



2024/0176(BUD)

1.10.2024

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 2025
(2024/0176(BUD))

Rapporteur for opinion: Hilde Vautmans

PA_NonLegBudDec

OPINION

The Committee on Foreign Affairs calls on the Committee on Budgets, as the committee responsible, to incorporate the following 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 and to significantly strengthen its security and defence capabilities, while avoiding duplication with NATO structures;
 - B. whereas that sufficient funding is key to the EU's credibility as a stronger, more assertive, and more strategic actor on the world stage;
 - C. whereas the Union and its Member States have contributed approximately EUR 95 billion in financial, humanitarian, refugee and military assistance to Ukraine, as of July 2024, to support it in the context of Russia's war of aggression, including approximately EUR 32 billion of military aid with a further EUR 21 billion reportedly to be allocated until 2025; whereas the Union must continue to provide long-term support to Ukraine in its struggle for independence and self-defence against Russia's war of aggression and take all necessary actions, including from a budgetary standpoint, for as long as it takes to secure Ukraine's victory;
 - D. whereas the efficiency of the EU's actions worldwide is subjected to ensuring the highest level of coordination and coherence in the EU's external action, particularly by ascertaining the HR/VP leading role as a bridge builder between the CFSP and EU external relations; whereas coordination among the Commission and the EEAS should be strengthened, particularly due to the lack of operational budget of the EEAS, including by guaranteeing full compliance of Article 3.2 and 9 of the EEAS Decision;
 - E. whereas the United Nations Relief and Works Agency for Palestine Refugees (UNRWA) acts as the backbone of the humanitarian response in Gaza and provides stability to the region through the provision of essential services amid increasing needs;
1. Calls on the Member States to double the budget allocated to the development of capabilities under the Common Security and Defence Policy in order to make cooperation in defence at the EU level the rule to ensure the safety of its citizens, and maintain stability both within Europe and globally, including bolstering cybersecurity defences to counter cyber-attacks on critical infrastructure, businesses, and governmental institutions, which is vital for safeguarding both the economy and citizen safety, while ensuring that the Union can respond quickly and efficiently to crises;
 2. Points out that the unprecedented challenges in the global environment, peace and geopolitical instability, along with the threats the EU is facing must be met by a substantial EU reaction, matched by appropriate and sufficient budgetary means for the EU to protect itself and the citizens and live up to the geopolitical challenges; welcomes the revision of the Multiannual Financial Framework (MFF) earlier this year which led to an increase in Heading 6; is, however, concerned about the significant increase of budgetary allocations dedicated to the external dimension of migration; in this context,

urges the Commission to increase transparency and ensure full human rights compliance with regards to this funding, including through the use of monitoring and application of human rights conditionality;

3. Welcomes the adoption of two new instruments, namely the Ukraine Facility and the Western Balkans Facility, which will provide additional targeted support to Ukraine and the six Western Balkans countries; against this background, warns that the growing costs of Ukraine's sustainable reconstruction and recovery will tremendously transcend the EUR 50 billion budget of the Facility, especially as Russia continues escalating its destruction of Ukraine, particularly targeting residential areas and the country's natural environment; expresses concern about the growing humanitarian needs in Ukraine over the course of 2024 and calls for sustained sufficient EU funding for both emergency and long-term humanitarian aid in Ukraine; calls for additional funding for Ukraine ahead of the winter, especially in the area of humanitarian aid and energy security; urges Hungary to lift its blockade of the European Peace Facility funding for Ukraine, including the agreed reimbursement for Member States for military assistance already delivered;
4. Welcomes the decision to grant Ukraine and the Republic of Moldova candidate country status and insists on the need to deploy the necessary funds to support their accession process; stresses that the allocation for the Instrument for Pre-accession Assistance (IPA III) and pertinent budget lines under the NDICI - Global Europe in 2025 should catalyse the cooperation with Moldova as well as with Georgia in line with the agreement on the MFF revision;
5. 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;
6. Is particularly concerned about the approach taken in the MFF revision to only have a net increase of Heading 6 of EUR 3,1 billion whereas the other EUR 4,5 billion shall be covered through redeployments within this heading; is concerned if there will be sufficient amounts of decommitments for the latter to actually materialise; highlights that sufficient funding is key to the Union's credibility as a stronger, more assertive, and more strategic actor on the world stage;
7. Notes that the Commission presented a budget proposal of EUR 16 258 million, close to MFF ceiling in Heading 6 with a remaining available margin of EUR 44,8 million; notes furthermore that Council increased the budget for humanitarian aid by EUR 30 million, believes however that this amount will not be sufficient to be able to respond to both emerging and ongoing crises; recalls that the Parliament from the outset considered the MFF ceiling in Heading 6 as insufficient given the geopolitical necessities;
8. Regrets that, with the exception of the Southern Neighbourhood, the Commission and the Council foresee reductions in commitments for all geographic envelopes under NDICI; in this context, notes with concern the reductions for the Neighbourhood East in NDICI which is underfunded by EUR 150 million for the remainder of this MFF;

considers it therefore necessary for the 2025 Union budget to increase this budget line by EUR 50 million; emphasizes that additional support related to emerging threats should not come at the expense of ongoing and long-term geopolitical challenges worldwide, particularly in Africa, Latin America and the Caribbean; highlights that a well-funded NDICI is essential for the Union to be seen as a trustworthy partner and counteract the influence of other global powers; furthermore reminds that against a backdrop of increasing violations of human rights and democratic values across the world, as well as the weakening of protection of democratic institutions and the shrinking space for civil societies, the Union needs to count on a strong budget for the NDICI;

9. Underlines that in the context of the current dynamic geopolitical circumstances, and growing global instability, one of the European priorities is safeguarding the EU external borders; therefore, a consistent and reliable budget of Frontex is of utmost importance to adequately address the need for a comprehensive management of the EU borders;
10. Believes that further targeted reinforcements are needed in areas such as digital diplomacy and cybersecurity, the fight against foreign interference and disinformation, capacity development, enlargement, election observation, nuclear safety, social and environmental challenges, support for civil society organisations and human rights defenders, addressing root causes for migration and encouraging private sector investments; calls, in this regard, for the use of flexibility instruments such as the Single Margin Instrument;
11. Considers that resources and tools for digital diplomacy and the use of Artificial Intelligence in the EU's External Action and security and defence should be further strengthened; stresses that in a moment of rapid technological advancements and geopolitical competition, the EU's leadership in these areas is crucial for its relevance and resilience; highlights that it is crucial to explore new ways on how to collaborate with third countries in this regard and create platforms for the transfer of knowledge and for co-creation;
12. Stresses that, against the backdrop of the war in Ukraine, Russia is conducting sophisticated fake news campaigns in vulnerable countries, including some that are in the throes of elections, and exploiting digital platforms to foment hatred of the EU; points to the Republic of Moldova, which is a key country for Europe's security, as being a pertinent example of this; considers that the margin left available of EUR 44.8 million could serve to address the need to combat disinformation campaigns in the Eastern Neighbourhood.
13. Urges a review of EU financial assistance to countries which support and do not condemn Russia's war of aggression against Ukraine, which do not respect their international obligations, including obligations to the International Criminal Court, and which help Russia to evade EU sanctions;
14. Urges the HR/VP and the Commission to team up in order to double the funding for peacebuilding, conflict prevention, mediation and reconciliation;
15. Stresses the need to increase allocations for military mobility in 2025 budget;

16. 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;
17. Insists that “green diplomacy” and the green transition, as one of the EU's priorities, should be enhanced towards third countries through the EU's External Action; stresses the need to explore new ways and resources on how to collaborate with third countries in this regard; highlights its crucial role in the respect for international obligations and multilateralism;
18. Recognises that it is still necessary to increase the financial support of the EU to UNRWA in 2025, 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 and its crucial and irreplaceable role in alleviating human suffering in Gaza; calls therefore for an increase of EUR 60 million in the EU's financial support to UNRWA in 2025, provided it is disbursed in a transparent and controlled way, to ensure the continuation of vital services provided to millions of Palestinian refugees; welcomes the new commitments made by UNRWA to the European Commission in March 2024 to strengthen neutrality and oversight in light of the allegations that employees might have participated in the October 2023 terrorist attacks in Israel; stresses, however, that the UN-commissioned "Colonna Report" highlights that UNRWA has already established numerous mechanisms and procedures to ensure neutrality; notes that additional measures might be needed in the future;
19. Stresses the need to sufficiently and consistently fund the implementation of the principles of the EU's Gender Equality Strategy 2020-2025, including promoting women's empowerment and gender equality in international partnerships, in dialogues with third countries and in the EU's trade policy;
20. Emphasises that the protection and promotion of human rights globally is at the core of the EU's external action; in this context, reiterates the need for increased funding dedicated to supporting human rights worldwide, especially where there is a closure of civic spaces and with a particular focus on the protection of human rights defenders and journalists at risk;
21. Believes that the support of third countries in the fight against climate change needs to be substantially increased as a matter of urgency; stresses that the 2025 Union budget should be aligned with the Union's ambitions of making the Union climate neutral by 2050 at the latest, as well as with the Union's international commitments, and should significantly contribute to the implementation of the European Green Deal; 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; highlights the urgent need to ensure the respect of the ‘Do No Significant Harm’ principle through the entire budget and to take necessary corrective measures if and when needed without undue

delay;

22. Stresses that the European External Action Service is structurally underfunded and should not be subjected to the same constraints as the other institutions regarding the approach to the administrative budget; highlights the increasing responsibilities tasked to the EEAS by EU institutions; notes that the requirements for an institution with 145 diplomatic missions and offices around the world is fundamentally different to institutions operating at a single location; acknowledges that the lack of action to rectify the current budgetary situation of the EEAS can severely impact the EU's External Action and in its relations with third countries; furthermore underlines the need for the EEAS to develop and implement targeted recruitment procedures, in particular taking into account currently underrepresented groups in terms of geographical balance, gender and minorities; underlines that the additional funding should be coupled with increased information sharing between the EEAS and EP, including during NDICI-Global Europe High Level Geopolitical Dialogues and in-camera meetings in the Committee on Foreign Affairs;
23. Stresses that, ahead of increasing geopolitical challenges and crisis worldwide, the EU needs to count with the necessary first-hand information on global issues occurring outside its borders; calls, in this regard, for strengthening the EU INTCEN, the EEAS Crisis Response Center and the SatCen by enhancing its staff and financial resources, as well as capabilities;
24. 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 and transparent;
25. 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;
26. Insists on the budgetary increase for CFSP actions and other appropriate conflict and crisis response instruments in order to fully match EU's activities and capabilities with current challenges and conflicts worldwide;
27. Highlights that given the increasing cyber threats/attacks from third countries and proxies, the EEAS needs to count with strong IT systems and security protocols that ensure a robust protection of the information and "intelligence" that EU Delegations and HQ deal with;
28. Calls to guarantee that EU Delegations count with a focal point on conflict prevention and resolution, as well as peace building; ensure that EU Delegations, and particularly the abovementioned focal points, provide constant ground information to the EU conflict Early Warning System, the EU INTCEN and the EEAS Crisis Response Center;
29. Stresses the need to allocate the necessary resources to the Strategic Communication and Foresight division of the EEAS given the necessity for the EU to increase its investment in public and cultural diplomacy and communication efforts;

30. 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 both emerging and ongoing crises and to meet the unprecedented global humanitarian needs, exacerbated by the war in Ukraine and its global economic repercussions, particularly in terms of food insecurity;
31. Calls on the Commission to improve the consistency, efficiency and transparency of pre-accession assistance, clearly reflecting the priorities in the fundamental areas in the allocation of IPA III funding; calls, in particular, for the introduction of stricter and more enforceable accountability with regard to spending and for improvement of the overall cycle of disbursement, implementation and scrutiny of pre-accession funding, applying strict conditionality, including in the implementation of the Economic and Investment Plan and the new Growth Plan for the Western Balkans; recalls that the EU's support and assistance to the enlargement countries must be modulated or even suspended in the case of significant regression or persistent lack of progress in the area of the "fundamentals", notably in the fields of the rule of law and fundamental rights; stresses the need to prioritise 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 this funding is fully in line with the EU's strategic goals and interests;
32. Considers that there should be sufficient appropriations for the Turkish Cypriot Community budget line for the purpose of contributing decisively to the continuation and intensification of the mission of the Committee on Missing Persons in Cyprus, and of supporting the bicomunal Technical Committee on Cultural Heritage;
33. Underlines the need for specific child trackers in relation to the EU Budget and expenditures, as to capture the extent to which the upcoming budget, as well as future ones, concretely work for current and future generations of children;
34. Stresses that the EU should prioritise investment in training border officials and police on child rights-based procedures and should support child-sensitive critical services such as protection, education, and health.

INFORMATION ON ADOPTION BY COMMITTEE ASKED FOR OPINION

Date adopted	30.9.2024
Result of final vote	+ : 41 - : 15 0 : 8
Members present for the final vote	Mika Aaltola, Lucia Annunziata, Petras Auštrevičius, Dan Barna, Robert Biedroń, Adam Bielan, Marc Botenga, Helmut Brandstätter, Sebastião Bugalho, Tobias Cremer, Danilo Della Valle, Elio Di Rupo, Michael Gahler, Kinga Gál, Geadis Geadis, Raphaël Glucksmann, Christophe Gomart, Bernard Guetta, Rima Hassan, Hana Jalloul Muro, Sandra Kalniete, Ondřej Kolář, Vilis Krištopans, Nathalie Loiseau, Antonio López-Istúriz White, Jaak Madison, Claudiu Manda, Marion Maréchal, David McAllister, Vangelis Meimarakis, Francisco José Millán Mon, Arkadiusz Mularczyk, Hannah Neumann, Leoluca Orlando, Urmas Paet, Thijs Reuten, Nacho Sánchez Amor, Mounir Satouri, Alexander Sell, Villy Søvndal, Davor Ivo Stier, Sebastiaan Stöteler, Stanislav Stoyanov, Marie-Agnes Strack-Zimmermann, António Tânger Corrêa, Marta Temido, Hermann Tertsch, Pierre-Romain Thionnet, Sebastian Tynkkynen, Roberto Vannacci, Hilde Vautmans, Željana Zovko
Substitutes present for the final vote	Carlo Fidanza, Tomasz Froelich, András László, Ana Miguel Pedro, Tineke Strik, Marco Tarquinio, Ingeborg Ter Laak, Ivaylo Valchev, Marko Vešligaj, Thomas Waitz
Members under Rule 216(7) present for the final vote	Krzysztof Brejza, Jüri Ratas, Bert-Jan Ruissen

FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

41	+
PPE	Mika Aaltola, Krzysztof Brejza, Sebastião Bugalho, Michael Gahler, Sandra Kalniete, Ondřej Kolář, Antonio López-Istúriz White, David McAllister, Vangelis Meimarakis, Francisco José Millán Mon, Ana Miguel Pedro, Jūri Ratas, Davor Ivo Stier, Ingeborg Ter Laak, Željana Zovko
Renew	Petras Auštrevičius, Dan Barna, Helmut Brandstätter, Bernard Guetta, Nathalie Loiseau, Urmas Paet, Marie-Agnes Strack-Zimmermann, Hilde Vautmans
S&D	Lucia Annunziata, Robert Biedroń, Tobias Cremer, Elio Di Rupo, Raphaël Glucksmann, Hana Jalloul Muro, Claudiu Manda, Thijs Reuten, Nacho Sánchez Amor, Marco Tarquinio, Marta Temido, Marko Vešligaj
Verts/ALE	Hannah Neumann, Leoluca Orlando, Mounir Satouri, Villy Søvndal, Tineke Strik, Thomas Waitz

15	-
ECR	Marion Maréchal
ESN	Tomasz Froelich, Alexander Sell, Stanislav Stoyanov
PfE	Kinga Gál, Vilis Krištopans, András László, Sebastiaan Stöteler, António Tänger Corrêa, Hermann Tertsch, Pierre-Romain Thionnet, Roberto Vannacci
The Left	Marc Botenga, Danilo Della Valle, Rima Hassan

8	0
ECR	Adam Bielan, Carlo Fidanza, Geadis Geadis, Jaak Madison, Arkadiusz Mularczyk, Bert-Jan Ruissen, Sebastian Tynkkynen, Ivaylo Valchev

Key to symbols:

+ : in favour

- : against

0 : abstention