

Aexeto 35

The EU External Action: New Instruments and the New Global Players

Introduction

The Portuguese EU Presidency in 2007 has taken several initiatives for the development of the external action of the Union with the aim of:

- adapting it to the new stage of the European integration and of the international order marked by globalisation;
- improving its consistency with the internal policies of the Union;
- dealing with the emerging news global players;
- renewing the relationship with Africa as an organised regional entity.

1. The EU Declaration on Globalisation

The Informal European Council of Lisbon on 18-19 October, after getting a final agreement on the new Lisbon Treaty and turning the page of a difficult stalemate period, was also able to look ahead and to discuss the policies regarding globalisation. The main message sent by the European leaders was that it is no longer enough to respond to globalisation, it is necessary to shape it.

It was then agreed to prepare an EU Declaration on Globalisation in order to create a symbol of this new approach and this new political will (see Annex). Its main concern should be to better combine the internal with the external policies in order to face the main global challenges: climate change, financial stability, opening the markets, improving the standards, development, migrations and security. Its main message should be sent not only to the European citizens but also to the international partners, calling for an enhanced strategic cooperation in the framework of bilateral relations as well as of stronger multilateral institutions. The European Council on 14 December adopted this Declaration prepared by the Presidency as well as gave a mandate to prepare a report on how to improve the implementation and to complement the European Security Strategy, according to the recent international evolutions.

2. The External Dimension of the Lisbon Strategy

The European Union has an ambitious agenda for sustainable development combining its economic, social and environmental dimensions, but it cannot achieve it in isolation. The implementation of this internal agenda needs to be supported by an international movement of convergence in the same direction,

able to create a win-win game, to avoid risks of race to the bottom and to strengthen collaboration to face common global challenges.

The implications of the Lisbon strategic priorities for the external action of the Union should be fully drawn, improving the consistency between the European internal and external agendas. With the momentum created by the new Treaty of Lisbon to strengthen the external action of the Union, this seems the right moment to develop the external dimension of the Lisbon strategy. After a wide debate involving various formations of the Council as well as the European Parliament, the European Council on 14 December decided that the new cycle of the Lisbon Strategy should include, not only actions at national and European levels, but also at international level. The Strategy Report for the new cycle presented by the European Commission for the new 3 years cycle already reflects this new orientation aiming at a stronger the interface between the internal and the external policies.

3. The Role of the External Policies

This concern should be more systematically integrated in **the external policies** of the European, which can be implemented with a broader approach according to the following proposals recently presented by the European Commission:

- a broader approach should be developed for the external action of the Union, which complements CFSP, trade and cooperation policies with the external projection of the internal policies of the Union. This means that the external action of the EU should also integrate the external dimension of policies such as research, environment, education and employment, COM(2006) 278.
- a new generation of the EU cooperation programmes is being prepared, based on the new political orientations defined by the “European Consensus”, COM(2005) 311;
- a new approach is being developed in trade policy in connection to the Lisbon agenda, which aims at preparing Europe for globalisation using trade combined with basic standards as well as internal markets as a major lever for growth and more and better jobs, COM(2006) 278.

All these external policies can play a stronger role in developing the external dimension of the Lisbon agenda, projecting its main strategic priorities to the outside world, notably (see Table A in annex):

1. Trade policy, in opening new markets and improving standards;
2. Cooperation policy, in capacity building to improve standards and to improve policy coherence regarding the Millennium Development Goals;

3. Research, education and culture policies in improving international cooperation;
4. Social policies, in supporting decent work strategies;
5. Energy and environmental policies, in spreading the carbon emissions trade and the renewable energies;
6. Macroeconomic policies, in ensuring international financial stability.

4. Implications for the EU agendas of external action

Some implications of this framework can be drawn to identify critical points in the various agendas of external action which are being developed by the European:

- in the **multilateral agenda**, to achieve an agreement in Doha, to re-balance BWs institutions governance and to strengthen multilateral governance for environment;
- in the **regional agenda** (enlargement and neighbourhood), to foster convergence and catching-up;
- in the **development agenda**, providing aid for trade, deepening the strategic dialogue for sustainable development and improving policy coherence in development strategies;
- in the **transatlantic agenda**, to progress in regulatory convergence in TRIPs, financial markets and energy;
- more generally, in the **agenda with strategic partners**, deepening the strategic cooperation for sustainable development, encompassing climate change, environment, energy, social inclusion and creating a win-win game in trade;
- **in the agenda with the macro-regions**, the same plus deepening the dialogue on regional integration.

5. A new method for strategic dialogue

A new approach should be encouraged for a more comprehensive strategic cooperation between the EU and partner countries in order to frame a better use of all these instruments of external action. We are assuming that this should be prepared by a more comprehensive strategic dialogue, using a method reverses the traditional sequence of many international dialogues and organises the discussion according to the following steps (see Table B in annex):

1. First, a general discussion on common challenges we are facing together as global partners;

2. Secondly, a general discussion on domestic development strategies;
3. Thirdly, a discussion on some implications for internal policies;
4. Fourthly, a discussion on new ways of cooperation for capacity building in order to spread better standards;
5. Finally, a discussion on the implications for external policies and global governance.

This should be the one of the main goals of the new generation of external instruments of the action of the European Union, when defining **partnership and cooperation agreements** with partner countries. A new approach for a comprehensive strategic dialogue should be used to identify the agenda for these partnership agreements.

The Portuguese Presidency has supported a pilot experience of comprehensive **strategic dialogue issues** in order to inspire this new generation of instruments for the external action, with a special focus on Summits between the EU and the BRICs: Brazil, China, India and Russia. Some adaptations were also considered for the Summits with Mediterranean area and Africa.

6. This report

This report is also summing up the preparatory work on this theme undertaken during the Portuguese Presidency, which involved background papers prepared by experts, as well as 3 workshops:

- Workshop on the “External Dimension of the Lisbon Strategy”, Brussels, Université Libre de Bruxelles, 11 October 2007;
- High Level Workshop on “Dialogues for a Sustainable Development – EU and China”, Paris, Centre Culturel Gulbenkian, 26-27 September 2007;
- High Level Workshop on “Dialogues for Sustainable Development: Brazil and European Union”, Lisbon, 5-6 November 2007.

The Annual Conference of the EU Institute of Security Studies in Paris, 22-23 November has also provided a very rich overview on these issues.

Our special gratitude should be expressed to the authors of the papers which are organised in this report:

- Alvaro Vasconcelos, Director of the European Union Institute for Security Studies, *Effective Multilateralism: Engaging with the New Global Players, EUISS Project-Preliminary findings, "Multilateralising" Multipolarity;*
- Professor Mario Tèlo, Institut d'Études Européennes – Université Libre de Bruxelles, *The Political Dimension of the EU's External Action: Global Challenges and Key Issues;*
- Professor Maria João Rodrigues, Institut d'Études Européennes – Université Libre de Bruxelles, *The Lisbon Agenda and the External action of the Union;*
- Giovanni Grevi, European Union Institute for Security Studies (Paris), *Effective Multilateralism: Engaging Strategic Actors;*
- Professor Zhou Hong, Chinese Academy of Social Sciences, *Workshop final report of the High Level Workshop on Dialogues for a Sustainable Development – EU and China;*
- Professor François Godement, Asia Centre (Centre Études Asie), *The EU and China :a necessary partnership;*
- Professors Can Huang and Luc Soete, (United Nations University – Maastricht Economic and Social Research and Training Centre on Innovation and Technology), *The Economic, Social and Environmental Dimension of the EU's External Action: The Global Challenges of the Knowledge Economy – China and the EU;*
- Professor Glauco Arbix, University of São Paulo, *Dialogues for a Sustainable Development – EU and Brazil;*
- Professor Alfredo Valladão, Sciences Po, Paris (Chaire Mercosur), *L'UE et le Brésil : un partenariat naturel ;*
- Professors João Carlos Ferraz and Luc Soete, (United Nations University – Maastricht Economic and Social Research and Training Centre on Innovation and Technology), *The Economic, Social and Environmental Dimension of the EU's External Action: The Global Challenges of the Knowledge Economy" – Brazil and the EU.*

In annex, it will also be possible to find the Joint Statements adopted by the Summits held by the European Union with these countries, in 2007, under Portuguese Presidency. We start by presenting the general papers prepared by

Mario Telo, Maria João Rodrigues, Alvaro Vasconcelos and Giovanni Grevi to provide a general background papers for this experiment.

We hope this report can inspire further developments of both internal and external policies in order to strengthen the strategic cooperation between global players, the EU and the others.

Lisbon, 21 December 2007

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TABLE A

How can the EU external policies support the Lisbon strategic priorities ?

Lisbon Strategic Priorities EU External Policies	Markets Business Framework Conditions	Knowledge Research Innovation Education	Employment Social Policies	Energy Environment
Trade Policy	Access to markets Global Trade rules Trade defence instruments	Intellectual Property rights	Social standards	Environmental standards
Cooperation Policy	Aid for Trade	Supporting Scientific Cooperation	Supporting decent work strategies Migration policy and development	Promoting access to renewable energies and interconnection of infrastructures
External projection of internal policies: Single market Research and Innovation Education Employment Social Policies Environment Energy Macroeconomic Policies	Global market standards (health, safety, consumer protection)	- Opening European Instruments to international partners - Attracting Talent for Europe - Brain circulation - Supporting policy making	Supporting decent work strategies Migration policy and development	Promoting access to renewable energies and interconnection of infrastructures Emissions trade schemes
CFSP				

TABLE B**How can the internal and the external policies address the key challenges ?**

CHALLENGES POLICIES	Opening markets	growth	knowledge	social	environment	security	Democracy human rights
Economic policy	+	+					
Knowledge policies			+	+	+	+	
Social policies				+		+	+
Environment policies					+		
Trade policy	+	+		+	+		
Cooperation policy		+	+	+	+		+
CFSP						+	+