Annual report from the Council to the European Parliament on the main aspects and basic choices of the common foreign and security policy (CFSP) in 2008

2009/2057(INI) - 05/06/2009 - Document attached to the procedure

The Council presents its Annual report to the European Parliament on the main aspects and basic choices of the CFSP, in accordance with the Interinstitutional Agreement of 17 May 2006).

In 2008, the work by and within the Council was underpinned by the review process of the implementation of the European Security Strategy (ESS). This report has been inspired by the ESS Implementation Report both in form and substance. Accordingly, and resonating with the EP suggestions, it takes a more strategic, theme-driven and streamlined approach than the CFSP reports of previous years. It does not intend to serve as an exhaustive catalogue of the Council's activities in 2008. Rather, this CFSP report highlights the main aspects and basic choices of the EU's foreign policy, illustrating those by selected examples from the foreign policy arena.

The EU's global role in shaping international developments is underpinned by the unique set of instruments at its disposal. EU Special Representatives (EUSRs) and ESDP missions and operations have an important role in the CFSP/ESDP area. In 2008, eleven EUSRs under twelve mandates provided the EU with an active political presence in key countries and regions, acting as a "voice" and "face" for the EU and its policies. Thirteen ESDP missions and operations - three military operations and ten civilian missions - were being conducted on three continents. One new military operation and four new civilian missions were added to this array in 2008. The report looks at their contribution to the promotion of the CFSP objectives and priorities in the broader policy context.

During the year 2008, the Council's action consisted of the following :

1) Addressing threats and global challenges: the Council further advanced its continuous efforts to counter proliferation and terrorism, as well as to better address the security aspects emerging from climate change, and energy supply. Risks stemming from regional conflicts and fragile states, including piracy, and the economic crisis required a multi-faceted response in order to address the root causes of conflict and insecurity and to aim at lasting stabilisation.

2) Building stability in Europe and beyond: the Council reaffirmed that the enlargement process, conducted on the basis of the renewed consensus approved by the European Council (December 2006) will continue to promote peace, democracy and stability on the continent. It confirmed the need for fair and rigorous conditionality, as well as the consolidation of commitments including its full support to the European perspective of the candidate and potential candidate countries. The European Council stressed the importance of regional cooperation and good neighbourly relations. Last year was crucial for affirming the EU's role as a key actor in tackling crisis and frozen conflicts in its neighbourhood. In particular, the August 2008 crisis in Georgia put the efficiency and coherence of EU's response to the test before the eyes of the world.

3) Contribution to a more effective multilateral order: with the increasing complexity of challenges that the world faces today, solutions need to be sought primarily in a multilateral framework. The EU has strengthened partnerships in pursuit of that objective, working with the United Nations,

NATO, OSCE and the Council of Europe, as well as engaging in other international coordination mechanisms.

The protection of human rights has guided many CFSP activities in 2008 with the launch of several new human rights consultations and dialogues, continuing to attribute to human rights issues a solid place within the various frameworks of EU's relations with third countries, adopting new guidelines, and concretely advancing the human rights and gender agenda in the ESDP context.

Moreover, the fight against impunity is one of the cornerstones of the EU's approach to building and maintaining lasting peace, international justice and rule of law. Hence, the EU support to the International Criminal Court (ICC) remained strong and firm and was mainstreamed across the EU's external policies. The Council and the European Parliament put strong pressure on the Government of Sudan to cooperate on the two existing arrest warrants issued by the ICC in its pursuit of ending the impunity of the planners and perpetrators of the most horrific crimes committed in Darfur.

4) Fostering partnerships across the world: the ESS Implementation Report stated that "globalisation is accelerating shifts in power". This can expose differences in values but can also be seen as an opportunity to establish or consolidate partnerships with the key actors on the global scene, based on shared interests and guided by our values (United States, Russia, China, India, Brazil, Japan, Africa, Asia, Gulf and Mediterranean, Western Balkans, Latin America and Caribbean).

5) More effective, capable and coherent: work was pursued further to strengthen conflict sensitivity and the conflict prevention approach, develop the necessary capabilities and capacities and enhance coherence between the EU's various external policy instruments. The need for further capability development was acknowledged at the highest level when the European Council subscribed to the Council's declaration on strengthening capabilities. Throughout 2008, the EU on various occasions demonstrated its capacity to respond to international crises with speed, rigour and sensitivity to the complexities of the surrounding political and security conditions. If speed is what efficiency is measured against, EUMM Georgia was exemplary. If efficiency is a matter of numbers, we need to turn our attention to EULEX Kosovo, the largest civilian ESDP mission ever.

With regard to **financing**, the 2008 CFSP budget amounted to EUR 285 million An overwhelming part of the funds was allocated to operations and actions related to civilian crisis management, in particular EULEX Kosovo (EUR 120 million), EUPOL Afghanistan (EUR 45 million) and EUMM Georgia (EUR 35 million). the Athena mechanism128 continued to administer the financing of certain common costs of

ESDP operations having military or defence implications, pursuant to Article 28(3) TEU. The Athena mechanism continued to finance EUFOR ALTHEA in Bosnia and Herzegovina, with a budget for common costs of almost EUR 30 million. It was also used to finance EUFOR Tchad/RCA, an operation with a budget for common costs of nearly EUR 120 million for 2008. The Athena mechanism is also being used to finance the common costs of EU NAVFOR Somalia – operation ATALANTA.

Looking ahead for 2009: the report states that 2009 will continue to be a testing time in international affairs. In all these areas, the EU will continue to be guided by the approach described in the ESS, and its Implementation Report. European foreign policy seeks to build a more effective multilateral order, through a rules-based framework to address global problems such as human rights, international justice, proliferation, terrorism and climate change.

Shared priorities: the US and Europe have a renewed opportunity to work together on the global agenda, with our key partners, including through the G20. Shared priorities include the Middle East Peace Process, Iran, Afghanistan, Pakistan, and climate change. In these and other areas, we will work in support of our

common security and common values, including democracy and human rights. Closure of Guantanamo Bay will be an important symbolic step in this regard; reflection on concrete ways for the EU to support this process will be needed.

Relations with Russia: the Georgia conflict and the recent gas crisis have left scars. But both sides should be open for discussions to move forward cooperation between Russia and the EU. The EU is open to consider new ideas that may contribute to the enhancement of Euro-Atlantic security in a transparent process, bearing in mind that the OSCE is the natural forum for this debate. Debate on the future shape of European Security, launched by President Medvedev, is a part of this. Progress on a new agreement between the EU and Russia will also be key. We need Russia as a reliable partner both within our common neighbourhood and further afield.

Balkans: the EU will continue to support the European perspective of the Western Balkans, which remains essential for the stability of the region. It will remain committed to playing a leading role in strengthening the stability of Kosovo and supporting its development.

Eastern Partnership: the economic crisis has lent a new urgency to the establishment of the Eastern Partnership, to be launched at a summit meeting in May. The EU will continue to work with Ukraine in achieving greater political and economic stability. It is also open to closer ties with Belarus, and is ready to help in resolving the Transnistria conflict. The EU remains committed to securing a UN and OSCE presence in Georgia. Further eastwards, Central Asia is an increasingly important partner, in strengthening energy security by diversification of transport routes and supply, and in addressing common security challenges.

Middle East: progress on the Middle East Peace Process (MEPP) is central to unlocking the wider vision of a comprehensive peace and stability for the region. The EU will continue to work in favour of peace talks on all outstanding issues in support of a two-state solution, including a viable and contiguous Palestinian state. The international community, including the EU, will continue to engage closely with the parties of the MEPP, and to support regional efforts such as the Arab Peace Initiative, with the aim of re-launching the peace process based on a the Road Map for Peace. A durable and negotiated truce following the Gaza conflict remains a priority. The EU remains ready to play a part in supporting the path to peace, including through an ESDP presence. The Union for the Mediterranean also provides a new opportunity to rebuild confidence leading to greater regional cohesion.

Iran: 2009 will also be an important year in relations with Iran, perhaps a decisive one. The readiness of the new US Administration to engage directly with Iran adds a new dimension to the international community's efforts to resolve the nuclear question, and significantly enhances the potential incentives on offer if Iran chooses to negotiate. At the same time, Iran continues to enrich uranium and develop its nuclear programme. Thus, the need for a solution is becoming more acute just as the opportunity for one becomes greater. The EU will put all possible energy into a collective effort of the international community for successful negotiations. If the opportunities are taken, 2009 could be a turning point; if they are not taken, the consequences could be serious.

Afghanistan and Pakistan: building stability in these two countries will remain a preoccupation with major implications for the wider region of South Asia and for Europe. The EU will strengthen its engagement in both, in particular through EUPOL Afghanistan and support for improved governance, as well as assistance in preparation of elections.

India and China: these countries are now both major partners in addressing regional and global problems, from proliferation to climate change. This engagement will focus on matters of mutual interest, but should address values too, including the field of human rights.

Global governance: the system of global governance has come under strain on many fronts, in particular the challenges posed by the economic crisis, and needs renewal to restore legitimacy and effectiveness. The EU has a responsibility to lead the debate on how this can be done, in partnership with others, including the US, and the emerging global powers. Over the last decade, European foreign policy has increased in ambition but it is important to:

- further improve capacity to act effectively, through more strategic decision-making, better coherence between r policies, and strengthened military and civilian capabilities. A single strategic civilian-military planning structure for ESDP operations and missions will be set up in the General Secretariat of the Council during 2009 as part of this effort;
- address conflict and to tackle the conflict cycle in a more holistic way, through instruments such as early warning, strengthened dialogue and mediation capacities, security sector reform and demobilisation, disarmament and re-integration;
- improve our capability to deploy civilian personnel rapidly, provide more flexible mission support arrangements, and align ESDP engagements more closely with longer-term efforts at stabilisation and development led by the European Commission and international partners.