The Implementation of the Neighbourhood, Development and International Cooperation Instrument – Global Europe

2023/2029(INI) - 23/11/2023 - Committee report tabled for plenary, single reading

The Committee on Foreign Affairs and the Committee on Development jointly adopted the own-initiative report by Michael GAHLER (EPP, DE), Charles GOERENS (Renew, LU), Pedro MARQUES (S&D, PT) and Tomas TOBÉ (EPP, SE) on the implementation of the Neighbourhood, Development and International Cooperation Instrument – Global Europe.

General considerations

Two years since the beginning of the Multiannual Financial Framework (MFF) 2021-2027 and the entry into force of the NDICI-Global Europe, in a challenging global context marked, among others, by the consequences of the Covid-19 pandemic and of Russia's war of aggression against Ukraine, this report aims to provide recommendations ahead of the mid-term evaluation (MTE) of the Global Europe instrument, which the Commission shall conclude by the end of 2024.

Members welcomed the Commission's proposal for a revision of the MFF 2021-2027 with additional funding for Heading 6, since the current financial programming is insufficient for the Instrument, which is **underfunded**, and should better reflect the geopolitical ambitions of the EU and its global commitments.

Members took note of the additional funds proposed by the Commission for Heading 6, of which **EUR 10.5 billion** would be allocated to responding to the external dimension of migration, including external challenges, **EUR 3 billion** to the Instrument's 'Emerging challenges and priorities' cushion and **EUR 2.5 billion** to the Solidarity and Emergency Aid Reserve. They also underlined the need to review the EU's external and development policies in light of the funding gap, the increasing inequalities between and within countries and global food insecurity. The report called for a thorough evaluation of the Instrument' s resources and for it to be ensured that they continue to be relevant in the context of ongoing geopolitical challenges, allow the EU to be seen as a trustworthy partner and counteract the influence of other global powers.

While welcoming the consolidation of most of the EU's external action in a single Instrument, gradually streamlining and harmonising the numerous previous instruments, Members are of the opinion that although this simplification has enhanced flexibility and efficiency, it has not been accompanied by sufficient levels of effective accountability and transparency. They underlined in this regard that measures can only be considered effective when this can be proven by clear and comparable monitoring and evaluation mechanisms.

The report expressed deep concern about the escalation of geopolitical turmoil, authoritarian trends and recent attacks globally on the foundations of democracy and the rule of law. It called for the mid-term evaluation of the Global Europe instrument to evaluate in depth the Instrument's capacity to achieve the EU's overall external policy goals, and particularly the objective of contributing to the promotion of multilateralism and sustainable development and of protecting, promoting and advancing democracy, the rule of law and human rights and fundamental freedoms.

Members are concerned that the financing of assistance for Ukraine through the mobilisation of the Instrument's cushion, rather than through the appropriate budgetary instrument, has **exhausted much of**

the cushion, leaving the Instrument with limited ability to respond to unforeseen challenges. In this regard, Members welcomed the Commission proposal on establishing the Ukraine Facility, which should ensure sustainable long-term financing for Ukraine while preserving the Instrument's ability to cope with future challenges.

Securing the necessary resources and mobilising investments

Members stressed that under no circumstances should the 2024 mid-term revision of the MFF result in the Instrument's funds being cut or reallocated between the long-term thematic and geographic programmes dedicated to sustainable development. According to the report, the lack of funds creates a **dangerous gap** between the EU's ambition and its ability to deliver on its promises.

The committee called for the EFSD+ not to finance investments that have a negative impact on the achievement of the SDGs, particularly as regards combating climate change.

Noting the EIB's potential to mobilise additional funding that contribute to the Instrument's objectives, Members called:

- for an increase in the guarantees granted to the EIB by the EU budget in order to allow the EIB to continue to deliver vital public- and private-sector operations in Ukraine and expand its activities in the Global South;

- on the EIB to use its position to mobilise investments for sustainable development in line with the purpose and criteria established by the EFSD+;

- on the EIB to prioritise a sustainable development agenda.

The report underlined the importance of more efficiently utilising synergies and better harmonising the financing initiatives that are undertaken by the EIB, the EBRD and other DFIs and target European neighbourhood countries, with particular importance being given to EU candidate countries.

Parliamentary scrutiny

Members called on the Commission to:

- provide a consistent interinstitutional information flow, with Parliament being kept informed of investment projects, including Global Gateway projects, and to make the Result Management Framework fully available. They reiterated that Parliament's positions need to be fully taken into consideration and that its resolutions constitute part of the overall policy framework for the implementation of the Instrument;

- provide, following consultations with Parliament, a comprehensible, clear and complete overview, in a single document, of the financial instruments, their relationship with each other and the different actors involved, as well as a complete and precise overview of grants and guarantees and how they are covered.

It is expected that Parliament be fully involved in the programming exercise for the second half of the MFF and for multiannual indicative programmes for 2025-2027.

Lastly, the report noted that pilot projects and preparatory actions are new initiatives that might turn into EU funding programmes should they turn out to be successful. These are an opportunity for Parliament to introduce programmes that would not otherwise have been financed. Members stated that the Instrument, when interpreted broadly, theoretically constitutes a legal basis for all initiatives, thus preventing eligibility and making de facto initiatives by Parliament impossible. The Commission is called on to

present a legislative proposal that enables Parliament to propose pilot projects and preparatory actions on the condition that the proposals are considered useful by the EU delegations and provide additional benefits, as they would not otherwise have been financed in practice.