



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 16 June 2014
(OR. en)**

8284/14

LIMITE

CO EUR-PREP 12

NOTE

From: General Secretariat of the Council
To: Permanent Representatives Committee/Council
Subject: European Council (26 and 27 June 2014)
- Draft Conclusions

In accordance with Article 2(3)(a) of the Council's Rules of Procedure, 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.

p.m. general chapeau to include the sentence: "The European Council defined the strategic guidelines for legislative and operational planning for the coming years within the area of freedom, security and justice and also addressed some related horizontal issues such as data protection and free movement of EU citizens."

I. FREEDOM, SECURITY AND JUSTICE

1. One of the key objectives of the Union is to build an area of freedom, security and justice without internal borders, with full respect for fundamental rights. To this end, coherent policy measures need to be taken with respect to asylum, immigration, borders, police and judicial cooperation.
2. All the dimensions of a Europe that protects its citizens and offers effective rights to people inside and outside the Union are interlinked. The success or failure in one field depends on the performance in the other fields as well as on synergies with related policy areas. The answer to many of the challenges in the area of freedom, security and justice lies in relations with third countries, which calls for improving the link between the EU's internal and external policies. This has to be reflected in the internal organisation of the EU institutions and bodies. Coordination with and within the Member States should be stepped up.
3. Building on the past programmes, the overall priority is now to consistently transpose, effectively implement and consolidate the legal instruments and policy measures in place. Intensifying operational cooperation, enhancing the role of the different EU agencies and ensuring the strategic use of EU funds will be key. In further developing the area of freedom, security and justice over the next years, it will be crucial to ensure the protection of fundamental rights, including data protection, whilst addressing security concerns, also in relations with third countries, and to adopt a strong EU General Data Protection framework by 2015.
4. Faced with challenges such as instability in many parts of the world as well as global demographic trends, an ageing population and skills shortages in Europe, the Union needs an efficient and well-managed migration and asylum policy. A comprehensive approach is required, optimizing the benefits of legal migration and offering protection to those in need while tackling irregular migration resolutely.

5. To remain an attractive destination for talents and skills, Europe must compete in the global race for talent. Strategies to maximise the opportunities of legal migration should be developed, including the streamlining of existing rules and a dialogue with the business community. The Union should also support Member States' efforts for active integration policies which foster social cohesion and economic dynamism.
6. The Union's commitment to international protection requires a strong European asylum policy based on the Treaty's principles of solidarity and responsibility. The full transposition and effective implementation of the Common European Asylum System (CEAS) is an absolute priority. This should result in high common standards and stronger cooperation, creating a level playing field where asylum seekers are given the same procedural guarantees and protection throughout the Union. It should go hand in hand with a reinforced role of the European Asylum Support Office (EASO), particularly in promoting the uniform application of the *acquis*. Converging practices will enhance mutual trust and allow to move to future next steps, including mutual recognition of asylum decisions.
7. Addressing the root causes of irregular migration flows is an essential part of the EU migration policy. It is imperative to avoid the loss of lives of migrants undertaking hazardous journeys as well as to prevent and reduce irregular migration. A sustainable solution can only be found by intensifying cooperation with countries of origin and transit. Migration policies must become a much stronger integral part of the Union's external and development policies, applying the more for more principle and building on the Global Approach to Migration and Mobility. The focus should be on the following elements:
 - strengthening and expanding Regional Protection Programmes, in particular in the Horn of Africa, in close collaboration with UNHCR. In view of the protracted crisis in Syria, increase contributions to global resettlement efforts;
 - addressing smuggling and trafficking in human beings more forcefully, with a focus on priority countries and routes. Particular attention should go at present to the situation in Eritrea and the Sinai;
 - establishing an effective common return policy and enforcement of readmission agreements;
 - fully implementing the actions identified by the Task Force Mediterranean.

8. The establishment of the Schengen zone, allowing people to travel without internal border controls, and the increasing numbers of people travelling to the EU require efficient management of the EU's external borders to ensure strong protection. This is in the first place the role of the Member States, which must fully take their responsibilities. At the same time the Union must mobilize all the tools at its disposal to support them in this task. To this end:
- the integrated management of the external borders should be modernised to ensure smart border management with an entry-exit system and registered travellers programme and helped by the new Agency for Large Scale IT systems (EU-LISA);
 - Frontex, spearheading European solidarity in the area of border control, should reinforce its activities in terms of operational assistance and increase its reactivity towards rapid evolutions in migration flows, making full use of the new European Border Surveillance System EUROSUR;
 - the possibility of setting up a European System of Border Guards to enhance the control and surveillance capabilities at our external borders should be explored.

At the same time, the common visa policy needs to be modernised by facilitating legitimate travelling while maintaining a high level of security and implementing the new Schengen governance system.

9. It is essential to guarantee a genuine area of security to European citizens by preventing and combatting organised crime, human trafficking and corruption. At the same time, an effective EU Counter terrorism policy is needed, whereby all relevant actors work closely together, integrating the internal and external aspects of the fight against terrorism. In this context, the European Council reaffirms the role of the EU Counter Terrorism Coordinator. In its fight against organised crime and terrorism, the Union should back the national authorities by mobilising all instruments of judicial and police cooperation, with a reinforced coordination role for Europol and Eurojust, including through:
- the review of the internal security strategy;
 - the improvement of cross-border information exchanges, including on criminal records;
 - the development of a comprehensive approach to cybersecurity and cybercrime;

- the prevention of radicalisation and extremism and addressing the phenomenon of foreign fighters, including through a legal instrument allowing for EU wide alerts.
10. The smooth functioning of a true European area of justice with respect of the different legal systems and traditions of the Member States is vital for the EU. In this regard, mutual trust in each other's justice systems should be further enhanced. A sound European justice policy will contribute to economic growth by helping businesses and consumers to benefit from a reliable business environment within the internal market. Further action is required to:
- promote the consistency and clarity of EU legislation for citizens and businesses;
 - simplify access to justice; promote effective remedies and use of technological innovations including the use of e-justice;
 - examine the reinforcement of the rights of persons, notably vulnerable persons, in civil procedures to facilitate enforcement of judgements in family law and in civil and commercial matters;
 - enhance mutual recognition of decisions and judgments in civil and criminal matters;
 - reinforce exchanges of information between the authorities of the Member States;
 - fight fraudulent behaviour and damages to the EU budget by advancing negotiations on the European Public Prosecutor's Office;
 - facilitate cross-border activities and operational cooperation;
 - enhance training for practitioners;
 - mobilise the expertise of relevant EU agencies such as Eurojust and the Fundamental Rights Agency (FRA).
11. As one of the fundamental freedoms of the European Union, the right of EU citizens to move freely and reside and work in other Member States needs to be protected, including against possible abuse or fraudulent claims.
12. The European Council calls on the EU institutions and the Member States to ensure the appropriate legislative and operational follow-up to these guidelines and will hold a mid-term review in 2017.

II. GROWTH, COMPETITIVENESS AND JOBS

A. THE EUROPEAN SEMESTER

13. Recent signs of economic recovery are encouraging and demonstrate that the joint efforts of Member States and EU institutions are bearing fruit. Growth has started to return, public finances continue to improve and there is a modest rise in employment even though in many parts of Europe unemployment is still at unprecedented and unacceptable levels.
14. Reforms undertaken in the Member States are paying off as testified by the abrogation of the excessive deficit procedure for several Member States. Given the persistently high levels of public debt, growth-friendly and differentiated fiscal consolidation must be continued.
15. The recovery however remains fragile and uneven and efforts must continue and be enhanced in order to strengthen Europe's capacity to grow and create more jobs. In particular increased action is needed to reduce the tax wedge on labour, to reform product and services markets and public administrations, improve business and RDI environment and facilitate access to finance, to enhance the functioning of network industries and reform education systems.
16. Against this background, the European Council endorsed the Country-specific recommendations (CSR) and thus concluded the 2014 European Semester. Their implementation is key to accelerate growth. Based on the principles of national ownership and social dialogue, Member States should respect the recommendations in their forthcoming decisions on budgets, structural reforms and employment and social policies. The Council and the Commission will further monitor CSR implementation and take action as required.
17. The European Council reviewed progress made in the area of regulatory fitness and performance on the basis of the Commission Communication. A lot of progress has been achieved in the implementation of the REFIT programme by the Commission, the other EU institutions and Member States; this has led to an effective reduction of regulatory burden.
[To be completed on the basis of the Commission's upcoming communication]
18. The European Council recalled the importance to continue moving towards a genuine Economic and Monetary Union, in particular by deepening economic policy coordination. It is essential for Member States sharing the currency of the Union to pursue economic policies that are mutually reinforcing, so as to strengthen their structural capacity to grow and create

jobs, namely through a process of convergence that promotes sound policies in those areas that are key for the smooth functioning of the EMU, combined with associated solidarity mechanisms. This agenda will continue to be carried forward by the future President of the European Council, in close cooperation with the future President of the European Commission.

B. CLIMATE AND ENERGY

19. The European Council took stock of progress made towards a final decision in October on the 2030 climate and energy framework. In that context, it stressed the importance of swiftly developing the key elements of the framework listed in its March conclusions, and looks forward, in particular, to the Commission presenting by July a review of the Energy Efficiency Directive and how energy can contribute to the 2030 climate and energy framework. It reaffirms the importance of the UN Climate Summit in September 2014 and confirms that the specific EU target for 2030 for greenhouse gas emission reductions will be fully in line with the agreed ambitious EU objective for 2050.
20. The European Council held a first discussion based on the Commission's European Energy Security Strategy (EESS). The EESS is closely linked to the 2030 policy framework on climate and energy. The European Council calls for increased efforts to reduce Europe's high energy dependency and supports the immediate implementation of a set of most urgent measures to strengthen Europe's resilience and increase its energy security in the short term, before the Winter 2014/2015. It agrees in particular that:
 - in the light of assessments of risks concerning short-term supply disruption, existing emergency and solidarity mechanisms, including gas storage, emergency infrastructure and reverse flows, will be reinforced in order to address these risks primarily in the Member States most vulnerable;
 - all the EU internal market and competition rules must be adhered to by the energy infrastructure investments, including those promoted by third countries, and robustly enforced with a view to ensuring full compliance with the EU legislation and its energy security priorities;
 - the EU will engage with its international partners to reduce the risk of disruption for natural gas delivery;

- the Energy Community, which aims to expand the EU's energy acquis to enlargement and neighbourhood countries, should be reinforced so as to ensure the application of the acquis in those countries.

It asked the Council to further analyse other medium to long-term measures enhancing the EU's energy security, based on the Commission's EESS. The European Council underlined the importance of further integrating the European energy market based on a regional approach and building missing infrastructure, as well as increasing interconnectivity in line with the objective of completing the European energy market by the end of 2014.

21. The European Council reconfirms that it will take a final decision on the new climate and energy policy framework, including on further measures aimed at enhancing Europe's energy security and on specific 2030 interconnection objectives, no later than October 2014. All efforts will be mobilized in order to meet this agreed deadline.
22. The European Council also supports the Rome G7 energy initiative which serves to implement policies to build a more competitive, diversified, resilient energy system with reduced greenhouse gas emissions.

III. OTHER ITEMS

23. The European Council congratulated Lithuania on the convergence it has achieved, based on sound economic, fiscal and financial policies, and welcomed its fulfilment of all the convergence criteria as set out in the Treaty. It endorsed the Commission's proposal that Lithuania adopt the euro on 1 January 2015.
24. [The European Council welcomed the signature of the Association Agreements, including Deep and Comprehensive Free Trade Areas, between the European Union and Georgia and the Republic of Moldova, as well as the signature of the remainder of the Association Agreement and Deep and Comprehensive Free Trade Area, between the European Union and Ukraine. This will further strengthen the political association and economic integration with these countries.]

p.m. Strategic agenda for the EU in the coming years (Ypres)

p.m. Situation in Ukraine

p.m. Albania

DOCUMENTS ENDORSED BY THE EUROPEAN COUNCIL

- *Council report of 24 June 2014 on the 2014 Country Specific Recommendations*
 - *p.m. Maritime Security Strategy*
 - *p.m. ODA - Development*
-