

Increased efficiency of the External Action Guarantee

2025/0262(COD) - 10/11/2025 - Committee report tabled for plenary, 1st reading/single reading

The Committee on Foreign Affairs and the Committee on Development jointly adopted a report by David MCALLISTER (EPP, DE) and Charles GOERENS (Renew, LU) on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2021/947 as regards increased efficiency of the External Action Guarantee.

The committees responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Members made amendments **solely to the recitals** of the proposed regulation. These concern in particular:

- the continuation of measures aimed at strengthening the effectiveness of the guarantee for external action in a manner fully **consistent with the Union's foreign policy objectives** (promotion of democracy, the rule of law, human rights and respect for the principles of the Charter of the United Nations), while also strengthening the Union's capacity to act as a global strategic actor, safeguarding the sovereignty of partners, combating external interference and strengthening resilience to geopolitical and economic shocks;

- **strengthening partnerships** which should aim to diversify supply chains and maintain the rules-based international order, taking into account factors such as positions regarding Russia's war of aggression against Ukraine, thereby promoting sustainable prosperity and advancing human development;

- the integration into the Union's external action of concrete actions to address the challenges related to **climate change, biodiversity, gender equality and respect for human rights**, as they have significant implications for stability and sustainable development;

- improved communication regarding actions financed by the Union and greater coherence between the Union and its Member States, necessary to present external action as a unified effort of the Union;

- the importance of a **more focused approach to enlargement**, recognising the importance of the Middle East, North Africa and the Gulf, as well as Central Asia and the South Caucasus;

- the fact that Union financial support under the External Action Guarantee should explicitly promote reform in the **areas of rule of law**, democratic governance and the fight against corruption, thereby underpinning credibility and public trust in the accession processes;

- the implementation of the External Action Guarantee should promote **local ownership** and ensure complementarity with the national development strategies of partner countries, while adopting a **differentiated approach** that reflects the specific needs, vulnerabilities and development priorities of low- and middle-income countries;

- further attention to be paid to the **specific investment priorities** of EU enlargement countries and the distinct nature and needs of fragile contexts, less developed countries, low-income countries and countries in debt distress, including small island states, which face specific vulnerabilities related to climate change, food insecurity, and political instability;

- the need for Chinese companies and entities not to secure funds under the EFSD+, particularly when these companies are associated with the Chinese Belt and Road Initiative or are owned by the Chinese state or influenced by the Chinese Communist Party.

Members stressed that while efficiency and simplification of procedures for implementing partners are necessary, they must be accompanied by enhanced **transparency and accountability** in the financing of the EU's external actions

Reporting obligations should therefore continue to provide clear information on risk exposure, development impact and the geopolitical relevance of the operations concerned.

The European Parliament should receive a detailed annual report on the use of resources from the EFSD+ guarantee including a breakdown by sectors and regions, the impact on the sustainable Development goals and the level of participation of civil society organisations.

The European Parliament and the Council, as the budgetary authority of the Union, should therefore, in a timely manner, be systematically, comprehensively and regularly informed about the performance of EFSD and EFSD+, including clear information on the fund leveraging, the fund allocation to programmes and projects, total surpluses and deficits identified, the origin of any surpluses and the amounts proposed for reallocation.