



EU external action budget: European Commission welcomes the final adoption of the EU's new long-term external action budget for 2021-2027

Brussels, 9 June 2021

The European Commission welcomes the European Parliament's decision to adopt the Neighbourhood, Development and International Cooperation Instrument (NDICI) – 'Global Europe' for the period 2021-2027. This is the final step of the adoption process following the negotiations between the European Parliament, the Council and the Commission. With this decision, the EU will be able to use €79.5 billion in current prices to foster global recovery over the next seven years. This envelope will be used for international partnerships on sustainable development, climate change, democracy, governance, human rights, peace and security in our neighbouring countries and beyond.

With an overall allocation of €79.5 billion in current prices, the new instrument will cover the EU cooperation with third countries. The total allocation will be divided as follows:

- €60.38 billion for geographic programmes (at least €19.32 billion for the Neighbourhood, at least €29.18 billion for Sub-Saharan Africa, €8.48 billion for Asia and the Pacific, and for the Americas and the Caribbean €3.39 billion);
- €6.36 billion for thematic programmes (Human Rights and Democracy, Civil Society Organisations, Peace, Stability and Peace Conflict Prevention and Global Challenges);
- €3.18 billion for rapid response actions.

A "cushion" of unallocated funds of €9.53 billion could top-up any of these programmes and the rapid response mechanism, to address unforeseen circumstances, new needs or emerging challenges and back new priorities.

The new instrument will particularly support countries most in need to overcome their long-term developmental challenges and will contribute to achieving the international commitments and objectives that the Union has agreed to, in particular the Sustainable Development Goals, the Agenda 2030 and the Paris Agreement. It merges several current external financing instruments under the EU budget.

NDICI-Global Europe also unifies grants, blending and guarantees, which will allow the EU to promote public and private investment worldwide in support to sustainable development. Investment will be backed by a €53.4 billion External Action Guarantee, which will also cover the Western Balkans.

Next steps: Programming and financing decisions

The NDICI-Global Europe will enter into force shortly, on the date of its publication, with retroactive effect from 1 January 2021.

The implementation of the NDICI-Global Europe follows a two-step process.

- As a first step, Commission services, together with the European External Action Service (EEAS), work on the EU medium-long term planning for each country, region and thematic programme, called "programming". The programming of NDICI-Global Europe was launched in November 2020 and it should be completed by the end of this year with the adoption by the Commission of geographic and thematic multi-annual indicative programming documents. After discussing with partner countries, civil society, EU Member States, other donors and concerned stakeholders, the Commission and the EEAS establish the basis for future EU interventions in the medium-long term. It notably sets the priority areas, specific objectives, expected results and indicative allocations for EU actions at country, regional and thematic level.
- A second step will identify and formulate specific interventions in a given country/region (geographic programmes) or theme (thematic programmes) on an annual basis, and adopt financing decisions accordingly.

Through the Team Europe approach, initiatives with Member States at country and regional level are being identified, where actions financed from the EU and from the Member States may have transformational impact.

The European Parliament and the Commission are now engaging in an informal geopolitical dialogue on broad programming orientations. In line with NDICI-Global Europe, the Commission will adopt a delegated act to frame the programming exercise that will enter into force in 2021, subject to the non-objection by the European Parliament and Council.

Members of the College said

High Representative/Vice-President, Josep **Borrell**, said: *"With this new policy-driven and flexible financing instrument, we will be able to tackle global challenges, including the post COVID-19 pandemic recovery. The new instrument will contribute to support the EU's role externally in the promotion of its values and interests. It underpins the EU's commitment to cooperation, as a reliable global actor and demonstrates its determination to achieve its international commitments to the 2030 Sustainable Development Goals and to the Paris Agreement."*

As lead negotiator for the European Commission, Commissioner for International Partnerships, Jutta **Urpilainen**, declared: *"For the first time in 50 years of development policy, all external financing instruments will be simplified and consolidated into a main one to better serve our political priorities. This crucial change will nurture international partnerships as never before and help the countries most in need, including those affected by conflict and instability. Together with our partners, we seek to foster a sustainable and inclusive recovery, while promoting the EU's values and interests worldwide. I am particularly committed to supporting human development, access to education and health, youth and fighting inequalities."*

Commissioner for Neighbourhood and Enlargement, Olivér **Várhelyi**, noted: *"The EU's new external action financial instrument will be a game changer to boost the resilience and prosperity of our closest neighbours. It will underpin our renewed partnership with the Southern Neighbourhood, helping to unlock the untapped economic potential of the region and support its post-COVID-19 pandemic recovery, as well as that of our partners to the East, boosting growth and jobs, digital and green transformations as well as human development and opportunities for youth. The EFSD+, with a capacity to guarantee up to €53.4 billion in investments, will now also benefit the Western Balkans."*

Background

The EU's long-term budget (Multiannual Financial Framework - MFF), coupled with NextGenerationEU, the temporary instrument designed to boost Europe's recovery, will be the largest stimulus package ever financed through the EU budget. A total of €1.8 trillion (in 2018 prices) will help rebuild a post-COVID-19 Europe. It will be a greener, more digital and more resilient Europe.

NDICI-Global Europe incorporates the cooperation with Africa, the Caribbean and the Pacific into the budget, which has been financed for decades by the European Development Fund. This Fund was directly financed by the EU Member States, not by the EU budget, and was therefore not subject to the scrutiny of the European Parliament.

For More Information

[Factsheet on NDICI-Global Europe](#)

IP/21/2885

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