



Council of the
European Union

Brussels, 19 June 2023
(OR. en)

8747/23

LIMITE

CO EUR-PREP 14

NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: European Council meeting (29 and 30 June 2023)
– Draft conclusions

In accordance with Article 3(1) of the Rules of Procedure of the European Council, delegations will find attached the draft conclusions prepared by the President of the European Council, in close cooperation with the member of the European Council representing the Member State holding the six-monthly Presidency of the Council and with the President of the Commission.

The European Council held an exchange of views with NATO Secretary General Stoltenberg on EU-NATO cooperation.

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I. UKRAINE

1. The European Council reiterates its resolute condemnation of Russia's war of aggression against Ukraine, which constitutes a manifest violation of the UN Charter, and recalls the European Union's unwavering support for Ukraine's independence, sovereignty and territorial integrity within its internationally recognised borders and its inherent right of self-defence against the Russian aggression. The European Union will continue to provide strong financial, economic, humanitarian, military and diplomatic support to Ukraine and its people for as long as it takes.
2. The European Council reconfirms the EU's readiness to provide sustainable military support to Ukraine for as long as it takes, notably through the EU Military Assistance Mission and the European Peace Facility. It took stock of the progress in the delivery and joint procurement of one million rounds of artillery ammunition and missiles for Ukraine. It underlines the importance of Member States' continued efforts to help meet Ukraine's pressing military and defence needs.
3. The European Council condemns in the strongest terms the destruction of the dam at the Kakhovka Hydroelectric Power Plant, with devastating humanitarian, ecological, agricultural and economic repercussions and the risks this entails for the safety and security of the Zaporizhzhia nuclear power plant. The destruction of civilian infrastructure qualifies as a war crime. The European Union and its Member States stand ready to provide further support to Ukraine, in addition to the emergency assistance for relief efforts provided via the Union Civil Protection Mechanism.

4. The European Union and its Member States will intensify their diplomatic outreach efforts and continue to cooperate with Ukraine and other countries to ensure the widest possible international support for the key principles and objectives of Ukraine's Peace Formula, including through an upcoming Global Peace Summit. Any initiative for a comprehensive, just and lasting peace in Ukraine must be based on full respect for its independence, sovereignty and territorial integrity within its internationally recognised borders.
5. [*p.m. Commission proposal to establish a Ukraine Facility*]. [The European Council reiterates its call for the European Investment Bank, in close cooperation with the Commission and International Financial Institutions, to step up its support for Ukraine's most urgent infrastructure needs.] The European Union also remains committed to supporting Ukraine's repair, recovery and reconstruction, in coordination with international partners, including on psychological and psycho-social rehabilitation. Moreover, the European Council took stock of the work done regarding Russia's immobilised assets, and invites the Council to take work forward.
6. The European Union remains firmly committed to ensuring that Russia is held fully accountable for its war of aggression against Ukraine. The European Council welcomes that the International Centre for Prosecution of the Crime of Aggression against Ukraine (ICPA) is ready to start its operations. The European Council took stock of efforts to establish a tribunal for the prosecution of the crime of aggression against Ukraine, including of work done in the Core Group, and calls for work to continue. It welcomes the adoption of the Convention on international cooperation in the investigation and prosecution of the most serious crimes and calls on all countries to become parties to the Convention as soon as possible. The European Council also welcomes the establishment of the Council of Europe's Register of Damage Caused by the Aggression of the Russian Federation Against Ukraine.

7. The European Council condemns in the strongest terms Russia's unlawful deportation and transfer to Russia of Ukrainian children and civilian hostages. It calls on the Russian Federation to immediately ensure the safe return of these children to Ukraine and to release without delay all Ukrainian civilian hostages held in Russia.
8. The European Council reviewed efforts to further increase pressure on Russia in order to weaken its ability to wage its war of aggression, including through sanctions, their full and effective implementation and the prevention of their circumvention. [In this context, it welcomes the adoption of the 11th package of sanctions]. The European Council calls on the co-legislators to swiftly finalise work on the proposed directive approximating criminal offences and penalties for the violation of Union restrictive measures.
9. The European Council condemns the continued military support for Russia's war of aggression provided by Iran and Belarus. It urges Belarus to stop permitting Russian armed forces to use its territory.
10. The European Council acknowledges Ukraine's commitment and substantial efforts to meet the required conditions in its EU accession process. It encourages Ukraine to continue on its path of reforms. The European Union will continue to work closely with Ukraine and support it in its efforts to fully meet all conditions.
11. The European Union will continue to support the Republic of Moldova in addressing the challenges it faces as a consequence of the Russian aggression against Ukraine, including in its reform efforts on its European path. The European Council welcomes the recently presented support package and launch of the Civilian EU Partnership Mission.

12. Russia continues to weaponise food, thus undermining global food security. The European Council is deeply concerned by the continued slowdown in the implementation of the Black Sea Grain Initiative and calls for the swift and full resumption of its operations. The EU's Solidarity Lanes remain instrumental in bolstering global food security.

II. ECONOMY

13. Following reporting by the Council Presidency and the Commission, the European Council took stock of progress in the area of industrial policy, the Single Market and Europe's long-term competitiveness and productivity. Recalling its conclusions from March 2023 and in light of the acceleration of the Union's twin transition towards a green and digital economy, the European Council:

- a) welcomes the entry into force of the EU unitary patent and the consequent entry into operation of the Unified Patent Court Agreement for the participating Member States which will help boost innovation and competitiveness;
- b) stresses the need to rapidly address the risks and opportunities of specific uses of artificial intelligence (AI) with a view to fostering trust, promoting uptake and contributing to setting global standards, and calls on the co-legislators to promptly finalise work on the AI Act;
- c) calls on the co-legislators to accelerate work on the proposals for a Net Zero Industry Act and a Critical Raw Materials Act with a view to reaching an agreement before the end of the current legislative cycle;
- d) calls for urgent measures to ensure sufficient production of the most critical medicines and components in Europe and to diversify international supply chains, while inviting the co-legislators to continue work on the proposed reform of the pharmaceutical legislation;

- e) calls for an independent High-Level Report on the future of the Single Market to be presented at its meeting of March 2024 and invites the incoming presidencies of the Council to take this work forward;
- f) looks forward to the first regular progress review on enhancing the Union's competitiveness and increasing productivity and growth at its March 2024 meeting.

The Commission reported on the discussions with the US on the effects of the Inflation Reduction Act.

- 14. The European Council stresses the need to enhance the Union's economic security and resilience and reduce strategic dependencies. The European Council calls for an approach that provides proportionate, precise and targeted answers to security challenges while ensuring a balance between an open economy and the defence of the Union's interests.
- 15. The European Council held an exchange of views on the current economic situation. The European Council endorses the integrated country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2023 European Semester.
- 16. The European Council invites the Council to take work forward on the Economic Governance Review, with a view to concluding legislative work in 2023.
- 17. The European Council invites the Council to take work forward without delay on the proposed revision of the Multiannual Financial Framework.

III. SECURITY AND DEFENCE

- 18. The European Council took stock of work carried out to implement its previous conclusions, the March 2022 Versailles Declaration and the Strategic Compass.

19. The European Council recalls the need to strengthen the technological and industrial base of the European defence sector, in particular in the changed strategic environment. In this regard, the European Council calls:
- a) for work to be taken forward on all strands of action for the delivery and joint procurement of ammunition, notably on the Act in Support of Ammunition Production (ASAP) with a view to its swift adoption;
 - b) on the co-legislators to reach a prompt agreement on the European Defence Industry Reinforcement through common Procurement Act (EDIRPA);
 - c) on the Commission to present a proposal for a European Defence Investment Programme (EDIP) to reinforce the capacity and resilience of the European Defence Technological and Industrial Base, including SMEs.
20. The European Council welcomes the decision to further increase the financial ceiling of the European Peace Facility by EUR 3.5 billion in order to preserve the global geographical scope of the Facility and the Union's ability to prevent and swiftly respond to crises and conflicts and to build capacity through its training missions.
21. The European Council welcomes the progress in the implementation of the Strategic Compass, including as regards cyber defence, hybrid threats, space and maritime security. It also welcomes work undertaken to strengthen Civilian CSDP, in particular the recent approval of the new Civilian CSDP Compact.
22. The European Council welcomes the work on the EU Cyber Defence Policy and the review of the EU Cyber Diplomacy Toolbox to strengthen the ability to prevent, deter and respond to cyber-attacks.

IV. MIGRATION

23. The European Council expresses its profound sorrow for the terrible loss of life as a result of the recent tragedy in the international waters off the coast of Pylos. The European Union remains committed to breaking the business model of traffickers and smuggling networks in order to stop people from embarking on such perilous journeys.
24. Migration is a European challenge that requires a European response. The European Council reviewed the migratory situation at the EU's external borders and within the EU in a comprehensive way, and took note of the work undertaken so far in the framework of a European response. The Council Presidency and the Commission informed the European Council on the steady progress in implementing its conclusions of 9 February 2023, with a focus on the external aspects of migration. Building on the progress so far, the European Council calls for work to be stepped up on all strands of action and on the Council and the Commission to continue to closely monitor and ensure the implementation of its conclusions. The European Council will revert to the matter as needed.

V. CHINA

25. The European Council held a strategic discussion on China.

VI. EXTERNAL RELATIONS

26. The European Council discussed preparations for the EU-CELAC Summit. It will be an opportunity to renew and strengthen the partnership and to agree on a positive and forward-looking agenda, focusing on concrete actions in areas of common interest. The European Council underlines the importance of addressing together the global climate and environmental crises, rising inequalities and unprecedented threats to global security and the rules-based order.
27. The European Council condemns the recent violent incidents in the north of Kosovo* and calls for an immediate de-escalation of the situation, based on the key elements already outlined by the European Union. As the next step, the resumption of the EU-facilitated dialogue led by the High Representative and the swift implementation of the Agreement on the Path to Normalisation and its Implementation Annex are necessary. Failure to de-escalate the tensions will have negative consequences.
28. The European Council held a strategic discussion on the European Union's relations with partners in the Mediterranean, in particular Tunisia. In this context, the European Council welcomes the mutually beneficial comprehensive partnership package agreed with Tunisia, building on five pillars covering economic development, investment and trade, the green energy transition, migration and people-to-people contacts.
29. The European Council supports the African Union's reinforced presence in international fora, notably in the G20.

* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

VII. OTHER ITEMS

30. The European Union remains fully committed to a comprehensive settlement of the Cyprus problem in accordance with the relevant UNSC resolutions, and will continue to play an active role in supporting the UN negotiation process
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