if the Afghan side as well as European and international donors commit in a substantial and long-term manner, and use all available instruments. This type of commitment does not yet exist. Furthermore, the political pressure to quickly transfer security responsibilities to the Afghans comes with the danger that even more emphasis will be placed on short-term stabilisation than was the case in the past.[118]

Support for the Provincial Reconstruction Teams

The Provincial Reconstruction Teams (PRTs) in Afghanistan demonstrate very clearly the challenges of harmonising security and development policy objectives. PRTs are supposed to enable reconstruction aid during the transition process, namely in locations where the security situation continues to remain unstable. They are supposed to support the Afghan government in expanding its capacity for action within the provinces as well, to promote economic development in these areas and help build up the security sector. The military component of the PRTs is under NATO command, while the civilian component is led by the contributing nations. In practice, widely varying PRT models have emerged across the civilian-military spectrum.[119]

The European Commission only provided modest funding from the Development Cooperation Instrument for the civilian component of the PRTs, namely EUR 10 million between 2003 and 2006 and an equal amount for the period from 2007 until 2010.[120] The programme was led by the International Organization for Migration.

The Commission assessed its support for the PRTs as predominantly negative.[121] Criticism was directed at the poor quality of proposed projects, the unclear definitions of the respective goals, the unduly slow flow of funding, the lack of involvement of Afghan partners and the predominance of quick fixes without lasting effects. Thus, clear contradictions became obvious between security and development policy priorities. It can therefore be of little surprise that there is currently scant enthusiasm within the European Commission for resuming support for the PRTs, even though pressure continues to be exerted from within the ranks of the member states.[122] Although this verdict does not apply equally to all the PRTs, the Commission sees them in general as poorly suited to providing reconstruction and development aid.

The programme for supporting the reconstruction teams makes up just a small part of the EU's overall commitment to Afghanistan. Nevertheless, it provides a clear example of the fundamental problems facing development cooperation with crisis management actors, which primarily follow a political and security agenda. While NATO does not exercise any direct influence over the PRTs' civilian projects, these tend to be subordinated to military objectives.[123] Among the main reasons for this are the military's ability to mobilise significant resources and act within an unstable environment, the dramatic deterioration of Afghanistan's security situation since 2005/2006, and development actors' inadequate adaptation to the demands on reconstruction aid in conflict zones.[124]

116 European Commission, *Commission Decision on Adopting an Exceptional Assistance Measure* (see note 109), 13.
117 Interviews with official of the European Commission, Brussels, 6 May/10 May 2011.
118 Friesendorf and Krempel, *Militarized versus Civilian Policing* (see note 99), 29.
119 M. J. Williams, "Empire Lite Revisited: NATO, the Comprehensive Approach and State-building in Afghanistan", *International Peacekeeping* 18, no. 1 (2011): 64–78 (68).
120 European Commission, *Country Strategy Paper – Islamic Republic of Afghanistan 2007–2013* (see note 96), 20; European Commission, *Afghanistan. State of Play* (see note 96), 8.
121 The European Commission undertook an internal evaluation of the PRT programme. The remarks are based on conversations with officials from the Commission and the External Action Service.
122 Interview with an official of the European External Action Service, Brussels, 6 May 2011.
123 Williams, "Empire Lite Revisited" (see note 119), 67.
124 Cf. ibid. for a detailed description of the problems of militarisation of reconstruction and development aid in Afghanistan as well as its underlying causes.

Assessment

If quickness, flexibility and systematic consideration of security policy objectives are the criteria, then the use of the EU's foreign policy instruments in Afghanistan has shown mixed results. By combining the Instrument for Stability and the Development Cooperation Instrument, the European Commission succeeded in more quickly reorienting Community resources to the new focus area – since 2007 – of building up Afghanistan's justice institutions. The short and medium-term IfS measures segued seamlessly into a longer-term Commission programme. The charge that the build-up of the formal justice sector should have been initiated at a much earlier stage and in a more decisive fashion not only applies to the European Union, but also to the Afghan government and the entire international community.[125] It remains a fair question, however, why the actual justice programme financed by the Commission from the Development Cooperation Instrument did not begin until early 2009 – three years after the EU made corresponding commitments in London. In light of this, the use of the Instrument for Stability seems to be more of an emergency solution that was necessary because EU aid is much too cumbersome. The long-term development of formal judicial institutions is clearly part of the governance focus of the EU's development policy cooperation with Afghanistan.

Experience has also shown the extent to which political factors can inhibit the reactivity of the foreign policy instruments. In this research paper two IfS-programmes in Afghanistan, were analysed in more detail. In both cases, the preparatory phase – from identification to initiation of the programme – took too long, namely nine months and more than twelve months, respectively. Staff within the Brussels institutions point out that the EU has been able to act much more quickly in other settings, as was the case recently in Haiti. The better the cooperation functions among the member states represented in the Council and PSC, the Commission and the European External Action Service, the more rapid the EU's response to crises can be.

Differing priorities at the interface of security and development have contributed to the difficulties in using EU instruments. This was particularly striking in the build-up of civilian police capacities as well as the support for Provincial Reconstruction Teams. The member states displayed a tendency to place priority on political visibility and the measures' short-term impact, particularly in cases where there was a lack of national resources. The European Commission rightfully opposes having to serve in this situation as a stopgap.

One of the fundamental problems of European foreign policy can also be observed in Afghanistan: the EU is rarely capable of embedding its policies within a strategic framework and mobilising sufficient resources. In Afghanistan it propagates the neglected civilian approach to building up the security sector, but at the same time it lacks the resources necessary to realise this ambition. It is not just the inherent weaknesses within the set of EU instruments that is responsible here, but also the lack of interest among the member states in embarking on a common policy approach. On security policy matters, they focus first and foremost on NATO actions under US leadership. Concerning the political priorities, governments usually choose multinational coordination processes outside of the European Union.[126] If the link to strategic goals is missing, which can, in turn, only be defined by the member states, then the EU's foreign policy instruments will degenerate into mere funding pots with which no political impact can be achieved.[127]

Afghanistan differs in many ways from other conflict states currently going through transition processes. As the security situation has dramatically worsened since 2005, short-term security considerations have gained the upper hand on the development policy agenda. Nevertheless, the difficulties discussed here in the Afghan context – the lack of flexibility in EU aid as well as its insufficient integration into a common political framework – extend far beyond the boundaries of this one case.

125 ICG, *Reforming Afghanistan's Broken Judiciary* (see note 99), III.

126 A number of member states like the United Kingdom, France and Germany have appointed their own special representatives for Afghanistan, while there continues to be a lack of the requisite political support from the member states for the EU special representative. Cf. on this issue, Buckley, *Can the EU Be More Effective in Afghanistan?* (see note 95), 3.

127 Gross, "The EU in Afghanistan" (see note 97): 128.

Conclusions

Over the past ten years, the European Union has undertaken major efforts to adjust its external financial instruments to meet the requirements of reconstruction aid in crisis-ridden partner states. At the instigation of the European Commission, security policy considerations have entered into the planning and delivery of EU aid. The set of instruments was greatly simplified in 2007 to enable more efficient and coherent action. With the Instrument for Stability, new opportunities were opened up for the EU to react more effectively to crisis situations in partner states. Despite these reforms, however, the EU's reconstruction aid has had to confront three key problems.

First, the growing overlap of security and development policy objectives has hitherto failed to translate into a greater harmonisation of these objectives within the European Union's foreign policy system. To the contrary: the different positions existing within and among the EU institutions over the relative weight of the objectives have become even more accentuated. Furthermore, the individual member states take markedly different approaches to their development policy cooperation in relation to foreign and security policy. There is a similar degree of variance in the readiness of the governments to provide aid through multilateral channels such as the European Union. The opportunities and limits on common European reconstruction aid within conflict states depend on the extent to which these differences are surmounted.

The European External Action Service under the leadership of the High Representative of the Union for Foreign Affairs and Security Policy can make a considerable contribution in this regard. The EEAS consolidates activity areas and structures, which had previously been separate. Due to her double function as chair of the Foreign Affairs Council and Vice President of the European Commission, Catherine Ashton has the capacity needed to build bridges. The EEAS could therefore become a crucial location for developing strategy and setting priorities.

To foster mutual trust in the new institutional system's capacity, all relevant actors should concentrate in a first step under the leadership of the High Representative and the EEAS on developing integrated transition strategies for selected conflict states. Suitable candidates for such strategies could include, for example, Congo, South Sudan and – following the overthrow of Gaddafi – perhaps Libya as well.

Second, the set of EU instruments for reconstruction aid in conflict states has not yet been flexible enough. High demands in terms of transparency, accountability and national ownership are justified in "normal" development situations, but often turn out to be a barrier in conflict states. The current financial and regulatory framework, valid from 2007 to 2013, has rendered the aid programming process too complex and protracted.

In December 2011, the European Commission presented draft regulations for the EU's external instruments after 2013. The drafts form the basis for negotiations between the Commission, the Council and the European Parliament. One of the stated goals is to simplify the rules and procedures for programming and delivering EU assistance. To this end, the proposed new regulation for the Development Cooperation Instrument features a new article on "programming for countries in crisis, post-crisis or fragility situations." More room would also be provided for the use of funds that have not already been tied up over several years.

One should keep in mind, however, that more flexibility in the use of EU external aid instruments also demands more political steering and thus strategic direction. In the past, the Instrument for Stability often had to function as a stopgap when other instruments either could not be mobilised in time, or not at all. As a result, the IfS in the past has combined unclearly stated objectives with an insufficient level of financial resources. For the period from 2007 until 2013, around EUR 2 billion has been earmarked for this instrument – which corresponds to less than three percent of the budget for all of the EU's foreign policy instruments.

If the European Union's foreign policy toolbox will become more responsive and agile overall, this should also allow to better build on the comparative strengths of the IfS in crisis and post-crisis situations. This instrument is especially useful during critical transition phases, for cooperation with civil society

and local actors in politically-sensitive situations as well as at the civil-military interface.

For the European Union and its member states, it will become increasingly important that their assistance in dealing with transition processes in conflict states also bring forth substantial results. The EU has already been active for years in countries like Bosnia-Herzegovina, Congo, Haiti, the Central African Republic and Afghanistan. The upheavals in Northern Africa and other parts of the Arab world have brought with them major new challenges. For long-term development cooperation to be successful, it is indispensible that transition processes be constructively designed. After all, the European Union has the ambition to develop and implement comprehensive policy approaches to address conflicts and violent crises in partner states.

Abbreviations

ACP States	African, Caribbean and Pacific Group of States
APF	African Peace Facility
CFSP	Common Foreign and Security Policy
CSDP	Common Security and Defence Policy
DCI	Development Cooperation Instrument
DG	Directorate-General
DG DevCo	Directorate-General Development and Cooperation – EuropeAid
DG Relex	Directorate-General for External Relations
EC	European Community
ECOWAS	Economic Community Of West African States
EDF	European Development Fund
EEAS	European External Action Service
ENPI	European Neighbourhood and Partnership Instrument
EU	European Union
EUPOL	European Union Police Mission in Afghanistan
ICG	International Crisis Group
IfS	Instrument for Stability
IPA	Instrument for Pre-accession Assistance
LOTFA	Law and Order Trust Fund for Afghanistan
NATO	North Atlantic Treaty Organization
ODA	Official Development Assistance
OECD	Organisation for Economic Co-operation and Development
PRIF	Peace Research Institute Frankfurt
PRT	Provincial Reconstruction Team
PSC	Political and Security Committee