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**COMMUNICATION FROM THE COMMISSION
TO THE COUNCIL AND THE EUROPEAN PARLIAMENT**

THE DEVELOPMENT OF THE EXTERNAL SERVICE

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INTRODUCTION

The External Service, originally set up essentially to represent the Commission in trade negotiations and in some industrialised countries, and to undertake development co-operation activities under the Yaoundé and Lomé Conventions, needs to be thoroughly overhauled to reflect the new ambition and capacity of the European Union in external relations. In particular, it needs to take account of the framework of rules and instruments for the Common Foreign and Security Policy (CFSP) introduced in the Treaty of Amsterdam and at subsequent European Councils. Change and modernisation of the External Service must also be seen in relation to the reform of EC external assistance and in the context of the wider process of Commission reform.

What this will involve is set out below, under two broad headings :

- the role of the external Delegations ;
- the development of the network of Delegations.

1. THE ROLE OF THE DELEGATIONS

The Delegations of the External Service, although hierarchically a part of the Commission structure, in practice serve the European Union interests as a whole in 123 countries throughout the world, and at five centres of international organisations, publicising, explaining and implementing EU policy; analysing the policies of the countries to which they are accredited ; and conducting negotiations in accordance with the mandate they have been given. Thus :

- The Delegations exercise powers conferred by the treaty on the European Community, in third countries. This means promoting Europe's interests as embodied in the common policies- chiefly the common commercial policy, but others as well, including the agriculture, fisheries, environmental and health and safety policies. It also means undertaking work in areas such as Justice and Home Affairs in which the European Community does not have exclusive powers.
- The Delegations play a key role in development assistance. This is a role that will expand very greatly as a consequence of the deconcentration policy to be carried out in stages starting this year. Increasingly, not only will Delegations be closely involved in programming, but they will manage projects directly from start to finish, within the framework of rules set in Brussels.

- They also play an increasing role in the conduct of the Common Foreign and Security Policy (CFSP), providing regular political analysis, conducting evaluations jointly with Member States embassies (Article 20 TEU) and contributing to the policymaking process.
- Finally, they provide support and assistance as necessary to the other institutions and actors of the EU, including :
 - the High Representative/Secretary General, who can rely on their logistical support when on mission and to whom all their policy reports are copied.
 - the European Parliament. The Delegations, for example, help to arrange programmes for visiting delegations and Committees where necessary and in agreement with Commission headquarters, Heads of Delegation may contact the Foreign Affairs Committee and other Committees of the Parliament, when they are back at headquarters, in order to report on recent development in their host countries and the development of EU policy and programmes.
 - In all these areas, Delegations increasingly serve an important information function, providing background and updates on European integration and EU policies to host Governments and administrations, business circles and civil society.
 - the Presidency. Heads of Delegation regularly take part in Troika démarches, and assist the Presidency in other ways.

1.2. In performing these tasks, the External Service needs to develop a more confident and pro-active approach, reflecting the broad scope of EU external relations as well as the new profile and potential of CFSP.

The Delegations are not there to « compete » with Member States' Embassies, their respective roles and responsibilities are generally well defined, but not always well understood. The task of the Delegations, beyond the representation of Community interests, is one of co-ordination and co-operation in the interests of projecting the image of a Union which is active, imaginative and united.

Article 20 of TEU¹ requires the Delegations and the Member States' diplomatic missions to « co-operate in ensuring that the common positions and joint actions adopted by the Council are complied with and implemented ». This extends beyond the CFSP. The Council, for example, issued guidelines in January in connection with the implementation of external aid, calling for closer co-operation between Member States Embassies and Commission Delegations. In general, the Delegations need to play an increasingly active role in helping to co-ordinate common positions between

¹ Article 20: The diplomatic and consular missions of the Member States and the Commission Delegations in third countries and international conferences, and their representations to international organisations, shall co-operate in ensuring that the common positions and joint actions adopted by the Council are complied with and implemented. They shall step up co-operation by exchanging information, carrying out joint assessments and contributing to the implementation of the provisions referred to in Article 20 of the Treaty establishing the European Community.

the Member States, which can then be fed back to the Commission and to Council Working Groups as an input to the policy-making process.

In this context Member State diplomats and other experts attached to Delegations as seconded National Experts, can make an especially useful contribution, bringing important outside experience. This is a resource which the Commission is keen to develop further.

1.3. To allow the Delegations to perform these tasks properly:

- The management of the External Service must be organised in an as unified and integrated way as possible. To this end, it is planned to integrate all Delegation staff administratively in DG RELEX in the near future, with the exception of certain specialist staff seconded from other DGs, or from Member States or other EU institutions.
- Career planning needs to be approached more professionally, not least to encourage mobility between headquarters and Delegations, and between different parts of the world. Experience in an overseas Delegation should be expected of those applying for many management posts in DG RELEX and other parts of the Relex family. For some posts it may even become a requirement. In order to achieve this, it is important that those serving in Delegations are not considered to be temporarily ‘outside the system’, with the possibility of future ‘reintegration’.
- In their service of the Commission, the Delegations serve the whole institution and not just the Relex family. The contribution that Delegations can make to the overall effort of the Commission should be more ambitious. The arrival of secure e-mail and other new technologies, should allow a far more active involvement of Delegations in the policy-making process, through participation in task-forces and policy reviews. It is partly a question of achieving greater consistency in our external policy. But that is a passive objective. The real goal is to squeeze more value-added from our network of Delegations.

Adequate resources must be given to the Delegations. Failing that we will have to look again at our priorities. It is understood that the remarks in the White Paper on Reform of March 2000 aiming on matching resources to tasks apply to Delegations as well.
- A training policy for all staff serving or about to serve abroad must be put in hand strengthening their management skills and preparing them for the specific tasks of external representation. This should include more targeted language training. The Commission intends to take measures in the autumn. These will cover, *inter alia*, training.

These and other aspects of management of the External Service will be the subject of separate document later this year, which will be formulated in line with the overall proposals for management reform in the Commission and after appropriate consultation. Careful consideration will also be given to the particular need and concerns of the other institutions and actors who draw on the services of the Delegations.

1.4 On **training** in particular, the Commission has already developed a substantial programme for the External Service (cf. SEC(97)605 of 8 April 1997 and COM(1999)180 of 21 April 1999)

This training covers the acquisition of new knowledge (community policies, relations with certain parts of the world) and of new skills (project cycle management, negotiation techniques, management of a team, media skills).

A pre-posting training is organised to prepare officials for the life and work in a Delegation. Included in this training are specific modules for administrative assistants, secretaries and spouses/partners of officials.

A special financial training, on a regional basis, has recently been organised for administrative assistants.

An ad hoc training programme is planned for officials and external staff recruited by the External Service in the framework of deconcentration.

The setting up of a training policy which goes further than that which already exists is indispensable. The Directorate of the External Service ought to prepare, before the end of the year, and in collaboration with the Directorates General of the Relex family, a plan which defines the objectives, the methods and the means of this policy. This plan will be submitted for approval to the External Service Steering Committee.

It should, among others, contain the following elements:

- Contents of the training (including languages, administrative and financial management, development co-operation, trade policy especially the World Trade Organisation);
- Implementation (the respective parts of the Commission services and external organisations);
- Appraisal of the level of training received before leaving for Delegations.

2. THE IMPLEMENTATION OF DECONCENTRATION*

2.1. Background

De-concentration of tasks and responsibilities for the management of the external assistance to Delegations is one of the key components of the reform decided on 16th May 2000. The guiding principle adopted for this exercise is that « *anything that can be better managed and decided on the spot, close to what is happening on the ground, should not be managed or decided in Brussels* ».

The Commission is committed to de-concentrate the management of external assistance and implement the associated transfer of responsibilities to all Delegations managing aid by the end of 2003: 22 delegations will be covered in 2001, 32 in 2002 and the remaining 32 in 2003. Certain activities such as regional and other horizontal

* This chapter does not concern the implementation of humanitarian aid.

programmes will only be devolved after their restructuring and the establishment of efficient management systems have been put in place. It is our intention that this should be achieved at the latest by the end of 2004.

In order to implement the first phase of this exercise, the budgetary Authority has granted additional resources to cover the deployment of 40 additional official posts in 2001 and to upgrade the telecommunications and computer infrastructures in Delegations. In addition, it has accepted the principle that non-statutory human resources in Delegations be financed from the operational budget lines of the various programmes .

2.2. First phase of deconcentration : progress report

A "Devolution Working Group", has been created under the umbrella of the GIP² to co-ordinate the implementation of the "devolution" aspects of the external assistance management reform. Between October and December 2000, the Group has essentially concentrated its work on 3 areas:

- the definition of the broad principles that should guide the devolution exercise for all regions and programmes;
- the inventory of potential regulatory, budgetary, technical, and administrative obstacles to devolution and the search for solutions thereto;
- the launching of practical initiatives that had to start before the end of 2000 in order not to compromise the timely implementation of the first phase of the devolution exercise (for example : request satellite connections for the 23 Delegations to be deconcentrated in 2001).

With the creation of EuropeAid Co-operation Office in January 2001 detailed work, region-by-region and Delegation-by-Delegation, has started. This basically involved :

- the creation of a deconcentration network within EuropeAid ;
- the definition, in consultation with the Delegations concerned, of an operational deconcentration concept for each major programme ;
- the identification, in close co-operation with the Delegations, of the additional resources needed by them to implement this concept ;
- the preparation of a detailed implementation action plan for each of the 22 Delegations³.

In a second stage, contributions prepared for each programme were consolidated into a Harmonised Operational Deconcentration Concept, keeping detailed procedures relevant for individual programmes in a separate annex. This harmonised concept, to

² The GIP is the permanent Inter-service Group which oversees the implementation of the external aid management reform.

³ Financial co-operation to the federal Republic of Yugoslavia is to be managed by the European Agency for Reconstruction.

be applied to all geographical programmes, was endorsed by the Directors General of DG RELEX, DEV and EuropeAid on 21st March 2001.

2.3. First phase of deconcentration : next steps

Now that the operational concept has been agreed together with the detailed staff requirements, and telecommunications and equipment reinforcement needs for each of the 22 Delegations, devolution really enters its practical implementation phase. In this context, priority tasks for the Commission services will be the following:

- monitor the timely implementation of the action plan agreed for each of the 22 Delegations;
- allocate to these Delegations the 40 new posts granted by the budgetary authority in 2001 for the deconcentration exercise;
- obtain Council decision on the use of EDF interest to finance external staff in ACP Delegations;
- prepare financing decision to access resources on operational budget lines for the financing of external staff in non ACP Delegations;
- select and recruit officials and non-statutory staff;
- secure sufficient office space in Delegations to accommodate additional staff;
- install secure communications between headquarters and Delegations;
- develop new - or update existing - manuals of procedures;
- ensure the timely availability of necessary accounting and management system both in Headquarters and Delegation (Sincom II, CRIS and Olas);
- develop or adapt training modules, and prepare and implement a training programme.

As long as all the necessary logistics are in place the operational part of the deconcentration exercise will be under way by the end of the year.

2.4. Further phases of deconcentration : securing resources

The Commission has prepared detailed estimates of human resources needed to implement the second phase of devolution (32 Delegations in 2002). These estimates were used to determine and justify the funds to be requested under BA lines in the framework of the 2002 draft budget.

In 2002, the Commission expects to re-deploy more than 110 officials' posts to Delegations subject to the availability of budgetary resources to cover redeployment costs of staff in Delegation.

For the initial stages of deconcentration, the Commission is deploying as many as possible of the new statutory posts granted by the budgetary authority directly in Delegations. For a transitional period there will be a need for staffing levels in

headquarters that allow for a smooth transfer of responsibilities and an adequate degree of back-up and supervision of the new arrangements. Beyond this transition, however, it should be possible to achieve productivity gains that will allow staff savings in headquarters. The Commission is anxious to avoid any duplication or parallel structures that could undermine the effective operation of Delegations under deconcentration. In the medium term, therefore, deconcentration should lead to a substantial redeployment of posts from headquarters to Delegations.

The extension of deconcentration to the remaining 32 Delegations in 2003 on the same minimalist basis as the first two waves will require at least 100 further posts to be redeployed to reinforce Delegations in 2003. But in order to achieve an appropriate balance between statutory and non-statutory staff in Delegations and to allow further activities, such as regional and horizontal programmes, to be fully devolved to the field, further redeployment in 2003-4 would be needed of up to 150 posts in 2003 and another 150 in 2004. There may also be a need for additional statutory posts specifically for ACP Delegations if the EDF cannot cover costs of non-statutory staff and other administrative costs in a timely way on a similar basis to the BA lines for programmes covered by the budget. The redeployment of additional posts will be subject to the availability of budgetary resources.

2.5. CONCLUSION

All necessary measures to implement the first phase of the devolution process according to the overall timetable set out for this year are being taken by the Commission. DG RELEX and EuropeAid will monitor, on a day-to-day basis, the implementation of the detailed action plan defined and agreed with each Delegation, while the devolution working group will continue to regularly review progress in the implementation of the first phase and in the preparation of subsequent phases.

3. CHANGES TO THE RESOURCES OF DELEGATIONS AND THEIR DISTRIBUTION THROUGHOUT THE WORLD

3.1. The existing network of the External Service

The Commission is represented in 123 Countries and has a further five representations to International Organisations.

In 1998 it undertook a reassessment of its political priorities for the opening of new Delegations and representation Offices⁴. Of the openings foreseen only Delegations to Croatia and the former Yugoslav Republic of Macedonia were set up because of budgetary difficulties. The very serious crisis in the Balkans starting in 1998 and the subsequent need for large and urgent assistance to the region stretched the resources of the External Service.

Priorities now have to be revised. The Commission, like Member States, is operating under severe budgetary constraints. The Berlin Financial Perspectives set a ceiling on general administrative expenditure which leads to the External Service having to

⁴ Delegations to Croatia, former Yugoslav Republic of Macedonia, Malaysia, Saudi Arabia, Switzerland, Uzbekistan, representation Offices in Ecuador, Paraguay and a representation in Taiwan.

compete with other services for limited administrative resources. The situation has been made worse recently by unfavourable exchange rate fluctuations since a big part of the administrative expenditure is made in other currencies (USD and pegged currencies, Yen). The implementation of de-concentration of the responsibility for the management of external assistance to Delegations creates the need for further reinforcement through re-deployment from headquarters to Delegations. It should be noted that the cost of an official serving in a third country is approximately double that of one at headquarters.

In deciding where next to open and close Delegations and representation Offices the Commission looked at the workload of existing representations, as well as other factors such as political and economic significance. A set of criteria were considered namely the volume of aid to a country or region, the volume of unspent commitments (overhang), the existing or proposed level of deconcentration, a country's importance in terms of trade volume but also number of trade issues or disputes, the political ties to a country and the weight of the region as well as the presence locally of other international bodies and a country's membership thereof.

The above assessment translates into a programme of changes to the network of Delegations which is set out in sections 3.2, 3.3 and 3.4 below. Given the budgetary constraints under which the External Service is managed, the resources needed for the new *openings* will be found essentially through the *closure* of Delegations, the *reduction* in size of some Delegations which will be staffed with only one resident official, who will act as a chargé d'affaires whilst a non-resident Head of Delegation from a neighbouring country will be accredited, and *redeployments* within the network. Therefore the speed with which the Commission will be opening will depend on the rate of closures and re-deployments. However, the Commission expects to have concluded the present plan by the end of 2002.

Further changes in the network will become necessary, beyond the present programme, as a function of changing circumstances and new priorities in EU external relations. As the present candidate countries join the Union, Delegations there will be transformed into Representation Offices as in other Member States. Continued reform of external assistance may necessitate a more regular presence in some countries currently managed from afar. The growing economic and political relations between the EU and the Newly Independent States could also warrant wider EC diplomatic coverage in this region. This is especially true, if remaining regional conflicts are resolved, for Moldova, where following enlargement the EU would have important new links, and Azerbaijan, where the Union may develop significant economic interests.

The Commission will therefore pursue the analysis of the long term development requirements of the External Service, including issues of structure, management and resource implications.

3.2. Proposed openings

The Commission has as its general aim to ensure that scarce resources are used as productively as possible to ensure that it is represented in those Countries which are of the greatest importance to the EU. In choosing its proposed openings it has

undertaken an analysis of those regions where it is still underrepresented politically taking into account both the importance of the trade component and the implementation of external assistance.

The growing commercial importance of *South East Asia* justifies opening Delegations to **Malaysia** (the EU's 16th largest supplier and its 31st largest market in 1998) and **Singapore** (*idem* 15th and 17th) which are major trading partners of the EU.

Additionally, strong political considerations dictate that the Commission opens a Delegation to **Saudi Arabia** (*idem* 22nd and 16th) which would be also accredited to the other five Gulf Co-operation Council (GCC) States ⁵: the Commission has a co-operation agreement since 1989 with the GCC and is now preparing a mandate to initiate negotiations on a free trade agreement. All in all, Malaysia, Saudi Arabia, the United Arab Emirates, Singapore and Taiwan are in the list of the 25 biggest markets for EU exports and, except for the UAE, they are also among the 25 biggest EU suppliers. The number of trade issues arising from these exchanges was crucial in deciding to have a stronger presence in both regions: these range from general bilateral dialogue on World Trade Organisation (WTO) issues, to market access and anti dumping (with a considerable number of cases brought against the Community as well as by the Community against these third Countries).

Finally, consideration will be given to opening a trade representation office in **Taiwan** (7th/15th)⁶. With Taiwan soon joining the WTO the Commission is expected to have a major rôle in monitoring market access, the application of WTO commitments, and other matters related to its policy.

A regular presence in Cuba ⁷ - which is already a member of the ACP Group - will also be considered in the light of internal developments and the forthcoming closure of the ECHO office.

For reasons related with the implementation of external assistance, namely de-concentration, the Commission intends to open Delegations in **Cambodia** and **Laos** (accredited with a non-resident Head of Delegation in Thailand), **Nepal** (non-resident Head of Delegation in India) and **Paraguay** (non-resident Head of Delegation in Uruguay). The aid programmes for Cambodia and Paraguay are considerably larger than those for Thailand and Uruguay respectively⁸. It therefore makes sense to move aid management to those Countries. Moreover, in the case of Paraguay, the only member of Mercosur where the Commission is not represented, there is a trade component which is likely to become all the more significant as the Commission is negotiating a free trade agreement with the bloc. Finally, in the case of Cambodia, Nepal and Paraguay the net cost to the Commission would be reduced as one official each is to be transferred from Thailand to Cambodia, from India to Nepal and from Uruguay to Paraguay to act as *chargé d'affaires* in the new Delegations.

⁵ Bahrain, Kuwait, Oman, Qatar and the United Arab Emirates.

⁶ Twelve Member States are represented in Taiwan through "Trade and Investment Offices", "Trade and Culture Offices", etc. These are seen as fully compatible with the One China Policy.

⁷ Non resident Head of Delegation in Santo Domingo.

⁸ The Commission has substantial aid programmes where it proposes to open Offices (respectively, average annual payments 1999/2000 and overhang as of 31/12/00 in M€): Cambodia 27.5 and 67, Laos 9 and 40, Nepal 30 and 49, and Paraguay 5 and 57.

3.3. Regionalisation and proposed closures

Regionalisation involves regrouping in one Delegation a significant number of qualified officials giving it adequate means to service the Countries to which the regional Head of Delegation is accredited.

Within the framework of regionalisation since 1996 the Commission has transformed 13 Delegations into Offices, attached its operations in Somalia to the Delegation to Kenya and decided to close its Offices in Grenada and Lagos. With the further transformation of the Delegations to Cape Verde and Togo into Offices depending on other Delegations, 31 of the 108 existing Commission Delegations will have a regional responsibility.

So far these changes have produced savings of 14 middle management posts or, in budgetary terms, €3,024,000 a year (based on the average yearly cost per official on a posting of €216,000). These resources have been used to help expand the network namely in the Balkans (Croatia and the former Yugoslav Republic of Macedonia) and to reinforce the existing Delegations.

With a view to optimising the structure of the External Service and to find the resources needed to open new Delegations it is foreseen to close Offices in **Antigua and Barbuda** which will continue to depend on Barbados, **Belize** which will continue to depend on Jamaica, **Comores** which will continue to depend on Mauritius, the **Dutch Antilles** which will depend on Guyana, **São Tomé e Príncipe** which will continue to depend on Gabon, **Tonga** which will continue to depend on Fiji⁹, and **Equatorial Guinea** which will continue to depend on Cameroun.

Also it is proposed to reduce staff in the Delegations to **Costa Rica, Trinidad and Tobago** and **Sri Lanka** leaving them with one official each. The Heads of Delegation to Nicaragua, Guyana and India will be accredited to Costa Rica, Trinidad and Tobago, and Sri Lanka respectively.

These closures and reductions will free 11 posts for re-deployment and represent a budgetary saving of €3.816 million pa. based on the total annual cost of an official on a posting (including offices, support staff, residence, telecommunications, security). These resources would allow the opening of the Delegations to Malaysia, Saudi Arabia, Singapore, and Laos (the other three Delegations would be opened via re-deployments from their respective regional Delegations). This would take up 7 out of 11 newly re-deployed posts. The other 4 will be used for the possible opening in Taiwan and Cuba and/or to reinforce regional Delegations which have taken on additional responsibilities as a consequence of the changes to the network. With the savings of the closures and the streamlining of Delegations the costs of the openings are covered. In this way the **whole proposal is budget neutral**.

The Commission believes that with these changes the regionalisation process has reached its limits for the time being. The advantages in terms of savings that might

⁹ Respectively, average annual payments 1999/2000 and overhang as of 31/12/00 in M€: Costa Rica 2 and 7, Trinidad and Tobago 1 and 18, Antigua and Barbuda 0 and 1, Belize 4 and 17, the Comores 3 and 14, the Dutch Antilles 4 (2000 only) and 5, Gambia 4 and 28, and São Tomé e Príncipe 3.5 and 16, Tonga 1 (2000 only) and 3 and Vanuatu 3.5 and 10.

arise out of further efforts in this sense would be more than cancelled out by their negative effects:

- Political difficulties arising from within and without the EU from those States and institutions that oppose closures;
- Physical distancing from the Delegation in badly connected areas making operations less effective, namely implementation and follow up of aid;
- Contradiction with the policy of de-concentration and de-centralisation of the management of Community aid to Delegations that the Commission is implementing.

A possible further regionalisation exercise would not release the necessary additional human and budgetary resources to cover the needs of other openings. Moreover it would create further reinforcement requirements within the regional Delegations as regards both personnel and budgetary appropriations.

3.4. Redeployment

The redeployment exercise was first launched in order to deal with the imbalances that existed in the allocation of human resources between the Delegations in different geographical areas. The imbalances refer both to the ratio between officials and local staff at university level and the staffing levels themselves between the different Delegations. Some of the resources freed by redeployment were also used in opening new Delegations.

The redeployments have consisted mainly of transferring officials from one Delegation to another. If need be, compensation would be provided to the Delegation where the official originated by means of locally hired technical assistance staff (ALAT) posts.

Henceforth redeployments are also seen as a permanent resources adjustment process to the changing workload of Delegations and Commission priorities. A net increase in the human and budgetary resources of the External Service is only to be considered after all possibilities for redeployments have been looked into.

The analysis of the workload of Delegations undertaken by the Commission makes the allocation and re-allocation of resources to Delegations easier. In so doing account is taken of the relative importance of each of the Delegations' activities according to their mission statements (in particular external assistance, trade, political reporting and representation).

Since 1996 the Commission has approved to re-deploy 73 posts within the External Service. Over the same period it has re-deployed a further 53 posts from headquarters to Delegations. Therefore one fifth of the posts of the External Service, and about one third of those non-management posts, have been re-deployed during the last five years.

In **2001**, one official post each will be redeployed from the following Delegations : Zimbabwe, Niger, Lebanon, Cameroon, Burkina Faso, Mozambique India (in order to open the Delegation to Nepal) and Uruguay (in order to open the Delegation to Paraguay). In **2002** a further one official each will be redeployed from the Offices in

the Comores, Equatorial Guinea, Dutch Antilles, São Tomé e Príncipe and the Delegation to Thailand (in order to open the Delegation to Cambodia). A further five redeployments will come from streamlining the Delegations to Trinidad and Tobago, Sri Lanka and Costa Rica.

With these 18 re-deployments in 2002 the Commission will have re-deployed a **total of 89 officials posts since 1996**. Further occasional redeployments will take place in the course of the regular management of the External Service. The overall effect of such redeployments is likely to remain marginal, however, and will in any case not be sufficient to cover the staff needs arising out of any further extension of the network of Delegations. The remaining possibility is vertical redeployment from Brussels to Delegations which, however, at this stage ought to be used principally for the implementation of deconcentration.

3.5. The resources of the External Service

The External Service of the Commission is made up of officials/temporary agents and local staff financed, according to the framework within which they operate, from part A (administration) or B (operational) of the budget of the Commission.

In order to respond in an efficient and flexible way to the need for technical expertise in the management of external assistance by Delegations the Commission envisages, within the framework of the administrative reform, to create an *auxiliaire* status to whom some of the incentives similar to those of Annex X of the Staff Regulations would apply. Until such a status is created, the Commission will use a mix of existing contractual arrangements (local agents, ALAT and individual Experts) to satisfy Delegations' need for technical expertise within the agreed time-frame for the devolution of external assistance management and the integration of Technical Assistance Offices (TAOs) functions in Delegations. This personnel will be under contract directly with the Commission, they will operate from within the Delegations and they will come under the authority of the respective Head of Delegation.