

Working Group VII (External Action) and VIII (Defence)

Subject: Introductory Note by the Secretariat on Crisis Management

In view of the Joint meeting of Working Groups VII and VIII on 14 November, members of the two groups will find attached an introductory note by the Secretariat on crisis management. This is based closely on an earlier note on the same subject sent to members of the 'Defence' Working Group.

Introductory Note on crisis management

I. INTRODUCTION

1. The creation of a European Security and Defence Policy (ESDP) means that, for the first time, the European Union is able to deploy military capabilities in addition to, or alongside, its existing civilian capabilities. At the same time, the Union is extending the range of civilian instruments at its disposal. This places it in the unique position of being able to draw on a full range of capabilities, both military and civilian, in order to promote and defend its interests.
2. The tasks for which such instruments might be deployed are set out in Article 17 paragraph 2 of the Treaty on European Union: "humanitarian and rescue tasks, peacekeeping tasks and tasks of combat forces in crisis management, including peacemaking". In practice all these tasks come under the broad heading of crisis management, and they would almost always involve a combination of military capabilities and one or more of the other instruments available to the European Union. Access to military capabilities, coupled with new civilian instruments, and drawing also on existing tools, will enable the EU to engage in the sort of comprehensive crisis management which was needed in the Balkans in the 1990s.
3. The range of instruments required for comprehensive crisis management includes the EU's extensive development assistance programmes (used frequently in post-conflict situations in parallel with peacekeeping operations), humanitarian aid, traditional diplomatic tools, and more recently instruments of civil crisis management such as policing, strengthening the rule of law, civil administration and civil protection.
4. Effective crisis management depends crucially on clear decision-making structures. The EU has to be able to marshall all the instruments at its disposal within a coherent framework. In short, it has to be able to respond to crisis situations quickly, and in a coordinated manner.
 - The traditional business of the EU (or rather the EC) has been largely in legislative fields, where speed has not been a particularly important factor. The development of CFSP has begun to introduce more of a culture of quick reaction, and decision-making structures and procedures have been modified to some extent, but reacting to crises in real time with the deployment of concrete instruments remains a challenge.
 - Effective crisis management depends on making the best use of the instruments available by deploying the right ones for the particular situation, and doing so in a coordinated manner. Because of the way the EC (and later EU) has developed, the different instruments are subject to very different procedures. A number fall within the so-called 'first' pillar, in which the Commission has right of initiative and retains responsibility for implementation. Others come under CFSP, and are subject to the specific procedures of the 'second' pillar. The military instruments under ESDP, whilst formally part of CFSP, are subject to another set of procedures. Finally crisis management can even involve instruments falling under the heading of police and judicial cooperation. Ensuring that the EU can call on the most appropriate combination of these instruments for any crisis

situation, and can do so in a coordinated way, is also a challenge. This is more than simply ensuring inter-departmental coordination, it is about how to manage a situation in which there is more than one centre of executive authority.

II BACKGROUND

5. The basic principles underlying crisis management procedures were first set out in the Presidency report which was endorsed by the Helsinki European Council. It stated that:

"The Council decides upon policy relevant to Union involvement in all phases and aspects of crisis management, including decisions to carry out Petersberg tasks in accordance with Article 23 Of the EU Treaty. Taken within the single institutional framework, decisions will respect European Community competences and ensure inter-pillar coherence in conformity with Article 3 of the EU Treaty".

6. The Helsinki European Council decided on the establishment of a number of new political and military bodies, the principal one being the Political and Security Committee (PSC), composed of national representatives at senior/ambassadorial level. It specifically stated that the PSC, apart from having overall responsibility for all aspects of CFSP, would exercise, under the authority of the Council, the political control and strategic direction of any crisis management operation. The Commission participates fully in the work of the PSC.
7. Heads of Government also decided at Helsinki to establish a Military Committee, composed of Chiefs of Defence, represented by their military delegates, with the task of providing military advice and recommendations to the PSC, and a Military Staff within the Council structures to provide military expertise and support to ESDP, including the conduct of EU-led military crisis management operations.
8. The PSC, Military Committee and Military Staff were all established on a provisional basis at the beginning of 2000. Following the Nice European Council, they became permanent bodies by decisions of the Council in January 2001. In addition, the Council decided in May 2000 to establish a Committee for Civilian Aspects of Crisis Management, originally focussing specifically on the provision of policing capabilities and support for civil administration.
9. These new bodies have also to take account of the existing structures, not least the Commission, with its responsibilities for Community instruments and COREPER, with its specific role provided for in the Treaty of coordinating the work of the Council.
10. An important role in the area of crisis management is also foreseen for the Secretary-General/High Representative, who may chair the PSC, especially in the event of a crisis. He also now has staff within the Council Secretariat to provide support both day-to-day and specifically in the event of a crisis management operation.
11. As stated at Helsinki, it is for the Council to decide to launch a military operation, and the Council is responsible for policy at all stages and in all aspects of crisis management. However the Treaty of Nice introduced a new provision by which the Council may authorise the PSC, for the purpose and duration of a crisis management operation as determined by the Council, to take relevant decisions concerning the political control and strategic direction of the operation.

III CURRENT SITUATION

12. Crisis management operations will inevitably involve different instruments and procedures. The Union needs to draw on a wide range of expertise and therefore to involve to differing degrees (depending on the nature of the operation) the various actors concerned. In order to ensure that this does not happen in a piecemeal fashion, as well as to try to meet the two challenges of speed and coordination, a set of procedures for coherent, comprehensive EU crisis management have been drawn up. These procedures cover in considerable detail six phases of a crisis management operation from the routine monitoring phase, through the decisions to launch an operation, to refocusing policies once the operation is completed.
13. The procedures are based on the principle that the PSC has the central role in the definition of and follow-up to the EU's response to a crisis, and that it shall exercise, under the responsibility of the Council, political control and strategic direction of crisis management operations. In addition, whilst the procedures aim at achieving effective institutional cohesion, they do so fully respecting the distinct (and occasionally exclusive) powers and prerogatives of the different institutions under the Treaties.
14. The procedures are designed to include crises of the highest degree of complexity, and are therefore very detailed, foreseeing the involvement at every stage of all the possible bodies and actors. They have been adapted in the light of two PSC workshops held during 2001, and the earlier stages (from planning through to decisions to launch an operation) have been the subject of an exercise this year. However the EU's capacity to manage an operation has not yet been tested in a real crisis situation.

IV ASSESSMENT AND QUESTIONS

15. The decision-making structures for crisis management operations place the responsibility squarely with the Council, or, once the Nice Treaty enters into force, and if the Council so decides for a specific operation, with the PSC. The procedures as they currently stand constitute a useful reference document. However, the fact that the document is essentially a negotiated text has resulted in complex procedures for taking into account (often under time pressure) a wide range of interests, often expressed through a committee structure. The result is a system not optimised for efficiency, flexibility and speed: the PSC, whilst intended to be the focal point, is only the largest cog in a very complex machine; and the sheer number of other committees involved risks fragmenting Member States' positions and therefore hindering effective crisis management.
16. The Working Group might consider whether there is a case for finding an alternative to day-to-day management by Committee, possibly by investing more delegated authority in the Secretary-General/High Representative acting under the authority of, and accountable to, the Council in close consultation with the PSC.

17. The command of an operation at local level would, in the case of the purely military aspects, be devolved to the force commander in the field. However the issue of coherence would also suggest the need, in the case of crisis management operations, for an overall local command structure covering both civilian and military aspects of the operation, although this would have to be without prejudice to the direct military line of command back to the operational headquarters. In the case of FYROM, this role has been successfully undertaken de facto by the EU Special Representative on the ground. Consideration needs to be given to the possible formalisation of the crisis management coordination role of Special Representatives, and also to the establishment of appropriate arrangements for local coordination in cases where the Council does not appoint a Special Representative.
18. Crisis management operations are financed from two sources. Civilian aspects are normally funded from the Community budget (with the choice of budget line depending on the nature of the instrument), although Article 28 of the TEU provides for the Council acting unanimously to decide otherwise. Expenditure arising from operations having military or defence implications is charged to the Member States. However reacting rapidly to crises frequently implies quick access to the necessary resources in order to fund eg preparatory missions in advance of a decision to launch an operation, or even the early stages of an operation itself. There is no guarantee that ad hoc funds for the military aspects will be made available sufficiently quickly. Similarly, for the civilian aspects, despite the creation of a rapid reaction mechanism for the faster disbursement of Community funding, the procedures are still not suited to financing the early stages of a crisis management operation. These considerations have led the Council to consider the establishment of a 'start-up fund', financed by the Member States on the basis of a GNP key which might be used to cover both civilian and military expenditure for the preliminary and/or early stages of a crisis management operation. This would probably have to include a derogation from the normal public procurement rules. It would not affect the normal financing arrangements for the main part of the crisis management operation. However, consideration could be given as to how the actual disbursement of Community funding could be speeded up.
19. With these points in mind, the Working Group might consider the following questions:
- How can a genuinely coherent approach to crisis management be achieved whilst at the same time fully respecting the powers and prerogatives of the different institutions and bodies?
 - How best might such a coherent approach (both military and civilian) be guaranteed in the field?
 - Should the authority and role of the PSC as a focal point for crisis management be strengthened, and if so how?
 - In view of the need for coherence and rapid action, is there scope for strengthening the role of the High Representative in crisis management?
 - What is the most effective way of guaranteeing that crisis management operations can be quickly and effectively funded?