Joint EIC–UNIFE-EFCA Position on the Global Europe Instrument

Ensuring fair competition, European value and effective delivery

EIC – European International Contractors, UNIFE – the European Rail Supply Industry Association, and EFCA – the European Federation of Engineering Consultancy Associations welcome the proposal for a new Global Europe Instrument, COM (2025) 551 final. Consolidating the EU's external financing instruments into a more flexible architecture and placing greater emphasis on the Union's geopolitical and economic interests are important steps to effectively support the implementation of the EU Global Gateway Strategy.

We welcome that the proposed Regulation intends to enhance collaboration with the private sector, and we appreciate the new policy options to award grants directly to EU-based companies for projects that are in the strategic interest of the EU as well as to entrust the management of budgetary guarantees to private entities.

By contrast, we strictly oppose that EU taxpayers' money can be used under indirect management by Team Europe financing institutions to finance the strategic expansion of geopolitical competitors. Rather, the Global Europe Regulation should ensure that EU development and neighbourhood funding benefits EU companies, technologies, and value chains.

Therefore, key amendments which have been tabled by the different MEPs have to be included in the Parliament's mandate for the Global Europe Instrument Regulation to prevent the disbursement of EU funds under the so-called 'indirect management' implementation mode, i.e. when EU funding is managed by Team Europe key financial partners, especially by EIB and EBRD, or national authorities.

Against this background, we ask the European Parliament to ensure that the following mechanisms can be effectively applied under both direct and indirect management under new Global Europe Regulation in order to establish a level playing-field between state-owned and/or subsidised third country and EU companies:

- Possibility to **restrict eligibility to participants listed in Article 20 (1)** also **under indirect management as per Article 20 (7)** and **incorporation of a provision similar to Article 10 of the Commission's proposal for the European Competitiveness Fund** relating to award procedures affecting security;
- Systematic mechanisms to **filter out abnormally low tenders**, which put in danger the actual implementation of the projects or the principles of the Global Gateway, and **foreign subsidies** that undermine the level playing field;
- Possibility to apply an **EU Preference** scheme by requiring promoters of Global Gateway-financed infrastructure projects to award tenders for consulting services, works and supplies to an EU-based company, one of its subsidiaries in the partner country, or a consortium involving an EU-based company as team leader;[1]
- Systematic application of **Strategic Procurement, based on Rated Criteria and the Most Economically Advantageous Tender (Best Price Quality Ratio)**;
- **Apply a two-stage tender process for works contracts.** This mechanism adds value to complex infrastructure projects.

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[1] Reference is made to the 'Special Terms for Economic Partnership' (STEP) programme of the Japanese International Cooperation Agency (JICA) and the practice of other OECD countries.

For the principles and mechanisms listed above, we support the following proposed Amendments:

1. **Eligibility restrictions (Amendments 322, 920, 1220, 1221, 1224, 1333)**

   EIC, UNIFE and EFCA welcome that MEPs have proposed amendments **in Article 9, on the General Principles, and Article 20, on the Eligibility rules,** of the Global Europe Regulation which is a key issue for the disbursement of EU taxpayer funds. We support particularly the Amendments advocating **eligibility restrictions in view of companies** that are benefiting from **foreign subsidies** or engaged in **dumping practices** as well as companies involved in **corruption and fraud** or **acting contrary to the fundamental values and interests of the EU**. Where actions are of **strategic interest to the EU**, including actions supporting Global Gateway, sustainable infrastructure, reconstruction or climate adaptation, **eligibility rules may be restricted** or designed so as to ensure effective participation by entities from Member States, and to **prevent unfair competition from third-country economic operators benefiting from distortive practices or lack of reciprocal market access**. Restriction of eligibility to project preparation must also be included, as it is done via grants, especially for strategic investments.

   We fully endorse the **proposed Amendment to Article 20 paragraph 7, subparagraph 1**, i.e. that the paragraphs 1 to 4 of Article 20 shall also apply to procurement, grant and prize award procedures implemented in direct or indirect management by entities referred to in Article 62(1), point (c) (ii) to (ix) of Regulation (EU, Euratom) 2024/2509. Such addition would require financial entities to also apply the Regulation's fundamental eligibility rules stipulated in the first four paragraphs when spending EU taxpayer money.

   The restriction of eligibility should also apply in relation to the **implementation of the budgetary guarantee and financial instruments in accordance with Article 25, as proposed in Amendment 1333**. The new paragraph clarifies that the related financing and investment operations **do not involve high-risk suppliers** where the involvement of such suppliers **would pose risks to the security of the Union or its Member States**.

2. **Mandatory EU Preference (Amendments 1023 and 1218)**

   EIC, UNIFE and EFCA support the proposed Amendment to Article 20 (5) that, even if all products financed under the Global Europe Instrument were to originate from any country or territory, **preference shall be given to entities originating within the Union** adhering to **high environmental, social and governance standards**.

   The principle of a mandatory EU Preference should also be added to the **list of general principles in Article 9**. The EU should pursue a sustainable economic foreign policy aimed at strengthening its global competitiveness and economic security and that it shall deepen economic partnerships with likeminded partners to **reinforce its industrial base and technological leadership**. To best implement such policy, we would like to respectfully request an additional aspect to be included via Amendment 1023, or another Amendment where relevant: that the Commission shall ensure a strong dialogue from the earliest stages with the EU private sector representatives, to ensure an adequate project preparation, in line with EU objectives, policies and standards.

3. **Mainstream Strategic Procurement, Rated Criteria and MEAT (AM 1244)**

   EIC, UNIFE and EFCA also endorse the proposal that the eligibility rules laid down in this Article shall apply the principle of the **Most Economic Advantageous Tender**, determined on the basis of the **Best-Price Quality Ratio**. In this context, provisions should be made to give the appropriate weight to the technical and financial tender on a quality-based evaluation, as well as **applying *a two-stage tender process for works contracts. This mechanism adds value to complex infrastructure projects***.

   We also respectfully ask that sustainability, quality, resilience, lifecycle-cost and due diligence are embedded in the Regulation together with the MEAT criterion via this Amendment, or another one if relevant, and that the attention to the local and regional economic operators shall not go against any of these criteria and objectives.

We remain at your disposal for further exchanges and would be pleased to contribute constructively to the legislative discussions.

Yours faithfully,

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About EIC:

EIC voices the position of Europe's internationally active contractors to EU and OECD policymakers, advocates fair competition on the international construction market and provides a unique forum for networking for its members. EIC Priorities are: liaising with the EU Institutions in the context of Global Gateway to strengthen cooperation in the transport sector; consulting with Multilateral Development Banks on the use of rated criteria in International Competitive Bidding; advocating collaborative project delivery methods and fair and balanced standard forms of contract; and; Promoting European excellence on ESG issues and sustainable decarbonisation of the construction industry.

About UNIFE:

Operating in Brussels since 1992, UNIFE represents over 120 European train builders and rail equipment suppliers, involved in designing, manufacturing, maintaining and refurbishing rail systems, subsystems and related equipment. UNIFE also brings together 13 national rail industry associations from 12 European countries. With the EU's goal of carbon neutrality by 2050, decarbonising transport is urgent, and the rail sector offers significant potential for achieving this. With a global annual rail market growth rate of more than 3.0% and a projected global market volume of €240.8 billion by 2029, the European rail supply industry is a global leader in the design, manufacturing and maintenance of railway systems and products, generating €45.8 billion in sales, reinvesting 3.6% of its annual revenue to R&I activities and providing 650,000 jobs across Europe.
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About EFCA:

Founded in 1992, the European Federation of Engineering Consultancy Associations (EFCA) is the sole federation representing the engineering consultancy industry at European level. Its member associations in 27 European countries represent more than 10,000 companies and over one million professionals in engineering and related services. EFCA promotes the interests of the sector towards the European institutions and advocates policies that enable engineering consultancies to contribute their expertise, innovation and technical leadership to sustainable, resilient and high-quality infrastructure in Europe and worldwide.