

# ECONOMIC DIMENSIONS OF EU EXTERNAL ACTION

**Teacher: Pierre Deusy**

**Academic year 2017/2018: Paris School of International Affairs – Spring Semester**

## BIOGRAPHICAL INFORMATION

Pierre Deusy is a former student of the Ecole Normale Supérieure de la rue d'Ulm (literary college) and of the Harvard Graduate School of Art and Sciences. He holds a PhD in Economics from Paris X, graduated from the Ecole Nationale de la Statistique et de l'Administration Economique (SEA) and from the IEP-Paris (Service Public). He has a Master Degree in history and is 'professeur agrégé' in social sciences. He joined the European Commission end of 1995 and, almost always on horizontal economic issues, worked in various Directorates General (DGs): the DG in charge of Economic Affairs (on trade issues), the one then in charge of Development (on budget support and on the EU contribution to the Highly Indebted Poor Countries debt alleviation initiative), the one then in charge of both Climate Change and Environment issues (in its pool of economists) and finally the DG in charge of External Relation (on economic aspects of the Euromed / UfM partnership). He was transferred with his portfolio to the EEAS at its creation, took over in early 2013 economic global issues (and programmed the first Partnership Instrument multiannual programme), and is since 1/9/16 working on the Eastern Partnership (now advisor for economic and trade issues).

## COURSE OUTLINE

### **Session 1: Introduction, approach, issues at stake, dynamics at stake.**

#### **Required readings:**

- The 2001 reform: [http://europa.eu/rapid/press-release\\_IP-00-1535\\_en.htm](http://europa.eu/rapid/press-release_IP-00-1535_en.htm)
- Council decision 2010/427/EU of 26/7/2010 establishing the EEAS:  
[https://eeas.europa.eu/sites/eeas/files/eeas\\_decision\\_en.pdf](https://eeas.europa.eu/sites/eeas/files/eeas_decision_en.pdf)

#### **Optional readings:**

- The MFF: [http://ec.europa.eu/budget/mff/index\\_en.cfm](http://ec.europa.eu/budget/mff/index_en.cfm)

#### **Assignment for this session:**

The session will begin with a short introduction and a large 'tour de table' allowing to detail students' expectations and their understanding of issues at stake, as well as the lecturer's ones. This will allow detailing what this course is about and to specify clearly that all actions relating to security and CSDP will NOT be addressed here (the reason why we speak of 'economic dimensions' of EU external action). Some students will then highlight main elements of the required readings, which will allow to present the 'critical reading' methodology. Finally, the session will be devoted to the broad presentation of the 3 major and

fundamental reforms that the EU External action experienced during the last 20 years: the split between policy and implantation (creation of the Service Commun des Relations Extréries -SCR - in 1998), decentralization (which coincided with the transformation of the SCR into Europe Aid on the 01/01/01) and the creation of the EEAS.

### Début de Session 2: Who-does-what and EU external action modalities.

#### Required readings:

- High Representative Vice President of the EC:Shared Vision, Common Action: A Stronger Europe - A Global Strategy for the European Union's Foreign And Security Policy, June 2016 (<https://europa.eu/globalstrategy/en/shared-vision-common-action-stronger-europe>)
- [https://eeas.europa.eu/sites/eeas/files/2017-09-16\\_eeas\\_organisation\\_chart\\_0.pdf](https://eeas.europa.eu/sites/eeas/files/2017-09-16_eeas_organisation_chart_0.pdf)
- <https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/near-org-chart.pdf>
- [https://ec.europa.eu/europeaid/sites/devco/files/devco-organisation-chart-20171101\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/devco-organisation-chart-20171101_en.pdf)
- Example of organigram of a Delegation: EU Del Morocco: [https://eeas.europa.eu/delegations/morocco/699/a-propos-de-la-dlgation-de-lunion-europenne-au-maroc\\_fr](https://eeas.europa.eu/delegations/morocco/699/a-propos-de-la-dlgation-de-lunion-europenne-au-maroc_fr)

#### Assignment for this session:

The second session will detail the outcome of the above-mentioned 3 reforms, and present a mapping of who precisely does what : EEAS, EU Delegations (including their different roles and responsibilities depending on the various regions), European Commission (and which DGs does what), Member States, International Financial Institutions, private sector... The session will allow a dynamic understanding of evolutions at stake, present examples of concrete modalities of interaction between these actors and highlight the huge variety of the said modalities (comitology vs joint programming, formal vs informal, community vs intergovernmental, European vs national ...), and so on.

### Fin de Session 2 and Session 3: Economic Instruments of EU external action.

#### Required readings:

- European Commission: 2017 Annual Report on the implementation of the European Union's instruments for financing external actions in 2016 (to be published end of December and available somewhere on <https://ec.europa.eu/europeaid/> – if not yet see: [https://ec.europa.eu/europeaid/sites/devco/files/2015-annual-report-web\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/2015-annual-report-web_en.pdf))
- DCI: [https://ec.europa.eu/europeaid/how/finance/dci\\_en.htm\\_en](https://ec.europa.eu/europeaid/how/finance/dci_en.htm_en)

#### Assignment for this session:

The third session will review the main modalities and instruments of EU external action, stress the differences between them and evolutions at stake. EDF, ENP, PI will only be alluded to as they will be further presented in sessions 4, 5, 6 and 12. DCI, IPA, IcSP, IDHR, INSC and IfG will be presented in more details, as well as macro-financial assistance and budget support (blending being treated specifically in session 11).

### Session 4: the EU Development policy and its evolution.

#### Required readings:

- Internal agreement on the 11th EDF (2014-2020), ([https://ec.europa.eu/europeaid/sites/devco/files/internal-agreement-11edf-2013-2020\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/internal-agreement-11edf-2013-2020_en.pdf))

- EC and HRVP: Joint consultation paper: Towards a new partnership between the European Union and the African, Caribbean and Pacific countries after 2020 ([https://ec.europa.eu/europeaid/sites/devco/files/joint-consultation-paper-post-cotonou\\_en\\_0.pdf](https://ec.europa.eu/europeaid/sites/devco/files/joint-consultation-paper-post-cotonou_en_0.pdf))

### Assignment for this session:

The 4th sessions will be devoted to EU action for development, and more precisely to EDF. It will illustrate the evolutions at stake, what changed about what the EU does and how it does it, with a more specific focus on economic aspects. The sessions will incorporate as much as possible concrete case studies.

## Sessions 5 & 6: Logical framework of EU assistance and concrete interaction /articulation between regional and bilateral programming – focus on ENP.

### Required readings:

- Regulation (EU) No 232/2014 of the EU Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument ([http://eeas.europa.eu/sites/eeas/files/enp-regulation-11032014\\_en\\_0.pdf](http://eeas.europa.eu/sites/eeas/files/enp-regulation-11032014_en_0.pdf))
- [https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/eap\\_20\\_deliverables\\_for\\_2020.pdf](https://ec.europa.eu/neighbourhood-enlargement/sites/near/files/eap_20_deliverables_for_2020.pdf)
- Country case study 1: update of Georgia's Single Support Framework 2014-2020 ([https://eeas.europa.eu/enp/pdf/financing-the-enp/georgia\\_2014\\_2017\\_programming\\_document\\_en.pdf](https://eeas.europa.eu/enp/pdf/financing-the-enp/georgia_2014_2017_programming_document_en.pdf))
- West Africa ([http://eeas.europa.eu/archives/delegations/togo/documents/eu\\_togo/pir\\_afrique\\_de\\_l\\_uest\\_fed\\_11-2014\\_2020\\_fr.pdf](http://eeas.europa.eu/archives/delegations/togo/documents/eu_togo/pir_afrique_de_l_uest_fed_11-2014_2020_fr.pdf))
- Country case study 2: PIN Sénégal 11e FED ([http://ec.europa.eu/europeaid/sites/devco/files/nip-senegal-edf11-2014\\_fr\\_0.pdf](http://ec.europa.eu/europeaid/sites/devco/files/nip-senegal-edf11-2014_fr_0.pdf))

### Optional readings:

- Eastern Partnership ([http://ec.europa.eu/enlargement/neighbourhood/eastern-partnership/index\\_en.htm](http://ec.europa.eu/enlargement/neighbourhood/eastern-partnership/index_en.htm))
- East regional programming: [http://eeas.europa.eu/archives/docs/enp/pdf/financing-the-enp/regional\\_east\\_strategy\\_paper\\_2014\\_2020\\_and\\_multiannual\\_indicative\\_programme\\_2014\\_2017\\_en\\_.pdf](http://eeas.europa.eu/archives/docs/enp/pdf/financing-the-enp/regional_east_strategy_paper_2014_2020_and_multiannual_indicative_programme_2014_2017_en_.pdf)

### Assignment for this session:

The 5<sup>th</sup> & 6<sup>th</sup> sessions will be devoted to the logical framework of EU external action and to the articulation between both the bilateral and regional programming as well as between the various available instruments for a given country/region, using the ENP both as an example and as an archetype. This will allow addressing concrete modalities of action: the external dimension of internal policies, sectoral actions, budgetary / macroeconomic support ..., what the EU does and how it does it, with of course a more specific focus on economic aspects. The sessions will incorporate as much as possible concrete case studies.

## Session 7: mid-term ‘galop d’essai’ (1h - to count for 30% of the overall grade), immediately followed by its correction and a kind of recapitulation of the first 6 sessions.

### Required readings: no

## Session 8 & début de Session 9: The trade dimension of external action (through 2 case studies: Vietnam and Georgia)

### Required readings:

- [http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc\\_153846.pdf](http://trade.ec.europa.eu/doclib/docs/2015/october/tradoc_153846.pdf)
- First 12 pages of [https://www.wto.org/english/tratop\\_e/tpr\\_e/s357\\_e.pdf](https://www.wto.org/english/tratop_e/tpr_e/s357_e.pdf)
- Georgia's action plan for the implementation of the DCFTA ([http://www.economy.ge/uploads/dcfta/DCFTA\\_Action\\_Plan\\_ENG.pdf](http://www.economy.ge/uploads/dcfta/DCFTA_Action_Plan_ENG.pdf))

### Optional readings:

- <http://www.europeanpapers.eu/en/europeanforum/accord-de-libre-echange-ue-vietnam-hierarchisation-objectifs-action-exteriere>
- EU-Vietnam Free Trade Agreement: Agreed text as of January 2016 (<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1437>)
- DG Trade vision of issues at stake about the GE DCFTA (<http://ec.europa.eu/trade/policy/countries-and-regions/countries/georgia/>)

### Assignment for this session:

The 8<sup>th</sup> and beginning of 9<sup>th</sup> sessions will be devoted to the trade dimension of external action, EU remaining a major world trade actor, and Trade being de facto a major dimension of External Action (including through projects). A specific focus will be given to DCFTA's nature and DCFTA implementation.

## Fin de Session 9 et début de Session 10: the EIB's external mandate, and the EIB contribution to the EU external policy objectives - comparison with the EBRD

### Required readings:

- [http://www.eib.org/attachments/general/events/20150319\\_berlin\\_investment\\_partner\\_neighbouring\\_countries\\_laloux\\_en.pdf](http://www.eib.org/attachments/general/events/20150319_berlin_investment_partner_neighbouring_countries_laloux_en.pdf)
- <http://www.eib.org/infocentre/publications/all/external-lending-mandate-climate-strategy.htm>

### Optional readings:

- [http://www.eib.org/projects/regions/central-asia/cooperation\\_with\\_other\\_institutions\\_and\\_organisations/index.htm?f=search&media=search and http://www.ebrd.com/downloads/news/MoU\\_EC-EIB-EIF-EBRD\\_Final\\_MB\\_formatting.pdf](http://www.eib.org/projects/regions/central-asia/cooperation_with_other_institutions_and_organisations/index.htm?f=search&media=search and http://www.ebrd.com/downloads/news/MoU_EC-EIB-EIF-EBRD_Final_MB_formatting.pdf)
- [https://docs.google.com/viewer?url=http://ecdpm.org/wp-content/uploads/DP196-EIB-Innovative-Role-Cotonou-Bilal-GrossePuddendahl-July-2016.pdf&hl=en\\_US](https://docs.google.com/viewer?url=http://ecdpm.org/wp-content/uploads/DP196-EIB-Innovative-Role-Cotonou-Bilal-GrossePuddendahl-July-2016.pdf&hl=en_US).

### Assignment for this session:

The end of the 9<sup>th</sup> and beginning of 10<sup>th</sup> sessions will be devoted to the 'lending' dimension of EU external policy, and more specifically to the EU bank: the EIB, which complements our 'projects' action through the external lending mandate. Parallel and differences with the EBRD will be detailed.

## Session 11: the role and importance of blending and trust funds in EU external financing - recent trends

### Required readings:

- About EU Trust funds: <http://ecdpm.org/publications/eu-trust-funds-comprehensive-action-africa/>
- About EIP: [https://ec.europa.eu/europeaid/policies/financing-development/eip\\_en](https://ec.europa.eu/europeaid/policies/financing-development/eip_en) and [https://ec.europa.eu/europeaid/sites/devco/files/factsheet-eu-external-investment-plan\\_en.pdf](https://ec.europa.eu/europeaid/sites/devco/files/factsheet-eu-external-investment-plan_en.pdf)

**Optional readings:**

- [https://ec.europa.eu/europeaid/policies/financing-development/eip\\_en](https://ec.europa.eu/europeaid/policies/financing-development/eip_en)

**Assignment for this session:**

The 11<sup>th</sup> session will focus on two growing parts of EU external action spendings: 'blending' and trust funds. We will explain the rationale behind such trends, present modalities and emerging ones (with a specific attention to the EIP, which recently significantly 'restored' our way to do blending), as well as highlight some limits of the exercise.

## **Session 12: the emerging growing defense of EU own interest: European Economy Diplomacy & Partnership instrument**

**Required readings:**

- [http://www.eeas.europa.eu/partnership\\_instrument/index\\_en.htm](http://www.eeas.europa.eu/partnership_instrument/index_en.htm) and
- Commission implementing Decision of 3.7.2014 on the adoption of the first multiannual indicative programme for the period 2014-2017 under the Partnership Instrument for cooperation with third countries ([http://ec.europa.eu/dgs/fpi/documents/pi\\_mip\\_2014\\_17\\_en.pdf](http://ec.europa.eu/dgs/fpi/documents/pi_mip_2014_17_en.pdf)) and appendix ([http://ec.europa.eu/dgs/fpi/documents/pi\\_mip\\_annex\\_en.pdf](http://ec.europa.eu/dgs/fpi/documents/pi_mip_annex_en.pdf))

**Optional readings:**

- EED: where we come from:  
[http://workshop.copernicus.eu/sites/default/files/content/attachments/form-QTw1aX1u7ojG5-zbVeJBN1W9gp3aGBpTti09v9z1Ssc/taxis\\_du\\_poet\\_-dg\\_grow.pdf](http://workshop.copernicus.eu/sites/default/files/content/attachments/form-QTw1aX1u7ojG5-zbVeJBN1W9gp3aGBpTti09v9z1Ssc/taxis_du_poet_-dg_grow.pdf)
- Business Europe and Eurochambre demands on EED:  
(<https://www.businesseurope.eu/publications/eu-foreign-economic-diplomacy>)  
[http://www.eurochambres.eu/custom/EUROCHAMBRES\\_Position\\_Paper\\_on\\_European\\_Economic\\_Diplomacy\\_-Final-2015-00049-01.pdf](http://www.eurochambres.eu/custom/EUROCHAMBRES_Position_Paper_on_European_Economic_Diplomacy_-Final-2015-00049-01.pdf)

**Assignment for this session:**

The last session will focus on two rather new instruments of EU external action budget, which illustrate the growing importance of the defense of our self-interest in a domain long centered on the interest of our partners: PI and EED. We will here also explain the rationale behind these initiatives, present modalities and future perspectives.