



2023/0264(BUD)

20.9.2023

OPINION

of the Committee on Foreign Affairs

for the Committee on Budgets

on the draft general budget of the European Union for the financial year 2024
(2023/0264(BUD))

Rapporteur for opinion: Carina Ohlsson

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SUGGESTIONS

The Committee on Foreign Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

- A. whereas the growing instability and the rise of unprecedented challenges in the immediate European neighbourhood and the international environment increases the demands on the Union to act with a budget fit for that purpose;
 - B. whereas the Union must continue to strengthen support to Ukraine in its struggle of self defence against Russia's war of aggression, including through military support, and respond to other urgent global needs as they evolve;
 - C. whereas the European Commission proposed a new instrument "Ukraine Facility", which aims to be up to €50 billion for the period from 2024 to 2027;
 - D. whereas the European Court of Auditors issued a special report 14/2023 on "Programming the Neighbourhood, Development and International Cooperation Instrument – Global Europe: comprehensive programmes with deficiencies in the methods for allocating funds and impact monitoring";
1. Welcomes that the Commission presented a budget proposal which corresponds to the MFF ceiling of EUR 15 830 million in Heading 6 which underlines the massive needs in external action spending; recalls that the Parliament from the outset considered the MFF ceiling in Heading 6 as insufficient given the geopolitical necessities;
 2. Strongly believes that a revision of the MFF is needed to make the Union budget fit for purpose in order to address global challenges; highlights that sufficient funding is key to the EU's credibility as a stronger, more assertive, and more strategic actor on the world stage; welcomes therefore the Commission proposal for a revision presented on 20 June, believes however that an even stronger increase in Heading 6 would be needed to address the various challenges in the neighbourhood and beyond; strongly believes that external action funding is crucial for the EU's stability and security amid Russian aggression in Ukraine and malign influence in the neighbourhood and beyond, therefore views it as imperative that the EU maintains its current presence as a stabilizing power; calls on the Council to agree on a revision of the MFF before the end of the year so that it can have an impact on the 2024 budget; furthermore calls on the Commission to present as soon as possible a detailed breakdown per budget line regarding the suggested increases for 2024 of EUR 2.331 million (in 2018 prices) in order for the budgetary authority to make full use of the additional funds in Heading 6;
 3. Notes that the majority of external action spending is concentrated under the Neighbourhood, Development and International Cooperation Instrument - Global Europe (NDICI/Global Europe) and the Instrument for Pre-Accession Assistance (IPA III), which has ring-fenced budget allocations per geographical region, providing flexibility but due to the unprecedented pressure sees the urgent need for new initiatives and proposals to be put forward, calls for targeted increases in particular in regions in crisis where needs are most pressing;

4. Highlights the importance of an increase in funding for additional permanent staff for including and streamlining the fight against malicious interference and disinformation and an effective institutional set-up within the EU such as for the implementation of those structures identified in the recently adopted INGE report, including a dedicated EEAS Strat Com Far East team, a Commission taskforce and a European Centre for Interference Threats and Information Integrity;
5. Recognises that it is still necessary to increase the financial support of the EU to UNRWA in 2024, due to the agency's critical financial situation that jeopardizes its ability to fulfil its important role effectively; reiterates the importance of providing assistance to UNRWA as a central component of the EU's strategy to promote security, stability, and development in the Middle East; calls therefore for an increase of EUR 60 million in the EU's financial support to UNRWA in 2024 to ensure the continuation of vital services provided to millions of Palestinian refugees;
6. Notes that increases in external action spending need to be accompanied by a strengthened monitoring and anti-corruption framework; calls on the Commission, following recommendations from the European Court of Auditors, to make external action spending more standardised, comparable and transparent; believes that granting the European Anti-Fraud Office (OLAF) and the European Public Prosecutors' Office (EPPO) powers to monitor external action spending is a good avenue to ensure that funds are properly spent and that funds contribute to the EU's external goals;
7. Continues to see the Western Balkans integration and the countries' reform progresses, in particular in the area of rule of law, democracy and fundamental freedoms, as a geopolitical priority, especially in the context of Russia's unprovoked aggression against Ukraine, which resonated strongly across the region, but insists on the conditionality requirements regarding rule of law for every euro committed in the 2024 budget; welcomes furthermore the accession perspective for Ukraine and Moldova, insists however that additional funding is needed to support both countries on their path to accession; calls for the strengthening of rule of law conditionality in all funding streams linked to accession procedures, particularly in the Western Balkans; calls for reinforced monitoring and reporting regarding rule of law reforms; furthermore calls for continuous support for the Belarusian democratic forces, for increased support for Georgian civil society and independent media, and for peace-building activities between Armenian and Azerbaijani societies;
8. Emphasises the need for coherence, accountability and efficiency of financing the EU external action; calls for increased transparency and democratic scrutiny of EFIs' funding through strategic steering by the Parliament and an enhanced geopolitical dialogue between the Parliament and the Commission;
9. Reminds that the EU's Instrument for Pre-accession Assistance (IPA III) foresees a strong conditionality and funding must be modulated or even suspended in the case of significant regression or persistent lack of progress regarding the rule of law and fundamental rights; reiterates once again its call on the Commission to develop guidelines on the application of the conditionality; stresses the need to prioritize the alignment of accession countries with the EU's common foreign and security policy and consider any funding in this light, in order to ensure that all EU expenditure is fully in

line with the EU's strategic goals and interests;

10. Calls on the Commission to create a permanent training residential programme on the EU's external action and CFSP for junior diplomats from EU candidate countries, which should draw from the experience and lessons learned from the pilot project on the European Diplomatic Academy and fully synergize with the future permanent structure of the forenamed Academy; stresses that, in this sense, the above-mentioned programme should foster a connection to the EEAS, European Commission, Council, and European Parliament;
11. Stresses the need to increase allocations for military mobility in 2024 budget and during the MFF revision. Russia's war of aggression against Ukraine shows the need of increasing the budget for military mobility projects, that would improve the speed of military response in case of aggression, and also will help civilian infrastructure needs, including rail transport of Ukrainian grain to the EU Member States' seaports;
12. Calls for greater support for independent media fighting Russian disinformation and propaganda, in particular media in the national languages of the Eastern Partnership countries, Russian-language media inside and outside Russia, as well as media in the Western Balkans and in the African countries where the Wagner Group is active;
13. Reiterates that adequate level of funding should be maintained for the Southern Neighbourhood in 2024; regrets therefore the diminution of 100 million EUR compared to 2023;
14. Welcomes the continuation of funding for humanitarian aid and support for Syrian refugees in the country and the region;
15. Notes that the purpose of European cooperation in defence matters is to make Europe and its citizens safer and reduce costs by creating synergies; highlights that the Common Security and Defence Policy (CSDP) has been deeply impacted by Russia's war; emphasises the importance of providing adequate financial support by Member States and through the European Defence Fund to frame for a strong CSDP in particular ambitious and effective civilian CSDP missions, and military CSDP operations and to increase the EU's security and strategic autonomy; considers that such efforts would increase the Union's ability to contribute to international stability, security and peace, in particular as regards the promotion and respect for international law, in close cooperation with the UN, NATO, OSCE and allied countries, or if needed, alone;
16. Strongly welcomes that in June 2023, the Council adopted a decision to increase the overall financial ceiling of the European Peace Facility (EPF) by €3.5 billion and the overall financial ceiling now totals more than €12 billion (in current prices); notes that the European Peace Facility (EPF) has enabled an unprecedented support from EU Member States, including delivery of weapons to Ukraine;
17. Welcomes the newly proposed Ukraine Facility and its proposed overall amount of up to €50 billion for the period 2024 to 2027; welcomes its concept to link Ukraine's reconstruction plans to the accession process and calls on the Commission to ensure that existing financial assistance is targeted to our criteria for accession; acknowledges the need to harmonise financial support tools for the more efficient use and rapid

application of aid; underlines that at the same time, the scope of the Ukraine Facility must be aligned with Parliament's legislative, budgetary and control prerogatives;

18. Insists that a continuous effort must be made to adjust existing accession tools and build the legal basis for the IPA III in Moldova and Ukraine; underlines the need to uphold a realistic prospect of accession for Ukraine and Moldova; welcomes the ongoing assistance to Georgia and approve of the support given in the areas of public finance management and infrastructure;
19. Underlines the importance of the EU's presence in Africa and stress that the visibility of EU development assistance must be enhanced at both government and local community levels in partner countries; calls on the Commission to promote local action, encouraging local ownership of development projects to ensure sustainability and inclusion; highlights that using the Global Gateway and participatory development policy as a framework for multi-tiered cooperation could have a socio-economic multiplier effect worldwide;
20. Calls on the Commission to engage in efforts with international partners to facilitate a new national dialogue in Tunisia; recalls that the NDICI-Global Europe and memorandum of understanding agreements come with conditions; urges the Commission to ensure that they are respected and that relevant funding suspensions are applied in case these conditions are not met;
21. Believes that funding of projects focussing on women and girls in conflict and crisis-affected areas, including on gender-based violence, conflict prevention, rebuilding and empowering of women, is insufficient and should be strengthened throughout all geographical regions in the budget with meaningful stakeholder involvement throughout the funding process; calls for the rights of Afghan women and girls to be further strengthened and, most importantly, for them to have access to secondary and university education, including through EU scholarships to study at schools and universities in EU Member States; believes in particular that projects aiming at actively countering disinformation, in particular on these issues, can further strengthen EU actions and help establish long-term stability;
22. Underlines the importance of directing attention towards the severe situation in Afghanistan and securing essential support for local and international organisations and individuals who are actively promoting the rights of women and girls, while also ensuring the provision of essential public services such as healthcare and education;
23. Welcomes that the Commission has further developed a methodology to track gender equality-related spending in the 2021-2027 MFF, which looks at policy design and resource allocation and in particular the presentation of an ex-post gender impact assessment on a more granular level and reporting on volumes; calls on the Commission to assess holistically gender impact and facilitate that all the relevant data is available for the tracking;
24. Stresses the important work of civil society organisations in safeguarding democracy and human rights, and calls for additional funding to be made available for their activities, especially those concerned with LGBTIQ+ rights;

25. Emphasises that the protection and promotion of human rights globally continues to be of core interest for EU's external actions; reiterates the need for increased funding dedicated to supporting human rights worldwide, especially where there is closure of civic spaces, and with a particular focus on the protection of human rights defenders and journalists, in particular those most at risk; calls for increased funding to strengthen the capacities of EU Delegations and key stakeholders in designing and implementing key public policies;
26. Believes that the support of third countries in the fight against climate change needs to be increased as a matter of urgency; reiterates its call for the adoption of an EU financing plan for Sustainable Development Goals (SDGs), since Heading 6 of the MFF does not provide sufficient means for the EU's external action to help partner countries finance their SDG strategies; stresses that the 2024 Union budget should be aligned with the Union's ambitions of making the Union climate neutral by 2050 at the latest, as well as the Union's international commitments in particular the Paris Agreement and the Kunmin-Montreal Agreement;
27. Stresses the need for continuous efforts towards the achievement of climate and biodiversity mainstreaming targets laid down in the Interinstitutional Agreement of 16 December 2020 in the Union budget and the European Union Recovery Instrument expenditures (IIA); Welcomes the efforts for a more transparent and comprehensive reporting in the budgetary documents as well as the performance website, and emphasises the need to carry out sufficient ex-post evaluations with a particular focus on impact; calls on the Commission to carefully take into account the conclusions of the special report of the European Court of Auditors on climate spending in the 2014-2020 EU budget as well as the performance audit from November 2022;
28. Stresses the need to ensure consistency between climate and biodiversity funding and calls on the Commission to publish the amounts and shares of expenditure that will contribute to both targets per programme when presenting the draft budget; recalls that the do-no-significant-harm principle is mainstreamed in all Union activities through the budgetary implementation as agreed in the IIA and stresses therefore the urgent need to ensure the respect of the 'Do No Significant Harm' principle through the entire budget in all the 6 dimensions and to take necessary corrective measures if and when needed without undue delay;
29. Recalls the European Parliament's Recommendation of 15 March 2023 on the functioning of the EEAS and for a stronger EU in the world, in particular its call for the EEAS to be provided with adequate resources; hence calls for an increase in the establishment plan of 35 posts, while the EEAS shall develop and implement targeted recruitment procedures, in particular taking into account currently underrepresented groups in terms of geographical balance, gender and minorities;
30. Calls for special attention to be paid to nuclear safety and disaster preparedness in the light of Russia's war of aggression in Ukraine and concerns about the safety of the Zaporizhzhia Nuclear Power Plant (NPP), as well as the Lukashenka regime's continued failure to ensure the nuclear safety of the Belarusian NPP in Astravyets;
31. Strongly believes that a considerable reinforcement of humanitarian aid, accompanied

by clear objectives in terms of the rule of law and governance, is needed for the Union to be able to respond to emerging crises and therefore increases this budget line by EUR 1 billion in order to meaningfully address the unprecedented level of humanitarian needs worldwide, aggravated by the Ukraine war and its global economic repercussions, notably in terms of food insecurity; highlights that funds from the Solidarity and Emergency Aid Reserve (SEAR) can be mobilised for crises outside the EU throughout the whole financial year.

INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

Date adopted	20.9.2023
Result of final vote	+: 49 -: 6 0: 2
Members present for the final vote	Alviina Alametsä, Alexander Alexandrov Yordanov, Traian Băsescu, Anna Bonfrisco, Reinhard Bütikofer, Włodzimierz Cimoszewicz, Katalin Cseh, Michael Gahler, Giorgos Georgiou, Sunčana Glavak, Raphaël Glucksmann, Klemen Grošelj, Bernard Guetta, Dietmar Köster, Andrius Kubilius, David Lega, Miriam Lexmann, Nathalie Loiseau, Leopoldo López Gil, Antonio López-Istúriz White, Thierry Mariani, David McAllister, Vangelis Meimarakis, Sven Mikser, Alessandra Moretti, Javier Nart, Matjaž Nemec, Demetris Papadakis, Kostas Papadakis, Tonino Picula, Manu Pineda, Thijs Reuten, Nacho Sánchez Amor, Isabel Santos, Mounir Satouri, Andreas Schieder, Jordi Solé, Hermann Tertsch, Hilde Vautmans, Anders Vistisen, Viola von Cramon-Taubadel, Thomas Waitz, Isabel Wiseler-Lima, Željana Zovko
Substitutes present for the final vote	Vladimír Bilčík, Angel Dzhambazki, Andrey Kovatchev, Georgios Kyrtos, Carina Ohlsson, Juozas Olekas, Nikos Papandreou, Mick Wallace, Javier Zarzalejos
Substitutes under Rule 209(7) present for the final vote	Gheorghe Falcă, Dace Melbārde, Jan-Christoph Oetjen, Juan Ignacio Zoido Álvarez

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

49	+
ID	Anna Bonfrisco
PPE	Alexander Alexandrov Yordanov, Traian Băsescu, Vladimír Bilčík, Gheorghe Falcă, Michael Gahler, Sunčana Glavak, Andrey Kovatchev, Andrius Kubilius, David Lega, Miriam Lexmann, Leopoldo López Gil, Antonio López-Istúriz White, David McAllister, Vangelis Meimarakis, Dace Melbārde, Isabel Wiseler-Lima, Javier Zarzalejos, Juan Ignacio Zoido Álvarez, Željana Zovko
Renew	Katalin Cseh, Klemen Grošelj, Bernard Guetta, Georgios Kyrtosos, Nathalie Loiseau, Javier Nart, Jan-Christoph Oetjen, Hilde Vautmans
S&D	Włodzimierz Cimoszewicz, Raphaël Glucksmann, Dietmar Köster, Sven Mikser, Alessandra Moretti, Matjaž Nemeč, Carina Ohlsson, Juozas Olekas, Demetris Papadakis, Nikos Papandreou, Tonino Picula, Thijs Reuten, Nacho Sánchez Amor, Isabel Santos, Andreas Schieder
Verts/ALE	Alviina Alametsä, Reinhard Bütikofer, Mounir Satouri, Jordi Solé, Viola von Cramon-Taubadel, Thomas Waitz

6	-
ID	Thierry Mariani, Anders Vistisen
NI	Kostas Papadakis
The Left	Giorgos Georgiou, Manu Pineda, Mick Wallace

2	0
ECR	Angel Dzhambazki, Hermann Tertsch

Key to symbols:

+ : in favour

- : against

0 : abstention