Introduction
The Evaluation of the EU external financing instruments (EFIs) for the 2014-2020 and 2021-2027 multiannual financial frameworks (MFF) was carried out from January 2023 to May 2024 by a team of more than 30 evaluation experts. This evaluation was not a stand-alone exercise: it was embedded in the broader European Commission’s efforts to conduct several internal mid-term review processes which took place in parallel.

Purpose
Provide a balanced, credible and useful assessment of the instruments’ framework, including its fitness for purpose and its performance.

Scope
Simultaneously a final evaluation of the EFIs under the MFF for the period 2014-2020 and a mid-term evaluation of the new set of EFIs under the MFF for the period 2021-2027.

Key elements of the methodology
Over 1,500 documents reviewed
Targeted consultations with EU Member States, International Financial Institutions, UN agencies & civil society organisations
67 written EUD contributions & 172 responses through 2 surveys
Close to 350 key stakeholders interviewed, incl. in partner countries
235 responses from 58 countries (incl. 43 separately uploaded contributions)

Definition of key elements of the evaluation’s subject
EU’s cooperation with partner countries outside the EU (the so-called EU external action) is mainly funded from the EU budget under a dedicated heading in the Multiannual Financial Framework (MFF). The External Financing Instruments (EFIs) are key elements of the toolbox the EU has at its disposal to finance its external action.
**EFIs under MFF 2014–2020**

In the MFF 2014–2020, a number of financing instruments coexisted under the Global Europe heading. Their purpose varied and responded to the broad objectives of EU external action. Most instruments were guided by a Common Implementing Regulation.

**Common Implementing Regulation**

- **European Instrument for Democracy & Human Rights**  € 1,333 million
- **Instrument contributing to Stability and Peace**  € 2,339 million
- **Partnership Instrument for Cooperation with Third Countries**  € 955 million
- **Development Cooperation Instrument**  € 19,662 million
- **European Neighbourhood Instrument**  € 15,433 million
- **Instrument for Pre-Accession Assistance**  € 11,699 million
- **Instrument for Nuclear Safety Cooperation**  € 225 million
- **Greenland Decision**  € 217.8 million

**1- Geographic Programmes / Thematic Programmes: Global Public Goods and Challenges, Civil Society Organisations and Local Authorities / Pan-African Programme**

**2- Decision on the relations between the European Union on the one hand, and Greenland and the Kingdom of Denmark on the other.**

**EFIs under MFF 2021–2027**

The 2021–2027 EFI architecture streamlined previous instruments by consolidating them in a broad instrument: the *Neighbourhood, Development, and International Cooperation Instrument – Global Europe (NDICI-GE)*. Additionally, the Instrument for Pre-Accession Assistance III (IPA III) focuses on the Western Balkans and Türkiye. Two special-purpose instruments remain: the *Decision on the Overseas Association*, including Greenland (DOAG), and the *European Instrument for International Nuclear Safety Cooperation (INSC)*.

**Neighbourhood, Development and International Cooperation Instrument – Global Europe**  € 79,462 million

- **Geographic programmes**  € 60,388 million
  - European Neighbourhood (at least € 19,325 million)
  - Sub-Saharan Africa (at least € 29,181 million)
  - Asia and the Pacific (€ 8,489 million)
  - Americas and the Caribbean (€ 3,395 million)
  - Emerging challenges and priorities cushion (€ 9,534 million)

- **Thematic programmes**  € 6,358 million
  - Human Rights & Democracy (€ 1,362 million)  *Additional € 200 million earmarked from the cushion*
  - Civil Society Organisations (€ 1,362 million)  *Additional € 200 million earmarked from the cushion*
  - Peace, Stability and Conflict Prevention (€ 908 million)
  - Global Challenges (€ 2,726 million)  *Additional € 600 million earmarked from the cushion*

- **Rapid response actions**  € 3,182 million
  - Peace, stability and conflict prevention in situations of urgency, e.g., emerging crisis, crisis and post-crisis, including those which may result from migration flows and forced displacement
  - Strengthening resilience and linking humanitarian aid and development action and, where relevant, peacebuilding
  - Union foreign policy needs and priorities

**Decision on the Overseas Association including Greenland (DOAG)**  € 500 million

**European Instrument for International Nuclear Safety Cooperation (INSC)**  € 300 million

**Instrument for Pre-Accession Assistance**  € 14,162 million
Key shifts in the new EFI architecture

The new EFI architecture reflects a recognition of changed geopolitical realities and the need to better defend shared interests in an increasingly volatile and polarised world order. The resulting MFF outlines a transition path guided by six key shifts that underpin the new logic in the 2021-2027 period.

1. **Guidance by EU (geopolitical) policy priorities**, with a stronger articulation of EU priorities and stronger dialogue with partner countries and regions

2. **Mainstreaming EU priorities through geographic instruments, reduced use of thematic lines**

3. **Strengthening alliances and inclusive partnerships with a wider scope of international and local stakeholders**

4. **Integrated approach with interlinked responses, across different sectors of cooperation, beyond traditional development cooperation**

5. **Promotion of ‘working better together’ approach and of joint initiatives, while continuing ensuring EU Added Value**

6. **Use of full range of external policies and forms of aid, incl. those relying on innovative financing, with a stronger policy steer for blending/guarantees**

**Evaluation questions**

1. **Responsiveness**
   - To what extent have the EFIs been translated into a programming process and other measures that reflect and respond to the evolution of EU political and policy priorities as well as the priorities and needs of partner countries?

2. **Efficiency and flexibility**
   - To what extent have programming and delivery gained in efficiency and flexibility between the previous and current MFFs?

3. **Internal and external linkages**
   - To what extent have the EFIs facilitated EU-internal and external interlinkages, in order to boost EU added value?

4. **Leverage**
   - To what extent have the EFIs strengthened the EU’s leverage in its triple role as a development partner, global player and geopolitical actor?
Overall assessment and key lessons learned
The EFIs are showing their enabling potential.

Several challenges affect the EU’s potential to achieve outcomes and leverage

- The trilemma of reconciling the EU’s premium on partnership and ownership, universal values, and the EU’s interests.
- Limited progress in using incentives and conditionalities.
- Gaps in transitioning from grants to investment facilitation, particularly in low-income, fragile, or crisis-affected settings. Limited success in mobilising private capital to date.
- Institutional challenges, including division of labour, need for new expertise, and adjustment to change.
- Strain on the flexibility of the new regulatory framework: depletion of the cushion, necessitating decisive action to address ongoing fragility and protracted crises.

For this transition process, the evaluation identifies six key lessons

- **Lesson 1:** Managing the transition implied by the new EFIs requires more time, energy and creativity than expected.
- **Lesson 2:** When EFIs meet difficult contexts, ambitions must be realistic.
- **Lesson 3:** Sound new principles underpin the EFIs, yet they need to be carefully applied and managed.
- **Lesson 4:** The expanding external action mandate of the EU in increasingly difficult environments requires more sophisticated levels of knowledge and analysis.
- **Lesson 5:** There is room for improvement in the way to look at monitoring, evaluation and results and foster effective uptake of insights gained.
- **Lesson 6:** The turbulences caused by an increasingly volatile global context are shaking up the carefully designed EFI architecture and make further adaptations necessary.

Disclaimer
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