European Council conclusions

A rolling check-list of commitments to date

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The role of the European Council – to 'provide the Union with the necessary impetus for its development' and to define its 'general political directions and priorities' – has evolved rapidly over the last decade.

Since June 2014, the European Council Oversight Unit within the European Parliamentary Research Service (EPRS), the European Parliament's in-house research service and think tank, has been monitoring and analysing the European Council's delivery on commitments made in the conclusions of its meetings.

This overview of European Council conclusions is the latest edition of the *Rolling Check-List* which has been published regularly by the European Council Oversight Unit since 2014. It is designed to review the degree of progress in achieving the goals that the European Council has set itself and to assist the Parliament in exercising its important oversight role in this field.

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Introduction

This latest edition of the overview of European Council conclusions to date, presented in the form of a rolling check-list, is produced by the European Council Oversight Unit of the European Parliamentary Research Service (EPRS), the European Parliament's in-house research service and think tank. Since 2014, the Unit has been monitoring and analysing the delivery on commitments made by the European Council in the conclusions of its meetings, as well as its various responsibilities, either in law or on the basis of intergovernmental agreements. This publication derives directly from such work.

The European Council, which brings together the Heads of State or Government of the EU Member States, became a formal Union institution, with a full-time President, under the Treaty of Lisbon in 2009. Although it does not exercise legislative functions, the European Council's role - which is to 'provide the Union with the necessary impetus for its development' and to define its 'general political directions and priorities' - has developed rapidly over the last decade. In June 2019, the European Council adopted a new strategic agenda to set the policy priorities for the coming five years, replacing the previous strategic agenda adopted in June 2014. Likewise, on the occasion of the 60th anniversary of the Rome Treaties in March 2017, the Heads of State or Government of the EU-27 set four major directions for the Union for the next 10 years. On this occasion, in a context of unprecedented challenges, such as the migration crisis and the prospect of the United Kingdom's withdrawal from the Union, EU-27 leaders stressed their unity and the EU's determination 'to address the challenges of a rapidly changing world and to offer to our citizens both security and new opportunities'.

In a spirit of checks and balances, and because multiannual programming is an inter-institutional responsibility, the enhanced influence of the European Council in setting the orientations for Union action should be matched by greater oversight by the European Parliament. The latter's administrative capacity to support parliamentary committees and individual Members in exercising ex-post scrutiny and oversight of the executive has accordingly been enhanced to provide stronger and deeper analysis of delivery on priorities, implementation and the impact of EU law in practice.

For this purpose, the European Council Oversight Unit has developed a comprehensive database of European Council conclusions and responsibilities, which is updated regularly. A rolling check-list of commitments has been published quarterly since 2014, so far in 17 editions. It is now presented in an updated format, covering the period since 2014, and distinguishing between four types of European Council conclusions (commitments, reviews, endorsements and statements), indicating the follow-up given to calls for action made by EU leaders. It also offers an introductory analysis of each policy area, highlighting the background to the main orientations given by the European Council, as well as the follow-up to them and the future challenges.

The rolling check-list is now published in both paper and digital formats, to make it easier to assist the Parliament in exercising its important oversight function in the months and years ahead. Any feed-back on the structure and contents of the product would be much appreciated.

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How to use this rolling check-list

The structure and contents of this rolling check-list derive from the conclusions of the European Council, running from June 2014 to the present. The check-list covers eight broad policy areas, each addressed in a separate chapter: i) Economic and financial affairs; ii) Employment and social policies; iii) Competitiveness; iv) Climate and energy; v) Freedom, security and justice; vi) External relations; vii) International trade; and viii) Development policy. The new methodology applied to the current edition of the Rolling Check-list distinguishes between four types of conclusions:

1. **Commitments:** sentences in European Council conclusions that define strategic priorities, call for action or make commitments on the institution itself;

2. **Reviews:** sentences in European Council conclusions that take stock of progress, comment on adoption or implementation, call for a review of action taken and/or refer back to previous decisions;

3. **Endorsements**: sentences in which the European Council endorses or welcomes an action or proposal;

4. **Statements:** general declarations by the European Council. Such statements are not included in the table, but are entered in the database.

The progress made in implementing a policy objective is followed up with regard to commitments. The new methodology distinguishes between four types of follow-up actions: policy framework documents (strategic), legislative acts and other instruments, reports, and meetings.

The rolling check-list is updated four times a year ahead of the European Council meetings in March, June, October and December. At the beginning of each chapter, there is a concise analysis of the background and the main strategic directions and developments in a particular policy area.

A 'traffic light' system helps readers to identify, at a glance, progress achieved at EU level on any policy issue: green for commitments that have been carried out in full; yellow for those that are progressing but have not been yet finalised; red where no action has yet been taken; and grey where there is no progress specifically because a decision has been taken not to proceed.

The information is displayed in columns. The 'Conclusions' column displays all relevant extracts of the European Council conclusions in a specific policy area. The 'Follow-up action' column, meanwhile, shows the steps taken by the relevant actor – the European Commission, the European Parliament or Council – in implementing the European Council commitments.

Essentially complete	Some progress	No progress	Decision not to proceed

The rolling check-list covers European Council conclusions from June 2014 onwards.

Table of contents

The European Council

Established as an informal summit in 1975, the European Council became a formal European Union institution, with a full-time President, in 2009, on the entry into force of the Treaty of Lisbon. It consists of the Heads of State or Government of the 28 EU Member States, the European Council President and the President of the European Commission (Article 15(2) of the Treaty on European Union (TEU)). The latter two have no voting rights. Meetings of the European Council are normally also attended by the High Representative of the Union for Foreign Affairs and Security Policy. The President of the European Parliament is 'invited to speak' (Article 235(2) of the Treaty on the Functioning of the EU (TFEU)) as the first item on the European Council's agenda, followed by an exchange of views. At its formal meetings, normally four per year, the European Council adopts 'conclusions' that are aimed at identifying policy priorities and action to be taken.

The European Council's role is to 'provide the Union with the necessary impetus for its development and define the general political directions and priorities' (Article 15(1) TEU). It cannot exercise legislative functions. At the beginning of the 2014-2019 and the 2019-2024 institutional cycles, the European Council also adopted an agenda of strategic priorities, designed to guide the work of the European Union over the five-year period.

With the EU just coming out of the economic and financial crisis and unemployment still at a high level, the 2014-2019 strategic agenda made economic issues the top priority. Subsequently, unprecedented domestic and global challenges, and notably the prospect of the UK's withdrawal from the EU (combined with a rise of populism and anti-EU sentiment), have triggered a debate on the future of Europe. As a result, previously set objectives have been slightly re-shaped in order to respond more effectively to public expectations and concerns, as well as to bind the EU-27 closer together. EU leaders thus used the occasion of the 60th anniversary of the Rome Treaties in March 2017 to issue a finely-tuned set of policy orientations for the Union for the next 10 years. The Rome Agenda encompasses four broad chapters: a safe and secure Europe, a prosperous and sustainable Europe, a social Europe and a stronger Europe on the global scene, which will shape the action of the Union over a decade.

Reflecting the orientations set in the Rome declaration, the new 2019-2024 strategic agenda, adopted by the Heads of State or Government at their meeting in June 2019, defines migration, followed by terrorism (protection of citizens and freedoms) as the top priorities for action in the upcoming five years. Then, comes the development of stronger economic base, including the fight against unemployment, followed by climate change and social issues. Finally, it looks to increase the EU's influence and defend its interest in the world. The order of the priorities set out in the 2019-2024 strategic agenda broadly corresponds to the concerns of EU citizens, as indicated by the most recent standard Eurobarometer.

In addition to its horizontal priority-setting role, as defined in Article 15(1) TEU, the European Council is also tasked with identifying the Union's strategic interests, determining the objectives of, and defining general guidelines for common foreign and security policy (Article 26 TEU). Following a request by EU leaders, the High Representative, Federica Mogherini, presented an EU global strategy, which the European Council welcomed in June 2016. The strategy sets five broad priorities for the EU external action in the up-coming years: the security of the Union, state and societal

resilience to the East and South, an integrated approach to conflict and crisis, cooperative regional orders, and global governance for the 21st century.

The European Council furthermore defines the strategic guidelines for legislative and operational planning in the area of freedom, security and justice (Article 68 TFEU). For the period until 2019, the priorities for the European Union in the area of freedom, security and justice, are to 'better manage migration in all aspects; prevent and combat crime and terrorism; [and] improve judicial cooperation among EU countries'. Following the outbreak of the migration crisis, and a series of terrorist attacks on European soil, key strategic documents, notably the European agenda on security and the European agenda on migration, were adopted in 2015, either at the request or with the endorsement of the European Council.

The European Council has also to 'consider each year the employment situation in the Union and adopt conclusions thereon, on the basis of a joint annual report by the Council and the Commission' (Article 148 TFEU).

Its decisions are taken mainly by consensus, but in certain cases the European Council can also decide by qualified majority. For example, the President of the European Council is elected by qualified majority vote for a once-renewable term of two and a half years. The President's role is 'to ensure the preparation and continuity of the work of the European Council in cooperation with the President of the Commission', chair its meetings, 'facilitate cohesion and consensus within the European Council', and to ensure 'the external representation of the Union on issues concerning its common foreign and security policy, without prejudice to the powers of the High Representative of the Union for Foreign Affairs and Security Policy' (Article 15(5) TEU).

While not directly accountable to the European Parliament, the President of the European Council presents a report to Parliament after each meeting of the Heads of State or Government (Article 15(6)(d) TEU). Usually this takes the form of a declaration, followed by a plenary debate.

As a result of both the UK's decision to leave the Union and the Leaders' Agenda proposed by European Council President Donald Tusk in 2017, aimed at 'reinvigorating and enriching' the European Council's work 'by engaging directly on politically sensitive issues', the working method and formations of the European Council have evolved substantially in recent years. In recent years members of the European Council have met in five different formats:

> the EU-28 Heads of State or Government meet quarterly in the regular European Council meetings;
> since 2016 the EU-27 (leaders of all the 28 EU Member States except the UK) have met in the *EU-27 (Article 50)* format, to discuss Brexit;
> the EU-27 or EU-28 have in recent years held *informal summits* at least twice a year;
> the EU-27 or EU-28 have since October 2017 participated in *Leaders' Meetings*;
> the EU-27 (leaders of all the 28 EU Member States except the UK) have met in several *inclusive* Euro Summits. Participation in Euro Summits is usually restricted to the leaders of euro-area countries, but the President of the Euro Summit (currently also President of the European Council) can invite other leaders as well.

Leaders' meetings, which are designed to enable a leaders' discussion to take place on a specific topic, are a key feature of the Leaders' Agenda. Unlike regular European Council meetings, Leaders' discussions are based, not on draft conclusions, but on short notes prepared by the President. The idea is to have an open, relatively unstructured debate on controversial but highly consequential issues, with a view to facilitating agreement at a follow-up European Council.

The 2019-2024 strategic agenda was prepared in very much the same way, by using the working method developed under the Leaders' Agenda. Just ahead of the 2019 European elections, the EU-27 met on 9 May 2019 in the Romanian city of Sibiu to assess the implementation of previously set policy objectives and to reflect informally on future EU action for the upcoming five years. The EU leaders' discussion was informed by President Tusk's Leaders' Agenda note, 'Strategic Agenda 2019-2024 – outline', which provided a first overview of the topics for future action. The 2019-2024 strategic agenda was then adopted at the June 2019 formal European Council.

The EU Heads of State or Government see the strategic agenda as 'the first step in a process that will be taken forward by the Institutions and the Member States'. The European Council announced that it 'will follow the implementation of these priorities closely and will define further general political directions and priorities as necessary'. Its meeting on 17-18 October 2019 should see a working session on the follow-up to the new 2019-2014 strategic agenda. The presence at that meeting of both the newly elected President of the European Council, Charles Michel (as prime minister of Belgium), and the Commission President-elect, Ursula Von der Leyen (in addition to the incumbent Commission President, Jean-Claude Juncker), could provide the political momentum to shape a roadmap for achieving the objectives set out in the various policy priority areas.

1. Economic and financial affairs
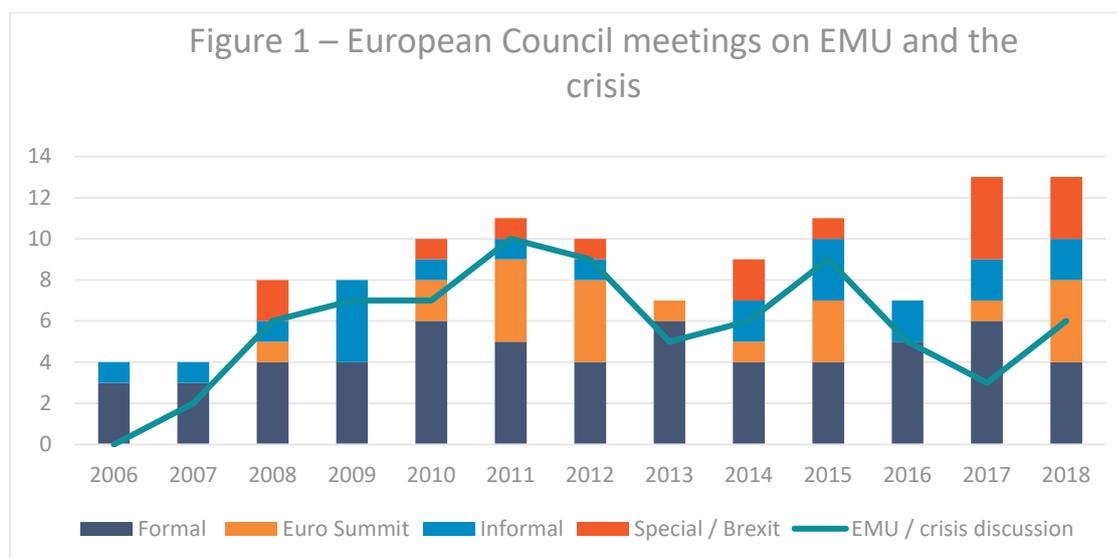
A. Background

The financial crisis began in 2007 with the meltdown in the US subprime mortgages market. With the collapse of the US investment bank Lehman Brothers in 2008, it worsened; it quickly crossed the Atlantic and hit European banks, which had been lending heavily to the overheated real-estate sectors in the US and the EU, as well as to profligate European governments. The crisis exposed serious flaws in the functioning of the euro area, demanding a quick response from European policymakers.

As a consequence of bank rescues and the recession, provoked by the crisis, European governments had to deal with increasing amounts of debt. The financial crisis and the European sovereign debt crisis became tightly intertwined. This put the role of the EU Heads of State or Government, especially those in the euro area, into sharper focus. In the period from 2008 to 2012, EU leaders had to deal with three main issues:

- safeguarding the stability of the EU's financial system, dragged down by bank losses, lack of liquidity and undercapitalized banks
- a massive build-up of government debt across the EU, as Member States bailed out banks and increased expenditure in response to recession
- a significant increase in interest rates on government debt, which fuelled speculation on defaults and even about possible exits from the euro area

The fact that only governments could come up with a massive fiscal response to backstop Europe's financial system meant that the principal responsibility to find solutions to stem the crisis laid with the Heads of State or Government, meeting either in the format of the European Council or the Euro Summit.

The period from 2010 to 2012 thus saw the intense involvement of the European Council and the Euro Summit in dealing with the crisis (see Figure 1). EU leaders had to move quickly to take unprecedented decisions with regard to helping Member States that had lost access to capital markets and required financial assistance. They also had to set up a stricter budget surveillance mechanism to commit the EU to debt reduction in a credible way. Taking a hands-on approach in response to the crisis, meetings of EU and euro area Heads of State or Government multiplied, with at least 10 meetings a year on average, reaching more up to 13 a year at the height of the crisis.

Figure 1 – European Council meetings on EMU and the crisis

Legend: Formal | Euro Summit | Informal | Special / Brexit | EMU / crisis discussion

Source: EPRS.

Following a proposal from French President, Nicolas Sarkozy, the first meeting of euro area Heads of State or Government took place in October 2008, to coordinate their response to the crisis. In October 2011, the leaders of euro area countries agreed 'to meet regularly – at least twice a year – in Euro Summits, to provide strategic orientations on the economic and fiscal policies in the euro area'. These meetings were institutionalised in March 2012 with the Treaty on Stability, Coordination and Governance in the Economic and Monetary Union (EMU).

Dealing with the sovereign debt crisis

As the crisis progressed, a number of governments in the EU decided to prop up their financial systems to safeguard financial stability, while also increasing spending to counteract the effects of recession. The consequence of bank bailouts and falling tax receipts as economies entered the recession was a sharp increase in public debt; suddenly, investors woke up to the possibility that some Member States might not be able to pay back the money they owed. Those countries now had to pay much higher interest rates, if they wanted to borrow; some were simply shut out of the markets.

The Heads of State or Government had to act on two fronts. On the one hand, they had to put mechanisms in place that allowed Member States in trouble to access funding. Therefore, in May 2010, the leaders of the euro area set up the European Financial Stability Facility (EFSF), which in February 2012 was followed by the agreement on the establishment of the European Stability Mechanism (ESM).

On the other hand, they had to come up with a credible governance system to rein in their budget deficits and exploding debt. In 2011, the Stability and Growth Pact was reinforced with the adoption of a new set of rules, the six-pack (followed in 2013 by the two-pack), allowing for stricter surveillance of Member States' debt, budget deficits and economic policies under the European Semester. In March 2012, with the Treaty on Stability, Coordination and Governance in the EMU, the EU leaders reinforced these mechanisms, setting the Member States on a firm path to debt reduction.

At the same time, the European Council started to shift its focus to the regulation of Europe's banks, whose risky investments and subsequent losses were at the heart of the crisis. The December 2012 report by the European Council President, Herman Van Rompuy, argued for a fully-fledged banking

union, with stricter capital requirements, single supervision and resolution mechanisms, as well as deposit protection.

After a relatively calm period in 2013 and 2014, the number of leaders' meetings, especially Euro Summits, shot up again in 2015 when the Greek crisis reignited (see Figure 1). It was successfully resolved after a number of intense Euro Summit and Eurogroup meetings over the spring and summer.

In 2016, with the worst of the economic and financial crisis behind it and the economic recovery well on track, the European Council shifted the focus away from the crisis-fighting measures in the EMU (see Figure 1) towards longer-term measures to deepen EMU and put the banking system on a sounder footing.

In a letter to EU leaders from September 2017, ahead of the informal dinner in Tallinn in September 2017, the President of the European Council, Donald Tusk, underlined the need to complete the banking union and called for concrete decisions on the future development of EMU to be taken by June 2018.

This paved the way for the Euro Summit in December 2017 (the first Euro Summit since 2015) and relaunched the debate on EMU reform, with noteworthy contributions from EU Heads of State or Government. A year later, the December 2018 Euro Summit endorsed the reform of the ESM and the establishment of the euro area budget (see section D for details).

B. Legal basis for European Council action on the EMU

Article 121(2), Treaty on the Functioning of the European Union: 'The European Council shall, acting on the basis of the report from the Council, discuss a conclusion on the broad guidelines of the economic policies of the Member States and of the Union'.

European Semester

The latest broad economic policy guidelines, reflecting the conclusions of the European Council, were adopted as Council recommendations in 2015 for the following three years. They form the basis for the national reform programmes in which Member States outline measures to achieve their Europe 2020 targets.

These documents, along with stability (for euro area countries) and convergence (for non-euro area countries) programmes feed into the European Semester where the Member States, in the first six months of the year, align their budgetary and economic policies with the objectives and rules agreed at EU level.

The European Council plays an important role in this process, which ends with the Council issuing country-specific recommendations to Member States:

> early in the year, usually in March, the European Council 'identifies the main challenges facing the Union and the euro area and gives strategic guidance on policies [...] Member States should take into account the horizontal guidance by the European Council' (Recital 14, Regulation (EU) No 1175/2011 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies);

> on the basis of national reform programmes, the Commission drafts country-specific recommendations; before the Council finally adopts them, usually in July, the European Council endorses them, usually in June.

C. Strategic orientations

Putting the banking system on a sounder footing

In its December 2012 conclusions, the European Council underlined that it was 'imperative to break the vicious circle between banks and sovereigns'. Emphasising the overriding importance of stronger economic governance and fiscal discipline, it underlined that the banking system, which, along with government debt, was at the heart of the crisis in the EU, needed to be more efficiently supervised and put on a sounder footing. It reiterated 'the importance of the new rules on capital requirements for banks (CRR/CRD), which are of the utmost priority so as to develop a single rule book'.

Deepening the economic and monetary union

At the same meeting, the Heads of State or Government endorsed 'a time-bound roadmap', Towards a genuine economic and monetary union, drawn up by the President of the European Council, Herman Van Rompuy, in cooperation with the presidents of the European Commission, the Eurogroup and the European Central Bank. To make the EU banks less crisis-prone, the report argued for stricter capital requirements and single supervision; to ensure that bank failures do not end up destabilizing the whole financial system, it proposed a single bank resolution regime, with the ESM playing the role of the financial backstop for the whole regulatory edifice, known as the banking union.

In December 2014, the European Council requested another report on further measures to complete Europe's economic and monetary union. The five presidents' report: Completing Europe's economic and monetary union, prepared by the President of the European Commission in close cooperation with the President of the Euro Summit, the President of the Eurogroup, the President of the European Central Bank, and the President of the European Parliament, was published in June 2015.

The leaders took note of the report at the December 2015 European Council and called for rapid progress on the basis of it, in particular regarding:

- more effective economic and fiscal governance;
- banking union, to enhance financial stability in the euro area.

In the Rome declaration of March 2017, Heads of State or Government included the completion of EMU as a part of the second priority in their commitment to establish 'A prosperous and sustainable Europe'.

D. Noteworthy commitments on EMU: specific requests and follow-up

Single supervision and single rule book for European banks

Before the crisis, banks had waded into risky financial derivatives business; they were also lending heavily to the private sector and governments that took advantage of lower interest rates following the introduction of the euro. As markets and the economy started to sour, bank losses increased, eating through the banks' capital cushions and pushing them to the verge of bankruptcy.

The Heads of State or Government called repeatedly for rules to be adopted on the better supervision of systemically important banks, stronger capital requirements to be better able to withstand the losses, and more efficient rules for dealing with failed banks so that they would not endanger the stability of the financial system.

In December 2012, the European Council recognised that systemically important banks needed to be better supervised and to be capable of withstanding losses. They called for:

> the establishment of a single supervisory mechanism; the European Central Bank now supervises the euro area's biggest banks having a better view of the risks their activities pose for financial stability;
> the adoption of new rules on capital requirements; banks must now have more capital available to withstand losses, reducing the need for government intervention;
> adoption of new rules on the restructuring and resolution of failing banks; banks can now be wound down in an orderly manner with the support of the Single Resolution Fund;
> setting up of deposit guarantee schemes in Member States for deposits of up to €100 000; these now help prevent the mass withdrawal of deposits in the case of bank failure, which can contribute to financial instability.

Parliament and Council adopted these pieces of legislation in 2013 and 2014.

Completing the banking union

In his letter to EU leaders from September 2017, President Tusk identified the completion of the 'Banking Union in line with the agreed roadmap' as a common priority 'so that the euro area is strengthened structurally'. He stressed in particular that 'We have to prepare a common backstop to the banking union, to advance further risk reduction and pave the way for a European deposit insurance scheme. We should also enhance Europe's capacity to act, which could involve developing the ESM towards a European Monetary Fund'.

As the Commission put it in its communication of October 2017, the European Deposit Insurance Scheme (EDIS), is one of the most important missing pieces of the banking union. In its view, it should complement the single supervisory mechanism and the single resolution mechanism (both are already functioning) as its third pillar.

If, in June 2018, the Euro Summit was of the opinion that the breakthrough on risk reduction allowed for the work to 'start on a roadmap for beginning political negotiations on the European Deposit Insurance Scheme', the latter was not mentioned in the December 2018 Euro Summit conclusions.

On the one hand, the decidedly vague language with reference to EDIS shows that there are still big obstacles to be surmounted in the European Council before a more ambitious agreement on completing the banking union can be reached. In December 2018, the Eurogroup committed to establishing a high-level working group to work on the roadmap for EDIS negotiations; it reported to finance ministers on June 2019, as planned. The next report will follow in December 2019.

The EDIS would provide additional financial resources in case Member States' deposit guarantee schemes are not sufficiently funded to handle larger, local shocks. This would cut still further the vicious link between banks and public finances. The same logic pertains to bank resolution; if the Single Resolution Fund could benefit from loans from the European Stability Mechanism (ESM), this would add to the credibility of the euro area's mechanisms for dealing with failing banks.

These proposals to complete the banking union have split the EU governments into two camps, the first putting more emphasis on the need for risk sharing (i.e. extending funds, via a EDIS, to make sure small savers do not lose money in the event of a bank failure in another Member State) and the second insisting more on risk reduction (i.e. making sure all Member States clean up their banks and put their public finances in order, so that there is no need to save banks in other Member States via the ESM).

This split is reflected in the European Council conclusions, where the leaders try to find a balance between risk sharing and risk reduction that would allow them to progress on the banking union issue. Already in June 2016, in line with the European Council's request, the Council of the EU established a roadmap to complete the banking union. The leaders reiterated the need to complete the banking union at their March 2017 meeting, underlining, however that this has to happen 'in terms of reducing and sharing risks in the financial sector, in the appropriate order'.

Before such risk sharing on the EU level can occur, a number of banks have to be put on a sounder footing, via risk reduction. At the December 2018 Euro Summit, EU leaders noted that the Economic and Financial Affairs Council on 4 December 2018 had agreed on a package of measures aimed at reducing risk in the banking industry, and thus increasing its resilience in the face of shocks. Despite a slightly more positive tone adopted by some Member States recently and a commitment by the new Commission to bring this file forward, the decidedly vague language with reference to EDIS shows that there are still big obstacles to overcome in the European Council before a more ambitious agreement on completing the banking union can be reached.

Deepening the EMU

Following a call from European Council President Tusk for concrete decisions on the future development of the EMU to be taken by June 2018, a number of Heads of State or Government have made marked contributions to the discussion, including the French-German declaration and the proposals from the grouping of more fiscally conservative EU governments, the so-called New Hanseatic League.

The compromise, building on talks between EU finance ministers throughout the autumn of 2018, was finally announced after the Eurogroup meeting of 3 December 2018. Endorsed by the Heads of State or Government later that month, it foresees stronger crisis management powers for the ESM, the establishment of the ESM backstop to the Single Resolution Fund (SRF) and the setting up of the euro area budget as a part of the overall EU budget, focusing on convergence and competitiveness rather than on stabilisation.

Euro-area budget

On 21 June, the Euro Summit endorsed a compromise on the euro budget (a budgetary instrument for convergence and competitiveness) reached a week earlier in the Eurogroup. In line with the leaders' mandate from December 2018, the finance ministers had delivered a proposal for a budget that would focus on convergence and competitiveness, but not on stabilisation.

Member States' views on how to make the euro area more crisis-proof diverge. Those in the risk-sharing camp warn that without a sizeable common budget to support investment and economic growth in times of recession, the euro area's stability might be at risk. Others insist that a new budgetary instrument should rather support structural reforms, which are the key to economies' resilience in the face of crisis. According to the risk-reduction view, strengthened competitiveness and economic convergence between Member States reduce the risks of instability in the euro area, dispensing with the need to create a mechanism involving significant financial transfers between countries.

When it comes to the euro-area budget, the Heads of State or Government decided to adopt the risk-reduction perspective. The push for a sizeable euro-area budget with a stabilisation function outside the EU budget by French president Emmanuel Macron in August and September of 2017 quickly ran out of steam. By June 2018, the Franco-German Meseberg Declaration stated that competitiveness and convergence were the purpose of the euro-area budget; in December 2018 those two functions were the only ones mentioned in the mandate given by the leaders to the

Eurogroup, and this fiscal capacity for the euro area will be part of the EU budget and be of limited size. Twelve EU governments, the Netherlands, Austria and Finland among them, even questioned the need to have any euro-area fiscal capacity at all. Nevertheless, on 9 October 2019, the Eurogroup meeting in an inclusive format, agreed on the critical elements of the governance and financing of the budgetary instrument for convergence and competitiveness for the Eurozone. As stated by the President of the Eurogroup, Mário Centeno: 'Only two years ago, a fiscal capacity for the euro was a purely academic endeavour. Last night, we turned it into reality. This is a new pillar in the foundations supporting the euro'.

ESM reform

At their June 2019 meeting, the Heads of State or Government of the euro area also endorsed changes to the ESM treaty, which the Eurogroup proposed on 13 June. These are meant to provide a fiscal backstop for the Single Resolution Fund and clarity on precautionary lending.

The ESM is an intergovernmental institution tasked with providing loans subject to strict conditionality to euro area countries that have lost access to financial markets; it can also buy government bonds on secondary markets and recapitalise banks directly. The ESM also reduces the risk of failing banks dragging governments down with them and restricts the potential for contagion in bond markets.

Fighting tax avoidance in the EU

In May 2013, the European Council endorsed the action plan to better tackle tax evasion and corporate tax avoidance. The issue of lost budget revenues due to tax avoidance schemes was put into a sharp focus with Lux Leaks revelations in 2014, followed by the Panama Papers in 2015 and the Paradise Papers in 2017. 'There is an urgent need to advance efforts in the fight against tax avoidance and aggressive tax planning', the European Council concluded in December 2014. In line with the leaders' demands, the Council adopted the anti-tax avoidance package, as well as legislation on the exchange of information on tax rulings. In June 2018, the European Council highlighted the need 'to ensure effective VAT collection'; in December, the Council adopted the relevant proposals.

EU needs 'an effective and fair taxation system fit for the digital era', the European Council concluded in October 2017. Thus, in the coming months, and in line with the Leaders' Agenda from March 2018, discussion on taxation of companies with a significant digital footprint (e.g. Google and Facebook and companies that are able to shift profits easily to low-tax jurisdictions) will continue. There are significant differences between Member States as to whether such tax is desirable, or how it should be implemented. Citing the lack of progress on European level, France, Italy, the UK and Spain have moved to set up national digital taxes. Country-by-country reporting of companies' income tax, where significant differences also exist, and the establishment of a definitive VAT system will also be high on the agenda.

To bolster the stability of the euro area, the Heads of State or Government agreed that the ESM should be able to provide a financial backstop for the euro area's mechanism for dealing with failing banks (the single resolution mechanism) and offer precautionary loans to countries to prevent a full-blown crisis. The tension between the risk-sharing and risk-reduction approaches is also reflected in the Euro Summit conclusions on the reform of the European Stability Mechanism (ESM).

The debates on the reform of the ESM and euro area budget were animated by proposals such as those put forward by France and Germany in the Meseberg Declaration of June 2018, which called for the European Stability Mechanism (ESM) to be given a bigger role in crisis prevention and in assessing and monitoring future programmes, as well as its incorporation into EU law. It also supported the establishment of a euro area budget.

The finance ministers from Czechia, Denmark, Estonia, Finland, Ireland, Latvia, Lithuania, the Netherlands, Sweden and Slovakia (the New Heanseatic League) in their joint Statement on the ESM of November 2018 supported this reinforced role for the ESM, included as a backstop for the Single Resolution Fund, but also as an intergovernmental institution accountable to its shareholders. This is in stark contrast with the Commission's proposal to create a European Monetary Fund under EU law. The governments also insisted on strict conditionality of programmes and bail-ins of creditors to ensure debt sustainability. The insistence of these Member States on the ESM's expanded role in monitoring economic policies might be interpreted as an encroachment on the Commission's area of competence.

E. Challenges and outlook

At the June 2019 meeting, the Euro Summit followed up on the conclusions of the December 2018 European Council meeting, where the Heads of State or Government had committed to agree on the features of the euro-area budget by June. The discussions on the new budgetary instrument for convergence and competitiveness, especially its size, will continue in the framework of negotiations on the EU's 2021-2027 multiannual financial framework.

Reform of the ESM will also stay on the agenda, in particular the body's role in crisis prevention, the design and monitoring of programmes involving Member States in trouble, and the need for a common backstop to the SRF. In June 2019, the Euro Summit endorsed changes to the ESM treaty, which the Eurogroup had proposed on 13 June. Proposals for amendments to other documents, which will be affected by ESM Treaty changes, will be finalised by December 2019.

Debates on the European deposit insurance scheme are set to continue, but on a technical level. The high-level working group on EDIS reported to the Eurogroup in June 2019 as planned. The next report will follow in December 2019.

1.1. Financial affairs

Policy field Specific issue	Conclusion	Follow-up action
General orientations **Deepening the economic and monetary union**	21 June 2019 We welcome the progress made in the Eurogroup on the strengthening of the Economic and Monetary Union as set out in the letter of the President of the Eurogroup of 15 June 2019 and invite the Eurogroup in an inclusive format to continue working on all the elements of this comprehensive package. 14 December 2018 Following the mandate given in June 2018 to the Eurogroup, the Euro Summit endorses all the elements of the Eurogroup report to Leaders on EMU deepening, which was prepared in an inclusive format. This comprehensive package paves the way for a significant strengthening of the EMU. 29 June 2018 **The Eurogroup will further discuss all the items mentioned in the letter by the Eurogroup President.**	At the Eurogroup meeting of 3 December 2018, ministers reached an agreement on EMU issues. This followed discussions on EMU at Eurogroup meetings of 12 July 2018, 7 September 2018 and 1 October 2018.

Policy field Specific issue	Conclusion	Follow-up action
	The Euro Summit will come back to these issues in December 2018.	The Euro Summit of 14 December 2018 discussed EMU issues.
	28 June 2016 **The European Council calls for work towards completing the Economic and Monetary Union, including the roadmap to complete the Banking Union) to be taken forward.**	The Commission's policy package Completing Europe's economic and monetary union of 6 December 2017.
	The European Council took stock of the progress achieved in the work towards completing the Economic and Monetary Union, including the roadmap to complete the Banking Union (...).	
	17-18 March 2016 **At its June meeting, the European Council will discuss the progress achieved in the work towards completing the Economic and Monetary Union.**	The June 2016 European Council took stock of the progress achieved in the work towards completing the Economic and Monetary Union.
	17-18 December 2015 Further to the Five Presidents' report on completing the Economic and Monetary Union requested by the December 2014 European Council, the European Council confirms its commitment to work towards	

Policy field Specific issue	Conclusion	Follow-up action
	completing the Economic and Monetary Union, in full respect of the internal market and in an open and transparent manner (...).	
	It asks the Council to swiftly examine the proposals put forward by the Commission as a follow-up to the report (Five Presidents' report on completing the Economic and Monetary Union requested by the December 2014 European Council).	The Economic and Financial Affairs Council of 17 June 2016 discussed the Commission's proposals following up on the five presidents' report and established a roadmap to complete the banking union.
	Further to additional work to be undertaken by the Commission and the Council, the European Council will come back to those measures at the latest by the end of 2017.	The European Council of 9 March 2017 reiterated the need to complete the banking union in terms of reducing and sharing risks in the financial sector. The European Council of 28-29 June 2016 discussed the progress achieved in the different areas of work towards completing the Economic and Monetary Union, including the roadmap to complete the banking union.
	The legal, economic and political aspects of the more long-term measures contained in the report need to be further explored (...).	The Eurogroup meeting of 10 July 2017 held a general discussion on the further deepening of the EMU, against the background of the reflection paper published by the European Commission on this topic on 31 May 2017.

Policy field Specific issue	Conclusion	Follow-up action
		The Commission's [reflection paper on the deepening of the economic and monetary union of 31 May 2017](#).
	25-26 June 2015 The European Council took note of the report on the Economic and Monetary Union requested by the December 2014 European Council.	
	The European Council (...) asked the Council to rapidly examine it (the report on the Economic and Monetary Union requested by the December 2014 European Council).	[The Economic and Financial Affairs Council of 14 July 2015](#) discussed the five presidents' report.
	18 December 2014 **Closer coordination of economic policies is essential to ensure the smooth functioning of the Economic and Monetary Union. Following a discussion on this issue on the basis of an analytical note at the informal meeting of the Heads of State or Government in February, the President of the Commission, in close cooperation with the President of the Euro Summit, the President of the Eurogroup and the President of the European Central Bank, will report at the latest to the June 2015 European Council. The Member States will be closely involved in the preparatory work.**	[The Five Presidents' Report: Completing Europe's Economic and Monetary Union](#) was published on 22 June 2015.

Policy field Specific issue	Conclusion	Follow-up action
Deeper integration of the European banking system **Banking union: single supervisory mechanism (SSM)**	23-24 October 2014 (…) the European Council welcomed the launch of the Single Supervisory Mechanism on 4 November 2014.	
Banking union: Single Resolution Fund (SRF)	14 December 2018 We endorse the terms of reference of the common backstop to the Single Resolution Fund (SRF), which set out how the backstop will be operationalised, and anticipated provided sufficient progress has been made in risk reduction, to be assessed in 2020. 29 June 2018 **The Euro Summit said that the ESM will provide the common backstop to the Single Resolution Fund (SRF) and be strengthened working on the basis of all elements of an ESM reform as set out in the letter of the Eurogroup President.**	The Euro Summit of 14 December endorsed the terms of reference of the common backstop to the Single Resolution Fund (SRF), which set out how the backstop will be operationalised, and anticipated provided sufficient progress has been made in risk reduction, to be assessed in 2020.

Policy field Specific issue	Conclusion	Follow-up action
Banking union: risk reduction	<u>14 December 2018</u> We look forward to the final adoption of the Banking Package and the non-performing loans (NPL) Prudential Backstop preserving the balance of the Council compromises. <u>29 June 2018</u> **The agreement in the Council on the Banking package should allow the co-legislators to adopt it before the end of the year while preserving the overall balance.**	On 14 May 2019 and after the vote in European Parliament, the Council adopted amendments to Bank Recovery and Resolution Directive, and Single Resolution Mechanism Regulation focusing on loss-absorbing and recapitalisation capacity of credit institutions and investment firms. On 14 May 2019 and after the vote in European Parliament, the Council adopted amendments to Capital Requirements Directive and Capital Requirements Regulation. Regulation (EU) 2019/630 of the European Parliament and of the Council of 17 April 2019 amending Regulation (EU) No 575/2013 as regards minimum loss coverage for non-performing exposures (Text with EEA relevance) Procedure: 2018/0060(COD)

Policy field Specific issue	Conclusion	Follow-up action
	15 December 2016 **In that context, the European Council calls on the Council to rapidly examine the recent Commission proposals to increase resilience in the financial sector.**	The Economic and Financial Affairs Council of 16 June 2017 agreed its stance on part of a package of proposals aimed at reducing risk in the banking industry.
Banking union : European deposit insurance scheme (EDIS)	29 June 2018 **The Euro Summit said that adhering to all elements of the 2016 roadmap in the appropriate sequence, work should start on a roadmap for beginning political negotiations on the European Deposit Insurance scheme.** 15 December 2017 **The Euro Summit called for further developing the Ecofin Council Roadmap of June 2016 on completing the banking union, including the gradual introduction of a European Deposit Insurance Scheme**	The Eurogroup meeting of 3 December decided to establish a high-level working group on EDIS with a mandate to work on next steps. The high-level group should report back by June 2019.
Banking union	14 December 2018 We call to advance work on the Banking Union (...).	

Policy field Specific issue	Conclusion	Follow-up action
	23 March 2018 The Euro Summit reaffirmed the most urgent political priorities: - strengthening of the banking union; **At the Euro Summit, the leaders agreed they would continue talks on these issues (i.e. EDIS, the ESM reform) at the next Euro Summit in June when they expect to take the first decisions.** 9-10 March 2017 The European Council reiterates the need to complete the Banking Union in terms of reducing and sharing risks in the financial sector, in the appropriate order, as set out in the Council conclusions of 17 June 2016. 15 December 2016 **The European Council underlines the need to complete the Banking Union in terms of reducing and sharing risks in the financial sector, in the appropriate order, as set out in the Council conclusions of 17 June 2016 on a roadmap to this effect.**	The 29 June 2018 Euro Summit agreed that the ESM would provide the common backstop to the Single Resolution Fund (SRF) and that work should start on a roadmap for beginning political negotiations on the European Deposit Insurance Scheme.

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 December 2015</u> **In particular, work should rapidly advance as regards (...) the Banking Union, to enhance financial stability in the euro area.** **The Council will report on the progress achieved by June 2016.**	<u>Council Conclusions on a roadmap to complete the Banking Union</u> of 17 June 2016.
Financial stability **European Stability Mechanism (ESM)**	<u>21 June 2019</u> **We take note of the <u>broad agreement reached by the Eurogroup</u> on: the revision of the ESM Treaty. We expect the Eurogroup to continue its work so as to allow for an agreement on the full package in December 2019;** <u>14 December 2018</u> We also endorse the <u>term sheet on the European Stability Mechanism (ESM) reform</u>. **On that basis, we ask the Eurogroup to prepare the necessary amendments to the ESM Treaty (including the common backstop to the SRF) by June 2019.**	

Policy field Specific issue	Conclusion	Follow-up action
	29 June 2018 **The Eurogroup will prepare the terms of reference of the common backstop and agree on a term sheet for the further development of the ESM by December 2018.** 23 March 2018 **The Euro Summit called for the reform of the European Stability Mechanism.**	At the Eurogroup meeting of 3 December 2018 ministers adopted the term sheet on the European Stability Mechanism.
Euro area budget	21 June 2019 **We take note of the broad agreement reached by the Eurogroup on: a budgetary instrument for convergence and competitiveness (BICC) for the euro area, and ERM II Member States on a voluntary basis. With a view to ensuring autonomy of decision of the euro area Member States, we ask the Eurogroup and the Commission to further work on all pending issues; we ask the Eurogroup to report back swiftly on the appropriate solutions for financing. These elements should be agreed as a matter of priority so as to be able to set the size of the BICC in the context of the next MFF.**	

Policy field Specific issue	Conclusion	Follow-up action
	<u>14 December 2018</u> **In the context of the Multiannual Financial Framework (MFF), we mandate the Eurogroup to work on the design, modalities of implementation and timing of a budgetary instrument for convergence and competitiveness for the euro area, and ERM II Member States on a voluntary basis. (...) The features of the budgetary instrument will be agreed in June 2019.**	The Eurogroup discussed the budgetary instrument for the euro area in its meeting on 22 January 2019 and subsequent meetings.
Deeper integration of the European capital markets **Capital markets union: securitisation**	<u>20-21 October 2016</u> The European Council called for swiftly reaching an agreement with the European Parliament on securitisation. <u>28 June 2016</u> **The European Council called for easier access to finance for businesses and to support investment in the real economy by moving forward with the Capital Markets Union agenda. In particular, swift progress should be made:** **- on the proposal for simple, standardised and transparent securitisation, to be agreed by the end of 2016;**	Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 laying down a general framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, and amending Directives 2009/65/EC, 2009/138/EC and 2011/61/EU and Regulations (EC) No 1060/2009 and (EU) No 648/2012. Procedure: 2015/0226(COD).

Policy field Specific issue	Conclusion	Follow-up action
Capital markets union: prospectus	20-21 October 2016 The European Council called for swiftly reaching an agreement with the European Parliament on prospectus rules to improve access to finance for companies. 28 June 2016 **The European Council called for easier access to finance for businesses and to support investment in the real economy by moving forward with the Capital Markets Union agenda.** **In particular, swift progress should be made:** **- on the proposal for the simplification of prospectus requirements, to be agreed by the end of 2016.**	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/ECText with EEA relevance. Procedure: 2015/0268(COD).
Capital markets union action plan	21-22 March 2019 **Further steps should be taken to deepen the Capital Markets Union (...).** 14 December 2018 **We call (...) for ambitious progress by Spring 2019 on the Capital Markets Union, as outlined in the Eurogroup report to Leaders.**	In March and April 2019, European Parliament adopted legislative proposals on which provisional agreement had been reached: SME growth markets, cross-border

Policy field Specific issue	Conclusion	Follow-up action
		distribution of collective investment funds, covered bonds, preventive restructuring frameworks, clearing house rules, and European Market Infrastructure Regulation (EMIR).

1.2. Economic policies and governance

Policy field Specific issue	Conclusion	Follow-up action
General orientations **Economy**	21-22 March 2019 **In March 2020 the European Council will hold an overall discussion on strengthening the economic base of the EU, on the basis of a comprehensive contribution by the Commission.** 30 August 2014 The European Council recalls its conclusions of 27 June 2014 on the European Semester as well as its agreement on a Strategic Agenda with a strong focus on jobs, growth and competitiveness. The European Council calls for rapid progress on implementing these orientations.	

Policy field Specific issue	Conclusion	Follow-up action
	To this end, it asks the Council to assess the socio-economic situation and to start working on these issues without delay. **In the autumn, the European Council will also address the economic situation and a dedicated Euro Summit will be convened.**	The Euro Summit on 24 October 2014 examined the economic and employment situation in the euro area.
Economic governance	17-18 December 2015 **In particular, work should rapidly advance as regards:** **a) more effective economic and fiscal governance, to boost competitiveness, convergence and sustainability.** 24 October 2014 (...) closer coordination of economic policies is essential to ensure the smooth functioning of the Economic and Monetary Union. In this respect, it called for work to continue, in close cooperation with the Commission, to develop concrete mechanisms for stronger economic policy coordination, convergence and solidarity.	

Policy field Specific issue	Conclusion	Follow-up action
	It invited the President of the Commission, in close cooperation with the President of the Euro Summit, the President of the Eurogroup and the President of the European Central Bank, to prepare next steps on better economic governance in the euro area. 23-24 October 2014 Structural reforms and sound public finances are key conditions for investment. To this end, the European Council invited the Commission, the Council and the Member States to translate these orientations into concrete policy actions without delay.	The Five Presidents' Report: Completing Europe's Economic and Monetary Union was published on 22 June 2015.
Strengthened economic and policy coordination **International role of the euro**	14 December 2018 **The Euro Summit takes note of the communication of the Commission on a stronger international role of the euro and encourages work to be taken forward to this end.**	The Eurogroup of 21 January 2019 discussed the international role of the euro based on the Commission's communication Towards a stronger international role of the euro.
External representation of the euro area	17-18 December 2015 **In particular, work should rapidly advance as regards:** **b) the euro area's external representation, to better reflect its weight in the world economy;**	The Economic and Financial Affairs Council of 17 June 2016 asked the economic and financial affairs committee to work on proposals to unify euro area representation.

Policy field Specific issue	Conclusion	Follow-up action
Coordination of economic policies **European Semester 2019**	<u>21-22 March 2019</u> It endorses the policy priority areas of the Annual Growth Survey. It also endorses the draft Council recommendation on the economic policy of the euro area. **It invites Member States to reflect them (i.e. Annual Growth Survey priorities) in their forthcoming National Reform Programmes and Stability or Convergence Programmes, with the aim of fostering growth and jobs through investment and reforms.**	
European Semester 2018	<u>28-29 June 2018</u> The European Council endorses the integrated country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2018 European Semester. <u>22 March 2018</u> The European Council endorses the policy priority areas of the Annual Growth Survey.	The Council <u>adopted country-specific recommendations</u> on July 13, 2018 thus concluding the European Semester 2018 exercise.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council invites Member States to reflect them (i.e. the policy priority areas) in their forthcoming National Reform Programmes and Stability or Convergence Programmes.	
European Semester 2017	22-23 June 2017 The European Council generally endorses the integrated country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2017 European Semester. 9-10 March 2017 The European Council endorses the policy priority areas of the Annual Growth Survey. **The European Council invites Member States to reflect them (i.e. the policy priority areas) in their forthcoming National Reform Programmes and Stability or Convergence Programmes.**	The Council adopted country-specific recommendations on 11 July 2017 thus concluding the European Semester 2017 exercise.
European Semester 2016	28 June 2016 The European Council generally endorsed the country-specific recommendations as discussed by the Council, thus allowing the conclusion of the 2016 European Semester.	The Council adopted the country-specific recommendations on 12 July 2016, thus concluding the European Semester 2016 exercise.

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 March 2016</u> The European Council endorsed the policy priority areas of the Annual Growth Survey: re-launching investment, pursuing structural reforms to modernise our economies, and conducting responsible fiscal policies. **Member States will reflect these priorities in their forthcoming National Reform Programmes and Stability or Convergence Programmes.**	
European Semester 2015	<u>25-26 June 2015</u> The European Council concluded the 2015 European Semester by generally endorsing the Country Specific Recommendations.
<u>19-20 March 2015</u> It endorsed the three main pillars of the Annual Growth Survey (investment, structural reforms and growth-friendly fiscal consolidation). **The European Council invited the Member States to reflect priorities of the Annual Growth Survey in their forthcoming National Reform Programmes and Stability or Convergence Programmes.**	The Council adopted the country-specifing recommendations on 14 July 2015, thus concluding the European Semester 2015 exercise.

Policy field Specific issue	Conclusion	Follow-up action
European Semester 2014	26-27 June 2014 **Their (i.e. the CSR) 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 European Council generally endorsed the country-specific recommendations (CSR) and thus concluded the 2014 European Semester. 20-21 March 2014 The European Council in December 2013 endorsed the five broad policy priorities for the European Union and its Member States set out in the 2014 Annual Growth Survey (AGS). To steer the Council's discussions on the 2014 European Semester, the European Council put particular emphasis on policies enhancing competitiveness, supporting job creation and fighting unemployment, particularly youth unemployment, and on the follow-up to reforms to improve the functioning of labour markets.	The Council adopted country-specific recommendations on 8 July 2014, thus concluding the European Semester 2014 exercise.

Policy field Specific issue	Conclusion	Follow-up action
Financial assistance to Member States **Greece**	<u>29 June 2018</u> The Euro Summit group welcomes the Eurogroup Statement of 21 June 2018 on the final disbursement of ESM financing to Greece and on the medium-term debt relief measures, which successfully complete the financial assistance to Greece. <u>12 July 2015</u> Given the need to rebuild trust with Greece, the Euro Summit welcomes the commitments of the Greek authorities to legislate without delay a first set of measures. **The Euro Summit acknowledges the importance of ensuring that the Greek sovereign can clear its arrears to the IMF and to the Bank of Greece and honour its debt obligations in the coming weeks to create conditions which allow for an orderly conclusion of the negotiations. The risks of not concluding swiftly the negotiations remain fully with Greece. The Euro Summit invites the Eurogroup to discuss these issues as a matter of urgency.**	Eurogroup statement on Greece of 22 June 2018 commended the Greek authorities for the completion of all the agreed prior actions of the final review of the ESM programme.

1.3. Tax policies

Policy field Specific issue	Conclusion	Follow-up action
Company taxation **Tax rulings**	18 December 2014 **The Council will discuss how to make progress on all these issues and report back to the June 2015 European Council.** Stressing the importance of transparency, the European Council looks forward to the Commission's proposal on the automatic exchange of information on tax rulings in the EU.	The Economic and Financial Affairs Council report to the European Council on tax issues of 22 June 2015.
	24 October 2014 **Stressing the importance of transparency, the European Council looks forward to the Commission's proposal on the automatic exchange of information on tax rulings in the EU.**	Council Directive (EU) 2015/2376 of 8 December 2015 amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation. Procedure: 2015/0068(CNS).
Value added tax	28-29 June 2018 **Work should also continue on how to ensure effective VAT collection, including swift progress on the Commission proposals on short-term measures.**	Council Directive (EU) 2018/2057 of 20 December 2018 amending Directive 2006/112/EC on the common system of value added tax as regards the temporary application of a generalised reverse charge

Policy field Specific issue	Conclusion	Follow-up action
		mechanism in relation to supplies of goods and services above a certain threshold. Procedure: 2016/0406(CNS). Council Directive (EU) 2018/1910 of 4 December 2018 amending Directive 2006/112/EC as regards the harmonisation and simplification of certain rules in the value added tax system for the taxation of trade between Member States. Procedure: 2017/0251(CNS). Council Regulation (EU) 2018/1909 of 4 December 2018 amending Regulation (EU) No 904/2010 as regards the exchange of information for the purpose of monitoring the correct application of call-off stock arrangements. Procedure: 2017/0248(CNS). Council Implementing Regulation (EU) 2018/1912 of 4 December 2018 amending Implementing Regulation (EU) No 282/2011 as regards certain exemptions for intra-Community transactions.

Policy field Specific issue	Conclusion	Follow-up action
	17-18 March 2016 The European Council notes that the Commission intends to publish shortly a communication on an action plan on VAT. It welcomes the intention of the Commission to include proposals for increased flexibility for Member States with respect to reduced rates of VAT, which would provide the option to Member States of VAT zero rating for sanitary products.	
VAT for E-commerce	**28 June 2016** **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through modernisation of VAT systems.**	Council Implementing Regulation (EU) 2017/2459 of 5 December 2017 amending Implementing Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax. Council Directive (EU) 2017/2455 of 5 December 2017 amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods. Procedure: 2016/0370(CNS).

Policy field Specific issue	Conclusion	Follow-up action
Taxation of digital economy **Digital taxation: revenues and profits**	28-29 June 2018 **The Council should therefore take work forward on the Commission proposals on digital taxation.**	At the Economic and Financial Affairs Council of 6 November 2018, ministers held a policy debate on the proposal to establish a digital services tax. They also discussed the issue on 4 December 2018.
	19-20 October 2017 **The European Council (…) looks forward to appropriate Commission proposals by early 2018.**	COM/2018/0148 final - 2018/073 (CNS) Proposal for a COUNCIL DIRECTIVE on the common system of a digital services tax on revenues resulting from the provision of certain digital services (21 March 2018). COM/2018/0147 final - 2018/072 (CNS) Proposal for a COUNCIL DIRECTIVE laying down rules relating to the corporate taxation of a significant digital presence (21 March 2018).
	The European Council invites the Council to pursue its examination of the Commission communication on this issue (fair taxation system) (…).	

2. Employment and social policies

A. Background

At the height of the economic and financial crisis, the European Council devoted a great deal of attention to the issue of employment, and especially to the employment of young people, most severely hit by the effects of the crisis. Despite a rise in overall employment levels since 2014, the situation on the job market still varies widely between Member States while youth unemployment remains an issue of concern across the EU. As a result, employment and social issues, temporarily put aside due to the migration and refugee crises, resurfaced on the European Council agenda in 2016.

Figure 1 – Unemployment rates, seasonally adjusted, August 2019 (%)

Unemployment rates, seasonally adjusted, August 2019
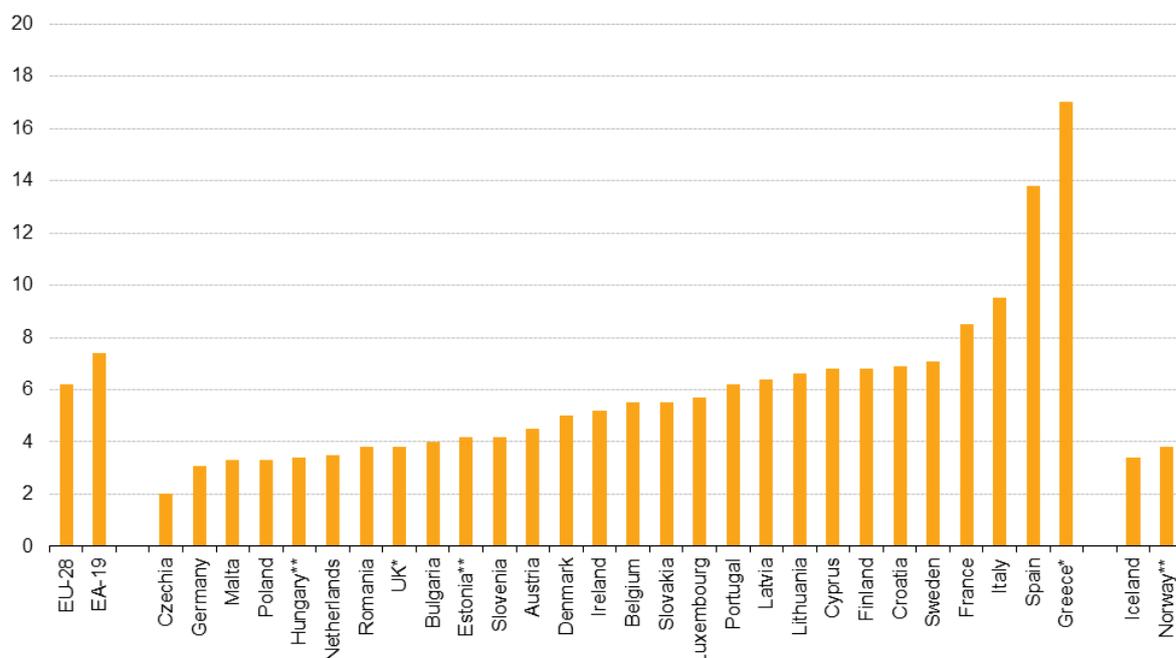
Source: Eurostat (online data code: une_rt_m)   * June 2019   ** July 2019

Source: Eurostat.

According to Eurostat figures, in August 2019, the euro area (EA19) seasonally-adjusted unemployment rate stood at 7.4 %, while the EU28 unemployment rate was 6.2 %. Youth unemployment rates are generally much higher than the rates for all ages, sometimes even more than double. In August 2019, the youth unemployment rate was 14.2 % in the EU-28 and 15.4 % in the euro area. The lowest youth unemployment rates were observed in Czechia (5.1 %), Germany (5.7 %) and the Netherlands (6.9 %), while the highest were recorded in Greece (33 % in the second quarter of 2019), Spain (32.2 %) and Italy (27.1 %).

Figure 2 – Youth unemployment rates, EU-28 and EA-19, seasonally adjusted, January 2000-August 2019 (%)

Youth unemployment rates, EU-28 and EA-19, seasonally adjusted, January 2000 - August 2019

Euro area (EA-19), seasonally adjusted series — EU-28, seasonally adjusted series
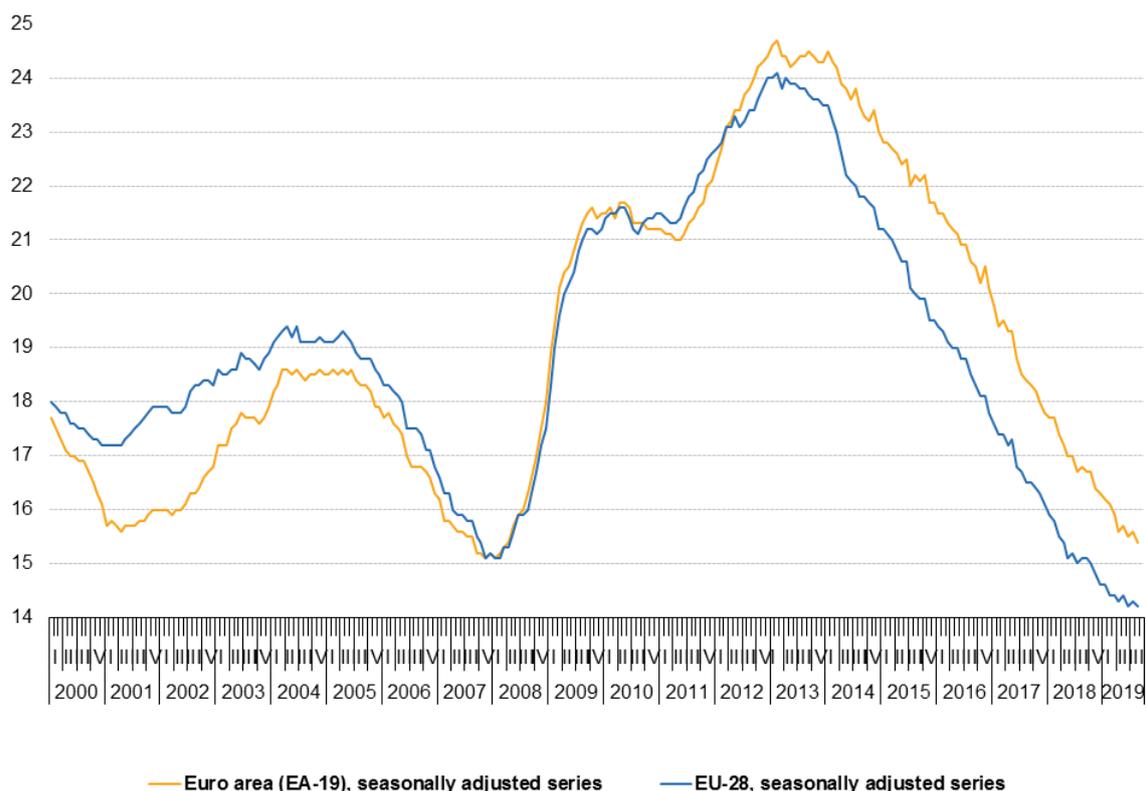
Source: Eurostat (online data code: une_rt_m)

eurostat

Source: Eurostat.

In the framework of the European Semester, the European Council began monitoring annual EU level progress on the targets set by the Europe 2020 strategy, the EU's agenda for growth and jobs for the current decade. The strategy, adopted at European Council level in 2010, includes targets in social and employment areas as well as in education (see also point D.3). Between 2010 and 2013, the European Council agreed on a number of initiatives aimed at encouraging job creation, notably measures targeted at young people to improve their access to the labour market and increase their mobility, such as the Youth Guarantee, the Youth Employment Initiative and the European Alliance for Apprenticeships. After a period of only limited attention being paid to social and employment issues between 2013 and 2016, the political debate on the future of Europe launched by the EU 27 leaders (without the United Kingdom (UK)), following the latter's decision to leave the EU, has given these issues new momentum. The process began with the Bratislava Declaration of 16 September 2016, and culminated in the signing of the Rome Declaration on 25 March 2017, which promoted the issue of a 'social Europe […], which fights unemployment, discrimination, social exclusion and poverty' as one of the EU's four priorities for the next 10 years.

The European Pillar of Social Rights (Social Pillar) is the most recent attempt to galvanise support for an ambitious EU social agenda, in an effort to address the protracted consequences of the financial and economic crises, which have led to long-term unemployment and poverty across many parts of Europe. The Social Pillar outlines 20 'principles' and 'rights' essential for the future development of EU labour markets and welfare systems and aims to foster convergence among Member States towards better working and living conditions. The Social Pillar was proclaimed at the highest level by the European Parliament, the Council and the Commission alongside EU leaders at the Gothenburg Social Summit for Growth and Jobs (Social Summit) on 17 November 2017.

B. Legal basis for European Council action in employment and social policies

> **Article 9 of the Treaty on the Functioning of the European Union (TFEU)**: The European Council, when fulfilling its Treaty role of 'defining general directions and priorities' (Article 15 of the Treaty on European Union (TEU)), will need to 'take into account requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health', as provided for in Article 9 TFEU.

Employment policy

> **Article 148(1) TFEU**: 'The European Council shall each year consider the employment situation in the Union and adopt conclusions thereon, on the basis of a joint annual report by the Council and the Commission'.

> **Article 148(2) TFEU**: 'On the basis of the conclusions of the European Council, the Council, on a proposal from the Commission and after consulting the European Parliament, the Economic and Social Committee, the Committee of the Regions and the Employment Committee referred to in Article 150, shall each year draw up guidelines which the Member States shall take into account in their employment policies. These guidelines shall be consistent with the broad guidelines adopted pursuant to **Article 121(2)'**.

> **Article 148(5) TFEU**: 'On the basis of the results of that examination, the Council and the Commission shall make a joint annual report to the European Council on the employment situation in the Union and on the implementation of the guidelines for employment'.

Social policy

> **Article 48 TFEU**: '[...] Where a member of the Council declares that a draft legislative act referred to in the first subparagraph would affect important aspects of its social security system, including its scope, cost or financial structure, or would affect the financial balance of that system, it may request that the matter be referred to the European Council [...]'.

> **Article 152 TFEU**: 'The Union recognises and promotes the role of the social partners at its level, taking into account the diversity of national systems. It shall facilitate dialogue between the social partners, respecting their autonomy. The Tripartite Social Summit for Growth and Employment shall contribute to social dialogue'.

> **Council Decision (EU) 2016/1859** of 13 October 2016, Article 4: The [Tripartite Social] Summit shall be chaired jointly by the President of the European Council and the President of the Commission, with the participation of the current Council Presidency.

C. Strategic orientations

> Europe 2020 strategy: targets for reducing unemployment, poverty and social exclusion

The strategy sets five EU-wide targets to fulfil by 2020, among which three are in the areas of employment, education, poverty and social exclusion. More specifically, these targets are to: raise the employment rate of people aged between 20 and 64 to 75 %; to lift at least 20 million people out of poverty and/or social exclusion; reduce early school leaving by 10 % and ensure that at least 40 % of 30-34 year-olds complete tertiary education. Progress has been made in some of these areas, for instance in education, however additional efforts are still needed in alleviating poverty and improving youth employment rates.

> Developing the social dimension of the Union: addressing the consequences of the crisis

In the aftermath of the global financial crisis, the European debt sovereign crisis broke out in 2009 involving a number euro area countries. The effects of the crisis in terms of rising unemployment and poverty levels has impacted social systems and is putting social cohesion and inclusion in European societies at risk. It is in this context, that the December 2012 European Council called for the social dimension of economic and monetary union (EMU) to be strengthened, 'for Europe to remain a highly competitive social market economy and to preserve the European social model'. To this end, the President of the European Council, in cooperation with the President of the Commission, and after consulting Member States, called for the development of appropriate indicators within the European Semester to improve the monitoring of employment and social issues across Member States. The resulting scoreboard has been included in the European Semester since 2014.

> A social Europe: strategic priority in the debate on the future of Europe

At the Bratislava summit on 16 September 2016, EU 27 leaders agreed on a number of short-term objectives to fulfil over the following months. They pledged to work towards 'a promising economic future for all', safeguarding 'our way of life' and providing 'better opportunities for youth'. A number of concrete measures were thus to be taken in each of these areas including, notably, decisions on fighting youth unemployment and ensuring support for programmes dedicated to young people.

Figure 3 – Political concerns of EU citizens in the period 2010-2016

Source: Eurobarometer 86.
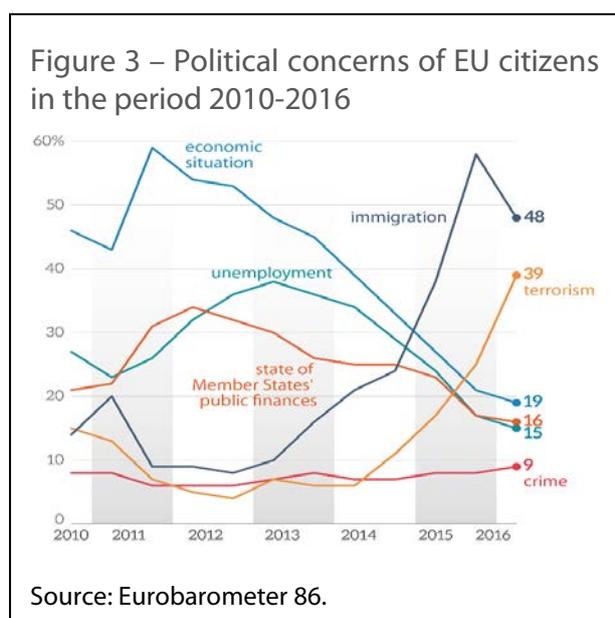
Although youth unemployment was included among the objectives that EU leaders prioritised following the Bratislava summit, it was not a standalone objective but rather was included under economic and trade issues. This reflected the three main concerns of EU citizens in 2016, migration, security and the economy. While in 2012, employment and social issues were addressed in the context of discussions on the completion of the EMU, and in 2016, at the Bratislava summit along with economic and trade issues, the 2017 Rome Declaration promoted a 'social Europe' to one of the four strategic priorities of the EU for the years ahead. EU leaders put the issue of youth unemployment at the top of the agenda and pledged to work towards 'a Union that fights unemployment [...] social exclusion and poverty [...]'.

> Gothenburg Social Summit: upwards convergence in working and living conditions

The November 2017 Gothenburg Social Summit followed up on the pledges made in Rome and solemnly proclaimed the European Pillar of Social Rights. On the margins of the Social Summit, the Heads of State or Government also addressed education and culture issues on the basis of a note circulated beforehand by European Council President Donald Tusk, which highlighted their key role in building inclusive and cohesive societies. President Donald Tusk stressed that the outcome of the summit and of the leaders' discussion would be reflected in the conclusions of the following European Council meeting.

Education is not a topic that appears frequently on the European Council agenda, but in December 2017, the Heads of State or Government discussed social and education issues. They emphasised that, although Member States remained primarily responsible for these areas, much could be achieved by working together. Promoting 'convergence through efforts at all levels' was a key element throughout the text of the conclusions. Quality education and training are the most effective ways to promote social and professional development, improve employability prospects and prevent social exclusion.

D. Noteworthy commitments: specific requests, and follow-up

D.1. European Pillar of Social Rights

European Commission President Jean-Claude Juncker laid out his vision for a Social Pillar in his first State of the Union address in 2015. The proposal was published in April 2017 and was primarily addressed to euro area countries, while equally open to countries outside the euro area. The Social Pillar is designed to serve as a 'compass for a renewed process of upward convergence towards better working and living conditions in the European Union'.

The December 2017 European Council initiated first steps for the implementation of the Social Pillar at Union and Member State level 'with due regard' to 'their competences'. It also invited the Commission to propose appropriate monitoring for its implementation. Thus, in March 2018, the Commission proposed a series of measures: 1) embedding Social Pillar principles within the European Semester; 2) providing technical assistance, supporting benchmarking and the exchange of good practices and 3) screening employment and social performances through a new social scoreboard replacing the 2013 scoreboard.

At EU level, the Social Pillar will be implemented through legislative and non-legislative measures, with an emphasis placed on the enforcement of the existing social *acquis*, to be updated where necessary. The 2017 Social Pillar proposal was indeed accompanied by legislative proposals on work-life balance for parents and carers and transparent and predictable working conditions, as well as a Council Recommendation on access to social protection for workers and the self-employed. The first two have already entered into force as of August 2019, whereas on the latter, an agreement was reached at the December 2018 Council on Employment, Social Policy, Health and Consumer Affairs. The proposals aim to respond to labour market changes, for instance digitalisation, cover all workers, in all forms of work, and ensure equal access to social protection, specifically for categories of people most at risk, e.g. young people who have been significantly affected by the crisis.

The December 2017 European Council called for progress on pending social files as well as on initiatives included in the 2019 Commission work programme. As early as March 2018, the European Council invited the Council to examine the initiatives presented by the Commission under the Social Fairness package. The Social Fairness package supports the implementation of the Social Pillar and

consists of: 1) a proposal for setting up a [European Labour Authority](#) (ELA),[1] a new body designed to strengthen cooperation between labour market authorities and help prevent infringements of EU and national labour law; 2) a [Council Recommendation](#) to [improve access to social protection](#) for workers and the self-employed, and 3) a legislative proposal on a [European social security number](#). The ELA regulation entered into force on 31 July 2019 and the new agency will be based in Bratislava. A proposal on a [European social security number](#), expected before 1 July 2018, has still not been released.

D.2. Fighting youth unemployment

Following up on objectives set at the Bratislava Summit, the 2016 December European Council called for the continuation of the [Youth Guarantee](#), adopted in 2013, and welcomed the increased support for the Youth Employment Initiative (YEI). Back in December 2012, the European Council called on the Council to adopt a [Recommendation](#) setting up the Youth Guarantee, which in the meantime all Member States have committed to implement. The objective of national Youth Guarantee schemes is to ensure that all young people under the age of 25 years receive either an offer of employment, continued education, or an apprenticeship/traineeship within four months of becoming unemployed or leaving formal education.

In its [conclusions](#) on the multiannual financial framework of 8 February 2013, the European Council decided to create a dedicated funding instrument, the [YEI](#). In June 2017, the Council and the Parliament [agreed](#) to [increase](#) the YEI budget by €2.4 billion for the 2017 to 2020 period.[2] Following the [evaluation](#) of the Youth Guarantee, more effort will be needed to reach young people particularly those at risk of social exclusion e.g. young people facing multiple barriers to entering the labour market (poverty, social exclusion, disability and discrimination).

D.3. Support for programmes dedicated to youth

The December 2016 European Council called for work to be taken forward on Commission [initiatives](#) dedicated to [youth](#), including those on mobility, [education](#), and skills development. In its [December 2016 communication](#), the Commission focused on the urgent need to invest in Europe's youth by providing better education and training opportunities and thus facilitating their access to the labour market. Following up on the Rome summit where EU leaders committed to a Union 'where young people receive the best education and training and can study and find jobs across the continent', the [December 2017 European Council](#) called on Member States and EU institutions to take forward a number of priority issues. These include, notably, facilitating the recognition of academic diplomas, stepping up youth mobility, and improving digital skills and language learning. A number of [initiatives](#) have since been launched or are currently under implementation at EU level.

E. Challenges ahead and outlook

Despite ambitious legislative proposals accompanying it, [experts](#) note that the Social Pillar remains, essentially, a soft law instrument without legally binding force; moreover, its implementation will be monitored through the European Semester, which has only a [weak enforcement mechanism](#).

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[1]   The European Labour Authority should: 1) facilitate access to information on rights and obligations in cases of cross border mobility for employees, employers and national administrations, 2) support coordination between Member States in the cross-border enforcement of relevant EU law, 3) mediate between Member State authorities in order to resolve cross-border disputes between them, and 4) facilitate solutions in case of labour market disruptions.

[2]   The Youth Employment Initiative [budget](#) amounts to €8.8 billion. Half of that amount comes from a dedicated Youth Employment budget, which requires no co-financing at national level. The other half comes from the European Social Fund and Member States need to top it up with their own financial contributions.

Member States, social partners and civil society remain the key actors in the delivery of the Social Pillar as they are the one having the competences and necessary tools to translate the proclamation of the Social Pillar into concrete implementation on the ground. In the European Council's strategic agenda 2019-2024, adopted in June 2019, EU leaders restated their commitment to the implementation of the Social Pillar at both EU and Member State level.

While the youth unemployment rate has decreased since 2013, it is still more than twice the general unemployment rate; therefore in the view of the European Parliament, support for young people must be maintained. In the strategic sgenda, EU leaders acknowledge that inequalities affecting young people today 'pose a major political, social and economic risk' with 'generational, territorial and educational divides developing'. Therefore, the negotiations on the next multiannual financial framework will be critical in securing the necessary financial resources to implement the Social Pillar as well as ensuring 'adequate social protection and inclusive labour markets' for all. While the negotiations on the next EU budget will undoubtedly be difficult given the current challenges facing the Union, it is of paramount importance that Heads of State or Government honour their pledges by supporting an EU budget able to deliver on the political agenda outlined in Bratislava and Rome.

2.1. Employment policy

Policy field Specific issue	Conclusion	Follow-up action
General orientations/overall objectives	14-15 December 2017 **The Commission is invited to propose appropriate monitoring (for the European Pillar of Social Rights).**	SWD(2018) 67 of 13 March 2018 accompanying the document COM (2018) 130 on monitoring the implementation of the European Pillar of Social Rights. COM(2018) 130 of 13 March 2018 on monitoring the implementation of the European Pillar of Social Rights.
	As a first step the following should be taken forward: **- implementing the European Pillar of Social Rights at Union and Member State level, with due regard to their respective competences.**	
	The European Council will come back to all these matters in March 2018 to ensure appropriate follow-up.	European Council conclusions of 22 March 2018.
	15 December 2016 **It also calls for work to be taken forward on the recent Commission initiatives dedicated to youth, including those on mobility, education, skills development and the European Solidarity Corps.**	European Parliament legislative resolution of 12 March 2019 on the proposal for a regulation of the European Parliament and of the Council establishing the European Solidarity Corps programme and repealing

Policy field Specific issue	Conclusion	Follow-up action
		[European Solidarity Corps Regulation] and Regulation (EU) No 375/2014. On 15 November 2018, the Council reached a partial approach on European Solidarity Corps. Proposal COM/2018/440 of 11 June 2018 for a Regulation of the European Parliament and Council on establishing the European Solidarity Corps programme and repealing [European Solidarity Corps Regulation] and Regulation (EU) No 375/2014. Procedure: 2018/0230/COD.
Youth employment/fighting youth unemployment **Youth Guarantee**	15 December 2016 **The European Council calls for the continuation of the Youth Guarantee.**	Proposal COM (2018) 382 of 30 May 2018 for a Regulation of the European Parliament and of Council on the European Social Fund Plus (ESF+). Procedure: 2018/0206/COD. European Parliament resolution of 18 January 2018 on the implementation of the Youth Employment Initiative in the Member States (2017/2039(INI)). Definitive adoption (EU, Euratom) 2017/2120 of of 13 December 2017 amending budget No 3 of the European Union for the financial year 2017,OJ L 330/1.

Policy field Specific issue	Conclusion	Follow-up action
		Statement of 6 March 2017 of the European Parliament and the Council on reinforcements (top-ups) for the remaining period of the MFF.
	20-21 October 2016 **The European Council restates the importance of achieving tangible results by December (...) on enhancing EU youth programmes.**	European Council conclusions of 15 December 2016.
	The European Council restates the importance of achieving tangible results by December on EU support for Member States in fighting youth unemployment (...).	European Council conclusions of 15 December 2016.
	16 September 2016 **In December - decisions on EU support for Member States in fighting youth unemployment (...).**	European Council conclusions of 15 December 2016.
	In December - decisions (...) on enhanced EU programmes dedicated to youth.	European Council conclusions of 15 December 2016.

Policy field Specific issue	Conclusion	Follow-up action
	30 August 2014 The European Council also welcomes the intention of the Italian government to hold a conference in October at the level of Heads of State or Government on employment, especially youth employment, following those held in Berlin and Paris.	
Youth employment initiative	**15 December 2016** The European Council welcomes the increased support for the Youth Employment Initiative.	
Skills and training **New skills agenda**	**14-15 December 2017** As a first step the following should be taken forward: delivering further on the new European Skills Agenda, with a particular focus in 2018 on implementing the Council Recommendation on Upskilling Pathways, intended for people with the greatest skills needs.	
Functioning of labour markets **European Labour Authority**	**22 March 2018** **The European Council invites the Council to examine (...), including the proposal on a European Labour Authority.**	Employment, Social Policy and Health Council conclusions of 21-22 June 2018.

Policy field Specific issue	Conclusion	Follow-up action
Equality of treatment and opportunities between women and men **Gender pay gap**	<u>14 December 2017</u> As a first step the following should be taken forward: • following up on the priorities of the EU Action Plan to tackle the gender pay gap.	

2.2. Social policy

Policy field Specific issue	Conclusion	Follow-up action
General orientations/overall objectives	<u>14-15 December 2017</u> **As a first step the following should be taken forward:** **-facilitating a well-functioning social dialogue at all levels, including the 'new start for social dialogue' at EU level.** **As a first step the following should be taken forward: progressing swiftly on pending social files at EU level, and being ready to examine future initiatives announced by the Commission in its Work Programme for 2018.**	Directive (EU) 2019/1152 of the European Parliament and of the Council of 20 June 2019 on transparent and predictable working conditions in the European Union, OJ L 186. Procedure: 2017/0355(COD). Directive (EU) 2019/1158 of the European Parliament and of the Council of 20 June 2019

Policy field Specific issue	Conclusion	Follow-up action
		on work-life balance for parents and carers and repealing Council Directive 2010/18/EU, OJ L 188. Procedure: 2017/0085/COD. Directive (EU) 2018/957 of the European Parliament and of the Council of 28 June 2018 amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services, OJ L173. Procedure: 2016/0070/COD. Council adopted its position on 21 June 2018 on the proposal for a Regulation of the European Parliament and of Council amending Regulation (EC) No 883/2004 on the coordination of social security systems and regulation (EC) No 987/2009 laying down the procedure for implementing Regulation (EC) No 883/2004. Procedure: 2016/0397/COD.
	The Commission is invited to propose appropriate monitoring (for the European Pillar of Social Rights).	SWD(2018) 67 of 13 March 2018 accompanying the document COM (2018) 130 on monitoring the implementation of the European Pillar of Social Rights. COM(2018) 130 of 13 March 2018 on monitoring the implementation of the European Pillar of Social Rights.

Policy field Specific issue	Conclusion	Follow-up action
	As a first step the following should be taken forward: **- implementing the European Pillar of Social Rights at Union and Member State level, with due regard to their respective competences.** **The European Council will come back to all these matters in March 2018 to ensure appropriate follow-up.** <u>17-18 March 2016</u> The European Council notes the Commission consultation on social issues and stresses the importance of well-functioning labour markets and welfare systems.	European Council conclusions of 22 March 2018.
Social protection and social inclusion **Social protection**	<u>22 March 2018</u> **The European Council invites the Council to examine the initiatives presented by the Commission under the Social Fairness package.**	Employment, Social Policy and Health Council conclusions of 21-22 June 2018.

3. Competitiveness

A. Background

The global financial and economic crisis, which began in 2008, resulted in slow growth, a steep drop in investment and, consequently, high unemployment rates across most of the EU. The need to boost growth and create jobs has therefore featured high on the European agenda, guided by the Europe 2020 strategy. Endorsed by the European Council in June 2010, this broad strategy aims to boost employment levels and research and development spending as well as reduce greenhouse gases emissions and alleviate poverty. 'Member States must now act to implement these policy priorities at their level', said the leaders in 2010. An important instrument in this context is the European Semester, through which, based on strategic guidance by the European Council, the Member States coordinate their economic policies.

The pace of recovery after the worst of the crisis had passed was, however, relatively uneven and high unemployment remained a concern in a number of Member States. For this reason, in June 2014 at the start of the institutional cycle, the European Council established the 'Strategic agenda for the EU in times of change' for the next five years, in which it identified a number of major challenges, including: 'slow growth, insufficient public and private investment, and a lack of competitiveness'. According to economic analysis, weak investment after the crisis led to fragile recovery, holding back growth and employment. To address these challenges, the Heads of State or Government stressed that the EU should:

> boost investment by mobilising the right mix of private and public funding for long-term projects and by facilitating access to finance for small and medium-sized enterprises (SMEs). The European Council recognised in December 2014 that 'fostering investment and addressing market failure in Europe' was a key policy challenge;

> fully exploit the potential of the single market, including the digital single market, which is, as stressed at the December 2015 European Council, 'Europe's main engine for growth and job creation and a key to investment and increasing European competitiveness';

> make economic and monetary union a factor of stability and growth, by strengthening euro area governance and economic policy coordination (see chapter 1 for details).

The 10 priorities of the European Commission, set out in advance of the European Parliament's vote on 15 July 2014 that saw Jean-Claude Juncker elected as its president, closely mirror those of the European Council.

The measures envisaged aim to ensure the removal of all remaining barriers to products and services in the single market, create an integrated digital single market in order to unlock the full potential of new technologies and new forms of business, and establish a capital markets union, securing businesses better access to finance. Together with the launch of the Investment Plan for Europe and improved economic governance in the framework of the European Semester, the implementation of these three single market strategies is expected to lead to increased competitiveness of the European economy, boosting growth and jobs.

The Heads of State or Government also recognised the challenge of big data and the need to ensure data protection, cybersecurity and the development of high-capacity networks, if the EU wants to develop the data economy and make full use of the opportunities offered by artificial intelligence. One of the biggest economic disruptions in the coming years, on a par with the introduction of the internet in the 1990s, will be the deployment of machine learning and the automation of jobs. A

recent study estimates that 'between 400 million and 800 million individuals could be displaced by automation and need to find new jobs by 2030 around the world'.

The Tallinn Digital Summit in September 2017 underlined the commitment of Heads of State or Government to addressing the challenges of digitalisation. After the summit, the President of the European Council, Donald Tusk, said: 'We held this summit because Europe must use the opportunities created by huge advances, in everything from robotics to artificial intelligence. We need to actively shape our future and manage the risks posed by the digital revolution to our societies and democracies'.

In this way, in the years immediately following the outbreak of the global economic and financial crisis, macroeconomic issues, as well as measures aimed at boosting growth and investment and completing the European single market, were – according to a study commissioned by the European Parliamentary Research Service – highly prominent themes on the European Council agenda. Many of the policy decisions aimed at resolving the crisis were notably taken at the level of the Heads of State or Government. Since 2014 however, attention given to strictly economic topics has declined, while the debate on the European single market has shifted towards completion of the digital single market as well as other single market strategies, including issues of data protection and taxation. Nevertheless, although still present on the EU leaders' meeting agendas in recent years, economic and single market topics have been overshadowed by an unprecedented focus on migration.

New strategic agenda 2019-2024

To prepare the ground for the adoption of the EU's strategic agenda for the 2019-2024 period, the Heads of State or Government held an in-depth debate in March 2019 on strengthening the economic base of the EU. They called for a stronger single market, with particular emphasis on the deepening of the capital markets union, the development of service economy and mainstreaming of digital services. A stronger single market should also be accompanied by 'an assertive industrial policy' allowing the EU to remain an industrial power complemented by a competition policy addressing the distortive effects of foreign state ownership and state-aid financing in the single market.

The European Council conclusions did not go into much detail as to how to achieve these goals. The aim of the March debate was rather to lay the groundwork for the strategic agenda, adopted at the June 2019 European Council, which reiterated these objectives. 'In a world where common rules and standards are increasingly questioned', it puts high emphasis on the promotion of a level playing field, including in the area of trade. The agenda specifies that the EU would 'continue to update our European competition framework to new technological and global market developments'.

B. Legal basis for European Council action in competitiveness

Decision-making in the areas of the single market, the digital single market and the capital markets union and some aspects of economic governance falls under the ordinary legislative procedure (formerly referred to as co-decision), with the European Parliament and the Council of the EU acting as co-legislators. Structural reforms and general economic policies, however, are coordinated through assessment of the national reform programmes with the help of economic analysis and forecasts.

Under Article 121(2) of the Treaty on the Functioning of the European Union: 'The European Council shall, acting on the basis of the report from the Council, discuss a conclusion on the broad guidelines of the economic policies of the Member States and of the Union'.

European Semester

The latest broad economic policy guidelines, reflecting the conclusions of the European Council, were adopted as Council recommendations in 2015 for the following three years. They form the basis for the national reform programmes, in which Member States outline measures to achieve their Europe 2020 targets.

These documents, along with stability (for euro area countries) and convergence (for non-euro area countries) programmes feed into the European Semester, where the Member States, in the first six months of the year, align their budgetary and economic policies with the objectives and rules agreed at EU level (see this study for the track record on implementation).

The European Council plays an important role in this process, which ends with the Council issuing country-specific recommendations to Member States:

⇒ early in the year, usually in March, the European Council 'identifies the main challenges facing the Union and the euro area and gives strategic guidance on policies [...] Member States should take into account the horizontal guidance by the European Council.' (Recital 14, Regulation (EU) No 1175/2011 on the strengthening of the surveillance of budgetary positions and the surveillance and coordination of economic policies);
⇒ on the basis of national reform programmes, the Commission drafts country-specific recommendations; before the Council finally adopts them, usually in July, the European Council endorses them, usually in June.

C. Strategic orientations

Following up on the main orientations defined in the 2014 Strategic Agenda for the EU, the European Council identified the following strategic priorities:

Boosting investment in Europe: European Fund for Strategic Investment (EFSI)

In order to address market failures and mobilise investment in the EU, the European Council called in December 2014, for the establishment of the EFSI, the main pillar of the Investment Plan for Europe. The Heads of State or Government repeatedly endorsed the plan. The EFSI helps to finance strategic investments in key areas such as infrastructure, research and innovation, education, renewable energy and energy efficiency as well as risk finance for small and medium-sized enterprises (SMEs).

Heads of State or Government also endorsed the EFSI's extension in December 2016. On 1 January 2018, EFSI 2 came into force. As of September 2019, the EFSI is expected to trigger €433.2 billion in investment; and approximately 972 000 SMEs are set to benefit. The EFSI's target is to mobilise €500 billion by 2020.

Completing all aspects of the European single market by the end of 2018/end of the legislature

In its conclusions from December 2015, the European Council called for ambition in the implementation of the Commission's single market strategy. It also invited EU institutions to accelerate their work on the implementation of the digital single market strategy (May 2015) and the action plan on capital markets union (September 2015).

In order to reap all its benefits, the Heads of State or Government underlined that the legislation on the single market should be effectively and fully applied and enforced in practice, while adapting it to emerging challenges and minimising burdens on economic actors.

In June 2016, they committed the EU to completing and implementing the various single market strategies by the end of 2018. From March 2018 onwards they called for the strategies to be completed before the end of the legislature.

In the Rome Declaration of March 2017, the Heads of State or Government included 'the strong, connected and developing single market, embracing technological transformation' as a part of the second priority in their commitment to establish 'A prosperous and sustainable Europe'.

Better law-making

The European Council has also systematically supported action by both European institutions and Member States towards better law-making, which is a horizontal priority strongly related to competitiveness.

D. Noteworthy commitments: specific requests and follow-up

Single market strategies

The European Council has been following up regularly on progress made in the implementation of the single market strategies, which it describes as 'Europe's main engine for growth and job creation and a key to investment and increasing European competitiveness'.

In contrast to the digital single market agenda and the capital markets union action plan, the Heads of State or Government did not go into much detail with regard to issues included in the single market strategy. They did, however, highlight the need to remove barriers in the field of services, e.g. through the introduction of a services passport, and called for a stronger industrial policy.

In June 2017, the European Council welcomed the Commission's mid-term reviews of the digital single market strategy and the capital markets union action plan, and reiterated its previous commitment to completing the three single market strategies by the end of 2018. From March 2018 onwards, however, the Heads of State or Government have called upon the co-legislators to deliver on the strategies before the end of the legislature.

Digital single market

Reducing the current fragmentation of the European market and unlocking its full potential by notably embracing new technologies and adapting to new forms of business, including collaborative and digital economies, are core priorities for the European Council. In May 2015, the Commission launched the digital single market strategy, which the European Council endorsed in June 2015.

At the June 2016 European Council, the leaders took stock of the progress achieved in the digital single market area and reiterated that the EU should focus primarily on the immediate benefits that the digital single market would bring to consumers and businesses.

That is why the June 2016 European Council set a focus on specific files and policies, and called for swift and determined progress to bring the full benefits of the digital single market to all stakeholders. Since then, the Council and European Parliament have adopted legislation on the following digital single market issues highlighted by the European Council:

> cross-border portability, so that EU residents can access abroad the digital content they have purchased or subscribed to at home (Regulation);
> removal of barriers to e-commerce, including unjustified geo-blocking, so that online customers can access and purchase a product or service from a website based in another Member State (Regulation);

> ⮞ cross-border parcel delivery, so that it is easier for consumers and businesses to compare different delivery prices across the Union (Regulation);
> ⮞ modernisation of VAT systems; one-stop shop for e-commerce VAT registration, so that it is easier to sell goods and services across borders (Directive);
> ⮞ review of the wholesale roaming market; roaming surcharges were abolished in June 2017 (Regulation);
> ⮞ electronic communications code, to make it easier for companies to roll out 5G services and invest in high-capacity networks (Directive);
> ⮞ the establishment of the European High-Performance Computing Joint Undertaking to coordinate EU efforts in the field (Regulation);
> ⮞ reform of the audio-visual framework to regulate traditional TV broadcasts and on-demand services (Directive);
> ⮞ copyright reform to allow copyright holders to obtain a fair share of the profit generated by exploitation of their content (Directive).

Table 1 – European Council conclusions by strategy or action plan / deadlines set by the European Council, if any / adoption of legislation

Digital single market	Single market	Capital markets union
Data protection (GDPR)/ end of 2015/April 2016	Services passport/no deadline	Securitisation/end of 2016/ December 2017
Roaming surcharges/ June 2017/May 2017	Industrial policy/no deadline/ September 2017	Prospectus/end of 2016/ June 2017
Audio-visual framework/ end of 2017/November 2018		
Geo-blocking/end of 2017/ February 2018		
Cross-border parcel delivery/ end of 2017/April 2018		
Electronic communications code/ June 2018/December 2018		
Free-flow of non-personal data/ June 2018/November 2018		
Cross-border digital content portability/no deadline/June 2017		
High-performance computing/no deadline/September 2018		
VAT for e-commerce/no deadline/December 2017		
Copyright directive/no deadline/April 2019		
Digital content directive/no deadline/		

(green = legislation adopted, yellow = legislation not adopted)

Source: EPRS.

At the October 2017 European Council, the leaders emphasised the need to build 'a first rate infrastructure and communications network' in the EU. The agreement on the electronic communications code, which aims to make it easier for companies to roll out 5G services and invest in high-capacity networks, is an important step in this direction, as is the establishment of the European High-Performance Computing Joint Undertaking in 2018.

The European Council has also regularly underlined the need to deter and respond to threats to digital infrastructure as well as to protect personal data online. With the adoption of the General Data Protection Regulation (GDPR) in April 2016, the EU equipped itself with state-of-the-art legislation to safeguard citizens' rights in the digital era. In the cybersecurity domain, the Directive on the security of network and information systems (NIS) now allows Member States to closely track and monitor attacks on essential network infrastructure and to respond.

Building on discussions at the Tallinn Digital Summit in September 2017, the October 2017 European Council again committed the EU to completing the digital single market by the end of 2018. They also called for action to:

- bring governments and public sectors fully into the digital age;
- build a first rate infrastructure and communications network;
- adopt a common approach to cyber security;
- step up efforts to combat terrorism and online crime; and
- achieve an effective and fair taxation system fit for the digital era.

Big data

To compete successfully in the big data era, the EU needs to make it easier for companies to access vast amounts of data; and huge computing power is needed to process and put this data to work. The European Council has recognised both challenges: in June 2016, the leaders called for the coordination of EU efforts in high-performance computing; they have also repeatedly insisted on removing barriers to the free flow of data in the EU.

The leaders again highlighted the importance of the data economy at their informal summit in Sofia in May 2018. 'Data is an increasingly critical asset not only for innovation, business and growth, but above all for our daily lives,' reads the Leaders' Agenda note 'Innovation and Digital', which highlights, inter alia, the need to ensure the free flow of non-personal data in the EU and secure support for high-performance computing.

Parliament and Council followed up on these commitments in November 2018 when they adopted legislation that will ban restrictions on data localisation, thereby removing barriers for data storage and processing services, such as cloud computing. The Commission, on the other hand, proposed to establish the European High-Performance Computing Joint Undertaking; the Parliament and the Council adopted the proposal in 2018.

In its June 2018 conclusions, the European Council emphasised that 'High-quality data are essential for the development of artificial intelligence', inviting the co-legislators to swiftly examine the latest data package. In February 2019, Council approved the agreement reached with Parliament on the directive on open data and re-use of public sector information, opening the way to exploitation of large data sets needed for successful deployment of machine learning and artificial intelligence.

Industrial policy

Rattled by the European Commission's decision to [block the merger](#) of rail businesses owned by Germany's Siemens and France's Alstom, the two countries, in a [Manifesto for a European industrial policy fit for the 21st Century](#), called for a radical overhaul of the EU's competition policy to allow for the creation of European industrial champions. They also highlighted the need for investment in new technologies (through [InvestEU](#), [European Innovation Council](#) and [IPCEI](#)) and the development of artificial intelligence (AI) in Europe. The leaders want the Commission to present a long-term vision for the EU's industrial future by the end of 2019.

Capital markets union

As the EU's capital markets are fragmented and relatively underdeveloped, while European companies are heavily reliant on banks to fund their investments. This makes them more vulnerable at a time when banks are reluctant to lend, as happened during the financial crisis. The crisis led to a precipitous drop in investment, hurting jobs and growth.

The European Council has therefore [called](#) [repeatedly](#) for the creation of a capital markets union (CMU). This would help businesses to tap into more diverse sources of capital from anywhere within the EU. The leaders also highlighted the importance of venture capital in financing innovation as well as easier access to financial markets for companies through the simplification of prospectus requirements and rules for more efficient securitisation.

[The June 2016 European Council](#) urged the co-legislators to agree on [securitisation](#) proposals (to free up some of the banks' capital for further lending to the economy) and the simplification of [prospectus requirements](#) (to facilitate access to financial markets for companies). Council and Parliament adopted them in May and November 2017, respectively. The co-legislators also reached an agreement on [new rules for venture capital](#) (to boost investment in start-ups and innovation).

At their December 2018 and March 2019 meetings, the Heads of State or Government called for ambitious progress by spring 2019 on the capital markets union. In March and April 2019, the European Parliament and the Council adopted legislative proposals in the following areas: [SME growth markets](#), [cross-border distribution of collective investment funds](#), [covered bonds](#), [preventive restructuring frameworks](#), [clearing house rules](#) and the [European Market Infrastructure Regulation (EMIR)](#).

Better law-making

The European Council has systematically supported action by both European institutions and Member States to improve law-making, a horizontal priority strongly related to competitiveness. In May 2015, the Commission submitted a Better Regulation Package covering the full policy cycle, from planning and consultation in the preparatory phase to review and revision in the latter stages. This included a proposal for a new [Inter-institutional Agreement on Better Law-Making](#), which entered into force in April 2016. Closer cooperation between the institutions, in particular during the legislative planning phase, improved use of impact assessments, and increased transparency in the policy cycle are important elements of the agreement.

E. Challenges ahead and outlook

A competitive single market embracing digitalisation is a key element of two of the main objectives included in the Rome Declaration: 'a prosperous and sustainable Europe' and 'a social Europe'. Consequently, ensuring long-term competitiveness and the fair distribution of wealth is likely to feature prominently in the discussion on the future of the European project at EU leaders' meetings.

The EU Heads of State or Government are therefore likely to continue to highlight the importance of a fully functioning single market for increasing the EU's competitiveness and building a promising economic future for all. At their October 2017 meeting, EU leaders took a holistic stance towards digital transformation and committed to building a strong and coherent digital Europe, in line with the discussions at the Tallinn Digital Summit.

The delivery and implementation of the strategies on the capital markets union, digital single market and single market are all at the heart of this commitment. While the Heads of State or Government had at first wanted to see these strategies completed by the end of 2018, this deadline was later moved to the end of the legislative cycle (June 2019).

In November 2018, following up on the leaders' request, the Commission published a communication on the state of play regarding the implementation, application and enforcement of existing legislation that is key for the functioning of the single market and an assessment of remaining barriers to its functioning. The report stressed the need to close the delivery gap, as 44 of the 67 single market related proposals are still to be adopted by the co-legislators.

More specifically, this means that the EU will have to progress on many fronts, from digital copyright reform and ensuring privacy in electronic communication to regulation of online platforms and the taxation of digital companies. It will have to take work forward on further development of the capital markets union, for instance by ushering in pan-European pension products.

In view of the European elections, the October 2018 European Council emphasised the need for measures to combat disinformation and the dissemination of illegal content online. Following this request, the Commission came up with an action plan in December 2018. EU leaders also stressed the need for the EU to beef up its cybersecurity, and urged the Parliament and the Council to wrap up negotiations on cybersecurity proposals by the end of the parliamentary term.

At the March 2019 European Council, heeding the Commission's call for a 'much needed new political commitment', EU leaders held an in-depth discussion on the future development of the single market. Aiming to prepare the EU for increasing global competition, the Heads of State or Government called for action to strengthen the single market, with particular emphasis on the deepening of the capital markets union, the development of a service economy and the mainstreaming of digital services.

In its conclusions, the European Council invited the Commission to put forward 'a comprehensive contribution' to the 'overall discussion on strengthening the economic base of the EU' that it will hold in March 2020. It also asked the Commission to develop a long-term action plan for better implementation and enforcement of single market rules, for the same date, in close coordination with the Member States. The European Council also highlighted the importance of more risk-taking and the need to step up investment in research and innovation by offering further support to the European Innovation Council and implementing important projects of common European interest more efficiently.

3.1. Investments in the EU

Policy field Specific issue	Conclusion	Follow-up action
Increasing investments in the real economy **Investment plan: extension of the European Fund for Strategic Investment (EFSI)**	22-23 June 2017 **The European Council (...) calls on the legislators to rapidly agree on the extension and reinforcement of the Fund (EFSI).**	Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub. Procedure: 2016/0276(COD).
	The European Council takes stock of the progress made on the European Fund for Strategic Investments.	
	15 December 2016 **The European Council welcomes the agreement reached in the Council on the extension of the European Fund for Strategic Investment (EFSI), which should be adopted by the co-legislators in the first half of 2017.**	Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment

Policy field Specific issue	Conclusion	Follow-up action
		Advisory Hub. Procedure: 2016/0276(COD).
	20-21 October 2016 **The European Council calls on the Council to agree its negotiating position on the Commission's new EFSI proposal at its meeting on 6 December, taking into account the independent external evaluation that will be delivered in November.**	Regulation (EU) 2017/2396 of the European Parliament and of the Council of 13 December 2017 amending Regulations (EU) No 1316/2013 and (EU) 2015/1017 as regards the extension of the duration of the European Fund for Strategic Investments as well as the introduction of technical enhancements for that Fund and the European Investment Advisory Hub. Procedure: 2016/0276(COD).
	28 June 2016 The Commission intends to soon put forward proposals on the future of the EFSI, which should be examined as a matter of urgency by the European Parliament and the Council.	
Investment plan: European Fund for Strategic Investment (EFSI)	28 June 2016 The Investment Plan for Europe, in particular the European Fund for Strategic Investments (EFSI), has already delivered concrete results and	

Policy field Specific issue	Conclusion	Follow-up action
	is a major step to help mobilise private investment while making smart use of scarce budgetary resources. 18 December 2014 **The European Council calls for setting up a European Fund for Strategic Investments (EFSI) in the EIB Group ....The Commission will present a proposal in January 2015.** The European Council takes note of the favourable position the Commission has indicated towards such capital contributions in the context of the assessment of public finances under the Stability and Growth Pact, necessarily in line with the flexibility that is built into its existing rules; **Underlines that the EFSI will complement and be additional to ongoing EU programmes and traditional EIB activities. In this context the full use of all existing and allocated EU resources needs to be encouraged. The Commission will work closely with the Member States concerned to find solutions to maximise the use of commitments under the 2007-2013 MFF period and**	Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments Procedure: 2015/0009(COD).

Policy field Specific issue	Conclusion	Follow-up action
	recognises the desirability of delivering long-term projects in the years ahead using the flexibility of the existing rules;	
	The European Council calls for setting up a European Fund for Strategic Investments (EFSI) in the EIB Group with the aim to mobilise 315 billion euro in new investments between 2015 and 2017.	Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments Procedure: 2015/0009(COD).
	Supports the Commission's and the EIB's intention to strengthen technical assistance to projects at the European level and to create an investment advisory hub to be operational as of mid-2015;	
	23-24 October 2014 The European Council supports the incoming Commission's intention to launch an initiative mobilising 300 billion euro of additional investment from public and private sources over the period 2015-2017.	

Policy field Specific issue	Conclusion	Follow-up action
	It invited the Commission and the Council, in close cooperation in particular with the EIB, (...) to report to the European Council in December.	A report by the EU Task Force on Investment was published on 9 December 2014 and presented to the European Council on 18 December 2014.
	The European Council welcomed the establishment of a Task Force, led by the Commission and the European Investment Bank, with a view to identifying concrete actions to boost investment, including a pipeline of potentially viable projects of European relevance to be realised in the short and medium term.	
	It [the European Council] invited the Commission and the Council, in close cooperation in particular with the EIB, to take this investment initiative forward without delay.	Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments Procedure: 2015/0009(COD). A report by the EU Task Force on Investment was published on 9 December 2014 and presented to the European Council on 18 December 2014.

3.2. Single market

Policy field Specific issue	Conclusion	Follow-up action
General orientation	<u>21-22 March 2019</u> **The Commission is invited to develop by March 2020, in close coordination with the Member States, a long-term action plan for better implementation and enforcement of Single Market rules;** <u>13-14 December 2018</u> The European Council calls for implementing and enforcing, at all levels of government, decisions taken and rules adopted, as well as upholding standards and ensuring the smart application of better regulation principles, including subsidiarity and proportionality; **The European Council will hold an in-depth discussion next spring on the future development of the Single Market and European digital policy in preparation for the next Strategic Agenda.** The European Council calls for strengthening the coherence with all related policies.	

Policy field Specific issue	Conclusion	Follow-up action
Single market strategies	**21-22 March 2019** **(...) remaining unjustified barriers must be removed, building on the Commission Communication of November 2018, and no new ones created.** **13-14 December 2018** **It is also important to remove remaining unjustified barriers, in particular in the field of services, as well as to prevent any new barriers and any risk of fragmentation. The European Council calls on the Commission to continue its analysis and its work in this respect;** **The European Council invites the European Parliament and the Council to agree, before the end of the current legislature, on as many of the pending proposals relevant for the Single Market as possible.** **22 March 2018** **The European Council calls for increased efforts to deliver, before the end of the current legislative cycle, on the Single Market strategy, the Digital Single Market strategy, the Capital Markets Union Action Plan and the Energy Union, including through the**	

Policy field Specific issue	Conclusion	Follow-up action
	swift examination of recent Commission proposals. Decisions already taken must be implemented effectively. **The European Council therefore invites the Commission to present to the Council, before the Leaders' Agenda discussion in December 2018, a state of play regarding the implementation, application and enforcement of existing legislation that is key for the functioning of the Single Market and an assessment of remaining barriers to and opportunities for a fully functioning Single Market.** 22-23 June 2017 Co-legislators have made it possible to achieve significant progress towards the shared objective of completing and implementing the various strategies by 2018 (...). **In order to look beyond the finalisation of the different Single Market strategies and evolve towards a future-proof and fair Single Market, the European Council calls on the Commission to pursue its reflections on innovative ways to address new opportunities, challenges and remaining barriers.**	Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions - The Single Market in a changing world: A unique asset in need of renewed political commitment of 22 November 2018 COM(2018) 772 final.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council therefore emphasises that further efforts are needed from the EU and its Member States to achieve the level of ambition as reflected in the June 2016 conclusions for the Single Market, including on services, the Digital Single Market, the Capital Markets Union and the Energy Union (...).	
	The Council will report to the June 2018 European Council on progress in deepening, implementing and enforcing the Single Market in all its aspects.	Competitiveness council of May 2018 discussed the implementation of single market strategies.
	9-10 March 2017 **Completing and implementing the various Single Market strategies by 2018 therefore remains our shared objective.**	
	15 December 2016 **It reiterates the importance of the various Single Market strategies and the Energy Union, which should be completed and implemented by 2018.**	
	20-21 October 2016 **The European Council reconfirms previous conclusions, in which it called for the different Single Market strategies (Digital Single**	

Policy field Specific issue	Conclusion	Follow-up action
	Market, Capital Markets Union, Energy Union and Single Market Agenda) to be completed and implemented by 2018.	
	28 June 2016 **The European Council calls for the different Single Market strategies, including on energy, and action plans proposed by the Commission to be completed and implemented by 2018.**	
	The Council will report annually to the June European Council on progress in deepening the Single Market in all its aspects. Better implementation and enforcement of existing legislation will further help to reap the benefits of Europe's Single Market ambitions.	The Competitiveness council of May 2017 examined the progress on the implementation of the single market and the digital single market strategies with a view to forwarding the outcome of the debate to the president of the European Council.
	17-18 March 2016 **At its June meeting, the European Council will (...) also adopt an Agenda for the implementation of all aspects of the Single Market, including delivery of the Commission's Single Market, Digital Single Market and Capital Markets Union strategies, with a view to exploiting in full its untapped growth and productivity potential.**	The European Council of June 2016 adopted an agenda for the implementation of single market strategies.

Policy field Specific issue	Conclusion	Follow-up action
	17-18 December 2015 Further to the Commission's initiatives to strengthen and deepen the Single Market, the European Council: a) calls for ambition in the implementation of the roadmap to delivering on the Single Market Strategy to achieve a deeper and fairer Single Market for goods and services in all key areas;	
Upgrading the single market **Services**	**13-14 December 2018** It is also important to remove remaining unjustified barriers, in particular in the field of services (...). **28 June 2016** **The European Council called for swift and determined progress:** **- to support service providers seeking to expand across borders. A services passport, in line with the Council conclusions of 29 February 2016, will enable entrepreneurs in key sectors to offer their services in other Member States without going through unnecessary procedures and will contribute to promoting innovation;**	The European Commission presented a package of proposals on services on 10 January 2017, including new rules on services e-card and notification procedure.

Policy field Specific issue	Conclusion	Follow-up action
Industry	21-22 March 2019 **(...) in view of the importance of a globally integrated, sustainable and competitive industrial base, the Commission is invited to present, by the end of 2019, a long-term vision for the EU's industrial future, with concrete measures to implement it. It should address the challenges European industry faces, touching upon all relevant policy areas;** 19-20 October 2017 The European Council (...) calls on the Commission to (…) reaffirm the leading role of its industry; 15 December 2016 **The European Council calls on the Council and the Commission to evaluate the impact of mainstreaming industrial policy into the EU strategic initiatives and to consider concrete action to strengthen and modernise the industrial base of the Single Market.**	Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank: Investing in a Smart, Innovative and Sustainable Industry - A Renewed EU Industrial Policy Strategy of 13 September 2017. COM/2017/0479 final.

Policy field Specific issue	Conclusion	Follow-up action
Competition policy	21-22 March 2019 **The Commission intends to identify before the end of the year how to fill gaps in EU law in order to address fully the distortive effects of foreign state ownership and state-aid financing in the Single Market;** **We will continue to update our European competition framework to new technological and global market developments.**	

3.3. Digital single market

Policy field Specific issue	Conclusion	Follow-up action
General orientations **Digital single market strategy**	28-29 June 2018 **It is vital to deliver on the remaining legislative proposals concerning the Digital Single Market before the end of the current legislative cycle.**	

Policy field Specific issue	Conclusion	Follow-up action
	<u>19-20 October 2017</u> **To that end, the additional TTE/Telecom Council on 24 October should discuss how to speed up and prioritise the work on the Digital Single Market.** A future-oriented regulatory framework: completing the Digital Single Market Strategy in all its elements by the end of 2018 remains an essential task. Despite considerable progress, work in this area needs to be accelerated in order to meet this deadline. The European Council calls on the institutions to step up the legislative work, and on the Member States to implement the relevant EU legislation and to take all the measures required within their sphere of competence so as to shape the new digital era. <u>22-23 June 2017</u> In this context it welcomes the Commission's mid-term review of the Digital Single Market (...). <u>15 December 2016</u> It welcomes the progress achieved so far and urges all Institutions to build on this momentum and further increase the level of ambition notably in the vital areas of services and the Digital Single Market,	<u>The TTE/Telecom Council on 24 October 2017</u> discussed how to speed up and prioritise the work on the Digital Single Market.

Policy field Specific issue	Conclusion	Follow-up action
	ahead of the March 2017 European Council. It calls for removing remaining obstacles within the Single Market (...). __17-18 December 2015__ Further to the Commission's initiatives to strengthen and deepen the Single Market, the European Council in the interest of consumers and industry alike, invites the EU institutions to accelerate implementation of the Digital Single Market Strategy;	
__Integration of the digital single market__ __VAT for E-commerce__	__28 June 2016__ **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through modernisation of VAT systems.**	Council Implementing Regulation (EU) 2017/2459 of 5 December 2017 amending Implementing Regulation (EU) No 282/2011 laying down implementing measures for Directive 2006/112/EC on the common system of value added tax. Council Directive (EU) 2017/2455 of 5 December 2017 amending Directive 2006/112/EC and Directive 2009/132/EC as regards certain value added tax obligations for supplies of services and distance sales of goods. Procedure: 2016/0370(CNS).

Policy field Specific issue	Conclusion	Follow-up action
Telecommunications and broadband	19-20 October 2017 **The European Council called for co-legislators to agree on the electronic communications code proposal by June 2018.**	Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (Recast) Text with EEA relevance. Procedure: 2016/0288(COD).
	28 June 2016 **The European Council called for ensuring very high-capacity fixed and wireless broadband connectivity across Europe, which is a precondition for future competitiveness.**	Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic Communications Code (Recast) Text with EEA relevance. Procedure: 2016/0288(COD).
	The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through the review of the wholesale roaming market in view of abolishing roaming surcharges by June 2017.	Regulation (EU) 2017/920 of the European Parliament and of the Council of 17 May 2017 amending Regulation (EU) No 531/2012 as regards rules for wholesale roaming markets (Text with EEA relevance). Procedure: 2016/0185(COD).
	The European Council today adopted an agenda calling for swift and determined progress to create the right conditions for stimulating new business opportunities by better coordinating	Directive (EU) 2018/1972 of the European Parliament and of the Council of 11 December 2018 establishing the European Electronic

Policy field Specific issue	Conclusion	Follow-up action
	spectrum assignment modalities together with the timely release of the 700 MHz band so as to help ensure Europe's leadership in the roll-out of 5G networks.	Communications Code (Recast) Text with EEA relevance. Procedure: 2016/0288(COD). Decision (EU) 2017/899 of the European Parliament and of the Council of 17 May 2017 on the use of the 470-790 MHz frequency band in the Union. Procedure: 2016/0027/COD.
Removing illegal online content	17-18 October 2018 **The Commission proposal on preventing the dissemination of terrorist content online should be examined as a matter of priority.** 19-20 October 2017 The European Council welcomes the Commission's communication on Tackling Illegal Content Online (…); Combating terrorism and online crime: efforts to this effect should be intensified as set out by the European Council in its June 2017 conclusions.	Justice and Home Affairs Council of 6 December 2018 adopted its negotiation position on the proposal for regulation on preventing the dissemination of terrorist content online.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council (…) reiterates its readiness to support appropriate measures at EU level, if necessary;	
	22-23 June 2017 **The European Council expects industry to establish an Industry Forum and to develop new technology and tools to improve the automatic detection and removal of content that incites to terrorist acts.**	The establishment of the Global Internet Forum to Counter Terrorism by Facebook, Microsoft, Twitter and YouTube on 26 June 2017.
	12 February 2015 **We call for greater cooperation between public authorities and the private sector at EU level to remove internet content promoting terrorism or extremism, also working with Europol to establish internet referral capabilities;**	Europol's EU Internet referral unit started operations in July 2015. The European Commission launched the EU Internet Forum on 3 December 2015, bringing together EU interior ministers and representatives of major internet companies.
High-performance computing	28 June 2016 **The European Council called for swift and determined progress to create the right conditions for stimulating new business opportunities by:** **– coordinating EU efforts on high-performance computing.**	Council Regulation (EU) 2018/1488 of 28 September 2018 establishing the European High Performance Computing Joint Undertaking. Procedure: 2018/0003(NLE).

Policy field Specific issue	Conclusion	Follow-up action
	In this context the European Council looks forward to the launch of an important project of common European interest in this field.	
Free flow of data	28-29 June 2018 **High-quality data are essential for the development of Artificial Intelligence. The European Council invites the co-legislators to swiftly examine the latest data package.** Further action is needed to improve the efficient use of data across the EU.	Council approved the agreement with Parliament on the directive on open data and re-use of public sector information on 6 February 2019.
	19-20 October 2017 **By June 2018, co-legislators should agree on the free flow of non-personal data proposal.**	Regulation (EU) 2018/1807 of the European Parliament and of the Council of 14 November 2018 on a framework for the free flow of non-personal data in the European Union (Text with EEA relevance). Procedure: 2017/0228(COD).
	15 December 2016 The European Concil calls for removing obstacles (...) including those hampering the free flow of data.	

Policy field Specific issue	Conclusion	Follow-up action
	<u>25-26 June 2015</u> **The European Council emphasized the need to ensure the free flow of data.**	
E-government	<u>19-20 October 2017</u> **The European Council calls for implementing the Tallinn Ministerial Declaration on e-Government;**	
	<u>28 June 2016</u> **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through:** **– the invitation to governments and EU institutions to meet the targets of the eGovernment Action Plan;**	The European Commission's European digital progress report 2017 of 10 May 2017. The European Commission published eGovernment benchmark report on 3 October 2016.
E-commerce: parcel delivery	<u>19-20 October 2017</u> **The European Council called for the agreement between the co-legislators on parcel delivery should be reached by the end of 2017.**	Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services (Text

Policy field Specific issue	Conclusion	Follow-up action
	28 June 2016 **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through:** **- reducing the costs of parcel delivery.**	with EEA relevance). Procedure: 2016/0149(COD). Regulation (EU) 2018/644 of the European Parliament and of the Council of 18 April 2018 on cross-border parcel delivery services (Text with EEA relevance). Procedure: 2016/0149(COD).
E-commerce: geo-blocking	19-20 October 2017 **Agreement between the co-legislators on geo-blocking should be reached by the end of 2017.**	Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC (Text with EEA relevance). Procedure: 2016/0152(COD).

Policy field Specific issue	Conclusion	Follow-up action
	28 June 2016 **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through:** **– removing barriers to e-commerce, including unjustified geo-blocking which prevents online customers from accessing and purchasing a product or service from a website based in another Member State.**	Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC (Text with EEA relevance). Procedure: 2016/0152(COD).
	25-26 June 2015 **Action must be taken on key components of the Commission communication, notably to:** **– remove the remaining barriers to the free circulation of goods and services sold on-line and tackle unjustified discrimination on the grounds of geographic location.**	Regulation (EU) 2018/302 of the European Parliament and of the Council of 28 February 2018 on addressing unjustified geo-blocking and other forms of discrimination based on customers' nationality, place of residence or place of establishment within the internal market and amending Regulations (EC) No 2006/2004 and (EU) 2017/2394 and Directive 2009/22/EC (Text with EEA relevance). Procedure: 2016/0152(COD).

Policy field Specific issue	Conclusion	Follow-up action
Disinformation	17-18 October 2018 **The European Council looks forward to the Action Plan for a coordinated EU response [to disinformation], to be presented by December 2018, as set out in its June conclusions.**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018 of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'.
	The Commission will assess the implementation of the Code of practice on disinformation by the end of the year.	The European Commission's report of 5 December 2018 on the implementation of the communication Tackling online disinformation: a European Approach.
	In this respect, the measures proposed by the Commission on election cooperation networks, online transparency, protection against cybersecurity incidents, unlawful data manipulation and fighting disinformation campaigns [...] deserve rapid examination and operational follow-up by the competent authorities.	Justice and Home Affairs Council of March 2019. General Affairs Council conclusions of 19 February 2019 on securing free and fair European elections.
	28-29 June 2018 **Invites the High Representative and the Commission to present, in cooperation with the Member States and in line with the March**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018

Policy field Specific issue	Conclusion	Follow-up action
	2015 European Council conclusions, an action plan by December 2018 with specific proposals for a coordinated EU response to the challenge of disinformation, including appropriate mandates and sufficient resources for the relevant EEAS Strategic Communications teams;	of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'. Roadmaps of 16 October 2018 to implement the Code of Practice on disinformation. Code of Practice of 26 September 2018 to fight online disinformation.
Data protection	28-29 June 2018 Further action is needed to [...] foster trust through high data protection standards and full implementation and proportionate enforcement of the General Data Protection Regulation in respect of all economic actors doing business in our single market. 17-18 December 2015 Further to the Commission's initiatives to strengthen and deepen the Single Market, the European Council welcomes the agreement reached on the data protection package as a major step forward;	

Policy field Specific issue	Conclusion	Follow-up action
	<u>25-26 June 2015</u> **The Data Protection package must be adopted by the end of this year;**	<u>Regulation (EU) 2016/679</u> of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (Text with EEA relevance). Procedure: <u>2012/0011(COD)</u>.
Cybersecurity	<u>21-22 March 2019</u> **The European Council looks forward to the Commission's recommendation on a concerted approach to the security of 5G networks.** <u>17-18 October 2018</u> **The European Council also calls for measures to combat cyber and cyber-enabled illegal and malicious activities and build strong cybersecurity. Work on the capacity to respond to and deter cyber-attacks through EU restrictive measures should be taken forward, further to the 19 June 2017 Council conclusions.**	Commission Recommendation of 26 March 2019 on Cybersecurity of 5G networks <u>C(2019) 2335 final</u>. The Council of 19 December 2018 approved the agreement with European Parliament on <u>Cybersecurity Act</u>.

Policy field Specific issue	Conclusion	Follow-up action
	19-20 October 2017 **(…) To that end, the Commission's cybersecurity proposals should be developed in a holistic way, delivered timely and examined without delay, on the basis of an action plan to be set up by the Council;**	Council Conclusions of 20 November 2017 on the Joint Communication to the European Parliament and the Council: Resilience, Deterrence and Defence: Building strong cybersecurity for the EU.
	22-23 June 2017 In order to meet current and future cyber-security challenges, the European Council welcomes the Commission's intention to review the Cybersecurity Strategy in September and to propose further targeted actions before the end of the year.	
	25-26 June 2015 **The Directive on Network and Information Security must be rapidly adopted.**	Directive (EU) 2016/1148 of the European Parliament and of the Council of 6 July 2016 concerning measures for a high common level of security of network and information systems across the Union. Procedure: 2013/0027 (COD).
Contracts for digital content	19-20 October 2017 **The European Council called for negotiations on the Digital Content Directive to be pursued as a matter of priority.**	Trilogue negotiations on digital content directive started on 5 December 2017.

Policy field Specific issue	Conclusion	Follow-up action
Intellectual property rights **Digital Copyright Directive**	<u>19-20 October 2017</u> **Furthermore, negotiations on copyright should be pursued as a matter of priority.**	Negotiations between Parliament and Council on the final text of copyright directive started in October 2018, after Parliament adopted its negotiation position on 12 September 2018.
Copyright: portability of online services	28 June 2016 **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through:** **– cross-border portability, which will allow EU residents to travel with the digital content they have purchased or subscribed to at home;** 25-26 June 2015 **Action must be taken on key components of the Commission communication, notably to:** **– guarantee the portability and facilitate cross-border access to online material protected by copyright, while ensuring a high level of protection of intellectual property rights and taking into account cultural diversity, and help creative industries to thrive in a digital context;**	Regulation (EU) 2017/1128 of the European Parliament and of the Council of 14 June 2017 on cross-border portability of online content services in the internal market (Text with EEA relevance). Procedure: 2015/0284(COD). Regulation (EU) 2017/1128 of the European Parliament and of the Council of 14 June 2017 on cross-border portability of online content services in the internal market (Text with EEA relevance). Procedure: 2015/0284(COD).

Policy field Specific issue	Conclusion	Follow-up action
Copyright: audio-visual framework	<u>19-20 October 2017</u> **The European Council called for the agreement between the co-legislators on audio-visual media services should be reached by the end of 2017.**	Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) in view of changing market realities. Procedure: 2016/0151(COD).
	<u>28 June 2016</u> **The European Council called for swift and determined progress to bring the full benefits of the Digital Single Market to all stakeholders through the reform of audiovisual framework.**	Directive (EU) 2018/1808 of the European Parliament and of the Council of 14 November 2018 amending Directive 2010/13/EU on the coordination of certain provisions laid down by law, regulation or administrative action in Member States concerning the provision of audiovisual media services (Audiovisual Media Services Directive) in view of changing market realities. Procedure: 2016/0151(COD).

3.4. Research and innovation

Policy field Specific issue	Conclusion	Follow-up action
General orientations	<u>28-29 June 2018</u> Cooperation between research, innovation and education should be encouraged, including through the European Universities initiative.	
	<u>25-26 June 2015</u> **Action must be taken on key components of the Commission communication, notably to:** **– ensure effective investment instruments and improve the innovation climate, targeting in particular SMEs and start-ups;**	The pilot phase of the <u>European Innovation Council</u> was launched on 27 October 2017. <u>Regulation (EU) 2017/1991</u> of the European Parliament and of the Council of 25 October 2017 amending Regulation (EU) No 345/2013 on European venture capital funds and Regulation (EU) No 346/2013 on European social entrepreneurship funds (Text with EEA relevance). procedure: <u>2016/0221(COD)</u>.
Innovation	<u>28-29 June 2018</u> **The European Council invites the Commission to launch a new pilot initiative on breakthrough innovation within the remaining period of Horizon 2020.**	

Policy field Specific issue	Conclusion	Follow-up action
European Innovation Council	21-22 March 2019 **Measures should be taken to further support the European Innovation Council and to facilitate the implementation of Important Projects of Common European Interest, while ensuring a level playing field, as well as a regulatory environment and state-aid framework that are conducive to innovation;** 28-29 June 2018 **A European Innovation Council will be set up under the next Multiannual Financial Framework to identify and scale up breakthrough and disruptive innovation.** 19-20 October 2017 **The European Council (...) calls on the Commission to put forward the necessary initiatives for strengthening the framework conditions with a view to enable the EU to explore new markets through risk-based radical innovations (…).**	The pilot phase of the European Innovation Council was launched on 27 October 2017.
Artificial intelligence	19-20 October 2017 **The European Council invites the Commission to put forward a European approach to artificial intelligence by early 2018.**	Communication COM/2018/237 from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the

Policy field Specific issue	Conclusion	Follow-up action
		Committee of the Regions: Artificial Intelligence for Europe of 25 April 2018.

3.5. Better law-making

Policy field Specific issue	Conclusion	Follow-up action
Inter-institutional co-operation on better law-making	<u>28 June 2016</u> The European Council adopted an agenda calling for swift and determined progress: - to vigorously pursue efforts towards better regulation. <u>18 December 2014</u> **Invites the Commission and the Union legislators to robustly pursue the better regulation agenda aimed at transparent and simple regulation achieved at a minimum cost.**	Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making of 13 April 2016.

4. Climate and energy

A. Background

Since March 2014, the European Council has addressed climate and energy regularly at its meetings, as shown in figure 1. The European Council set its long-term objectives on climate and energy in October 2014 and asked the EU institutions and the Member States to adopt the relevant legislation and to begin its implementation. In 2015 and 2016, the European Council was in monitoring mode, taking stock of progress made in implementing its 2014 targets. This monitoring mode continues to date, through increased attention paid to the fulfilment of the commitments made under the Paris Agreement on Climate Change (hereinafter, the Paris Agreement).

Figure 4 – Incidence of energy and climate in the European Council conclusions (June 2014 to May 2019)
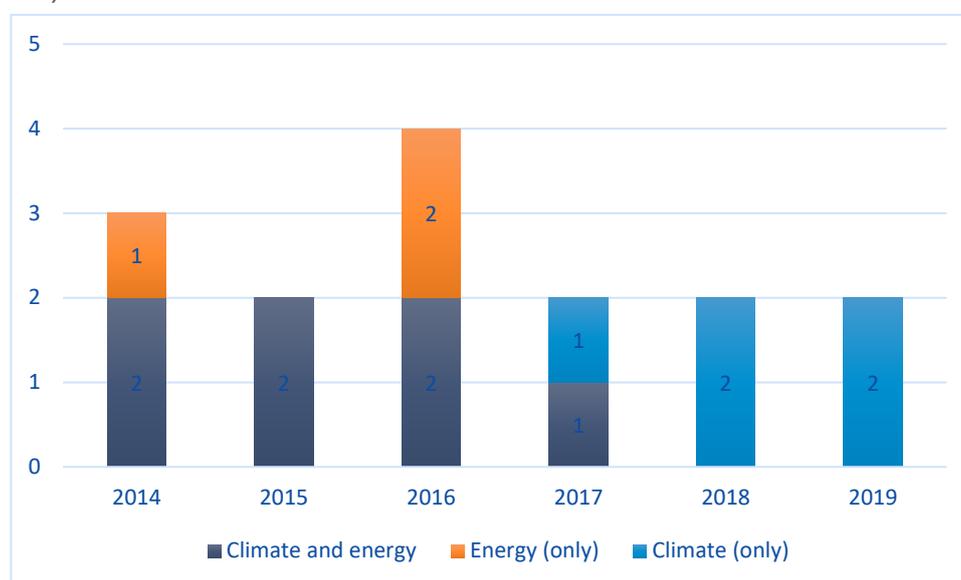
Source: EPRS.

The announcement by the US in 2017 of its intention to withdraw from the Paris Agreement led the European Council to reaffirm the EU's ambition to lead the fight against climate change. The EU leaders placed the values and principles for which the EU stands at the forefront of their climate action, including the principle of multilateralism, which is central to the EU global strategy. Diverging views on the Paris Agreement introduced the risk of the EU drifting apart from its strategic ally, the US. This risk has deepened since, as opposing views have arisen, in particular on international trade (see Chapters VI and VII). Some Heads of State or Government have, as part of their interventions in the debate on the 'Future of Europe', deplored the US's intention to withdraw from the Paris Agreement and called on the EU to make sure that the agreement is implemented.

An initial group of eight Member States – France, Belgium, Denmark, Luxemburg, the Netherlands, Portugal, Spain and Sweden – advocated a more ambitious approach to fighting climate change in a non-paper on Climate for the Future of Europe released in May 2019. They called for a carbon neutral economy by 2050 and suggested that a minimum of 25 % of the EU budget be used in support of climate projects in the next MFF. Persisting differences in views mean that the June 2019 European Council conclusions mention only in a footnote that 'climate neutrality must be achieved

by 2050'. The countries reluctant to commit to a date to achieve climate neutrality were Czechia, Estonia, Hungary and Poland.

Under the strategic agenda for 2019 to 2024, which recognised that the EU must engage 'in an in-depth transformation of its own economy and society to achieve climate neutrality', the EU leaders identified the fight against climate change as a main priority. Furthermore, the new European Commission, based on the programme presented by its new president-elect, Ursula von der Leyen, has made climate action the top priority for the next five years.

B. Legal basis for European Council action on climate and energy

> **Article 15(1)TEU**: The European Council defines 'the general political directions and priorities' of the EU, including for climate and energy. The Lisbon Treaty expressly introduced an interdiction for the European Council to 'exercise legislative functions'.
> **Article 15(4)TEU**: European Council decisions on climate and energy are taken by consensus whilst Council decisions are taken by qualified majority voting (QMV) (Articles 191 and 194 TFEU).
> **Article 121 TFEU**: The European Council, following a report from the Council based on a recommendation from the Commission, shall 'discuss a conclusion on the broad guidelines of the economic policies of the Member States and of the Union'. This provision applies to the energy market, the completion of which is a perennial European Council priority.

C. Strategic orientations

> **The EU global strategy:** The EU global strategy confirms the EU's support for Paris Agreement implementation. It stresses the importance of unity to allow the Union to play an increasingly pivotal role on the global scene in support of countering climate change through multilateral means, including stronger cooperation within the UN. It also calls for the strengthening of the EU's resilience in different domains, including energy.
> **Climate and energy strategy:** In June 2010 the European Council agreed on the Europe 2020 strategy and in October 2014 on a 2030 framework for climate and energy. The latter document set more ambitious targets. It raised the level of greenhouse gas emissions reduction from 20 % by 2020 to 40 % by 2030 (with the reference year 1990 for emission levels). It also increased from 20 % in 2020 to 27 % in 2030 the share of renewable energy consumption and the improvement of energy efficiency. Analysts estimate that the EU is 'on track to achieve its climate and energy targets for 2020'.
> **Energy security package:** In order to meet climate and energy targets, the European Commission presented a European energy security strategy in May 2014 and an energy security package in February 2016. The European Council endorsed the package in March 2016. The energy security package is aimed at: 1) addressing the risk of gas supply disruptions by introducing a solidarity principle among Member States; 2) enhancing transparency and ensuring full compliance with EU law on intergovernmental agreements having a gas security component concluded by individual Member States with third counties; 3) reducing regional disparities on access to liquefied natural gas (LNG) by building strategic infrastructure and ending 'single-source dependency of some of the Member States'; 4) decreasing the consumption of fossil fuels (estimated in 2016 to represent 75 % of buildings and industry consumption), increasing the use of renewables, and boosting energy efficiency.

D. Noteworthy commitments: specific requests and follow-up

Implementation of the Paris Agreement

The Paris Agreement, concluded in December 2015 at the UN Conference on Climate Change (COP21) and which entered into force in November 2016, establishes a new global climate regime from 2020 onwards. It commits signatories to limit global warming to well below 2 degrees Celsius, aspiring to keep it to 1.5 degrees above pre-industrial levels. It thus aspires to stem climate change as a global threat to security. It encourages all parties 'to put forward their best efforts through 'nationally determined contributions' (NDCs) and to strengthen these efforts in the years ahead'. Participating countries report regularly on their emissions and implementation progress, whilst collective progress, on a global scale, will be evaluated every five years.

The European Council set the implementation of the Paris Agreement as one of its main climate and energy priorities. This requires both domestic EU and international action. The two dimensions have been intertwined in the European Council conclusions for the past few years.

With respect to the EU domestic dimension, based on the European Council guidelines, the European Commission has put forward several packages of climate and energy legislation since 2015. Most of them have been adopted by the co-legislators and are currently implemented (for example, the directive 'on the promotion of the use of energy from renewable sources'). Several others, including the electricity regulation and the electricity directive have still to be adopted. The different pieces of legislation serve to meet Paris Agreement commitments but also to complete the energy union, another long-lasting commitment of the European Council.

As part of the future of Europe debate, the Prime Minister of the Netherlands, Mark Rutte, stated that the current EU commitment to reducing greenhouse gas emissions by 40 % by 2030 was insufficient to fulfil the Paris Agreement target of keeping global warming below 2 degrees Celsius. He has instead proposed a collective EU Member States effort of 55 % greenhouse gas emissions reduction by 2030. There is, for the moment, no consensus among the EU Member States on setting more ambitious CO_2 reduction targets for 2030 and beyond as long as the existing ones are not swiftly implemented. The non-paper on climate, supported, initially, by eight EU Member States, stresses the importance of setting ambitious targets (for example, reducing to zero net greenhouse gas emissions by 2050) and of working towards achieving them swiftly.

As far as the external dimension is concerned, from early 2015 onwards the European Council followed the progress of negotiations held in relation to the COP21 in Paris very closely. In *March 2015*, the European Council called for 'strong coordinated action through active European climate diplomacy ahead of the COP21 in Paris'. The principle of active European diplomacy on climate has been pursued constantly ever since, with the Foreign Affairs Council (FAC) adopting successive sets of conclusions. In its February 2016 *conclusions*, the Foreign Affairs Council agreed on the main lines the EU was to pursue in its efforts to counter climate change; it was to do so in close cooperation with international partners in a multilateral framework, including through development cooperation mechanisms and regular diplomatic dialogue. In 2018, EU climate diplomacy action efforts focused on the *Talanoa Dialogue* conducted under the auspices of the UN in preparation for the *COP24* in Katowice in December 2018. In Katowice, a *'rulebook'* on implementing the Paris Agreement was finally *agreed*, which the European Council acknowledged in its *December 2018* conclusions. It has also committed to provide further guidelines on 'the overall direction and political priorities' of EU's climate action in 2019.

Energy security

As early as 2011, the European Council identified security in energy supply as a key element for the EU's overall security and stressed the importance of coherent EU external action in the field of energy. It also called for increasing transparency towards the EU institutions and other Member States when one country is negotiating a cooperation agreement on a bilateral basis with third countries. Two years later, in 2013, the Heads of State or Government recognised the importance of diversifying energy sources, including types and suppliers, in order to reduce external dependency risks.

The emergence of the crisis in Ukraine in 2014 led the European Council to consider energy security at several of its meetings that year. It reiterated its previous calls for 'energy dependency reduction', stressed the importance of maintaining affordable energy prices, and mandated the European Commission to explore means to address the energy dependency challenge. In response, in 2014 the European Commission presented the European energy security strategy and, more recently, in 2016, the 2030 framework for climate and energy and the energy package (see point C).

The formulation and implementation of energy policy remains in the hands of EU Member States. Diverging views persist on the way forward in the diversification of energy supply sources. Speaking in the context of the future of Europe debate, several Heads of State or Government have outlined the importance of reducing energy dependence by augmenting the share of domestic renewable energy and other types of energies with a low carbon footprint. Polish Prime Minister Mateusz Morawiecki has openly challenged the Nord Stream 2 project, pointing at the high risk of increasing dependency on Russia. His colleague, Andrej Plenković, Prime Minister of Croatia, has stressed the strategic importance of energy supply diversification, including through liquefied natural gas (LNG) terminals like the one Croatia is currently building on the island of Krk.

Experts consider the multiplication of liquefied natural gas terminals (LNG), also envisaged by the European Council in its March 2014 conclusions, as a means to diversify supply sources and mitigate existing dependency risks. Forecast analyses for the period beyond 2020 show that the US and Australia will become the main LNG exporters. LNG currently comes at a higher cost than natural gas supplied through pipelines.

EU Member States individually and collectively are net importers of energy products. The products they import most are crude oil (70 %) and natural gas (20 %). In both cases, Russia remains the main external partner with a share of 40.6 % of total external imports of natural gas and 28 % of total external imports of crude oil (figures for the first semester of 2018). It is followed by Norway as the second main supplier, with 38.8 % of natural gas imports and 11 % of crude oil.

E. Challenges ahead and outlook

Climate change, a top priority for the 2019-2024 strategic agenda, is likely to remain an important issue on the European Council agenda in the years to come. Some Member States have explicitly called for a more ambitious approach to fighting climate change and the challenge of building consensus on this issue will, most likely, fall on the next President of the European Council, Charles Michel.

Climate change and energy security represent two major security threats the EU will need to face in the next decade, whilst, at the same time, assessing them in relation to other important threats the Union will be confronted with in the coming years. A fine balance between climate diplomacy action and energy security preservation will have to be articulated in an increasingly volatile geopolitical environment, where the EU will have to preserve its strategic transatlantic partnership and face an increasingly assertive Russia

4.1. Climate

Policy field Specific issue	Conclusion	Follow-up action
General orientations	<u>20-21 June 2019</u> The EU and its Member States remain committed to scaling up the mobilisation of international climate finance from a wide variety of private and public sources. <u>21-22 March 2019</u> The European Council [...] emphasises the importance of the EU submitting an ambitious long-term strategy by 2020 striving for climate neutrality in line with the Paris Agreement, while taking into account Member States' specificities and the competitiveness of European industry; <u>13-14 December 2018</u> **Further to the presentation of the Commission Communication "A Clean Planet for all" and taking into account the outcome of COP24 in Katowice, the European Council invites the Council to work on the elements outlined in the Communication.**	Employment, Social Policy, Health and Consumer Affairs Council of 8 July 2019. Agriculture and Fisheries Council conclusions of 14 May 2019. European Council conclusions of 21-22 March 2019. Environment Council of 5 March 2019. Competitiveness Council of 18 February 2019. Foreign Affairs Council of 18 February 2019.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council will provide guidance on the overall direction and political priorities in the first semester of 2019, to enable the European Union to submit a long term strategy by 2020 in line with the Paris Agreement.	European Council conclusions of 20 June 2019. European Council conclusions of 21-22 March 2019.
	23-24 October 2014 **The European Council will keep all the elements of the framework under review and will continue to give strategic orientations as appropriate, notably with respect to consensus on ETS, non-ETS, interconnections and energy efficiency.**	European Council conclusions of 19-20 March 2015.
	It (the European Council) will revert to this issue (climate targets) after the Paris Conference.	European Council conclusions of 22-23 June 2017.
	26-27 June 2014 It reaffirms the importance of the UN Climate Summit in September 2014.	

Policy field Specific issue	Conclusion	Follow-up action
2030 European climate and energy policy	26-27 June 2014 The European Council took stock of progress made towards a final decision in October [2014] on the 2030 climate and energy framework in line with its March 2014 conclusions. **Looks forward, in particular, to the Commission presenting by July a review of the Energy Efficiency Directive and how energy efficiency can contribute to the 2030 climate and energy framework.** **The European Council will take a final decision on the new climate and energy policy framework, including on further measures aimed at enhancing Europe's energy security on specific 2030 interconnection objectives, no later than October 2014.**	COM(2014)520 of 23 July 2014 Energy Efficiency and its contribution to energy security and the 2030 Framework for climate and energy policy. European Council conclusions of 23-24 October 2014.
UNFCCC Paris Agreement	17-18 December 2015 **It invites the Commission and the Council to assess the results of COP21 by March 2016, in particular in view of the 2030 climate and energy framework.**	European Council conclusions of 17-18 March 2016. Environment Council conclusions of 4 March 2016. Communication COM(2016)0110 of 2 March 2016 The Road from Paris: assessing the implications of the Paris Agreement and accompanying the proposal for a Council

Policy field Specific issue	Conclusion	Follow-up action
		decision on the signing, on behalf of the European Union, of the Paris agreement adopted under the United Nations Framework Convention on Climate Change.
	The European Council welcomes the historic outcome reached in Paris where the world adopted the first-ever global and legally-binding climate agreement with the aim to hold the global warming well below 2°C and to pursue efforts to limit it to 1.5°C.	
UNFCCC Paris Agreement: implementation	20-21 June 2019 **In this context [long-term strategy to the UNFCCC], the European Council invites the European Investment Bank to step up its activities in support of climate action.** The EU and its Member States remain committed [...] to working towards a timely, well-managed and successful replenishment process for the Green Climate Fund. It welcomes the active involvement of Member States and the Commission in the preparations [of the United Nations Secretary General's Climate Action Summit in September 2019].	Speech of President Werner Hoyer at Principles for Responsible Investment (PRI) in Person 2019.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council will finalise its guidance before the end of the year [2019] with a view to the adoption and submission of the EU's long-term strategy to the UNFCCC in early 2020.	
	The EU and its Member States remain committed to scaling up the mobilisation of international climate finance from a wide variety of private and public sources.	
	<u>21-22 March 2019</u> The European Council [...] reiterates its commitment to the Paris Agreement.	
	The European Council [...] calls on the Council to intensify its work on a long-term climate strategy ahead of a further discussion in the European Council in June 2019.	<u>Agriculture and Fisheries Council</u> conclusions of 14 May 2019.
	The European Council [...] calls for the timely finalisation of the national long-term strategies;	<u>Transport, Telecommunications and Energy Council</u> of 24 September 2019.

Policy field Specific issue	Conclusion	Follow-up action
	14 December 2017	
	It strongly reaffirms the commitment of the EU and its Member States to swiftly and fully implement the Paris Agreement and to continue to lead in the fight against climate change, including through the adoption of pending legislative proposals at EU level.	
	The European Council welcomes the outcome of the One Planet Summit in Paris on 12 December 2017 aimed at scaling-up public and private finance in support of climate action, further to the COP 23 held in Bonn on 6-17 November 2017 and on the road to the COP 24 to be held in Katowice, where the Paris Agreement implementation package will be adopted.	
	22-23 June 2017	
	The European Council strongly reaffirms the commitment of the EU and its Member States to swiftly and fully implement the Paris Agreement, to contribute to the fulfilment of the climate finance goals, and to continue to lead in the fight against climate change.	
	The European Council calls on the Council and the Commission to examine all means to achieve these goals [Paris Agreement implementation].	COM(2019) 412 final of 11 September 2019 on the 2019 Climate Action Summit hosted by the United Nations Secretary General in New York. Employment, Social Policy, Health and Consumer Affairs Council of 8 July 2019.

Policy field Specific issue	Conclusion	Follow-up action
		COM(2018) 773 final of 28 November 2018 from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank 'A Clean Planet for all - A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy'. Environment Council conclusions of 9 October 2018. Environmental Council conclusions of 13 October 2017. Ecofin Council conclusions of 10 October 2017.
Reducing greenhouse gas emissions	20-21 June 2019 **Following the sectoral discussions held over recent months, the European Council invites the Council and the Commission to advance work on the conditions, the incentives and the enabling framework to be put in place so as to ensure a transition to a climate-neutral EU in line with the Paris Agreement1 that will preserve European competitiveness, be just and socially balanced, take account of Member States' national circumstances and respect their right to decide on their own energy mix, while building on the measures already agreed to achieve the 2030 reduction target.**	

Policy field Specific issue	Conclusion	Follow-up action
	19-20 March 2015 **While emphasising the importance of all dimensions of the Energy Union, today, the European Council focused on some of the aspects and called for: [..] g) reviewing and developing legislation related to emissions reduction, energy-efficiency and renewables to underpin the agreed 2030 targets; developing a reliable and transparent governance system;**	Directive (EU) 2018/2002 of the European Parliament and of the Council of 11 December 2018 amending Directive 2012/27/EU on energy efficiency. Procedure: 2016/0376 (COD). COM(2018) 773 final of 28 November 2018 from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee, the Committee of the Regions and the European Investment Bank 'A Clean Planet for all - A European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy'. Proposal COM(2018) 284 final of 17 May 2018 for a regulation of the European Parliament and of the Council setting emission performance standards for new heavy-duty vehicles. Procedure: 2018/0143 (COD). Proposal COM(2018) 286 final of 17 May 2018 for a regulation of the European Parliament and of the Council on type-approval requirements for motor vehicles, as regards their general safety and protection of vehicle occupants and vulnerable road users, amending Regulation (EU) 2018/... and repealing Regulations (EC) No 78/2009, (EC) No 79/2009 and (EC) No661/2009. Procedure: 2018/0145(COD).

Policy field Specific issue	Conclusion	Follow-up action
		Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814. Procedure: 2015/0148(COD). COM(2016)0773 of 30 November 2016 Ecodesign Working Plan 2016-2019. C(2016) 7769 (EU) Commission Regulation of 30 November 2016 implementing Directive 2009/125/EC of the European Parliament and of the Council establishing a framework for the setting of ecodesign requirements for energy-related products, with regard to ecodesign requirements for air heating products, cooling products, high temperature process chillers and fan coil units. Annexes 1-5. C(2016) 7767 Commission Regulation (EU) of 30 November 2016 amending Regulations (EC) No 1275/2008, (EC) No 107/2009, (EC) No 278/2009, (EC) No 640/2009, (EC) No 641/2009, (EC) No 642/2009, (EC) No 643/2009, (EU) No 1015/2010, (EU) No 1016/2010, (EU) No 327/2011, (EU) No 206/2012, (EU) No 547/2012, (EU) No 932/2012, (EU) No 617/2013, (EU) No 666/2013, (EU) No 813/2013, (EU) No 814/2013,

Policy field Specific issue	Conclusion	Follow-up action
		(EU) No 66/2014, (EU) No 548/2014, (EU) No 1253/2014, (EU) 2015/1095, (EU) 2015/1185, (EU) 2015/1188, (EU) 2015/1189 and (EU) 2016/XXX [Air heating/cooling and chillers Number of the Regulation to be inserted before publication in the OJ] with regard to the use of tolerances in verification procedures. Annexes 1-25. Pubic consultation from 20 July 2016 to 28 October 2016 on the preparation of legislation on monitoring / reporting of Heavy-Duty Vehicle fuel consumption and CO2 emissions. COM(2016)500 of 20 July 2016 Accelerating Europe's transition to a low-carbon economy - communication accompanying measures under the Energy Union Framework Strategy: legislative proposal on binding annual greenhouse gas emissions reductions by Member States from 2021 to 2030, legislative proposal on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy framework and communication on a European Strategy for low-emission mobility. COM(2016)501 of 20 July 2016 on a European Strategy for Low-Emission Mobility.

Policy field Specific issue	Conclusion	Follow-up action
		Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU. COM(2016)51 of 16 February 2016 an EU Strategy on Heating and Cooling.
	23-24 October 2014 The European Council endorsed a binding EU target of an at least 40% domestic reduction in greenhouse gas emissions by 2030 compared to 1990.	
	The European Council therefore invites the Commission to further examine instruments and measures for a comprehensive and technology neutral approach for the promotion of emissions reduction (...) in transport also after 2020.	European Council conclusions of 21-22 March 2019. Proposal COM(2018) 286 final of 17 May 2018 for a regulation of the European Parliament and of the Council on type-approval requirements for motor vehicles, as regards their general safety and protection of vehicle occupants and vulnerable road users, amending Regulation (EU) 2018/... and repealing Regulations (EC) No 78/2009, (EC) No 79/2009 and (EC) No

Policy field Specific issue	Conclusion	Follow-up action
		661/2009. Procedure: 2018/0145(COD). Directive (EU) 2018/410 of the European Parliament and of the Council of 14 March 2018 amending Directive 2003/87/EC to enhance cost-effective emission reductions and low-carbon investments, and Decision (EU) 2015/1814. Procedure: 2015/0148(COD).
	It also recalls that under existing legislation a Member State can opt to include the transport sector within the framework of the ETS;	
	The European Council invites the Commission to examine the best means of encouraging the sustainable intensification of food production, while optimising the sector's contribution to greenhouse gas mitigation and sequestration, including through afforestation.	Regulation (EU) 2018/841 of the European Parliament and of the Council of 30 May 2018 on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU. Procedure: 2016/0230(COD).
	The European Council calls for a rapid adoption of the Directive laying down calculation methods and reporting requirements	Directive (EU) 2015/1513 of the European Parliament and of the Council of 9 September 2015 amending Directive 98/70/EC relating to

Policy field Specific issue	Conclusion	Follow-up action
	pursuant to Directive 98/70/EC of the European Parliament and of the Council relating to the quality of petrol and diesel fuels.	the quality of petrol and diesel fuels and amending Directive 2009/28/EC on the promotion of the use of energy from renewable sources. Procedure: 2012/0288(COD).

4.2. Energy

Policy field Specific issue	Conclusion	Follow-up
General orientations	<u>17-18 March 2016</u> **The European Council invites the Commission to rapidly present all the remaining relevant proposals to this end [renewable energy, energy efficiency] so as to swiftly engage the legislative process.**	<u>Directive (EU) 2018/2001</u> of 11 December 2018 on the promotion of the use of energy from renewable sources. Procedure: <u>2016/0382(COD)</u> Proposal <u>COM(2018) 438 final</u> of 6 June 2018 for a regulation of the European Parliament and of the Council establishing the Connecting Europe Facility and repealing Regulations (EU) No 1316/2013 and (EU) No 283/2014. Procedure: <u>2018/0228 (COD)</u>. Proposal <u>COM(2018) 385 final</u> of 1 June 2018 for a regulation of the European Parliament and of the Council establishing a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EU) No 1293/2013. Procedure: <u>2018/0209 (COD)</u>. <u>Directive (EU) 2018/844</u> of 30 May 2018 of the European Parliament and of the Council amending Directive 2010/31/EU on the energy performance of buildings and Directive 2012/27/EU on energy efficiency. <u>Regulation (EU) 2018/841</u> of 30 May 2018 of the European Parliament and of the Council on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry into the 2030 climate and energy

Policy field Specific issue	Conclusion	Follow-up
		framework, and amending Regulation No 525/2013 and Decision no 529/2013/EU.
		Proposal COM(2018) 296 final of 17 May 2018 for a regulation of the European Parliament and of the Council on the labelling of tyres with respect to fuel efficiency and other essential parameters and repealing Regulation (EC) No 1222/2009. Procedure: 2018/0148 (COD).
		Proposal COM(2018) 275 final of 17 May 2018 for a decision of the European Parliament and of the Council amending Council Directive 96/53/EC as regards the time limit for the implementation of the special rules regarding maximum length in case of cabs delivering improved aerodynamic performance, energy efficiency and safety performance. Procedure: 2018/0130 (COD).
		Regulation (EU)2017/2392 of 13 December 2017 of the European Parliament and of the Council amending Directive 2003/87/EC to continue current limitations of scope for aviation activities and to prepare to implement a global market-based measure from 2021.
		Proposal COM(2016)767 of 30 November 2016 for a directive on the promotion of the use of energy from renewable sources (recast). Procedure: 2016/0382 (COD).

Policy field Specific issue	Conclusion	Follow-up
		Proposal COM(2016)761 of 30 November 2016 for a directive amending Directive 2012/27/EU on energy efficiency. Procedure: 2016/0376 (COD).
	19-20 March 2015 **The EU institutions and the Member States will take work forward [on the Energy Union] and the Council will report to the European Council before December [2015].**	European Council conclusions of 17-18 December 2015. Transport, Telecommunication and Energy Council of 26 November 2015.
	The European Council will continue to give guidance.	European Council conclusions of 20 June 2019. European Council conclusions of 22-23 June 2017. European Council conclusions of 15 December 2016. European Council conclusions 20-21 October 2016. European Council conclusions 28 June 2016. European Council conclusions 17-18 March 2016. European Council conclusions 17-18 December 2015.

Policy field Specific issue	Conclusion	Follow-up
	23-24 October 2014 The European Council recalls its goal to build an Energy Union aiming at affordable, secure and sustainable energy, as stated in its Strategic Agenda. **The European Council... will keep the implementation of this goal [Energy Union] under regular review.**	European Council conclusions of 22-23 June 2017. European Council conclusions of 15 December 2016. European Council conclusions 20-21 October 2016. European Council conclusions 28 June 2016. European Council conclusions 17-18 March 2016. European Council conclusions 17-18 December 2015. European Council conclusions of 19-20 March 2015.
Energy union framework strategy	26-27 June 2014 The European Council welcomed the Commission's European Energy Security Strategy (EESS).	

Policy field Specific issue	Conclusion	Follow-up
Energy market	<u>17-18 March 2016</u> It also recalled the importance of a fully-functioning and interconnected energy market. <u>23-24 October 2014</u> Recalling the March 2014 conclusions on its completion, the European Council stressed that all efforts must be mobilised to achieve this objective as a matter of urgency. **The European Commission supported by the Member States will take urgent measures in order to ensure the achievement of a minimum target of 10% of existing electricity interconnections, as a matter of urgency, and no later than 2020 at least for Member States which have not yet attained a minimum level of integration in the internal energy market, which are the Baltic States, Portugal and Spain, and for Member States which constitute their main point of access to the internal energy market.**	Public engagement and acceptance in the planning and implementation of European electricity interconnectors - <u>Third report</u> of the Commission Expert Group on electricity interconnection targets, June 2019. Electricity interconnections with neighbouring countries - <u>Second report</u> of the Commission expert group on interconnection targets, June 2019. <u>Report</u> of the Commission Expert Group on electricity interconnection targets, November 2017. <u>COM(2017)718</u> of 23 November 2017 on strengthening Europe's energy networks.

Policy field Specific issue	Conclusion	Follow-up
	The Commission will also report regularly to the European Council with the objective of arriving at a 15% target by 2030, as proposed by the Commission.	COM(2015) 82 on achieving the 10% electricity interconnection target: making Europe's electricity grid fit for 2020. Public engagement and acceptance in the planning and implementation of European electricity interconnectors - Third report of the Commission Expert Group on electricity interconnection targets, June 2019. Electricity interconnections with neighbouring countries - Second report of the Commission expert group on interconnection targets, June 2019. Fourth report on the State of the Energy Union. Report of the Commission Expert Group on electricity interconnection targets, November 2017. Third report of 24 November 2017 on the state of the Energy Union and its annexes. European Council conclusions of 22-23 June 2017. Second report of 1 February 2017 on the state of the Energy Union and its annexes. European Council conclusions of 15 December 2016.

Policy field Specific issue	Conclusion	Follow-up
		European Council conclusions 20-21 October 2016. European Council conclusions 28 June 2016. European Council conclusions 17-18 March 2016. European Council conclusions 17-18 December 2015. First report on the state of the Energy Union and its annexes. European Council conclusions of 19-20 March 2015.
	In this context, the European Council welcomes, as a first step, the recent transmission system operators' common strategy for the development of interconnections for the Iberian Peninsula with the internal electricity market, including concrete projects in order to increase the capacity.	
	The Commission is invited to present a communication ahead of the March 2015 European Council on the best courses of action to effectively achieve the target [10% of energy interconnections] mentioned above.	European Council conclusions of 19-20 March 2015. Commission Communication COM(2015) 82 of 25 February 2015 on achieving the 10% electricity interconnection target: making Europe's electricity grid fit for 2020.

Policy field Specific issue	Conclusion	Follow-up
	The European Council noted the fundamental importance of a fully functioning and connected internal energy market. Recalling the conclusions of the March and June European Councils, which stressed the need to ensure the full participation of all Member States in the internal energy market.	
Renewable energy	23-24 October 2014 **The European Council therefore invites the Commission to further examine instruments and measures for a comprehensive and technology neutral approach [...] for electric transportation and for renewable energy sources in transport also after 2020.**	Directive (EU) 2015/1513 of the European Parliament and of the Council of 9 September 2015 amending Directive 98/70/EC relating to the quality of petrol and diesel fuels and amending Directive 2009/28/EC on the promotion of the use of energy from renewable sources. Directive 2014/94/EU of the European Parliament and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure (OJ L 307, 28.10.2014, p. 1).

Policy field Specific issue	Conclusion	Follow-up
Energy security	<u>17-18 March 2016</u> The European Council welcomes the submission by the Commission of the package on energy security as well as of the Communication "Road from Paris". <u>23-24 October 2014</u> Recalling its conclusions of June 2014. It welcomed the Commission report on immediate action to increase the EU's resilience to a possible major disruption in the upcoming winter. In this context, the European Council welcomed the contributions from all Member States, key energy players, as well as neighbouring countries and partners. **The European Council will revert to the issue of energy security in 2015 to assess progress.**	European Council conclusions 17-18 December 2015. European Council conclusions of 19-20 March 2015.

111

Policy field Specific issue	Conclusion	Follow-up
	The European Council endorsed further actions to reduce the EU's energy dependence and increase its energy security for both electricity and gas.	
	The European Council took note of the Presidency report on energy security.	
	26-27 June 2014 **In the run-up to the October European Council meeting, the European Council asked the Council to further analyse other medium to long-term measures to enhance the EU's energy security, based on the Commission's EESS.**	European Council conclusions of 23-24 October 2014. Follow-up to the European Council of 26-27 June 2014 - Energy Security, 8 October 2014.

5. Freedom, security and justice

A. Background

The European Council has an important strategic role in the area of justice and home affairs (JHA),[3] including on the issues of immigration, asylum, border protection, police and judicial cooperation, which are now discussed regularly at meetings of Heads of State or Government. This was not always the case. Cooperation at EU level in the field of JHA was not originally envisaged in the Treaty of Rome; and this policy area was one of the last in which the EU received legislative competences. Only since the entry into force of the Maastricht Treaty in 1993 have JHA issues been discussed at EU level, however in intergovernmental format. The Tampere European Council of 15 to 16 October 1999, devoted exclusively to JHA, was crucial for the development of this EU policy area, as the objective of creating an EU area of freedom, security and justice was then placed at the 'very top of the political agenda'. The European Council's role in reaching this objective was enshrined in the Lisbon Treaty, which also introduced the ordinary legislative procedure for all aspects of the JHA area. However, while the use of qualified majority voting in the Council applies in this area, the Council normally prefers to decide by consensus, and sometimes, mainly for controversial topics, refers the legislative matter to the European Council, in order to unblock issues that the Council is unable to agree on (see below).

JHA issues are the subject of increased attention at European Council meetings both because its role in this area has been strengthened in the treaties, and because many of the issues touch on core competences of the nation state (e.g. providing security for citizens, protecting external borders), meaning that Member States wish to deal with them at the highest level.

Another important reason for the prominence of these topics is crisis-related. Following the terrorist attack on 'Charlie Hebdo' in January 2015, and subsequent numerous terrorist attacks on European soil, together with the outbreak of the migration crisis in 2015, migration and internal security have been the main JHA policy areas addressed by the European Council. Two examples of Heads of State and Government devoting significant attention to these issues are the informal European Council meeting of 12 February 2015, and the extraordinary European Council meeting of 23 April 2015 on migration.

B. Legal basis for European Council action in JHA

Together with the common foreign and security policy (CFSP), this is the policy field in which the European Council is most often mentioned in the Treaties, and its policy-making role is most frequently recognised.

While the European Council 'shall not exercise legislative functions' (Article 15(1) TEU), a special procedure can be found in Article 82(3) TFEU and Article 87(3) TFEU, which provides the possibility for any Member State to request that a draft directive, in the area of criminal justice or police cooperation respectively, be referred to the European Council. In that case, the discussion in the European Council would need to lead to a consensus rather than qualified majority voting (QMV) in the Council.

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[3] The terms 'justice and home affairs' (JHA) and 'area of freedom, security and justice' will be used interchangeably.

Table 2 – Treaty articles on the role of the European Council in the area of freedom, security and justice

Treaty article	Topic	Action /role
68 TFEU	Area of freedom, security and justice	Define the strategic guidelines for legislative and operational planning.
82(3) TFEU	Criminal justice system	Refer a draft directive to the European Council to be decided by consensus.
86(1) TFEU	European Public Prosecutor's Office (EPPO)	Refer a draft directive for establishing the EPPO to the European Council to be decided by consensus.
86(4) TFEU	European Public Prosecutor's Office (EPPO)	Adopt a decision to extend the powers of the EPPO to include serious crime having a cross-border dimension.
87(3) TFEU	Police cooperation	Refer a draft directive to the European Council to be decided by consensus.
222 TFEU	Solidarity clause if a Member State is the object of a terrorist attack or other disaster	The European Council shall regularly assess the threats facing the Union in order to enable the Union and its Member States to take effective action.

Source: EPRS.

Article 68 TFEU, in particular, gives the European Council an important role in the area of freedom, security and justice, mandating it to define the strategic guidelines for legislative and operational planning within this area.

C. Strategic orientations

Using its new treaty based role in the area of JHA, the European Council of 10-11 December 2009 adopted the five-year Stockholm programme in this area, in order to achieve one of the EU's key objectives, namely to build an area of freedom, security and justice without internal frontiers. Subsequently, in pursuit of this strategic role, at its meeting of 26-27 June 2014, the European Council defined the 'strategic guidelines for legislative and operational planning' within the area of freedom, security and justice for the coming years. At the same meeting, Heads of State or Government also agreed on the strategic agenda of key priorities for the next five years, entitled the 'strategic agenda for the union in times of change'. Regarding the area of freedom, security and justice, they set the following priorities:

> to improve all aspects of migration management;
> to prevent and combat crime and terrorism; and
> to improve judicial cooperation among EU countries.

Migration and internal security have been the main policy areas in the field of JHA to have been addressed by the European Council. Since June 2014 various key strategic documents addressing migration, internal security or both have been adopted, all of which were either issued, requested or endorsed by the European Council.

The Bratislava, Rome and Sibiu Declarations, in particular, highlighted the focus Heads of State or Government were placing on the issues of migration and security. Of the three main priorities identified in the Bratislava agenda, two were migration and (internal and external) security. This also reflected the priority topics for EU citizens at the time. The most recent standard Eurobarometer (from June 2019) indicates that migration remains the biggest concern for European citizens, with

terrorism among the top five concerns, having been number two for many years. Therefore, the pledge made by EU Leaders in the Sibiu Declaration that they would 'protect [their] citiziens and keep them safe' was not surprising. This focus on 'protecting citizens' was then cemented in the 2019-2024 strategic agenda, with the 'protecting citizens and freedoms' priority elevated to the top priority of EU Leaders for the EU.

Justice was the policy area in the JHA cluster most reduced under the new strategic agenda in comparision to the 2014-2019 strategic agenda. The policy issues included in the latter, 'improved judical cooperation', 'strenghtening Eurojust', 'mutual recognition of judgments' and 'tackling corruption', were not maintained in the new strategic agenda; and the only new addition is 'the rule of law'.

Figure 5 – Key strategic documents regarding migration and/or internal security since June 2014

Strategic guidelines in the area of freedom, security and justice
27/06/2014

European Agenda on Security
28/04/2015

European Agenda on Migration
13/05/2015

Renewed Internal Security Strategy
10/06/2015

Bratislava Declaration
16/09/2016
*Declaration signed by 27 EU Heads of State or Government

Rome Declaration
25/03/2017

■ Internal Security   ■ Migration

Source: EPRS.

D. Migration

D.1. European Council attention to migration

Migration has dominated the European Council agenda since the outbreak of the migration crisis in 2015. Between January 2015 and October 2018, EU28 Heads of State or Government discussed migration at 20 of their 24 formal and informal meetings, including the meeting of Heads of State or Government under the 'Leaders meeting' format established under the Leaders' agenda. The idea of this format is that instead of striving to find a consensus on draft conclusions regarding highly charged issues, leaders first discuss the topic in an open, free-flowing debate at an informal Leaders' meeting, and then return to it at a future European Council meeting, with a view to reaching agreement.

Figure 6 – European Council meetings 2015-2018 discussing migration

- Migration discussed
- Migration not discussed
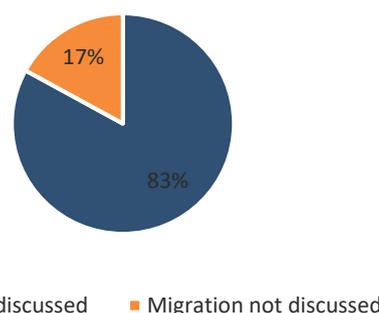
Source: EPRS.

Additionally, EU leaders discussed migration with leaders of third countries and strategic partners at the High-level Conference on the Eastern Mediterranean – Western Balkans Route on 8 October 2015, the Valletta summit on 11-12 November 2015 and the EU-Turkey summit on 29 November 2015.[4]

D.2. Strategic orientations

Since June 2014, the European Council has issued and endorsed numerous strategic documents (see figure 2) that address migration, either exclusively or as part of a wider EU strategy. Following the outbreak of the migration crisis, migration was permanently on the agenda of European Council meetings, which led to the development of what is referred to in the European Council conclusions as a 'comprehensive approach on migration'. Over the course of the migration crisis, European Council attention went through different phases, from 'saving lives at sea', to closing the Western Balkans route, to focusing on external border protection. Over time, elements continue to be added to the EU strategy on migration, such as fighting smugglers, ensuring returns, reforming the Common European Asylum System (CEAS), strengthening EU-level instruments (e.g. the European Border and Coast Guard (EBCG) and the Asylum Agency), concentrating on the central Mediterranean and supporting North African countries.

In 2016, as part of the Bratislava Declaration and Roadmap, the Heads of State or Government vowed 'never to allow return to the uncontrolled flows of last year and further bring down the number of irregular migrants'. Their other objectives were to ensure full control of the EU's external borders

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[4] Various other meetings on migration, including either the European Council President and/or the European Commission President with a group of EU Heads of State or Government, also took place.

and to broaden the consensus on a long-term migration policy based on the principles of responsibility and solidarity. In the subsequent Rome Declaration, leaders called for secure external borders and an efficient, responsible and sustainable migration policy.

A clear shift of focus can be observed in the 2019-2024 strategic agenda compared to the 2014-2019 strategic agenda. Previously, migration was also associated with positive effects such as addressing skill shortages, but since the outbreak of the migration crisis, the issue of migration relates mainly to the management of migration flows and border control. The new policy issues, which have been added under migration in the new 2019-2024 strategic agenda, include the need to 'fight human trafficking', 'ensure effective returns', and to 'find consensus on the Dublin regulation' and on 'the functioning of Schengen'. At the same time, the 'cooperation with third countries', 'fighting irregular/illegal migration', 'asylum policy' and 'border control' policy issues are being further pursued.

D.3. Noteworthy commitments: specific requests and follow-up

> The EBCG is an example of how quickly an initiative can be adopted if it receives the backing of the EU Heads of State or Government. In June 2014, the European Council, in the context of the long-term development of Frontex, called for 'a study into the possibilities of a European border guard'. Progress accelerated in October 2015, when EU leaders referred to enhancing the mandate of Frontex and the development of an EBCG system. Following the publication of the Commission's proposal on 15 December 2015, and the European Council's call for 'swift adoption and implementation' at its meeting in June 2016, the European Parliament and the Council adopted it in a record time of just nine months. Following various requests by the European Council in 2017 to strengthen the EBCG, the Commission published its new proposal in September 2018. According to President Tusk, in Salzburg, EU leaders shared their determination 'to take forward the Commission's proposal as a priority'. Consequently, at the October 2018 European Council, EU leaders invited co-legislators to examine the proposal swiftly. On 6 December 2018, Council reached a partial political agreement, strengthening the role of the EBCG in supporting Member States regarding the return of irregular migrants. However, the Council did not yet agree on the proposal of the Commission to increase the staff of the EBCG to 10 000. The European Parliament's Committee on Civil Liberties, Justice and Home Affairs adopted its report on 11 February 2019. On 1 April 2019 the Council confirmed the informal agreement reached between representatives of the European Parliament and the Romanian Presidency of the Council on a regulation on the European Border and Coast Guard, which is designed to increase the staff of the EBCG up to 10 000 by 2027. On 21 May, the European Border and Coast Guard Agency, in cooperation with Albania, launched its first joint operation on the territory of a non-EU country.

> Since the extraordinary European Council meeting of 23 April 2015, at the outset of the migration crisis, EU-Turkey cooperation on migration has been a permanent feature of EU Heads of State or Government discussions on migration. It was addressed in all but one of the following 16 European Council meetings on migration, which also produced written conclusions or statements. The first meetings on migration in 2015 called for stepping up cooperation with Turkey and reinforced dialogue with Turkey at all levels. Subsequently, the European Council of 15-16 October 2015 welcomed the EU-Turkey joint action plan, which was activated at the EU-Turkey meeting on 29 November 2015, by EU Heads of State or Government and the Turkish Prime Minister at the time, Ahmet Davutoğlu. In return for the European Union strengthening its support for refugees in Turkey, European Council President Donald Tusk expected to see 'an immediate and substantial reduction of irregular migrants'

arriving in Europe. The EU notably committed to an initial €3 billion financial support package, intensifying the EU-Turkey bilateral relationship, and opening new chapters in the accession negotiations. Following another meeting on 7 March 2016, between EU and Turkish leaders, this cooperation was further deepened by the EU-Turkey statement of 15 March 2016, designed to 'end the irregular migration from Turkey to the EU'. As part of the EU-Turkey statement, Turkish and EU leaders agreed not least on the return of all new irregular migrants coming from Turkey to the EU, the resettlement of Syrians from Turkey to the EU, the acceleration of the visa liberalisation roadmap and an additional €3 billion for the Facility for Refugees in Turkey. Shortly afterwards, when assessing the implementation of the agreement, President Tusk observed, 'a sharp reduction of the illegal migration flows across the Aegean'. At subsequent European Council meetings, including most recently in October 2018, EU Heads of State or Government reiterated their commitment to the EU-Turkey Statement and called for its 'full and non-discriminatory implementation'.

➤ The issue of relocation was certainly the most divisive topic between EU Member States. Originally, the European Council in April 2015 called for efforts to organise 'emergency relocation between all Member States on a voluntary basis'. In September 2015, the Council decided by qualified majority voting to set up a compulsory 'emergency relocation system' to support Italy and Greece. While all other Member States fulfilled their legal obligations under the scheme, Czechia, Hungary and Poland decided from the beginning not to comply and the Commission launched infringement procedures against them, referring them to the Court of Justice of the EU for non-compliance with their legal obligations on relocation. Relocation is also a good example of the extent to which the focus has changed in the European Council approach to migration. In all 10 sets of conclusions or statements issued after a migration-related European Council meeting between April 2015 and December 2016, Heads of State or Government called for action to step up relocation. This call has not been repeated since, and focus has shifted even further towards protecting the EU's external border.

➤ The reform of the Common European Asylum System (CEAS) has been an ongoing challenge, with the European Council attempting to bridge the gap between the different Member States' views, with some insisting on 'relocation' while others propose 'effective solidarity' (i.e. showing solidarity in ways other than taking refugees, for example by providing more financial support). Originally, the European Council tried to put pressure on Member States, by issuing deadlines by which Member States should agree on reform of the CEAS, such at its meeting of 15 December 2016 and the meeting of 9 March 2017. As this did not produce the desired result, the European Council now only asks the rotating Council Presidency, 'to continue working on this issue' and/or commit itself 'to return to the issue' at a later meeting. The European Council meeting of 19 October 2017 committed itself to 'return to this matter at its meeting in December, and will seek to reach a consensus during the first half of 2018'. Although EU Heads of State or Government did address the reform of the CEAS at their Leaders' meeting in December 2017, they have not been able to reach consensus so far. One year later, at its meeting of 13-14 December 2018, the European Council called 'for further efforts to conclude negotiations [...] on all parts of the Common European Asylum System'.

E. Internal security

E.1. European Council attention to internal security

Figure 7 – European Council meetings on terrorism and/or internal security from 2014 to 2018

Source: EPRS.

Between June 2014 and October 2018, internal security and/or terrorism were mentioned in the conclusions or statements following 13 of the 29 meetings of EU Heads of State or Government on the European Council's agenda. At eight of these meetings, internal security and/or terrorism featured prominently in the discussions.

EU Heads of State or Government increased the attention they paid to internal security and/or terrorism, mainly following major terrorist attacks in Europe. Then, the European Council either held an extraordinary meeting on the topic or devoted significant time to the issue at a previously planned meeting. Following the *Charlie Hebdo* attacks, for example, after which millions of people had expressed their solidarity with the victims (through the '*Je suis Charlie*' movement), an informal European Council meeting was held on 12 February 2015. At that meeting, Heads of State or Government adopted a statement on anti-terrorism measures, vowing to take stronger measures against terrorist threats in the coming months. An example of the latter approach was the meeting of 17 and 18 December 2015, for which the annotated draft agenda did not include fighting terrorism, but was amended following the terrorist attacks in Paris in November 2015, becoming one of the main agenda points.

E.2. Strategic orientations

In 2010, the European Council endorsed the 2010 to 2014 internal security strategy. For the following period, in addition to adopting the strategic guidelines in 2014, it stressed its commitment to the implementation of the renewed 2015 to 2020 EU internal security strategy. Subsequently, the Bratislava, Rome and Sibiu Declarations, and the 2019-2024 strategic agenda, have included important elements on internal security. In the Bratislava Declaration, EU Heads of State or Government promised to do 'everything necessary to support Member States in ensuring internal security and fighting terrorism', while in the Rome Declaration they pledged to work towards 'a safe and secure Europe [...] determined to fight terrorism and organised crime'. In Sibiu, EU leaders committed to protect [their] citizens and keep them safe.

In the 2019-2024 strategic agenda, the area of security policy also saw a number of new additions, namely 'resilience to natural and man-made disasters', 'malicious cyber activities', 'hybrid threats and disinformation'. The 'fight against terrorism and cross border crime' was taken over as a policy issue from the 2014-2019 strategic agenda.

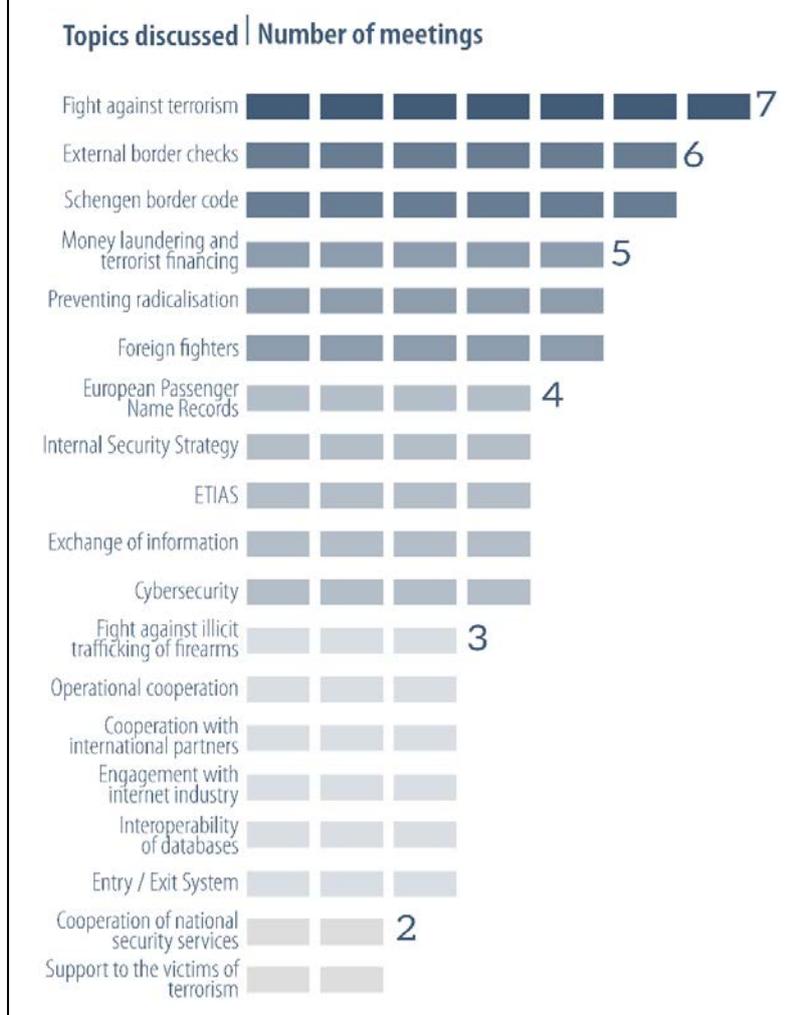## E.3. Noteworthy commitments: specific requests and follow-up

The majority of commitments and meetings in the field of internal security were related to the fight against terrorism. Many European Council meetings discussed this matter and issued commitments both at a general level and regarding specific issues, such as the prevention of radicalisation, ending terrorist financing and dealing with foreign fighters.

> When defining the strategic guidelines for the area of JHA in June 2014, the European Council also addressed for the first time the use of passenger name record (PNR) data. The Commission had presented its proposal back in February 2011, but it was rejected by the European Parliament's Civil Liberties, Justice & Home Affairs (LIBE) Committee in April 2013, on account of privacy concerns. At their August 2014 meeting, EU Heads of State or Government called on co-legislators to finalise their work by the end of that year, but this did not happen. Owing to the new security context, following the various terrorist attacks across Europe, at its meeting of 12 February 2015, the European Council increased the pressure and called upon 'EU legislators [to] urgently adopt a strong and effective European passenger name records directive with solid data protection safeguards'. The President of the European Parliament at that time, Martin Schulz, confirmed in his speech to the European Council that the Parliament was working together with the Council and was committed to finalising the work on the EU PNR directive by the end of 2015. By the European Council meeting of 18 December 2015, co-legislators had reached an agreement on the PNR directive, which was welcomed by EU Heads of State or Government. A year later, in December 2016, the European Council called for the 'implementation of new passenger name record (PNR) legislation'.

> The strategic guidelines for the area of JHA also addressed the prevention of radicalisation and the phenomenon of returning foreign fighters, i.e. individuals who join insurgencies abroad and whose primary motivation is ideological or religious rather than financial.[5] While the prevention of radicalisation was already part of various European Council conclusions in the 2000s, a sense of urgency reached the level of EU Heads of State or Government in August 2014, who called strongly for determined action to stem the flow of foreign fighters. They called for 'accelerated implementation of the package of EU measures in support of Member States' efforts, as agreed by the Council since June 2013, in particular to prevent radicalisation and extremism, share information more effectively – including with relevant third countries, dissuade, detect and disrupt suspicious travel and investigate and prosecute foreign fighters'. At that point, the EU Heads of State or Government also pledged to review this matter at their meeting in December 2014, but did not do so until the extraordinary European Council meeting on terrorism in February 2015, following the Charlie Hebdo attacks. The notion that 'preventing radicalisation is a key element in the fight against terrorism' is an essential part of the EU's internal security strategy, and the need to prevent radicalisation was repeated at various subsequent European Council meetings in 2016, 2017 and 2018.

Another noteworthy commitment is the issue of 'fighting the illicit trafficking of firearms', which is a good example of how the European Council is involved in the policy cycle in general. EU leaders usually begin by setting strategic priorities and calling for a specific action or proposal (legislative or non-legislative); they then discuss and/or endorse an action or proposal; and later comment on the adoption or implementation of this action or proposal, or refer to a previous decision.

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[5] See EPRS (2016) Foreign fighters: Member State responses and EU action.

Figure 8 – Overview of specific issues relating to internal security discussed by the European Council

Topics discussed | Number of meetings

Topic	Number of meetings
Fight against terrorism	7
External border checks	6
Schengen border code	6
Money laundering and terrorist financing	5
Preventing radicalisation	5
Foreign fighters	5
European Passenger Name Records	4
Internal Security Strategy	4
ETIAS	4
Exchange of information	4
Cybersecurity	4
Fight against illicit trafficking of firearms	3
Operational cooperation	3
Cooperation with international partners	3
Engagement with internet industry	3
Interoperability of databases	3
Entry / Exit System	3
Cooperation of national security services	2
Support to the victims of terrorism	2

In February 2015, the EU Heads of State or Government called for increased 'cooperation in the fight against illicit trafficking of firearms, including by a swift adaptation of the relevant legislation'. This was followed up by the European Commission's proposal 'amending Council Directive 91/477/EEC on control of the acquisition and possession of weapons' of 18 November 2015, and the 'EU action plan against illicit trafficking in and use of firearms and explosives of 2 December 2015'.

On 15 December 2015, the European Council called on the Council to 'rapidly examine the Commission proposals on combatting terrorism and on firearms'. Subsequently the European Council meeting of 15 December 2016 welcomed the political agreement between the co-legislators on the counter-terrorism directive as an important step that should be followed by 'swift adoption of the proposal on firearms'. The co-legislators adopted this piece of legislation on 24 May 2017.

Mentioned for the first time by the European Council in 2015 in relation to Russian activities, since the June 2018 European Council the fight against disinformation has become an important issue for Heads of State or Government in the area of internal security. From that date, all formal European Council meetings (October 2018, December 2018 and March 2019) have addressed the issue and stressed the need to 'protect the Union's democratic systems and combat disinformation, including in the context of the upcoming European elections'.

F. Challenges ahead and outlook for JHA

Both the number of European Council meetings and resulting amount of commitments, and the number of follow up activities in the area of JHA have increased over recent years. The increased attention given to the issues in the field of JHA, and in particular to migration and internal security, can be attributed on the one hand to the fact that the European Council has often dealt with these issues in crisis management mode as a reaction to the migration crisis and to terrorists attacks in the EU respectively. On the other hand, while JHA is nowadays a 'normal' EU policy area, an inherent

tension still exists between Member States and between national and EU levels in this policy area, as many issues touch on core competences of the nation state (e.g. providing security to citizens, protecting external borders). Consequently, issues such as the reform of the CEAS, which could be discussed under qualified majority voting in the Council, often require an agreement in the European Council.

Concerning migration, despite the progress made, notably with 'the number of detected illegal border crossings into the EU [...] brought down by 95 % from its peak in October 2015', and the political agreement found on many policy issues by the Heads of State or Government, discussions remain very sensitive. For the time being, there is little chance of overcoming some of the fundamental disagreements between Member States regarding issues such as the relocation of asylum seekers. Another migration-related file, which has not advanced in the Council, is the EU list of safe third countries.

As pointed out above, the Treaty allows the Council to refer to the European Council, which decides by consensus, a directive normally covered by qualified majority voting in Council. While this procedure formally only applies to the topics of police and judicial cooperation within the JHA area, informally this method is used in other areas of JHA such as the reform of the Dublin Regulation. The European Parliament has repeatedly expressed its disapproval of the fact that 'the Council, by not using qualified majority voting, has too often referred legislative matters to the European Council'. A recent example in the field of JHA concerned the reform of the CEAS. At the European Council of 18 October 2018, the President of the European Parliament, Antonio Tajani, asked the Heads of State or Government regarding the reform of the Common European Asylum System, 'why the Council does not apply the qualified majority rule, but continues to insist on seeking a consensus instead'.

Regarding internal security, the March 2019 European Council, again addressed 'the protection of the Union's democratic system and combatting disinformation' and signposted that it would return to the issue at its meeting of 20-21 June 2019. The President of the European Council, Donald Tusk, has indicated that other, more long-term, issues relating to internal security will be added to the new strategic agenda for the Union. Following the adoption of the strategic agenda at the June 2019 European Council meeting, it is expected that that the European Council will now act on it by providing concrete follow-up at subsequent meetings.

5.1. Migration

Policy field Specific issue	Conclusion	Follow-up action
General orientations/overall objectives	<u>17-18 October 2018</u> The European Council assessed the state of implementation of its June conclusions and called for work to be continued on all elements as part of its comprehensive approach to migration. <u>17-18 March 2016</u> The European Council reaffirms its previous conclusions on the various elements of the comprehensive strategy. The European Council confirms its comprehensive strategy to tackle the migration crisis. <u>18-19 February 2016</u> All the elements agreed last December should be implemented rapidly, including the decisions on relocation and measures to ensure returns and readmissions.	

Policy field Specific issue	Conclusion	Follow-up action
	26-27 June 2014 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.	Mid-term review of the JHA strategic guidelines.
	22-23 June 2017 The European Council will revert to these issues [migration].	European Council conclusions of 19 October 2017.
	17-18 December 2015 The Presidency, the Commission and the High Representative will report back on progress before the February meeting of the European Council.	European Council of 19 February 2016.
	23 September 2015 We will revert to the challenge of migration at the October European Council.	European Council conclusions of 15 October 2015.
	23 April 2015 The Council and the Commission will report to the European Council in June.	COM(2015) 240 of 13 May 2015 a European Agenda on Migration.

Policy field Specific issue	Conclusion	Follow-up action
Fighting root causes	<u>28 June 2016</u> The EU and its Member States will continue to address the root causes of illegal migration, in close cooperation and in a spirit of mutual ownership with the countries of origin.	
(Irregular) migration flows	<u>19-20 October 2017</u> The European Council calls for close monitoring of the situation along the Eastern and Western Mediterranean routes in light of recent increases in migration flows. <u>15 December 2016</u> It also reiterates the need to remain vigilant on other routes, including in the Western Mediterranean, so as to be able to rapidly react to developments. **The European Council will keep progress on stemming the flows and improving return rates under close review.**	European Council conclusions of 13-14 December 2018. Leaders' Agenda meeting on Migration 14 December 2017. European Council conclusions of 19 October 2017.

Policy field Specific issue	Conclusion	Follow-up action
		European Council conclusions of 22-23 June 2017. European Council conclusions of 9-10 March 2017.
	17-18 December 2015 Continue to closely monitor flows along migration routes so as to be able to rapidly react to developments.	
Western Balkans / Eastern Mediterranean	**19-20 October 2017** The European Council further calls for the following: showing full committment to support for the Western Balkans; **15 December 2016** The European Council recalls its October conclusions concerning the Eastern Mediterranean route. It also renews its pledge to continue support for the countries along the Western Balkans route.	

Policy field Specific issue	Conclusion	Follow-up action
	28 June 2016 The European Council recalls the need to provide continued support to Western Balkan countries, including in their fight against smugglers, and to remain vigilant about potential developments regarding other routes so as to be able to take rapid and concerted action. **17-18 December 2015** Ensure implementation and operational follow up to: the High Level Conference on the Eastern Mediterranean - Western Balkans route; in this context, it is important to help non EU Member States along the Western Balkans route to accomplish registration according to EU standards; **25-26 June 2015** **A high-level conference will be organised to address the challenges of the Western Balkans route.**	High-level Conference on the Eastern Mediterranean - Western Balkans Route.
Resettlement	**28 June 2016** Further action is required to accelerate the implementation of the existing resettlement schemes.	

Policy field Specific issue	Conclusion	Follow-up action
	17-18 December 2015 Continue implementing the agreed resettlement scheme; 15-16 October 2015 Proceed rapidly with the full implementation of our commitments on resettlement. 25-26 June 2015 **[The European Council agreed on] The agreement that all Member States will participate including through multilateral and national schemes in the resettling of 20.000 displaced persons in clear need of international protection, reflecting the specific situations of Member States.**	COM(2016) 468 of 13 July 2016 - proposal for a Regulation establishing a Union Resettlement Framework and amending Regulation (EU) No 516/2014 of the European Parliament and the Council. Procedure: 2016/0225 (COD). Justice and Home Affairs Council of 20 July 2015 - conclusions on the agreement on resettling through multilateral and national schemes 22 504 displaced persons in clear need of international protection.
Relocation	15 December 2016 Member States should further intensify their efforts to accelerate relocation, in particular for unaccompanied minors, and existing resettlement schemes.	

Policy field Specific issue	Conclusion	Follow-up action
	20-21 October 2016 The European Council calls upon: Member States to further intensify their efforts to accelerate relocation, in particular for unaccompanied minors, and existing resettlement schemes. **28 June 2016** Further action is required to accelerate the implementation of the existing relocation schemes. **17-18 March 2016** The European Council calls for accelerated relocation from Greece, which includes conducting the necessary security checks; the number of applications now being larger than the number of offers, as shown in the Commission report of 16 March, Member States should swiftly offer more places, in line with the existing commitments. **17-18 December 2015** The Council should continue work on the crisis relocation mechanism taking into account experience gained.	

Policy field Specific issue	Conclusion	Follow-up action
	15-16 October 2015 Proceed rapidly with the full implementation of the decisions taken so far on relocation.	
	23 September 2015 **Ensure relocation at the latest by November 2015;**	Relocation and resettlement - State of Play.
	25-26 June 2015 **The rapid adoption by the Council of a Decision [on the temporary and exceptional relocation]; to that end, all Member States will agree by consensus by the end of July on the distribution of such persons, reflecting the specific situations of Member States;**	European Parliament legislative resolution of 15 September 2016 on the proposal for a Council decision amending Council Decision (EU) 2015/1601 of 22 September 2015 establishing provisional measures in the area of international protection for the benefit of Italy and Greece (COM(2016)0171 - C8-0133/2016 - Procedure: 2016/0089(NLE)). Council Decision (EU) 2015/1601 of 22 September 2015 establishing provisional measures in the area of international protection for the benefit of Italy and Greece. Procedure: 2015/0209(NLE). European Parliament legislative resolution of 17 September 2015 on provisional measures in the area of international protection for the benefit of Italy, Greece and Hungary. Procedure: 2015/0209(NLE).

Policy field Specific issue	Conclusion	Follow-up action
		Proposal COM(2015) 450 for a regulation of the European Parliament and of the Council establishing a crisis relocation mechanism and amending Regulation (EU) No 604/2013 of the European Parliament and of the Council of 26 June 2013 establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third country national or a stateless person. Procedure: 2015/0208(COD). Proposal COM(2015) 451 for a Council decision establishing provisional measures in the area of international protection for the benefit of Italy, Greece and Hungary. Procedure: 2015/0209(NLE). European Parliament Non-legislative enactment of 9 September 2015 - proposal for a Council decision establishing provisional measures in the area of international protection for the benefit of Italy and Greece. Procedure: 2015/0125(NLE). See also 2015/2126(BUD). Justice and Home Affairs Council of 3 September 2015 - draft decision establishing provisional measures in the area of

Policy field Specific issue	Conclusion	Follow-up action
		international protection for the benefit of Italy and of Greece. Proposal COM(2015) 286 for a Council decision establishing provisional measures in the area of international protection for the benefit of Italy and Greece. Procedure: 2015/125 (NLE).
Hotspots	<ins>15-16 October 2015</ins> Proceed rapidly with the full implementation of the decisions taken so far on the functioning of hotspots. <ins>25-26 June 2015</ins> **The setting up of reception and first reception facilities in the frontline Member States, with the active support of Member States' experts and of EASO, Frontex and Europol to ensure the swift identification, registration and fingerprinting of migrants ("hotspots").** **The Commission will draw up, in close cooperation with the hosting Member States, a roadmap by July 2015 on the legal, financial and operational aspects of these facilities;**	European Commission Fact sheet refugee crisis 9 September 2015.

Policy field Specific issue	Conclusion	Follow-up action
Fight against smugglers and human trafficking	17-18 October 2018 **A joint task force should be established at Europol's European Migrant Smuggling Centre.** **Smuggling networks' online communications should be better monitored and disrupted. The Council, with the support of the Commission, is invited to develop a comprehensive and operational set of measures to this end by December.**	Justice and Home Affairs Council of 6 December 2018 adopts measures to fight smuggling networks. COM(2017)718 of 23 November 2017 on strengthening Europe's energy networks.
(Support) Frontline Member States (Italy, Greece, Bulgaria) (including, financial instruments)	17-18 March 2016 **The draft amending budget presented by the Commission should be adopted without delay.** Emergency support to be provided to help Greece cope with the humanitarian situation. The rapid adoption of the Regulation on emergency support is an important step in that respect.	Definitive Adoption (EU, Euratom) 2016/836 of Amending budget No 1 of the European Union for the financial year 2016. COM(2016) 152 of 9 March 2016 - Draft amending budget No 1 to the general budget 2016 New instrument to provide emergency support within the Union. Procedure: 2016/2037(BUD). COM(2016) 115 of 2 March 2016 - proposal for a Council Regulation on the provision of emergency support within the Union. Procedure: 2016/0069 (NLE).

Policy field Specific issue	Conclusion	Follow-up action
	18-19 February 2016 The European Council welcomes the Commission's intention to make concrete proposals [on EU internal humanitarian assistance] as soon as possible;	
	23 September 2015 **Enhance the funding of the Emergency Fund for Asylum, Integration and Migration and the Internal Security Fund-Borders.**	Commission increases emergency assistance for asylum and migration.
	25-26 June 2015 **The immediate provision of enhanced financial assistance to the frontline Member States to help alleviate the costs of receiving and processing applications for international protection;**	Draft amending budget No 7 to the general budget 2015.
	The Commission will set out by July 2015 how Frontex will bring immediate support to frontline States on return.	European Commission Information note on the support to be provided by Frontex to frontline Member States on the return of irregular migrants.
	23 April 2015 **Increase emergency aid to frontline Member States;**	Council Decision (EU) 2015/1601 of 22 September 2015 establishing provisional measures in the area of international protection

Policy field Specific issue	Conclusion	Follow-up action
		for the benefit of Italy and Greece. Procedure: 2015/0209(NLE). Justice and Home Affairs Council of 3 September 2015 - draft decision establishing provisional measures in the area of international protection for the benefit of Italy and of Greece.
Common European asylum system (CEAS) **Returns**	<u>17-18 October 2018</u> **The European Council invites the European Parliament and the Council to examine, as a matter of priority, the recent Commission proposal on the Return Directive, [...] ensuring the most efficient use of resources and developing common minimum standards of external border surveillance, with due respect for the responsibility of the Member States.**	Justice and Home Affairs Council of 6-7 December 2018.
	<u>9-10 March 2017</u> **The European Council invites the Council to rapidly examine the Communication on a Renewed Action Plan on Return, called for in the Malta Declaration, as well as the accompanying Recommendation to Member States.**	Justice and Home Affairs Council of 8-9 June 2017 discussing Action plan on Return.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council welcomes the Commission Communication on a Renewed Action Plan on Return, called for in the Malta Declaration, as well as the accompanying Recommendation to Member States. 3 February 2017 (AM) We welcome the Commission's intention to rapidly present, as a first step, an updated Action Plan on Returns and to provide guidance for more operational returns by the EU and Member States and effective readmission based upon the existing acquis. 17-18 December 2015 **The Council should rapidly examine the Commission proposal of 15 December on travel documents for returns.** 15-16 October 2015 At the same time step up implementation by the Member States of the Return Directive. 23 September 2015 **Ensure returns, at the latest by November 2015;**	Justice and Home Affairs Council of 13-14 October 2016 discussing European travel document for returns. Towards an efficient and credible EU return policy.

Policy field Specific issue	Conclusion	Follow-up action
	25-26 June 2015 Member States will fully implement the Return Directive, making full use of all measures it provides to ensure the swift return of irregular migrants; return decisions issued by the Member States will be introduced in the Schengen Information System;	Proposal for a Regulation of the European Parliament and the Council COM(2016) 881 of 21 December 2016 on the use of the Schengen Information System for the return of illegally staying third country nationals. Procedure: 2016/0407 (COD).
	The Commission is invited to make proposals in this respect in the context of the 2016 EU budget, and to set up a dedicated European Return Programme.	COM(2015) 490 final/2 - Managing the refugee crisis: immediate operational, budgetary and legal measures under the European Agenda on Migration.
	23 April 2015 **We today commit to while respecting the right to seek asylum, set up a new return programme for the rapid return of illegal migrants from frontline Member States, coordinated by FRONTEX.**	COM(2015) 453 of 9 September 2015 EU Action Plan on return.
EASO and EU Agency for Asylum	13-14 December 2018 **It also calls for further efforts to conclude negotiations [...] on the Asylum Agency [...], respecting previous European Council conclusions and taking into account the varying degree of progress on each of these files.**	

Policy field Specific issue	Conclusion	Follow-up action
	17-18 October 2018 **The European Council invites the European Parliament and the Council to examine, as a matter of priority, the recent Commission proposal on the Asylum Agency [...] ensuring the most efficient use of resources and developing common minimum standards of external border surveillance, with due respect for the responsibility of the Member States.**	Justice and Home Affairs Council of 6-7 December 2018.
	15 December 2016 The European Council recalls the importance of adequate resources being put at the disposal of the European Asylum Support Office (EASO). It welcomes the fact that EASO will start recruiting dedicated staff to ensure a stable and sustainable capacity.	
	20-21 October 2016 **The European Council calls upon: EASO to ensure that the asylum intervention pool becomes operational as soon as possible to support at any time and in sufficient numbers frontline Member States.**	EASO Asylum Intervention Pool System (EAIPS) becomes operational.

Policy field Specific issue	Conclusion	Follow-up action
	23 September 2015 **Tackle the dramatic situation at our external borders and strengthen controls at those borders additional resources for EASO and with personnel and equipment from Member States.** 23 April 2015 **Deploy EASO teams in frontline Member States for joint processing of asylum applications, including registration and fingerprinting;**	Draft amending budget No 5 to the general budget 2015. EASO's Annual Report on the Situation of Asylum in the EU 2015.
Dublin Regulation	17-18 December 2015 **The Commission will rapidly present the review of the Dublin system; in the meantime, existing rules must be implemented.**	COM(2016) 270 of 4 May 2016 Proposal for a regulation of the European Parliament and of the Council establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person (recast). Procedure: 2016/0133 (COD).

Policy field Specific issue	Conclusion	Follow-up action
Common European asylum system (CEAS)	17-18 October 2018 **The European Council encouraged the Council Presidency to continue its work [on the reform of the Common European Asylum System] with a view to concluding it as soon as possible.**	Justice and Home Affairs Council 06-07 June 2019. Justice and Home Affairs Council of 6-7 December 2018. The European Commission's European digital progress report 2017 of 10 May 2017.
	19-20 October 2017 The European Council welcomes the progress achieved so far on the reform of the Common European Asylum System and calls for further convergence towards an agreement which strikes the right balance between responsibility and solidarity and ensures resilience to future crises, in line with its June 2017 conclusions.	
	The European Council will return to this matter at its meeting in December.	Leaders' Agenda meeting on Migration 14 December 2017.
	22-23 June 2017 The European Council invites the Council to continue negotiations on this basis and amend the legislative proposals as necessary, with the active help of the Commission.	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council reaffirms its previous conclusions on the reform of the Common European Asylum System (CEAS). **In this context, the European Council calls for work on an EU list of safe third countries to be taken forward.**	[Justice and Home Affairs Council](#) of 5-6 June 2018.
	9-10 March 2017 **The European Council calls for further efforts to rapidly deliver on all aspects of the comprehensive migration policy resilient to future crises, including with the aim of achieving consensus on the EU's asylum policy during the current Presidency.**	[Justice and Home Affairs Council](#) 06-07 June 2019. Coreper progress [report](#) on Reform of the Common European Asylum System and Resettlement. [Justice and Home Affairs Council](#) of 8-9 June 2017.
	15 December 2016 **Building on this work, the Council is invited to continue the process with the aim of achieving consensus on the EU's asylum policy during the incoming Presidency.**	[Justice and Home Affairs Council](#) 06-07 June 2019. Coreper progress [report](#) on Reform of the Common European Asylum System and Resettlement. [Justice and Home Affairs Council](#) of 6-7 December 2018.

Policy field Specific issue	Conclusion	Follow-up action
		Justice and Home Affairs Council of 11-12 October 2018. Justice and Home Affairs Council of 4-5 June 2018. Justice and Home Affairs Council of 12-13 October 2017. Justice and Home Affairs Council of 8-9 June 2017. Justice and Home Affairs Council of 18 May 2017. Justice and Home Affairs Council of 27-28 March 2017. Justice and Home Affairs Council of 8-9 December 2016.

Policy field Specific issue	Conclusion	Follow-up action
	<u>20-21 October 2016</u> **The European Council will revert to the issue of the reform of the Common European Asylum System in December.** **The European Council also calls for work to be continued on the reform of the Common European Asylum System, including on how to apply the principles of responsibility and solidarity in the future.**	<u>European Council</u> conclusions of 15 December 2016. Justice and Home Affairs Council 06-07 June 2019. Justice and Home Affairs Council of 6-7 December 2018. Justice and Home Affairs Council of 4-5 June 2018. Justice and Home Affairs Council of 12-13 October 2017. Justice and Home Affairs Council of 8-9 June 2017. Justice and Home Affairs Council of 18 May 2017. The European Commission's European digital progress report 2017 of 10 May 2017.

Policy field Specific issue	Conclusion	Follow-up action
	17-18 December 2015 **The Council should rapidly decide on its position on the list of safe countries of origin.** **23 September 2015** Need for the transposition and implementation by Member States of the rules of the Common Asylum System. **23 April 2015** We today commit to rapid and full transposition and effective implementation of the Common European Asylum System by all participating Member States, thereby ensuring common European standards under existing legislation.	[Justice and Home Affairs Council](#) of 27-28 March 2017. [Justice and Home Affairs Council](#) of 8-9 December 2016. [Justice and Home Affairs Council](#) of 5-6 June 2018. [Coreper](#) meeting of 23 March 2016 agreed on a negotiation mandate for establishing an EU common list of safe countries of origin.

Policy field Specific issue	Conclusion	Follow-up action
	26-27 June 2014 The full transposition and effective implementation of the Common European Asylum System (CEAS) is an absolute priority.	
Managing/protecting external borders	**22-23 June 2017** **The European Council invites the Commission to prepare, as soon as possible, draft legislation enacting the proposals made by the High Level Expert Group on interoperability.**	COM(2018) 480 of 13 June 2018 amended proposal for a regulation of the European Parliament and of the Council on establishing a framework for interoperability between EU information systems (police and judicial cooperation, asylum and migration). Procedure: 2017/0352 (COD). COM(2018) 478 on establishing a framework for interoperability between EU information systems (borders and visa). Procedure: 2017/0351(COD). COM(2017) 794 of 12 December 2017 proposal for a regulation of the European Parliament and of the Council on establishing a framework for interoperability between EU information systems. Procedure: 2017/0352 (COD).

Policy field Specific issue	Conclusion	Follow-up action
	28 June 2016 Recalling the need to reinforce the control of the EU's external borders to meet both migration and security objectives. **15-16 October 2015** Welcome the Commission's intention to rapidly present a package of measures with a view to improving the management of our external borders.	
European travel information and authorisation system (ETIAS)	**9-10 March 2017** **The European Council calls on co-legislators to speed up work on the proposal for the European Travel Information and Authorisation System.**	Regulation (EU) 2018/1241 of the European Parliament and of the Council of 12 September 2018 amending Regulation (EU) 2016/794 for the purpose of establishing a European Travel Information and Authorisation System (ETIAS). Procedure: 2016/0357B(COD). Council of 5 September 2018 adopted a regulation establishing a European travel information and authorisation system (ETIAS). The Justice and Home Affairs Council of 8 June 2017 agreed a general approach on the proposal for a European travel information and authorisation system.

Policy field Specific issue	Conclusion	Follow-up action
	15 December 2016 **The co-legislators should agree by the end of 2017 on a European Travel Information and Authorisation System to ensure that visa-exempt travellers are screened systematically.**	Regulation (EU) 2018/1241 of the European Parliament and of the Council of 12 September 2018 amending Regulation (EU) 2016/794 for the purpose of establishing a European Travel Information and Authorisation System (ETIAS). Procedure: 2016/0357B(COD). Regulation (EU) 2018/1240 of the European Parliament and of the Council of 12 September 2018 establishing a European Travel Information and Authorisation System (ETIAS) and amending Regulations (EU) No 1077/2011, (EU) No 515/2014, (EU) 2016/399, (EU) 2016/1624 and (EU) 2017/2226. Procedure: 2016/0357A(COD). Council of 5 September 2018 adopted a regulation establishing a European travel information and authorisation system (ETIAS). The Justice and Home Affairs Council of 8 June 2017 agreed a general approach on the proposal for a European travel information and authorisation system.
European Border and Coast Guard (ex FRONTEX)	17-18 October 2018 **The European Council invites the European Parliament and the Council to examine, as a matter of priority, the recent Commission proposal on [...] the European Border and Coast Guard, ensuring the**	The Justice and Home Affairs Council of 6 December 2018 adopts partial general approach on the proposal on the European Border and Coast Guard.

147

Policy field Specific issue	Conclusion	Follow-up action
	most efficient use of resources and developing common minimum standards of external border surveillance, with due respect for the responsibility of the Member States.	
	15 December 2016 The European Council recalls the importance of adequate resources being put at the disposal of the European Border and Coast Guard.	
	28 June 2016 It welcomes the political agreement between the European Parliament and the Council on the European Border and Coast Guard proposal.	
	Asks for the swift adoption and rapid implementation of the political agreement between the European Parliament and the Council on the European Border and Coast Guard proposal.	COM(2017) 467 of 6 September 2017 - Fifth report on the operationalisation of the European Border and Coast Guard. COM(2017) 325 13 June 2017 - Fourth report on the operationalisation of the European Border and Coast Guard. COM(2017) 219 of 2 May 2017 - Third report on the operationalisation of the European Border and Coast Guard.

Policy field Specific issue	Conclusion	Follow-up action
		COM(2017) 201 of 2 March 2017 - Second report on the operationalisation of the European Border and Coast Guard. COM(2017) 42 of 25 January 2017 - on the operationalisation of the European Border and Coast Guard. Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard. Procedure: 2015/0310(COD).
	17-18 March 2016 **European Border and Coast Guard proposal, which should be adopted as soon as possible.** The European Council [...] is pleased with progress on the European Border and Coast Guard proposal.	Regulation (EU) 2016/1624 of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard. Procedure: 2015/0310(COD).
	18-19 February 2016 **As far as the 'European Border and Coast Guard' proposal is concerned, work should be accelerated with a view to reaching a political agreement under the Netherlands Presidency and to make the new system operational as soon as possible.**	

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 December 2015</u> **The Council should rapidly examine the Commission proposal of 15 December on a "European Border and Coast Guard" and adopt its position under the Netherlands Presidency.**	<u>Justice and Home Affairs Council</u> of 25 February 2016 discussed the proposal for a European Border and Coast Guard.
	<u>15-16 October 2015</u> **Enhance the mandate of Frontex in the context of discussions over the development of a European Border and Coast Guard System, including as regards the deployment of Rapid Border Intervention Teams in cases where Schengen evaluations or risk analysis demonstrate the need for robust and prompt action, in cooperation with the Member State concerned;**	<u>Regulation (EU) 2016/1624</u> of the European Parliament and of the Council of 14 September 2016 on the European Border and Coast Guard. Procedure: <u>2015/0310(COD)</u>. <u>COM(2015) 673 final</u> - A European Border and Coast Guard and effective management of Europe's external borders. Procedure: <u>2015/0310(COD)</u>. <u>COM(2015) 671 final</u> - on the European Border and Coast Guard and repealing Regulation (EC) No 2007/2004, Regulation (EC) No 863/2007 and Council Decision 2005/267/EC. Procedure: <u>2015/0310(COD)</u>.
	Before the end of the year, create a dedicated return office within Frontex in order to scale up support to Member States;	<u>COM(2015) 671 final</u> - on the European Border and Coast Guard and repealing Regulation (EC) No 2007/2004, Regulation (EC) No 863/2007 and Council Decision 2005/267/EC. Procedure: <u>2015/0310(COD)</u>.

Policy field Specific issue	Conclusion	Follow-up action
	Enlarge the Frontex mandate on return to include the right to organise joint return operations on its own initiative, and enhance its role regarding the acquisition of travel documents for returnees.	COM(2017) 467 of 6 September 2017 - Fifth report on the operationalisation of the European Border and Coast Guard.
	23 September 2015 **Tackle the dramatic situation at our external borders and strengthen controls at those borders additional resources for Frontex and with personnel and equipment from Member States.**	Draft amending budget No 7 to the general budget 2015.
	23 April 2015 **We today commit to rapidly reinforce EU Operations Triton and Poseidon by at least tripling the financial resources for this purpose in 2015 and 2016 and reinforcing the number of assets, thus allowing to increase the search and rescue possibilities within the mandate of FRONTEX.**	Draft amending budget No 5 to the general budget 2015.
Entry/exit system (EES) (including registered traveller programme)	9-10 March 2017 **The European Council calls on co-legislators to agree on the proposal for an Entry and Exit System by June 2017.**	Regulation (EU) 2017/2226 of the European Parliament and of the Council of 30 November 2017 establishing an Entry/Exit System (EES) to register entry and exit data and refusal of entry data of third-country nationals crossing the external borders of the Member States and

Policy field Specific issue	Conclusion	Follow-up action
	15 December 2016 **The co-legislators should agree by June 2017 on the Entry/Exit System.**	determining the conditions for access to the EES for law enforcement purposes, and amending the Convention implementing the Schengen Agreement and Regulations (EC) No 767/2008 and (EU) No 1077/2011. Procedure: ([2016/0106(COD)](#). [Regulation (EU) 2017/2226](#) of the European Parliament and of the Council of 30 November 2017 establishing an Entry/Exit System (EES) to register entry and exit data and refusal of entry data of third-country nationals crossing the external borders of the Member States and determining the conditions for access to the EES for law enforcement purposes, and amending the Convention implementing the Schengen Agreement and Regulations (EC) No 767/2008 and (EU) No 1077/2011. Procedure: ([2016/0106(COD)](#). European Parliament [legislative resolution](#) of 25 October 2017 on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EU) 2016/399 as regards the use of the entry/exit system. Procedure: [2016/0105(COD)](#).

Policy field Specific issue	Conclusion	Follow-up action
	20-21 October 2016 **Calls on the Council to establish its position on an entry/exit system before the end of 2016.**	European Parliament legislative resolution of 25 October 2017 on the proposal for a regulation of the European Parliament and of the Council establishing an entry/exit system (EES) to register entry and exit data and refusal of entry data for third-country nationals crossing the external borders of the Member States of the European Union and determining the conditions for access to the EES for law enforcement purposes and amending Regulation (EC) No 767/2008 and Regulation (EU) No 1077/2011. Procedure: (2016/0106(COD). Coreper meeting of 2 March 2017 agrees on its negotiating mandate for an entry/exit system.
Cooperation with third countries	15 December 2016 **In order to reinforce the implementation of the Valletta Action Plan and the Partnership Framework, the agreement reached in the Council on the European Fund for Sustainable Development should be followed by swift adoption of the relevant legislation.**	Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund, OJ L 249.

Policy field Specific issue	Conclusion	Follow-up action
	15-16 October 2015 **The Commission and the High Representative will propose, within six months, comprehensive and tailor-made incentives to be used vis-a-vis third countries for readmission and returns.**	COM(2016) 385 of 7 June 2016 on establishing a new Partnership Framework with third countries under the European Agenda on Migration.
	25-26 June 2015 **The Council will prepare proposals for areas of cooperation with countries of origin and transit for the Valletta Summit.**	Justice and Home Affairs Council of 14 September 2015.
Syrian Fund	15-16 October 2015 Ask Member States to support the EU's Regional Trust Fund responding to the Syria crisis.	
	23 September 2015 **Including through a substantial increase of the EU's Regional Trust Fund in response to the Syrian Crisis ("Madad Fund");**	Draft amending budget No 7 to the general budget 2015.

Policy field Specific issue	Conclusion	Follow-up action
Readmission	17-18 October 2018 Existing readmission agreements should be better implemented, in a non discriminatory way towards all Member States. 9-10 March 2017 It recalls the need to pursue work on a range of well-functioning EU readmission arrangements with third countries. 15-16 October 2015 Effectively implement all readmission commitments, whether undertaken through formal readmission agreements, the Cotonou Agreement or other arrangements;	
Partnership framework/migration compacts (including previous mobility partnerships)	15 December 2016 The European Council welcomes the progress on implementation of the compacts with five African countries of origin or transit and the growing ownership in the partner countries. 20-21 October 2016 **Calls on the High Representative, including in her role as Vice-President of the Commission, to present at the December European**	European Council conclusions of 15 December 2016.

Policy field Specific issue	Conclusion	Follow-up action
	Council meeting progress with the five selected African countries and the first results achieved in terms of arrivals and returns. The European Council welcomes the progress made on developing compacts with Lebanon and Jordan to enhance support for refugees and host communities in both countries. Takes note of the Commission's "First progress report on the Partnership Framework with third countries under the European Agenda on Migration". 28 June 2016 **The Council and the Commission will regularly monitor the process, assess its results and report to the European Council.**	COM(2018) 798 Managing migration in all its aspects: Progress under the European Agenda on Migration. COM(2017) 471 of 6 September 2017 - Fifth Progress Report on the Partnership Framework with third countries under the European Agenda on Migration. COM(2017) 350 of 13 June 2017 - Fourth Progress Report on the Partnership Framework with third countries under the European Agenda on Migration. COM(2017) 205 of 2 March 2017 - Third Progress Report on the Partnership Framework

Policy field Specific issue	Conclusion	Follow-up action
		with third countries under the European Agenda on Migration.
		COM(2016) 960 of 14 December 2016 - Second Progress Report: First Deliverables on the Partnership Framework with third countries under the European Agenda on Migration.
		COM(2016) 700 of 18 October 2016 - First Progress Report on the Partnership Framework with third countries under the European Agenda on Migration.
	The High Representative, including in her role as Vice-President of the Commission, will lead the implementation of this new approach and ensure close and effective coordination between the EU institutions and services and the Member States, with a view to concluding the first compacts before the end of the year.	EU-Lebanon Association Council of 11 November 2016 agreeing on EU-Lebanon Partnership Priorities.
		Council Decision (EU) 2016/2131 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Republic of Lebanon, of the other part, as regards the adoption of EU-Lebanon Partnership Priorities, including the Compact, OJ L 331.
		Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of

Policy field Specific issue	Conclusion	Follow-up action
		the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact, OJ L 345.
	All relevant instruments and sources of funding should be mobilised in a coherent manner in support of the migration compacts. The Council is invited to rapidly examine the proposals made by the Commission to that effect.	Council position adopted on the European Fund for Sustainable Development on 13 December 2016.
	25-26 June 2015 **The Council, together with the Commission, will prepare a global package to support the negotiations with the third countries concerned;**	COM(2016) 385 of 7 June 2016 on establishing a new Partnership Framework with third countries under the European Agenda on Migration.
External investment plan	20-21 October 2016 **The European Council calls upon: the Council to agree before the end of the year on its position on the External Investment Plan,**	Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD

Policy field Specific issue	Conclusion	Follow-up action
	which is aimed at boosting investments and job creation in partner countries, with a view to swift agreement with the European Parliament in the first half of 2017.	Guarantee and the EFSD Guarantee Fund, OJ L 249. European Parliament position adopted on European Fund for Sustainable Development on 6 July 2017. Council position adopted on the European Fund for Sustainable Development on 13 December 2016.
	28 June 2016 **The Commission is invited to present by September 2016 a proposal for an ambitious External Investment Plan, which should be examined as a matter of priority by the European Parliament and Council.**	COM(2016)0581 of 14 September 2016 Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan.
Cooperation with Turkey	17-18 October 2018 Additional efforts are needed to fully implement the EU-Turkey Statement. 19-20 October 2017 The European Council further calls for the following: showing full commitment to our cooperation with Turkey on migration.	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council further calls for the following: full and non-discriminatory implementation of the EU-Turkey Readmission Agreement with all Member States.	
	15 December 2016 It reiterates its commitment to the EU-Turkey statement and underlines the importance of a full and non-discriminatory implementation of all aspects.	
	It endorses the Joint Action Plan on the implementation of the EU-Turkey statement elaborated between Greece and the Commission and welcomes the fact that Greece has already taken first steps towards its implementation.	
	The European Council calls upon all Member States to ensure speedy implementation of the Joint Action Plan [on the implementation of the EU-Turkey statement.	
	17-18 March 2016 **The Commission will regularly report to the Council on the implementation of the EU-Turkey statement;**	COM(2019) 126 Progress report on the Implementation of the European Agenda on Migration.

Policy field Specific issue	Conclusion	Follow-up action
		COM(2017) 470 of 6 September 2017 - Seventh Report on the Progress made in the implementation of the EU-Turkey Statement. COM(2017) 323 of 13 June 2017 - Sixth Report on the Progress made in the implementation of the EU-Turkey Statement. COM(2017) 204 of 2 March 2017 - Fifth Report on the progress made in the implementation of the EU-Turkey Statement. COM(2016) 792 of 8 December 2016 - Fourth Report on the Progress made in the implementation of the EU-Turkey Statement. COM(2016) 634 of 28 September 2016 - Third Report on the Progress made in the implementation of the EU-Turkey Statement. COM(2016) 231 of 20 April 2016 - European Commission's first report on the progress made in the implementation of the EU-Turkey Statement.
	The European Council reiterates that the EU-Turkey Statement does not establish any new commitments on Member States as far as relocation and resettlement are concerned.	

161

Policy field Specific issue	Conclusion	Follow-up action
	The European Council calls for the full implementation of the EU-Turkey statement.	
	The European Council takes note of the Commission Communication "Next operational steps in EU-Turkey cooperation in the field of migration", in particular as to how an asylum application from a migrant crossing from Turkey into Greece can be declared inadmissible, based on the concept of "first country of asylum" or "safe third country", in accordance with European and international law.	
	The EU reiterates that it expects Turkey to respect the highest standards when it comes to democracy, rule of law, respect of fundamental freedoms, including freedom of expression.	
	The European Council asks the Commission to coordinate all necessary support for Greece, for the full implementation of the EU-Turkey statement, and to develop an operational plan.	Joint action plan on the implementation of the EU-Turkey Statement December 2016.
	18-19 February 2016 The European Council welcomes the agreement reached on the Facility for Refugees in Turkey.	

Policy field Specific issue	Conclusion	Follow-up action
	It also welcomes the progress on preparing a credible voluntary humanitarian admission programme with Turkey. 17-18 December 2015 **In this context COREPER is asked to rapidly conclude its work on how to mobilise the 3 billion euro for the Turkey Refugee Facility;** **The Council should rapidly examine the Commission proposal of 15 December on a voluntary humanitarian admission scheme.** Ensure implementation and operational follow up to the EU-Turkey Statement of 29 November 2015 and the EU-Turkey Action Plan. 15-16 October 2015 Welcomes the joint Action Plan with Turkey as part of a comprehensive cooperation agenda based on shared responsibility, mutual commitments and delivery.	Facility for refugees in Turkey of 3 February 2016. Council of 5 December 2017 endorsed Voluntary Humanitarian Admission Scheme with Turkey.

Policy field Specific issue	Conclusion	Follow-up action
Cooperation with Libya	19-20 October 2017 Reiterates the importance of working with the Libyan authorities and all neighbours of Libya to enhance border management capacity and underscores the urgency of supporting the development of the local communities in Libya along the migratory routes;	
Cooperation with Lebanon and Jordan	20-21 October 2016 The European Council welcomes the progress made on developing compacts with Lebanon and Jordan to enhance support for refugees and host communities in both countries. 17-18 March 2016 **It calls for pledges to be disbursed promptly and EU Compacts to be finalised to enhance support to refugees and host communities in both countries [Jordan and Lebanon].**	EU-Lebanon Association Council of 11 November 2016 agreeing on EU-Lebanon Partnership Priorities. Council Decision (EU) 2016/2131 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Republic of Lebanon, of the other part, as regards the adoption of EU-Lebanon

Policy field Specific issue	Conclusion	Follow-up action
		Partnership Priorities, including the Compact, OJ L 331. Council agreement of 17 October 2016 on the way forward on partnership priorities and compacts with Jordan and with Lebanon. Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact, OJ L 345.
Cooperation with African partners / African Union	17-18 December 2015 Ensure implementation and operational follow up to the Valletta Summit, particularly as regards returns and readmission. 23 April 2015 **It will propose the holding of a summit in Malta in the coming months;**	Valletta summit 11-12 November 2015.

Policy field Specific issue	Conclusion	Follow-up action
Africa Fund	**19-20 October 2017** **Commits to ensuring sufficient and targeted funding, including through the North Africa window of the EU Trust Fund for Africa, to underpin the necessary migration-related actions in North Africa and finance all relevant projects in 2017 and beyond, with timely disbursements. It tasks the Council, with the assistance of the Commission, to undertake immediate operational follow-up to ensure delivery on this commitment before the December European Council;** **3 February 2017 (AM)** We welcome the Commission's decision to mobilise as a first step an additional €200 million for the North Africa window of the Fund and to give priority to migration-related projects concerning Libya. **15-16 October 2015** Ask Member States to support EU Trust Fund for Africa. **23 September 2015** Increase the funding of the Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa through additional contributions by Member States.	Annual report (2017) The EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa. New actions approved under the EU Trust Fund for Africa. Three new programmes adopted in the framework of the EU Trust Fund for Africa.

Policy field Specific issue	Conclusion	Follow-up action
Cooperation with international organisations **Cooperation with UNHCR**	<u>15-16 October 2015</u> Ask Member States to further contribute to the efforts made to support UNHCR, World Food Programme and other agencies.	
Cooperation with NATO	<u>9-10 March 2017</u> It also recalls the need to implement the "Common set of proposals" for enhanced cooperation with NATO. <u>18-19 February 2016</u> The European Council welcomes NATO's decision to assist in the conduct of reconnaissance, monitoring and surveillance of illegal crossings in the Aegean sea and calls on all members of NATO to support this measure actively.	
Cooperation with the EIB	<u>19-20 October 2017</u> In this context, the European Council welcomes the recent launch of the European Fund for Sustainable Development, which supports investment in African and Neighbourhood countries.	

Policy field Specific issue	Conclusion	Follow-up action
	It also welcomes the implementation of the Economic Resilience Initiative.	
	15 December 2016 **In order to reinforce the implementation of the Valletta Action Plan and the Partnership Framework, the agreement reached in the Council on the EIB External Lending Mandate should be followed by swift adoption of the relevant legislation.**	Decision (EU) 2018/412 of the European Parliament and of the Council of 14 March 2018 amending Decision No 466/2014/EU granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union OJ L76.
	In this respect, the European Council welcomes the fact that the EIB has started to implement its Resilience Initiative for the Western Balkans and Southern Neighbourhood.	
	28 June 2016 **The European Investment Bank's initiative in the Southern Neighbourhood and Western Balkan countries, as a first step in the new framework of cooperation, will help to foster investment in partner countries and has our full support. To implement this initiative swiftly, the Council is asked to rapidly explore how to provide the required resources;**	Council discussion the EIB Guarantee Fund for external actions. Discussion of the the EIB initiative in the Southern Neighbourhood and Western Balkans in the Council.

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 March 2016</u> **Further to its February 2016 conclusions, the European Council invites the European Investment Bank to present to its June meeting a specific initiative aimed at rapidly mobilising additional financing in support of sustainable growth, vital infrastructure and social cohesion in Southern neighbourhood and Western Balkans countries.**	European Council conclusions of 28 June 2016.

5.2. Schengen area

Policy field Specific issue	Conclusion	Follow-up action
General orientations/overall objectives	<u>26-27 June 2014</u> **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.**	Mid-term review of the JHA strategic guidelines.
Schengen monitoring system	<u>19-20 October 2017</u> The European Council reiterates its commitment to the Schengen system and expresses the intention to get "Back to Schengen" as soon as	

Policy field Specific issue	Conclusion	Follow-up action
	possible while taking proportionate security interests of Member States fully into account.	
Schengen borders code	15 December 2016 The European Council welcomes the agreement on the revised Schengen Borders Code enforcing systematic controls on all travellers crossing EU external borders. Calls for its swift implementation [of the the revised Schengen Borders Code] by the Member States, while taking into account specific situations of some Member States. 20-21 October 2016 The European Council calls for a swift adoption of the revised Schengen Borders Code enforcing systematic controls on all travellers crossing EU external borders. 17-18 December 2015 **The Council should rapidly examine the Commission proposal of 15 December on the Schengen Borders Code.**	Regulation (EU) 2016/399 of the European Parliament and of the Council of 9 March 2016 on a Union Code on the rules governing the movement of persons across borders (Schengen Borders Code). Justice and Home Affairs Council of 2 February 2016 agrees its negotiation position on the Schengen Borders Code.

Policy field Specific issue	Conclusion	Follow-up action
	12 February 2015 **We will also consider a targeted amendment to the Schengen Borders Code where necessary to provide for permanent checks, based on a proposal by the Commission;**	Regulation (EU) 2017/458 of the European Parliament and of the Council of 15 March 2017 amending Regulation (EU) 2016/399 as regards the reinforcement of checks against relevant databases at external borders. Procedure: 2015/0307(COD). Proposal COM(2015) 0008 for a Regulation on a Union Code on the rules governing the movement of persons across borders (Schengen Borders Code). Procedure: 2015/0006 (COD).
Visa policy **Visa liberalisation agreements (+suspension mechanism)**	20-21 October 2016 **Co-legislators are invited to reach agreement within the next few weeks on the revision of the suspension mechanism applied to visas.**	Regulation (EU) 2017/371 of the European Parliament and of the Council of 1 March 2017 amending Council Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (revision of the suspension mechanism). Procedure: 2016/0142(COD). On 7 December 2016 the European Parliament and the Council reached an agreement on a regulation to revise the suspension mechanism

Policy field Specific issue	Conclusion	Follow-up action
		that can be applied to all existing visa liberalisation agreements. Justice and Home Affairs Council of 20 May 2016 agreed its negotiating position on the proposed regulation to revise the suspension mechanism which can be applied to all existing visa liberalisation agreements.

5.3. European area of security

Policy field Specific issue	Conclusion	Follow-up action
General orientations/objectives	17-18 October 2018 In recent years, real progress has been made to strengthen our internal security through better cooperation, concrete measures on the ground, and the adoption of a range of legal texts, such as on Passenger Name Records, combating terrorism and ensuring a high common level of network and information security. These need to be fully implemented.	

Policy field Specific issue	Conclusion	Follow-up action
	<u>9-10 March 2017</u> **Continuing to implement the renewed European Union Internal Security Strategy 2015-2020 is therefore crucial; the European Council will keep this under review.** <u>15 December 2016</u> The European Council reaffirms its commitment to the implementation of the European Union Internal Security Strategy 2015-2020. <u>26-27 June 2014</u> **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.** **The review and update of the internal security strategy by mid 2015.**	European Council of 18 October 2018. Mid-term review of the JHA strategic guidelines. EU Internal Security Strategy 2015-2020.
Combatting organised crime and terrorism	<u>26-27 June 2014</u> In this context, the European Council reaffirms the role of the EU Counter Terrorism Coordinator.	

Policy field Specific issue	Conclusion	Follow-up action
Removing online content	**17-18 October 2018** **The Commission proposal on preventing the dissemination of terrorist content online should be examined as a matter of priority.**	Justice and Home Affairs Council of 6 December 2018 adopted its negotiation position on the proposal for regulation on preventing the dissemination of terrorist content online.
	22-23 June 2017 **The European Council expects industry to establish an Industry Forum and to develop new technology and tools to improve the automatic detection and removal of content that incites to terrorist acts.**	The establishment of the Global Internet Forum to Counter Terrorism by Facebook, Microsoft, Twitter and YouTube on 26 June 2017.
	12 February 2015 **We call for greater cooperation between public authorities and the private sector at EU level to remove internet content promoting terrorism or extremism, also working with Europol to establish internet referral capabilities;**	Europol's EU Internet referral unit started operations in July 2015. The European Commission launched the EU Internet Forum on 3 December 2015, bringing together EU interior ministers and representatives of major internet companies.
Preventing radicalisation (including foreign fighters)	**30 August 2014** It calls for the accelerated implementation of the package of EU measures in support of Member States efforts, as agreed by the Council since June 2013, in particular to prevent radicalisation and extremism,	

Policy field Specific issue	Conclusion	Follow-up action
	share information more effectively - including with relevant third countries, dissuade, detect and disrupt suspicious travel and investigate and prosecute foreign fighters.	
	The European Council will review this matter [the flow of foreign fighters] at its meeting in December.	Informal meeting of the Heads of State or Government 12 of February 2015.
	The European Council requests the Council to review the effectiveness of the measures [to stem the flow of foreign fighters] and to propose additional action, as required.	JHA Council meeting of 10 October 2014.
Money laundering and/or terrorist financing	17-18 October 2018 **The Commission proposal [...] on access to financial information, as well as to better combat money laundering, should be agreed on by the end of the legislature.**	Directive (EU) 2019/1153 of the European Parliament and of the Council of 20 June 2019 laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences, and repealing Council Decision 2000/642/JHA. Procedure: 2018/0105(COD). European Parliament legislative resolution of 17 April 2019 on the proposal for a Directive of the European Parliament and of the Council

Policy field Specific issue	Conclusion	Follow-up action
		laying down rules facilitating the use of financial and other information for the prevention, detection, investigation or prosecution of certain criminal offences. Procedure: 2018/0105(COD). Council Presidency and European Parliament reached provisional agreement on 12 February 2019 regarding access to financial information. Procedure: 2018/0105(COD). Council of 19 December 2018 agreed its negotiating position on a proposal reinforcing the role of the European Banking Authority regarding money laundering. Procedure: 2017/0230(COD). Council of 21 November 2018 adopted negotiating position on law enforcement access to financial information.
	15 December 2016 **The political agreement between the co-legislators on the Counter-Terrorism Directive is an important step and should be followed by the swift adoption of the proposal on anti-money laundering.**	Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (Text with EEA relevance). Procedure: 2016/0208(COD).

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 December 2015</u> **The Council and the Commission will take rapidly further action against terrorist finance in all domains identified by the Council of 20 November; regarding in particular asset freeze and other restrictive measures, priority should be given to strengthening and, if need be, extending the existing measures to tackle ISIL/Da'esh-related activity throughout the EU.**	COM/2016/050 on an Action Plan for strengthening the fight against terrorist financing.
Hybrid, cyber, chemical, biological, radiological and nuclear (CBRN)	<u>17-18 October 2018</u> The European Council welcomes the adoption of the new regime of restrictive measures to address the threat from chemical weapons and looks forward to early progress on the listing of relevant individuals and entities.	
Firearms and weapons	<u>15 December 2016</u> **The political agreement between the co-legislators on the Counter-Terrorism Directive is an important step and should be followed by swift adoption of the proposal on firearms.**	Directive (EU) 2017/853 of the European Parliament and of the Council of 17 May 2017 amending Council Directive 91/477/EEC on control of the acquisition and possession of weapons. Procedure: 2015/0269(COD). Economic and Financial Affairs Council 12/02/2016 - conclusions on the fight against the financing of terrorism.

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 December 2015</u> Member States should fully implement the Regulation on explosives precursors. **The Council will rapidly examine the Commission proposals on combatting terrorism and on firearms, in particular on high-powered semi-automatic weapons.**	[Justice and Home Affairs Council](#) of 10 March 2016 debated the proposal for a directive on control of the acquisition and possession of weapons.
Fighting disinformation	<u>20-21 June 2019</u> **Further to the Presidency report and the contributions from the Commission and the High Representative on lessons learnt with regard to disinformation and securing free and fair elections, the European Council calls for sustained efforts to raise awareness, increase preparedness and strengthen the resilience of our democracies to disinformation.** It welcomes the Commission's intention to conduct an in-depth evaluation of the implementation of commitments undertaken by online platforms and other signatories under the Code of Practice.	

Policy field Specific issue	Conclusion	Follow-up action
	<ins>21-22 March 2019</ins> **Welcoming the important work accomplished in this respect in the past months, the European Council calls for further enhanced coordinated efforts to address the internal [...] aspects of disinformation and protect the European and national elections across the EU.** **The European Council urges private operators such as online platforms and social networks to fully implement the Code of Practice and ensure higher standards of responsibility and transparency.** **The European Council will come back to the issue [of disinformation] at its June meeting on the basis of a report on the lessons learnt prepared by the Presidency in cooperation with the Commission and the High Representative, in order to inform our long-term response.** <ins>13-14 December 2018</ins> **The Council is invited to continue work on the issue [of disinformation] and to report back to the European Council in March 2019.**	European Council meeting of June 20-21 2019. European Council conclusions of 21-22 March 2019.

Policy field Specific issue	Conclusion	Follow-up action
	17-18 October 2018 **The European Council looks forward to the Action Plan for a coordinated EU response [to disinformation], to be presented by December 2018, as set out in its June conclusions**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018 of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'.
	The Commission will assess the implementation of the Code of practice on disinformation by the end of the year.	The European Commission's report of 5 December 2018 on the implementation of the communication Tackling online disinformation: a European Approach.
	In this respect, the measures proposed by the Commission on election cooperation networks, online transparency, protection against cybersecurity incidents, unlawful data manipulation and fighting disinformation campaigns [...] deserve rapid examination and operational follow-up by the competent authorities.	Justice and Home Affairs Council of March 2019. General Affairs Council conclusions of 19 February 2019 on securing free and fair European elections.
	28-29 June 2018 **Invites the High Representative and the Commission to present, in cooperation with the Member States and in line with the March**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018

Policy field Specific issue	Conclusion	Follow-up action
	2015 European Council conclusions, an action plan by December 2018 with specific proposals for a coordinated EU response to the challenge of disinformation, including appropriate mandates and sufficient resources for the relevant EEAS Strategic Communications teams;	of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'. Roadmaps of 16 October 2018 to implement the Code of Practice on disinformation. Code of Practice of 26 September 2018 to fight online disinformation.
Europol	23 September 2015 **Tackle the dramatic situation at our external borders and strengthen controls at those borders additional resources for Europol and with personnel and equipment from Member States.**	Draft amending budget No 5 to the general budget 2015.
Cyber-crime and cyber-security	17-18 October 2018 **The European Council also calls for measures to combat cyber and cyber-enabled illegal and malicious activities and build strong cybersecurity. Work on the capacity to respond to and deter cyber-attacks through EU restrictive measures should be taken forward, further to the 19 June 2017 Council conclusions.**	The Council of 19 December 2018 approved the agreement with European Parliament on Cybersecurity Act.

Policy field Specific issue	Conclusion	Follow-up action
	In order to strengthen EU resilience against cyber-attacks, negotiations on all cybersecurity proposals should be concluded before the end of the legislature.	Directive (EU) 2019/713 of the European Parliament and of the Council of 17 April 2019 on combating fraud and counterfeiting of non-cash means of payment and replacing Council Framework Decision 2001/413/JHA. Procedure: 2017/0226(COD). Council's Permanent Representatives Committee on 13 March 2019 granted the Romanian presidency a mandate to start talks with the European Parliament on establishing the European Cybersecurity Industrial, Technology and Research Centre and setting up a Network of National Coordination Centres. European Parliament legislative resolution of 13 March 2019 on the proposal for a directive of the European Parliament and of the Council on combating fraud and counterfeiting of non-cash means of payment and replacing Council Framework Decision 2001/413/JHA. Procedure: 2017/0226(COD). On 11 December 2018, the European Parliament and the Council reached an informal agreement on on combating fraud and counterfeiting of non-cash means of payment. Procedure: 2017/0226(COD).

Policy field Specific issue	Conclusion	Follow-up action
Cooperation with third countries	<u>20-21 October 2016</u> The European Council welcomes the signing of the "EU-Afghanistan Joint Way Forward on Migration Issues" on 2 October to tackle challenges linked to irregular migration and improve practical cooperation on returns, readmission and reintegration.	
Cooperation and information exchange of law enforcement	<u>17-18 December 2015</u> The commitment made by the Heads of State or Government last February for deeper cooperation between security services should be further pursued. <u>12 February 2015</u> **The Commission should issue rapidly operational guidelines for systematic and coordinated checks on individuals enjoying the right of free movement against databases relevant to the fight against terrorism based on common risk indicators.**	C(2015) 3894 of 15 June 2015 amending the Recommendation establishing a common "Practical Handbook for Border Guards (Schengen Handbook)" to be used by Member States' competent authorities when carrying out the border control of persons.
Personal data collection (e.g. or i.e.PNR)	<u>15 December 2016</u> The political agreement between the co-legislators on the Counter-Terrorism Directive is an important step and should be followed by the implementation of new passenger name record (PNR) legislation.	Justice and Home Affairs Council of 21 April 2016 adopted a directive on the use of passenger name record (PNR) data for the prevention, detection, investigation and

Policy field Specific issue	Conclusion	Follow-up action
		prosecution of terrorist offences and serious crime. European Parliament legislative resolution of 14 April 2016 on the proposal for a directive of the European Parliament and of the Council on the use of Passenger Name Record data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime. Procedure: 2011/0023(COD). Justice and Home Affairs Council of 4 December 2015 approved the compromise text agreed with the European Parliament on the proposal for a directive on the use of passenger name record (PNR) data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime.
	17-18 December 2015 The agreement between the co-legislators on the proposal for a Directive on the use of passenger name record (PNR) data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime paves the way for its rapid adoption and implementation which will constitute a crucial step in the fight against terrorism.	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council recalls the commitment of all Member States to apply the PNR to intra-EU flights, as well as to non air-carriers such as travel agencies and tour operators.	
	12 February 2015 **We ask that EU legislators urgently adopt a strong and effective European Passenger Name Records directive with solid data protection safeguards;**	European Parliament legislative resolution of 14 April 2016 on the proposal for a directive of the European Parliament and of the Council on the use of Passenger Name Record data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime. Procedure: 2011/0023(COD).
	30 August 2014 **The European Council calls on the Council and the European Parliament to finalise work on the EU Passenger Name Record proposal before the end of the year.**	European Parliament legislative resolution of 14 April 2016 on the proposal for a directive of the European Parliament and of the Council on the use of Passenger Name Record data for the prevention, detection, investigation and prosecution of terrorist offences and serious crime. Procedure: 2011/0023(COD).

185

Policy field Specific issue	Conclusion	Follow-up action
ECRIS (European criminal records information system)	17-18 October 2018 **Negotiations on pending proposals, including on a strengthened European Criminal Records System, should be concluded by the end of the year and all measures needed for their implementation should be taken with the highest priority.**	Regulation (EU) 2019/816 of the European Parliament and of the Council of 17 April 2019 establishing a centralised system for the identification of Member States holding conviction information on third-country nationals and stateless persons (ECRIS-TCN) to supplement the European Criminal Records Information System and amending Regulation (EU) 2018/1726. Procedure: 2017/0144(COD). European Parliament legislative resolution of 12 March 2019 on the proposal for a regulation of the European Parliament and of the Council establishing a centralised system for the identification of Member States holding conviction information on third country nationals and stateless persons (TCN) to supplement and support the European Criminal Records Information System (ECRIS-TCN system). Procedure: 2017/0144(COD). European Parliament legislative resolution of 12 March 2019 on the proposal for a directive of the European Parliament and of the Council amending Council Framework Decision 2009/315/JHA, as regards the exchange of information on third country nationals and as regards the European Criminal Records

Policy field Specific issue	Conclusion	Follow-up action
		Information System (ECRIS). Procedure: 2016/0002(COD). Informal agreement of Co-legislators on 11 December 2018 regarding the European Criminal Records System. Procedure: 2017/0144(COD).
Crisis and disaster management **EU Civil protection mechanism**	17-18 October 2018 **Negotiations on the EU civil protection mechanism proposal should be concluded by the end of the year.**	Decision (EU) 2019/420 of the European Parliament and of the Council of 13 March 2019 amending Decision No 1313/2013/EU on a Union Civil Protection Mechanism. Procedure: 2019/0070(COD). Co-legislators reach provisional agreement on 12 December 2018 regarding the EU Civil protection mechanism.

5.4. European area of justice

Policy field Specific issue	Conclusion	Follow-up action
General orientations	<u>26-27 June 2014</u> **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.**	<u>Mid-term review of the JHA strategic guidelines</u>.
Judicial cooperation (in criminal matters) **EPPO / fight fraud and damages to EU budget**	<u>17-18 October 2018</u> **The Commission initiative to extend the competences of the European Public Prosecutor's Office to cross-border terrorist crimes should be examined.** <u>26-27 June 2014</u> **Fight fraudulent behaviour and damages to the EU budget, including by advancing negotiations on the European Public Prosecutor's Office.**	<u>Justice and Home Affairs Council</u> 06-07 June 2019. <u>Council Regulation (EU) 2017/1939</u> of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office.
Personal data protection	<u>26-27 June 2014</u> **Adopt a strong EU General Data Protection framework by 2015.**	<u>Regulation (EU) 2016/679</u> of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with

Policy field Specific issue	Conclusion	Follow-up action
		regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). Procedure: 2012/0011(COD).
E-justice	26-27 June 2014 **Adopt a strong EU General Data Protection framework by 2015.**	Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). Procedure: 2012/0011(COD).
	17-18 October 2018 **The Commission proposals on e-evidence [...] should be agreed on by the end of the legislature.**	Justice and Home Affairs Council of 8 March 2019 agreed its position on a proposal for a directive laying down harmonised rules on the appointment of legal representatives for the purpose of gathering evidence in criminal proceedings. Procedure: 2018/0107(COD). Justice and Home Affairs Council of 7 December 2018 agreed its position on a

189

Policy field Specific issue	Conclusion	Follow-up action
	The Commission should also urgently submit negotiating mandates for the international negotiations on e-evidence.	proposal for a regulation on European production and preservation orders for e-evidence in criminal matters. Procedure: 2018/0108(COD). European Commission proposal of 5 February 2019 for a Council Decision authorising the participation in negotiations on a second Additional Protocol to the Council of Europe Convention on Cybercrime (CETS No. 185). European Commission proposal of 5 February 2019 for a Council Decision authorising the opening of negotiations in view of an agreement between the European Union and the United States of America on cross-border access to electronic evidence for judicial cooperation in criminal matters.
Justice and fundamental rights	13-14 December 2018 It welcomes the adoption on 6 December 2018 of the Council Declaration on the fight against antisemitism.	

6. External relations

External relations are a recurrent item on the European Council agenda. The EU's external action includes foreign affairs, external security and defence, development policy and international trade. This chapter highlights the attention paid by the European Council to foreign affairs, external security and defence. Development policy and international trade aspects are discussed separately in Chapters 7 and 8.

A. Foreign affairs

A.1. Background

The security landscape has progressively deteriorated in the EU's neighbourhood in the past half-decade, both in the south and in the east. This has led the European Council to devote much of its attention to monitoring the crises in Libya, Syria and Ukraine. In parallel, the European Council has continued to deal with 'pressing international issues'. Discussions have covered developments on the Korean peninsula, the Middle East peace process and the fragile situation in the Western Balkans, among other things.

The Heads of State or Government have also considered Russia's growing assertiveness, including its role in the Ukrainian and Syrian crises. They have discussed the downing of flight MH17 and have called repeatedly for a transparent investigation. In 2018, they showed unity following the Salisbury attack and called 'for the adoption of a new EU regime of restrictive measures to address the use and proliferation of chemical weapons'. They have also called for an action plan to counter disinformation activities originating in Russia.

Transatlantic relations have attracted even more of the European Council's attention since the Trump administration came to power in 2017. The progressive rejection of multilateralism has led the US to denounce the Paris Climate Agreement, to gradually disengage from the United Nations (UN), including its Human Rights Council, and to unilaterally denounce the Iran Nuclear Agreement. Multilateralism remains the pillar of EU foreign policy action, as indicated in the EU global strategy. In this context, the European Council has regularly affirmed the EU's support for multilateralism and confirmed the Unions' commitment to an international trade policy, fully supportive of World Trade Organization rules (see Chapter 7), and to the full implementation of the Paris Climate Agreement (see Chapter 4). The EU leaders have also confirmed the Union's 'full commitment to the Iran nuclear deal'.

More recently, in March 2019, the EU leaders held a debate on 'overall relations' with China. On this occasion, the European Commission issued a paper presenting its vision for relations with China. It identified 10 priority actions linked to a broad range of domains, including climate change, connectivity, trade and industrial policy, and called for the 'full unity' of the Member States.

The EU will continue to face a volatile international situation in the years to come. This will most probably be reflected in the time spent by EU leaders discussing external relations issues during European Council meetings. The 2019-2024 strategic agenda already anticipates this development by identifying foreign affairs, defence and trade policy among the priority areas for action.

A.2. Agenda formation and meeting focus

Since 2014, the European Council has discussed foreign affairs items at each of its regular meetings. As a general rule, foreign affairs are considered under the 'external relations' item. An exception to

this pattern is the external dimension of migration, which is sometimes considered under external relations and other times under migration. The February and March 2016 European Council meetings represent two noteworthy examples. In February 2016, the European Council referred to the situation in Libya, including implications for the external dimension of migration, as part of its 'external relations' debate. Conversely, in March 2016, external relations were not included as a stand-alone point on the European Council annotated draft agenda, but were discussed as part of the migration debate, with the EU leaders considering the situation in Libya and along the Western Balkans route.

The European Council used informal, special and extraordinary meetings as vehicles for crisis management between 2014 and 2016. Five meetings (two informal and three extraordinary) were called between February 2014 and February 2015. They allowed the European Council to articulate a common position in response to the Ukrainian crisis and to continue to follow developments. The beginning of the migration crisis in early 2015 shifted the European Council's attention from the crisis in Ukraine to migration. The external dimension of migration was present in European Council debates from as early as April 2015, when the European Council first convened a special meeting on migration and a decision was taken to prepare a military common security and defence policy (CSDP) operation in the Mediterranean. Two additional informal meetings held in 2015, and one held in 2016, tackled the external dimension of migration.

The European Council stopped calling for extraordinary meetings on foreign policy grounds after 2017, having departed from the crisis mode in which it had been operating in previous years. One informal European Council, convened in Sofia, on 16 May 2018, was dedicated to the Western Balkans. The summit had been planned in advance and included in the Leaders' agenda published in October 2017. It enabled the adoption the next day, as part of the EU-Western Balkans summit, of the Sofia Declaration.

Annotated draft agendas, released more than a month ahead of each formal European Council meeting, are an early indicator of foreign and security policy items that may attract EU leaders' attention. They are usually vague, to allow greater flexibility. This principle was confirmed in October 2017 by the Leaders' agenda, which specified that 'the agenda does not list points that recur on a regular basis, such as external relations, except where a specific item is already known at this stage'. The foreign policy items to be included in the European Council agenda are decided upon at the Foreign Affairs Council meeting held on the Monday preceding the Heads of State or Government meeting.

Foreign affairs remain the embodiment of the intergovernmental method in the EU. Decisions pertaining to foreign and security policy are taken unanimously within the European Council. A few Treaty-based exceptions, such as the appointment of the High Representative of the Union for Foreign and Security Policy (hereinafter, the High Representative), allow for the use of qualified majority voting (QMV). The European Council can decide, based on Article 31 TEU, by unanimity, to extend the list of foreign policy items to which QMV applies, with the exception of decisions having military and defence implications, where Treaty change is required.

A.3. Legal basis for European Council action in foreign affairs

General orientations for foreign and security policy

> **Articles 15, 16(6), 22, 24 of the Treaty on European Union (TEU)**: the European Council identifies 'the Union's strategic interests' and 'objectives' and sets out strategic orientations for the EU, including for matters of foreign, security and defence policy.
> **Article 24.1 TEU:** the EU's common foreign and security policy (CFSP), of which defence is an integral part, is 'defined and implemented by the European Council and the Council'.

European Council preparation and decision-making

- **Article 16(6) TEU:** the Foreign Affairs Council, in cooperation with the President of the European Council, prepares and ensures the follow-up of the European Council foreign, security and defence policy meetings.
- **Articles 15 TEU:** the European Council President 'ensures the external representation of the Union' in a way that does not hamper the action of the High Representative.
- **Articles 18, 22, 24, 31 TEU:** unanimity is required in the European Council for foreign and security policy decisions, unless qualified majority applies (for example, when appointing the High Representative). Under Article 31(3), the European Council can, by unanimity, extend qualified majority voting to more foreign policy areas than those identified in Article 31(2) TEU. In his 'state of the Union' address of September 2018, European Commission President, Jean-Claude Juncker, called for the use of this treaty mechanism and for the extension of qualified majority voting to cover more foreign policy areas, including civilian CSDP operations.
- **Article 26 TEU:** the President 'shall convene an extraordinary meeting of the European Council' with the objective of defining 'strategic lines' should the international situation so require. On several occasions, extraordinary meetings have been convened to discuss foreign policy matters (for example, Ukraine in 2014), while defence has been considered only at regular European Council meetings.

A.4. Strategic orientations

- **EU global strategy:** in June 2016, the High Representative, Federica Mogherini, presented the European Council with the EU global strategy. The strategy resulted from a request made by the Heads of State or Government in December 2013 that was subsequently reiterated by the European Council. The EU leaders 'welcomed' the EU global strategy and invited the High Representative, Federica Mogherini, the European Commission and the Council to start its implementation.
- **The review of regional, country-related and sectoral strategies** was one of the main points advanced by the EU global strategy. The October 2016 Foreign Affairs Council retained the updating and the preparation of new 'regional and thematic strategies' as a priority.

Several regional, country-related and sectoral strategic documents have been adopted at EU level since October 2016. This section presents the main strategic documents relating to three themes that have attracted the attention of the European Council in recent years.

- **Strategy for Syria.** In his September 2016 'state of the Union' address, European Commission President, Jean-Claude Juncker, called for an EU strategy for Syria. The strategy, adopted in March 2017, outlined the EU's support for 'a lasting political solution' in Syria. It called for a united, democratic and stable Syria, protective of its citizens and supportive of their cultural diversity. It confirmed the EU's willingness to work with international partners in support of a negotiated solution in Syria, to provide targeted humanitarian aid and support Syria's reconstruction 'once a credible political transition is underway'.
- **Strategy for the Western Balkans**. On 6 February 2018, the European Commission published a communication entitled 'A credible enlargement perspective for and enhanced EU enlargement with the Western Balkans', accompanied by an action plan detailing six flagship initiatives aimed at supporting the region on its European path. The document offered a clear prospect of enlargement to all six Western Balkans countries. An accession date of 2025 was even advanced, provided that the six countries met the accession requirements. This allowed the EU to send a strong political signal to the region and show commitment to the 'open door policy' reiterated by the European Council at its March 2017 meeting. The Sophia Declaration adopted in May 2018 at the EU-Western Balkans summit confirmed the European perspective

of the region but did not commit to an accession date. This approach is in line with the 2006 European Council conclusions, which stated that '[t]he Union will refrain from setting any target dates for accession until negotiations are close to completion'.

➧ **Strategy to counter disinformation.** At the request of the European Council, on 22 June 2015, the High Representative presented an action plan on strategic communication. The action plan identified three objectives: 1) effective and positive communication on EU projects, policies and values in the Eastern Neighbourhood; 2) support for media capacity building in the Eastern Neighbourhood; and 3) action to raise public awareness of disinformation campaigns. More recently, in April 2018, the European Commission presented a communication on 'Tackling online disinformation: a European approach'. The document outlined that 57 % of users in the EU preferred online news platforms and social media and that 80 % of Europeans believed that they had come across information they believed was 'false or misleading several times a month or more'. The communication outlined the main objectives that should guide EU action, in particular increased transparency and 'enhanced fact-checking' of online content. In response to a request formulated by the June 2018 European Council, the European Commission and the High Representative presented an 'action plan against disinformation' in December 2018. The action plan focuses on: 1) 'improved detection'; 2) 'coordinated response': 3) 'online platforms and industry'; and 4) 'raising awareness and empowering citizens'.

A.5. Noteworthy commitments: specific requests and follow-up

Supporting a 'lasting political solution' in Syria

The European Council devoted attention to the crisis in Syria right from its outbreak in March 2011, as shown in figure 1. Between March 2011 and February 2013, Syria was a permanent feature on the meeting agendas of EU leaders, who called repeatedly for regime change. This phase of active monitoring was followed by two years (March 2013 to April 2015) during which the crisis in Syria was monitored at the level of the Foreign Affairs Council, with the European Council intervening sporadically. Emphasis was placed on the renewal of sanctions and the disbursement of humanitarian aid.

Figure 9 – Monitoring by the European Council of the Syrian crisis
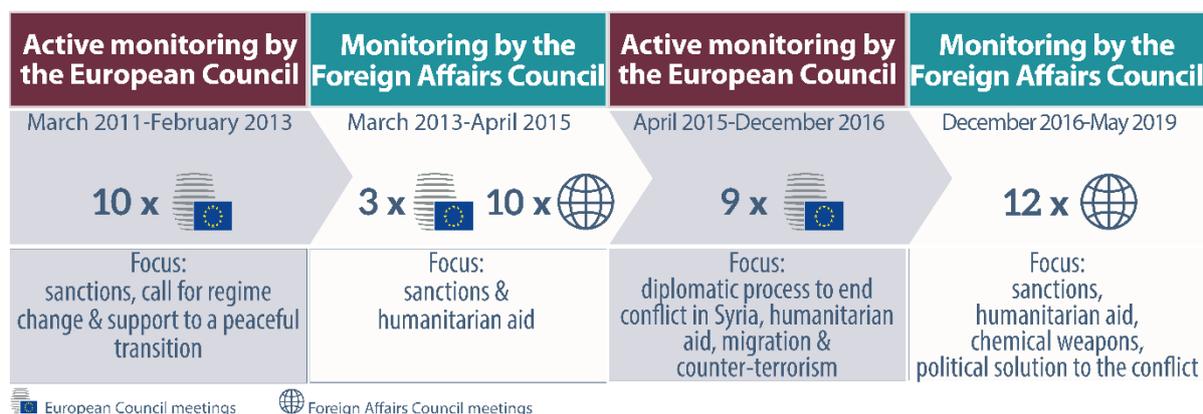
Source: EPRS, based on an earlier version published in 'The European Council and Crisis Management' (2016).

The outbreak of the migration crisis in April 2015 meant that the European Council again entered into an active monitoring phase during which the EU leaders devoted most of their attention to the humanitarian situation in Aleppo; this lasted until December 2016. The period between April 2015 and December 2016 was also characterised by intense diplomatic activity, with the EU energetically supporting a UN-brokered political solution in line with the 2012 Geneva Communiqué. In several

of its resolutions, the European Parliament called for the cessation of hostilities and urged negotiating parties to 'intensify work for a lasting political settlement in Syria'.

In December 2016, the European Council invited 'the High Representative to continue her ongoing direct engagement with all relevant partners'. Three conferences on 'Supporting the future of Syria and the region' have been organised in Brussels under the patronage of the High Representative, Federica Mogherini, since then. They focused on humanitarian action, the role of civil society in the future of Syria and expressed support for 'a lasting political settlement' based on the Geneva Communiqué. The UN Special Envoy for Syria, at the time Staffan de Mistura, was invited in March 2018 to attend the Foreign Affairs Council meeting for an exchange of views on the situation in Syria and, more broadly, in the region.

A new phase of Foreign Affairs Council monitoring began in January 2017. It coincided with a loss of pace of in the Geneva peace talks and the multiplication of the Astana talks, held under the auspices of Turkey, Russia and Iran, and to which the UN is party. Since January 2017, the EU has reaffirmed its support for a negotiated political solution, condemned the use of chemical weapons and renewed sanctions imposed on the Syrian regime.

A European perspective for the Western Balkans

The European Council has regularly referred to the Western Balkans in its conclusions since 2014, as shown in figure 2. Between 2015 and 2017, the agenda was dominated by counter-terrorism cooperation and by the need to stem migration on the Western Balkans route. Between June 2014, when Albania was granted candidate country status, and March 2018, when the European Commission launched its strategy for the Western Balkans, enlargement was put on hold. During this period no accession negotiations were opened and no candidate country status granted, while only technical-level progress was made in the case of countries already having opened accession negotiations (Montenegro and Serbia). The European Parliament remained engaged with the region through active parliamentary diplomacy. This was the case for the then former Yugoslav Republic of Macedonia, where the 2015 EU-brokered Pržino Agreement helped the country overcome inter-ethnic party tensions, aspire to political stability and re-engage with the reform process. Much progress was made in the interim, as the country managed to establish good neighbourly relations with both Bulgaria and Greece. In the latter case, the Prespa Agreement, which was brokered in June 2018 and entered into force in February 2019, allowed the ending of a several decades long-lasting name dispute and the establishment of the 'Republic of North Macedonia' as the country's new constitutional name.

As the regional security situation deteriorated in early 2017, analysts spoke of no clear political commitment to the region, pointed to the stagnation of reforms and stressed the fragility of the political and security situation. They warned of the danger of having the Western Balkans turn their back to the European project unless a clear commitment was made on the region's European future.

Figure 10 – Incidence of Western Balkans-related topics in the European Council conclusions (June 2014 – May 2019)
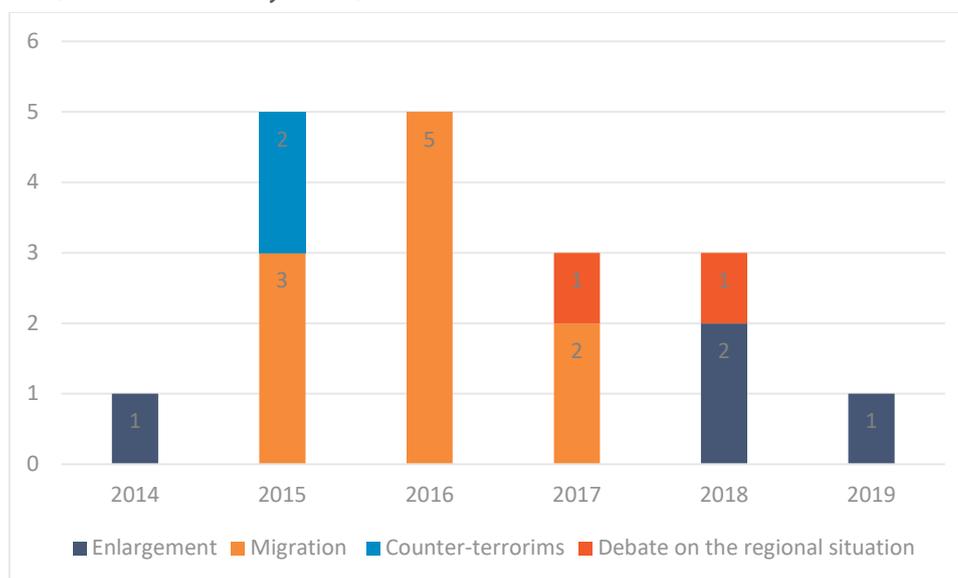
Source: EPRS. An extended version of this graph was published in the EPRS briefing The European Council and the Western Balkans: Overview of discussions since the Lisbon Treaty.

The European Council held its first debate in almost a decade on the regional situation in the Western Balkans in March 2017. The debate was of two-fold importance: it both reaffirmed the European perspective of the Western Balkans and placed enlargement back on the political agenda of the EU. The strategy for the Western Balkans published by the European Commission in March 2018 stems from the meeting held a year earlier by the European Council. The declaration and priority agenda adopted in Sofia at the EU-Western Balkans summit in May 2018, inspired by the European Commission's strategy, is an operational document introducing goals to reach (for example, expanding the EU energy union to the Western Balkans). The country reports published in April 2018 by the European Commission lifted prior existing conditionalities and recommended opening accession negotiations with Albania and the then former Yugoslav Republic of Macedonia. In June 2018, the General Affairs Council reaffirmed the EU's 'open door policy' towards the Western Balkans.

More recently, in June 2019, the European Council endorsed the Council's conclusions on enlargement. Yet, the decision that both Albania and North Macedonia had long awaited, namely the opening of accession negotiations, was postponed for later in 2019. In September 2019, the European Council President, Donald Tusk, visited both North Macedonia and Albania. He praised North Macedonia's progress and achievements, in particular the normalisation of relations with its neighbours, and said that he 'would like to appeal to the leaders of the European Union: Now you do your share. Because North Macedonia has already done its share'. He also confirmed that he has 'always thought that the EU should open accession talks with both Albania and North Macedonia, in line with the positive recommendations from the Commission'.

Countering disinformation

In March 2015, the European Council 'stressed the need to challenge Russia's ongoing disinformation campaigns. It invited the High Representative, in cooperation with Member States and EU institutions, to prepare, by June, an action plan on strategic communication'. It also called for the establishment of a communications team, tasked with developing and implementing the action plan. The action plan was adopted in June 2015 and the East StratCom Task Force, located

within the European External Action Service, became operational in September 2015. Two other task forces, focusing on the Western Balkans and the South (Middle East and North Africa and the Gulf States) have since been established. These developments were in line with the 2016 European Parliament resolution in advancing the idea that additional task forces, including a task force dedicated to the South that would be able 'to contribute effectively to the deconstruction and to the fight against ISIL/Da'esh extremist propaganda and influence', should be established.

The European Council held 'a strategic policy debate on relations with Russia' in October 2016. The debate, long planned and several times postponed, displayed 'major differences' between Member States regarding views on Russia. European Council President Donald Tusk summarised the debates in a very concise and expressive way by saying that: 'Leaders emphasised all sorts of Russian activities, from airspace violations, disinformation campaigns, cyber attacks, interference into the political processes in the EU and beyond, hybrid tools in the Balkans, to developments in the MH17 investigation'. A powerful indicator of persistent disagreement was that no operational conclusions were adopted at that meeting.

The European Council continued to discuss countering disinformation in June 2018. It called for the adoption of a new 'action plan by December 2018 with specific proposals for a coordinated EU response to the challenges of disinformation', including a better defined mandate for the strategic communication teams and sufficient resources. At their December 2018 meeting, the Heads of State or Government endorsed the new action plan and asked to have it implemented at both the EU and national level. They also confirmed their intention to monitor implementation progress at future meetings, based on Council progress reports. They stood by their commitment in March 2019, when they called for increased coordination 'to address the internal and the external aspects of disinformation', stressed the importance of 'information-sharing' and called upon private online operators to abide the code of practice. This monitoring system is likely to continue as the Heads of State or Government confirmed their intention to keep disinformation on their agenda at upcoming summits.

A. 6. Challenges ahead and outlook

The EU will continue to face a volatile security situation in its neighbourhood in the years to come. In this context, the European Council will have to play its Treaty role to the full and continue to set strategic guidelines for foreign policy action. This requires a regular assessment of the threats and risks the European Union is faced with, as requested by several Heads of State or Government, in the 'Future of Europe' debate. It would also require collective debates on relations with Russia and China rather than one-off reactions to their actions. It would also mean considering how to preserve strategic relations with the US, in a context where there is a not insignificant risk of drifting apart.

B. European defence cooperation

B.1. Background

European defence cooperation (EDC) is a rolling item on the agenda of the European Council. Cooperation on defence began to gain impetus more than half a decade ago, but the process has accelerated significantly over the past two years. Whilst at the start of the period (2012) the European Council conclusions on European defence cooperation included mainly statements, figure 3 shows the progressive increase in the share of commitments over time. This highlights the European Council's strong political will to develop defence cooperation further. The inversion of the 'statement'/'commitment' curves occurred in December 2016 and coincided with the start of implementation of the security and defence component of the EU global strategy, a process the European Council has been steering and monitoring closely ever since. A second peak was

registered in December 2017, with the launch of permanent structured cooperation (PESCO). For the first time in years, the December 2018 European Council focused on endorsing existing initiatives without making new commitments.

Figure 11 – Variation of European Council conclusions on defence by meeting since 2012

Source: EPRS.

A series of push factors have accelerated European defence cooperation. They include a particularly challenging environment in the EU's neighbourhood, especially in Libya, Syria and Ukraine, where crises and conflicts remain unresolved. The EU continues to face an increasingly assertive Russia and needs to reassure its partners in the Western Balkans of its open door policy, while it seeks to overcome tensions in transatlantic relations, principally but not exclusively, linked to burden-sharing within NATO.

B.2. Legal basis for European Council action in external security and defence

The treaty provisions outlined above in this chapter under section A.3 also apply to defence cooperation. They are complemented by specific provisions, of which some are discussed below:

➤ **Article 42(2) TEU:** The 'progressive framing of a common Union defence policy' may lead to 'common defence' should the European Council 'acting unanimously' so decide. This treaty provision remains unimplemented to date, as no action has yet been taken by the European Council in support of 'common defence'.

➤ **Articles 42(6) and 46 TEU and Protocol No 10:** Member States willing to make 'more binding commitments' in defence may use permanent structured cooperation (PESCO) for this purpose. Successive attempts to activate PESCO remained unsuccessful until December 2017, when 25 EU Member States expressed their commitment to the mechanism and the European Council welcomed its launch.

B.3. Strategic orientations

➤ **EU global strategy:** The EU global strategy, which called for greater efforts 'on defence, cyber, counterterrorism, energy and strategic communications' was 'welcomed' by the Heads of State or Government in June 2016. The Heads of State or Government then mandated the High Representative, Federica Mogherini, to start implementing the strategy. Subsequently, in the autumn of 2016, successive Council meetings confirmed that precedence would be given to implementation of the defence component of the EU global strategy.

➤ **The defence package:** By December 2016, the European Council had endorsed a defence package including: 1) the implementation plan on security and defence (IPSD) offering the framework to implement the security and defence component of the global strategy; 2) the European defence action plan (EDAP) presented by the European Commission with the aim of

198

stimulating better spending in defence and fostering economies of scale; 3) the Council conclusions on the implementation of the EU-NATO joint declaration signed in July 2016 in Warsaw.

B.4. Noteworthy commitments: specific requests and follow-up

A series of cooperative mechanisms – the coordinated annual review on defence (CARD), PESCO, and the European Defence Fund (EDF) – have been introduced since 2016, with the aim of enabling EU Member States to jointly identify defence capability shortages and, subsequently, to develop new ones effectively. Their interaction is presented in figure 4. Their introduction has boosted the secretarial role of the European Defence Agency (EDA), without substantively increasing its resources (financial or manpower).

Figure 12 – Interaction between CARD, PESCO and the EDF
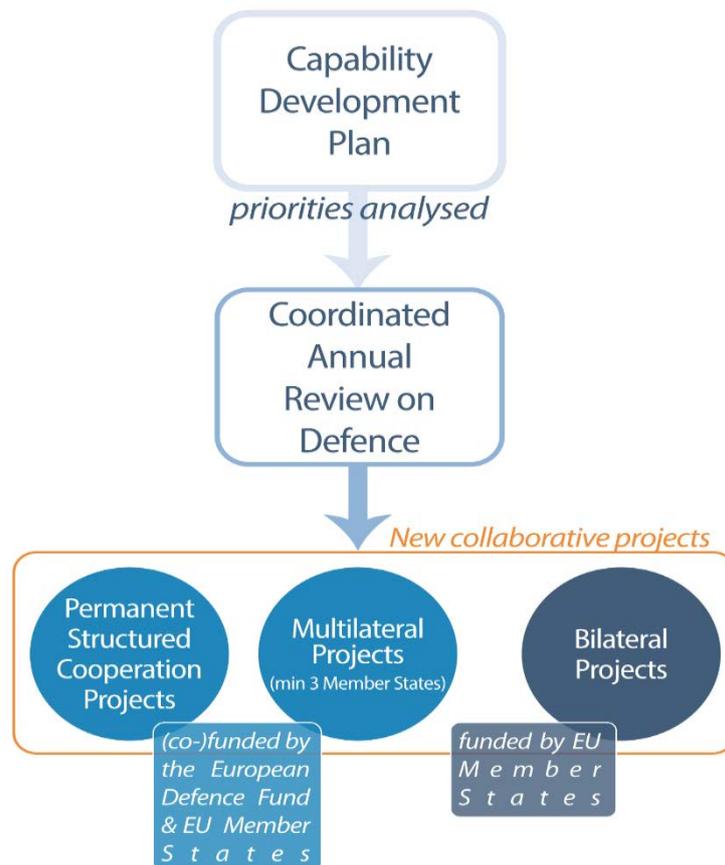
Source: EPRS, based on EEAS and EDA data.

Coordinated annual review on defence

The coordinated annual review on defence (CARD) is a voluntary mechanism allowing the identification of EU Member State's capabilities and shortfalls. CARD has been in the spotlight of the European Council since late 2016, when the EU leaders asked the High Representative, Federica Mogherini, to make proposals on the elements that would define the mechanism. The CARD modalities were agreed upon in Council in the first half of 2017 and the European Defence Agency (EDA) was tasked with the secretariat work. Analysts have welcomed this development but, at the same time, have warned that the multiplication of the tasks carried out by the EDA with respect to CARD, as well as in the context of PESCO and the EDF, need to be accompanied by an

increase in the resources allocated to the agency. The EDA budget, which has been 'frozen' at roughly €31 million for almost a decade on account of Member States' diverging views, was increased by 5 % for the 2018 financial year; yet, no additional increase was agreed for 2019.

Permanent structured cooperation

In December 2016, the European Council gave the High Representative, Federica Mogherini, a mandate to present 'elements and options for an inclusive permanent structured cooperation based on a modular approach and outlining possible projects' in the months ahead. In June 2017, the European Council 'agreed on the need to launch inclusive and ambitious permanent structured cooperation'. EU leaders then requested a 'common list of criteria and binding commitments', a prerequisite to enable the EU Member States to notify their intention to take part in PESCO. By December 2017, 25 EU Member States had notified the Council of their intention to join PESCO.

An initial set of 17 PESCO projects was agreed in March 2018, followed by a second set of 17 projects in November 2018 and an additional project, on national regulations harmonisation, in May 2019. 'Military mobility' is the flagship project – and the only individual PESCO project that the European Council has focused on so far. It is the most inclusive PESCO project, with 24 out of 25 Member States participating. It is complemented by two other initiatives developed by the European Commission (the November 2017 joint communication on improving military mobility in the EU, expected to be funded through the Connecting Europe Facility instrument as a dual-use project), and the EU-NATO initiative. The overall aim is to facilitate the rapid movement of military capabilities from one side of the continent to the other, if need be. The EU leaders will, most probably, refer once again to 'military mobility' in the near future when they consider matters of defence. In the interim, in May 2019, the Council assessed the progress made by Member States in meeting their PESCO commitments.

European Defence Fund

From December 2016 onwards, the European Council discussed the European Defence Fund (EDF) at each of its meetings dedicated to matters of defence. The EDF, which is part of the European Commission's European defence action plan, is comprised of two windows, one dedicated to defence research and another to capabilities. The research window is fully funded by the EU budget. The capability window includes the development of prototypes co-financed by the EU budget (20 %) and Member States (80 %), and an acquisition dimension fully funded by the EU Member States. The total amount estimated for the EDF under the next MFF is €13 billion.

B.5. Challenges ahead and outlook

The European Council has committed to monitor security and defence developments regularly. Under the 2019-2024 strategic agenda, defence cooperation remains a priority and the EU leaders will, most likely, continue to monitor the implementation of the security and defence component of the EU Global Strategy closely. Defence cooperation features among the priorities of the new European Commission, as announced by its president-elect, Ursula von der Leyen. The next Commissioner for the Internal Market, will most probably, be responsible inter alia for the implementation of the EDF, fostering the defence and space industry and coordinating implementation of the action plan on military mobility. A newly created European Commission directorate general for defence and space will support this work.

There is broad consensus within the European Council on the need to continue developing European defence cooperation even further. Nevertheless, this consensus will be put to the test in the 2021-2027 MFF negotiations. The EU leaders will have to confirm their commitment to defence and its budgeted instrument, the EDF, in a context where several other policy areas (for example, cohesion policy) will most likely have lower than expected budget.

6.1. Foreign affairs

Policy field Specific issue	Conclusion	Follow-up action
Eastern Neighbourhood Partnership **Association Agreement with Ukraine**	15 December 2016 **Further to the adoption of a robust suspension mechanism, the co-legislators are invited to complete the procedure leading to the lifting of visa requirements for Ukraine.**	Regulation (EU) 2017/850 of 17 May 2017 of the European Parliament and of the Council amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external borders and those whose nationals are exempt from that requirement (Ukraine).
Association Agreement with Moldova	20-21 June 2019 **[The European Council] invites the European Commission and the High Representative to work on a set of concrete measures to support the Republic of Moldova, based on its sustained implementation of reforms under the Association Agreement / DCFTA.**	The EU resumes budget support assistance to the Republic of Moldova on 23 July 2019. Foreign Affairs Council of 15 July 2019.
Association Agreement with Georgia	15 December 2016 **Further to the adoption of a robust suspension mechanism, the co-legislators are invited to complete the procedure leading to the lifting of visa requirements for [...] Georgia.**	Regulation (EU) 2017/372 of 1 March 2017 of the European Parliament and of the Council amending Regulation (EC) No 539/2001 listing the third countries whose nationals must be in possession of visas when crossing the external

Policy field Specific issue	Conclusion	Follow-up action
		borders and those whose nationals are exempt from that requirement (Georgia).
	20-21 June 2019 **[The European Council] invites the Commission and the High Representative to evaluate existing instruments and measures and, on the basis of appropriate consultations, to present by early 2020, with a view to the next Eastern Partnership Summit, a further set of long-term policy objectives.** On the occasion of the Eastern Partnership's 10th anniversary, the European Council reaffirms the importance of this strategic partnership.	
Southern Neighbourhood Partnership	19-20 March 2015 **The European Council will have a broader discussion on the Southern Neighbourhood in October [2015].** In this context, the European Council welcomed the ministerial meeting to be held in Barcelona on 13 April which will provide a unique opportunity to hear our southern partners' views.	Foreign Affairs Council conclusions of 14 December 2015.

Policy field Specific issue	Conclusion	Follow-up action
Ukraine **Ukrainian energy crisis**	<u>23-24 October 2014</u> The European Council welcomed progress in the resolution of the Ukrainian energy crisis. <u>30 August 2014</u> The European Council welcomes (...) the talks on energy.	
Support for reform process in Ukraine	<u>19-20 March 2015</u> **The European Council called for the third Macro-Financial Assistance package for Ukraine to be adopted as a matter of urgency.** <u>23-24 October 2014</u> Looking ahead to Parliamentary elections on 26 October, the European Council reiterates its willingness to support Ukraine as it addresses political and economic reform, including in the energy sector, in line with the commitments both sides have made through the Association Agreement.	Decision (EU) 2015/601 of 15 April 2015 of the European Parliament and of the Council providing macro-financial assistance to Ukraine.

Policy field Specific issue	Conclusion	Follow-up action
	<u>26-27 June 2014</u> The European Council reconfirms its commitment to support the economic stabilisation process in Ukraine. Welcomes the two recent significant Commission disbursements totalling 750 million EUR in the framework of the State Building Contract and the Macro Financial Assistance.	
President Poroshenko peace plan	<u>16 July 2014</u> Recalling the statements of the Heads of State or Government on Ukraine of 6 March and 27 May and its conclusions of 21 March and 27 June, the European Council once again stresses its support for a peaceful settlement of the crisis in Ukraine, notably the urgent need to agree on a genuine and sustainable cease-fire by all parties to create the necessary conditions for the implementation of President Poroshenko's peace plan. <u>26-27 June 2014</u> Recalling the Statements of the Heads of State and Government on Ukraine of 6 March and 27 May, the European Council conclusions of 21 March and the conclusions of the Foreign Affairs Council on Ukraine of 23 June, the European Council expresses its support to the peace plan announced last week by President Poroshenko.	

Policy field Specific issue	Conclusion	Follow-up action
Minsk Agreements	20-21 June 2019 **The European Council calls for an urgent resumption of negotiating efforts with a view to the implementation of the Minsk agreements** 23-24 October 2014 Recalling its conclusions of 30 August, the European Council welcomed the Minsk Protocol of 5 September and the Minsk Memorandum of 19 September as steps towards a sustainable political solution of the crisis, which must be based on respect for Ukraine's independence, sovereignty and territorial integrity.	
MH17 flight	20-21 June 2019 In this context, it welcomes the announcement by the Joint Investigation Team on 19 June 2019 that criminal charges will be brought in the Netherlands against four individuals. **Calls on Russia to cooperate fully with the ongoing investigation.** 28-29 June 2018 The European Council reiterates its full support for UNSC Resolution 2166 concerning the downing of flight MH-17.	

Policy field Specific issue	Conclusion	Follow-up action
	15-16 October 2015 The European Council welcomes the international and independent report, conducted by the Dutch Safety Board, published on 13 October into the downing of flight MH17. 23-24 October 2014 The European Council reiterates its call for immediate, safe and unrestricted access to the MH17 crash site. 30 August 2014 Moreover, the European Council reiterates its call for immediate, safe and unrestricted access to the MH17 crash site as part of a cease-fire.	
Economic, trade, financial and other restrictive measures	23-24 October 2014 The European Council recalled previous EU decisions on restrictive measures. 30 August 2014 **It commits the Commission to include in its proposal a provision on the basis of which every person and institution dealing with the separatist groups in the Donbass will be listed.**	Council Decision No 2014/659/CFSP of 8 September 2014 amending Decision No 2014/512/CFSP concerning restrictive measures in view of Russia's actions

Policy field Specific issue	Conclusion	Follow-up action
		destabilising the situation in Ukraine (OJ L 271, 12.9.2014, p. 54).
	It commits the Commission to urgently undertake preparatory work, jointly with the EEAS, and present proposals for consideration within a week.	Council Decision No 2014/658/CFSP of 8 September 2014 amending Decision No 2014/145/CFSP concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ L 271, 12.9.2014, p. 47).
	16 July 2014 In this context, the European Council recalls the decision of 11 July to expand the travel ban and asset freeze within the European Union to 11 new individuals for actions undermining Ukraine's territorial integrity, sovereignty and independence.	
	It tasks the Council to adopt the necessary legal instruments and to decide by the end of July on a first list of entities and persons, including from the Russian Federation, to be listed under the enhanced criteria.	Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.07.2014, p. 1).

Policy field Specific issue	Conclusion	Follow-up action
	The European Council requests the EIB to suspend the signature of new financing operations in the Russian Federation.	[Statement](#) of 29 July 2014 by President Barroso and President Van Rompuy in the name of the European Union on the agreed additional restrictive measures against Russia.
	The European Council recalls that the Commission, the EEAS and the Member States have been undertaking preparatory work on targeted measures, as it Commitmented in March, so that further steps can be taken without delay.	
	In line with the policy of non-recognition of the illegal annexation of Crimea and Sevastopol, the European Council Commitments the Commission and the EEAS to present proposals for additional measures in particular on restricting investments in Crimea and Sevastopol.	[Council Decision No 2014/658/CFSP](#) of 8 September 2014 amending Decision No 2014/145/CFSP concerning restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty and independence of Ukraine (OJ L 271, 12.9.2014, p. 47). [Council Decision No 2014/659/CFSP](#) of 8 September 2014 amending Decision No 2014/512/CFSP concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 271, 12.9.2014, p. 54). [Foreign Affairs Council](#) conclusions of 15 August 2014.

Policy field Specific issue	Conclusion	Follow-up action
		Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine (OJ L 229, 31.07.2014, p. 1). Foreign Affairs Council conclusions of 22 July 2014.
	26-27 June 2014 The European Council recalls that the European Commission, the EEAS and the Member States have been undertaking preparatory work on targeted measures, as it Commitmented in March, so that further steps can be taken without delay.	
	The European Council underlines its commitment to reconvene at any time for further significant restrictive measures.	European Council conclusions of 19-20 March 2015. European Council conclusions of 30 August 2014.
	Following its March conclusions and the decision not to recognise the illegal annexation of Crimea and Sevastopol, the European Council welcomes the work undertaken by the Commission to give effect to this policy and the decision to prohibit the import of goods from Crimea and Sevastopol which do not have a Ukrainian certificate.	

Policy field Specific issue	Conclusion	Follow-up action
Conflict in Ukraine	<u>20-21 June 2019</u> The European Council reiterates its call on Russia to release the captured Ukrainian sailors unconditionally, return the seized vessels and ensure free passage of all ships through the Kerch Straits, in accordance with international law. **The European Council will continue to monitor the situation in eastern Ukraine** **The European Council calls [...] for measures aimed at rebuilding confidence among the parties.** <u>21-22 March 2019</u> Five years after the illegal annexation of Crimea and Sevastopol by Russia the EU remains resolute in its commitment to Ukraine's sovereignty and territorial integrity. The EU remains committed to implementing its non-recognition policy.	

Policy field Specific issue	Conclusion	Follow-up action
	The EU reiterates that it does not recognise and continues to condemn this violation of international law which remains a direct challenge to international security. 13-14 December 2018 It reconfirms its commitment to international law, the sovereignty, territorial integrity and independence of Ukraine and the EU's policy of non-recognition of the illegal annexation of Crimea. 23-24 October 2014 The European Council reiterates that it will not recognize the illegal annexation of Crimea. 30 August 2014 Recalling the statements of the Heads of State or Government on Ukraine of 6 March and 27 May and its conclusions of 21 March, 27 June and 16 July, the European Council remains extremely concerned by the ongoing and increasingly intense fighting in Eastern Ukraine. The European Union reiterates the urgent need for a sustainable political solution based on respect for Ukraine's sovereignty, territorial integrity, unity and independence.	

Policy field Specific issue	Conclusion	Follow-up action
	16 July 2014 **The European Council remains committed to reconvene at any time should events so require.** **26-27 June 2014** **The Council will assess the situation and, should it be required, adopt necessary decisions.**	European Council conclusions of 15 December 2016. European Council conclusions of 28 June 2016. European Council conclusions of 19-20 March 2015. European Council conclusions of 23-24 October 2014. Council Regulation (EU) No 833/2014 of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. Council Decision No 2014/512/CFSP of 31 July 2014 concerning restrictive measures in view of Russia's actions destabilising the situation in Ukraine. Foreign Affairs Council conclusions of 22 July 2014.
	15 December 2016 The European Council welcomes the results of the EU-Ukraine Summit on 24 November 2016.	

Policy field Specific issue	Conclusion	Follow-up action
EU-Russia relations	30 August 2014 The European Council welcomes the exceptional measures taken by the Commission to stabilise the EU agricultural and food markets in order to alleviate the effects of the Russian import restrictions on certain EU agricultural products. 16 July 2014 **Finally, the European Council invites the Commission to re-assess EU-Russia cooperation programmes with a view to taking a decision, on a case by case basis, on the suspension of the implementation of EU bilateral and regional cooperation programmes.**	European Council conclusions of 30 August 2014.
Strategic communication	21-22 March 2019 **Welcoming the important work accomplished in this respect in the past months, the European Council calls for further enhanced coordinated efforts to address the [...] external aspects of disinformation** 13-14 December 2018 calls for the prompt and coordinated implementation of the Joint Action Plan on disinformation presented by the Commission and the High Representative so as to bolster EU capabilities, strengthen coordinated	General Affairs Council of 21 May 2019.

Policy field Specific issue	Conclusion	Follow-up action
	and joint responses between the Union and Member States, mobilise the private sector and increase societal resilience to disinformation;	
	17-18 October 2018 **The European Council looks forward to the Action Plan for a coordinated EU response [to disinformation], to be presented by December 2018, as set out in its June conclusions.**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018 of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'.
	28-29 June 2018 **Invites the High Representative and the Commission to present, in cooperation with the Member States and in line with the March 2015 European Council conclusions, an action plan by December 2018 with specific proposals for a coordinated EU response to the challenge of disinformation, including appropriate mandates and sufficient resources for the relevant EEAS Strategic Communications teams;**	JOIN(2018) 36 final Joint communication of the European Commission and the High Representative of the Union for the foreign affairs and security policy of 5 December 2018 of the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions on 'Action Plan against Disinformation'. Roadmaps of 16 October 2018 to implement the Code of Practice on disinformation. Code of Practice of 26 September 2018 to fight online disinformation.

Policy field Specific issue	Conclusion	Follow-up action
	19-20 March 2015 **[The European Council] invited the High Representative, in cooperation with Member States and EU institutions, to prepare by June (2015) an action plan on strategic communication.**	Action Plan on Strategic Communication of 22 June 2016.
EU-Turkey relations	**20-21 June 2019** The European Council recalls and reaffirms previous Council and European Council conclusions, including the European Council conclusions of 22 March 2018 strongly condemning Turkey's continued illegal actions in the Eastern Mediterranean and the Aegean Sea. **The European Council calls on Turkey to show restraint, respect the sovereign rights of Cyprus and refrain from any such actions.** **The European Council will remain seized of the matter and will revert accordingly.** The European Council endorses the invitation to the Commission and the EEAS to submit options for appropriate measures without delay, including targeted measures.	European Council conclusions of 20 June 2019.

Policy field Specific issue	Conclusion	Follow-up action
	<u>22 March 2018</u> **The European Council will remain seized of these matters [Turkey's actions in the Mediterranean].** Recalling its conclusions of October 2014 and the Declaration of 21 September 2005 (re Turkey). In this context, it recalls Turkey's obligation to respect International Law and good neighbourly relations, and normalize relations with all EU Member States including the Republic of Cyprus.	European Council conclusions of 20 June 2019.
Middle East **Syria**	<u>15 December 2016</u> **To this end, the European Council invites the High Representative to continue her ongoing direct engagement with all relevant partners.**	Opening statement by the High Representative, Federica Mogherini, at the 14 March 2019 Brussels Conference 'Supporting the future of Syria and the Region'. Opening statement by the High Representative, Federica Mogherini, at the 25 April 2018 Second Brussels Conference 'Supporting the Future of Syria and the Region'. Foreign Affairs Council conclusions of 18 April 2018. Opening statement by the High Representative, Federica Mogherini, at the 5

Policy field Specific issue	Conclusion	Follow-up action
		April 2017 Brussels Conference 'Supporting the future of Syria and the Region'.
	<u>18-19 February 2016</u> Recalling UNSC Resolution 2254, the European Council welcomes the commitments made by the International Syria Support Group meeting in Munich on 11/12 February (2016).	
Middle East peace process	<u>30 August 2014</u> The European Council welcomes the cease-fire agreement reached under the auspices of the Egyptian authorities. <u>16 July 2014</u> The European Council welcomes on-going efforts by regional partners, and in particular the initiative launched by Egypt, to establish a cease-fire.	

Policy field Specific issue	Conclusion	Follow-up action
Iraq	**30 August 2014** In this context, the European Council welcomes the efforts made by the US and other partners and the initiative of holding an international conference on security in Iraq.	
Iran	**19-20 October 2017** The European Council reaffirms its full commitment to the Iran nuclear deal and endorses the statement by the Foreign Affairs Council of 16 October 2017.	
ISIL terrorist threat	**30 August 2014** **It commits the Council to consider a more effective use of the existing restrictive measures, in particular to deny ISIL the benefits of illicit oil sales or sales of other resources on international markets.**	Council decision (CFSP) 2016/1693 of 20 September 2016 concerning restrictive measures against ISIL (Da'esh) and Al-Qaeda and persons, groups, undertakings and entities associated with them and repealing Common Position 2002/402/CFSP. General Affairs Council of 20 September 2016.
North Africa **Libya**	**28 June 2016** The European Council reiterates its readiness to support the Government of National Accord (GNA).	

Policy field Specific issue	Conclusion	Follow-up action
	In this context, the European Council welcomes the adoption of UNSC Resolution 2292 and the expanded role for Operation Sophia in enforcing the arms embargo on Libya and training the Libyan Coast Guard. 17-18 December 2015 The EU welcomes the signing in Skhirat of the Libyan political agreement as a very important step. 15-16 October 2015 The EU reiterates its offer of substantial political and financial support to the Government of National Accord as soon as it takes office. 19-20 March 2015 **The High Representative will present proposals as agreed at the Council on 16 March 2015.**	Council decision (CFSP) 2015/778 of 18 May 2015 on a European Union military operation in the Southern Central Mediterranean (EUNAVFOR MED). Foreign Affairs Council conclusions of 18 May 2015. Foreign Affairs Council conclusions of 20 April 2015.

Policy field Specific issue	Conclusion	Follow-up action
Humanitarian aid **Ukraine**	<u>18 December 2014</u> The European Council welcomes the Commission's readiness to increase humanitarian aid to the suffering people in Ukraine. <u>30 August 2014</u> **The European Council calls on all parties to support and facilitate without delay the work of international humanitarian organisations, in accordance with international humanitarian law and principles.** **The European Council calls on all contributors, including the Russian Federation, to support the international relief effort led by the United Nations, in full recognition of the Ukrainian Government's role as a first responder.**	
Syria	<u>15 December 2016</u> **The European Council urgently calls on the regime and Russia, as well as all parties in the Syrian conflict to implement immediately the following four emergency measures:** **(...) b) immediate and unconditional aid and protection for all inhabitants of the eastern part of Aleppo, without discrimination and in accordance with international humanitarian law, guaranteeing full and unimpeded access for the United Nations and**	

Policy field Specific issue	Conclusion	Follow-up action
	its partners on the ground in supplying essential items and urgent medical assistance, as provided for in United Nations Security Council Resolution 2258, for the whole of Syria (…). The European Council urgently calls on the regime and Russia, as well as all parties in the Syrian conflict to implement immediately the following four emergency measures: (…) d) international humanitarian law needs to be applied in the eastern part of Aleppo but also to the whole country and in particular to all those areas in which civilians have been besieged. The European Council urgently calls on the regime and Russia, as well as all parties in the Syrian conflict to implement immediately the following four emergency measures: a) the evacuation in safety and dignity of the inhabitants of the eastern part of Aleppo under the supervision and coordination of the United Nations, to a destination of their choosing. Members of the civil defence and civil administration must also be evacuated without obstruction under the supervision of the United Nations. The most seriously injured persons should be evacuated first (…). The European Council urgently calls on the regime and Russia, as well as all parties in the Syrian conflict to implement immediately the following four emergency measures:	

Policy field Specific issue	Conclusion	Follow-up action
	(...) c) genuine protection for all medical personnel and installations throughout the country, in accordance with United Nations Security Council Resolution 2286, and in particular for the border hospitals of Atmeh, Darkoush, Bab Al Hawa and Bab Al Salamah (...). 20-21 October 2016 **It calls on them (Syrian regime and its allies, notably Russia) to bring the atrocities to an end and to take urgent steps to ensure unhindered humanitarian access to Aleppo and other parts of the country.** The European Council invites the High Representative to continue, together with the Commission, pursuing the EU humanitarian initiative and medical evacuations in cooperation with the UN. 18-19 February 2016 The European Council welcomes the start of delivery of humanitarian aid within one week to civilians in besieged areas. In this context, the European Council welcomes the outcome of the Conference on supporting Syria and the Region in London on 4 February.	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council (...) urges all sides to ensure that this (humanitarian aid) continues and use this as a first step to full sustained and unimpeded humanitarian access throughout Syria, as agreed in Munich, including Aleppo, and in full compliance with international humanitarian law. **c) humanitarian assistance should continue to be provided to Syrian refugees and to the countries neighbouring Syria. This is an urgent global responsibility.** In this context, the European Council (...) calls on the Commission, Member States and all other contributing countries to rapidly implement their commitments.	
Malawi, Zimbabwe, Mozambique	<u>21-22 March 2019</u> The European Council welcomed the emergency response already provided by the European Union and its Member States, and expressed its readiness to continue supporting the concerned countries in providing urgent humanitarian relief assistance to the affected populations.	

Policy field Specific issue	Conclusion	Follow-up action
Gaza Strip	30 August 2014 **It calls for immediate and unimpeded humanitarian access in accordance with international law.** 16 July 2014 The European Union continues to call for the full implementation of United Nations Security Council Resolution 1860 (2009). **The European Council calls on both sides to de-escalate the situation, to end the violence, to end the suffering of the civilian populations notably by allowing access to humanitarian assistance, and return to calm.**	
Ebola crisis	23-24 October 2014 **The European Council calls on the High Representative and the Commission to develop a package of measures addressing the wider political, security and economic implications of the Ebola crisis in West Africa.**	Foreign Affairs Council conclusions of of 17 November 2014. EU Ebola coordinator Christos Stylianides briefed the Council on the key findings and priorities for action he has identified following his trip to West Africa. Foreign Affairs Council conclusions of 20 October 2014. European Commission comprehensive reponse framework to the Ebola virus outbreak.

Policy field Specific issue	Conclusion	Follow-up action
	The recent Foreign Affairs Council and the meeting of EU Ministers for Health have further defined EU action and the European Council urges the swift implementation of their conclusions. The European Council welcomed Member States' commitments to increase financial assistance, which will bring total funding to 1 billion euro.	Third report of 16 December 2015 from the EU Ebola Coordinator to the European Council, presenting the lessons learned from the Ebola crisis. Council conclusions of 7 December 2015. Second report of 18 March 2015 from the EU Ebola Coordinator to the European Council. Foreign Affairs Council conclusions of 16 March 2015. Report of 10 December 2014 from the EU Ebola Coordinator to the European Council. Employment, Social Policy, Health and Consumer Affairs Health Council conclusions of 1 December 2014. Foreign Affairs Council conclusions of of 17 November 2014. EU Ebola coordinator Christos Stylianides briefed the Council on the key findings and priorities for action he has identified following his trip to West Africa.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council invites the President of the Commission and the High Representative to report back at its next meeting on the measures taken to respond to the Ebola crisis.	Employment, Social Policy, Health and Consumer Affairs Council of 1 December 2014 where ministers received an information note from the Commission on measures undertaken so far.
	It commended the work done by the governments of the affected countries and by NGOs in responding to an unprecedented health challenge.	
	30 August 2014 In this regard the European Council welcomes the additional funds provided by the European Union and its Member States and their efforts to provide further financial and human resources to meet in particular the increased demand for experts on the ground.	
	The European Council calls for increased coordination at EU level of the assistance provided by EU Member States and invites the Council to adopt a comprehensive EU response framework to address this crisis.	Foreign Affairs Council conclusions of 20 October 2014. European Commission comprehensive reponse framework to the Ebola virus outbreak.
	It urges all countries to follow the WHO guidelines and allow continued, if controlled, air links to and from the countries	

Policy field Specific issue	Conclusion	Follow-up action
	concerned so as to enable support efforts to be effective and to allow their economies to continue functioning.	
Western Balkans	9-10 March 2017 It reaffirmed its unequivocal support for the European perspective of the Western Balkans. Welcoming the progress made by the countries of the region.	
Enlargement and stabilisation and association process	20-21 June 2019 The European Council endorses the conclusions on enlargement and stabilisation and association process adopted by the Council on 18 June 2019. 28-29 June 2018 The European Council endorses the conclusions on enlargement and stabilisation and association process adopted by the Council on 26 June 2018.	

Policy field Specific issue	Conclusion	Follow-up action
Accession Agreement with Albania	26-27 June 2014 The European Council endorsed the Council conclusions of 24 June 2014 on Albania.	
Former Yugoslav Republic of Macedonia	28-29 June 2018 The European Council strongly welcomes and supports the agreement reached between the former Yugoslav Republic of Macedonia and Greece on the name issue.	
Chemical weapons prohibition/Chemical Weapons Convention (CWC)	28-29 June 2018 **Calls for the adoption as soon as possible of a new EU regime of restrictive measures to address the use and proliferation of chemical weapons.**	Foreign Affairs Council conclusions of 15 October 2018.

229

6.2. European defence cooperation

Policy field Specific issue	Conclusion	Follow-up action
General orientations	<u>14 December 2017</u> Further to its December 2016 and June 2017 conclusions, the European Council reviewed progress achieved in the field of security and defence **The European Council will return to these matters [security and defence] in June 2018.** <u>19-20 October 2017</u> Assess the progress achieved with regard to all aspects of the external security and defence agenda as set out in December 2016. The European Council recalls its June 2017 conclusions. **The European Council will revert to the issue [security and defence] in December 2017.** <u>22-23 June 2017</u> The European Council reiterates its commitment to strengthening EU cooperation on external security and defence so as to protect the Union	European Council conclusions of 28 June 2018. European Council conclusions of 14 December 2017.

Policy field Specific issue	Conclusion	Follow-up action
	and its citizens and contribute to peace and stability in its neighbourhood and beyond. As reflected in the Council conclusions of 18 May and 19 June 2017, significant progress has been achieved in implementing the EU Global Strategy in the area of Security and Defence. **The European Council will come back to these issues [security and defence] at one of its next meetings.** 9-10 March 2017 In this respect, the European Council welcomes the work done by the Council on 6 March, which provides an extensive overview of where we stand on all issues (CSDP crisis management structures, Permanent Structured Cooperation, Coordinated Annual Review on Defence, Developing Civilian Capabilities) and shows real progress in some key areas. **The European Council will revert to this issue [security and defence] in June 2017 and provide further strategic guidance.**	European Council conclusions of 19 October 2017. European Council conclusions of 22-23 June 2017.

Policy field Specific issue	Conclusion	Follow-up action
	<u>15 December 2016</u> The European Council endorses the Council conclusions of 14 November and 17 October 2016 on implementing the EU Global Strategy in the area of Security and Defence which sets the level of ambition of the EU.	
	The European Council calls for the work on external security and defence to be taken forward speedily and asks the Council to report back in March [2017] so that the European Council can review progress.	Conclusions by the President of the European Council of 9 March 2017. Foreign Affairs Council conclusions of 6 March 2017.
	The European Council will keep the issues related to security and defence on the agenda, with a view to regularly assess progress and determine, on that basis, appropriate strategic and political priorities.	European Council conclusions of 13 December 2018. European Council conclusions of 28 June 2018. European Council conclusions of 23 March 2018. European Council conclusions of 14 December 2017. European Council conclusions of 19 October 2017. European Council conclusions of 22-23 June 2017. Conclusions by the President of the European Council of 9 March 2017.

Policy field Specific issue	Conclusion	Follow-up action
	It calls for the comprehensive follow-up by the High Representative and Member States [of the Council conclusions of 14 November and 17 October 2016 on implementing the EU Global Strategy in the area of Security and Defence].	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 16 July 2018. Foreign Affairs Council conclusions of 25 June 2018. Foreign Affairs Council conclusions of 6 March 2018. Foreign Affairs Council conclusions of 13 November 2017. Foreign Affairs Council conclusions of 17 July 2017. Foreign Affairs Council conclusions of 19 June 2017. Foreign Affairs Council (Defence) conclusions of 18 May 2017. Foreign Affairs Council conclusions of 6 March 2017.
	It [the European Council] will provide further strategic guidance in June [2017].	European Council conclusions of 22-23 June 2017.

Policy field Specific issue	Conclusion	Follow-up action
	28 June 2016 The European Council welcomes the presentation of the Global Strategy for the European Union's Foreign and Security Policy by the High Representative. **Invites the High Representative, the Commission and the Council to take the work forward [on the Global Strategy].**	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)). Foreign Affairs Council conclusions of 16 July 2018. Foreign Affairs Council conclusions of 25 June 2018. Proposal for a Regulation COM(2018) 476final of 13 June 2018 the European Parliament and of the Council establishing the European Defence Fund (Procedure: 2018/0254(COD)).

Policy field Specific issue	Conclusion	Follow-up action
		Foreign Affairs Council conclusions of 6 March 2018. Foreign Affairs Council conclusions of 13 November 2017. Foreign Affairs Council conclusions of 17 July 2017. Foreign Affairs Council conclusions of 19 June 2017. COM(2017)295 of 7 June 2017 on launching the European Defence Fund. Foreign Affairs Council (Defence) conclusions of 18 May 2017. Commission Decision C(2017)2262 final of 11 April 2017 on the financing of the 'Preparatory action on Defence research' and the use of unit costs for the year 2017. Foreign Affairs Council conclusions of 6 March 2017. COM(2016)0950 final of 30 November 2016 on a European Defence Action Plan. Foreign Affairs Council of 14-15 November 2016. Foreign Affairs Council conclusions of 17 October 2016.

Policy field Specific issue	Conclusion	Follow-up action
	25-26 June 2015 c) in line with the European Council conclusions of December 2013 and the Council conclusions of 18 May 2015 further to [..] the Council conclusions of 16 June 2015; the High Representative will continue the process of strategic reflection with a view to preparing an EU global strategy on foreign and security policy in close cooperation with Member States, to be submitted to the European Council by June 2016; The European Council recalls the need for: - the Member States to allocate a sufficient level of expenditure for defence and the need to make the most effective use of the resources; **The European Council will keep security and defence policy regularly on its agenda.**	European Council conclusions of 13 December 2018. European Council conclusions of 28 June 2018. European Council conclusions of 14 December 2017.

Policy field Specific issue	Conclusion	Follow-up action
		European Council conclusions of 19 October 2017. European Council conclusions of 22-23 June 2017. Conclusions by the President of the European Council of 9 March 2017. European Council conclusions of 15 December 2016. European Council conclusions of 28 June 2016.
Effectiveness, visibility and impact of CSDP **Hybrid threats**	**28-29 June 2018** Welcomes the Joint Communication on Europe's resilience to hybrid and Chemical, Biological, Radiological and Nuclear-related threats. Asks the institutions and Member States to implement the measures referred to in the Joint Communication, including the work on attribution of cyber-attacks and the practical use of the cyber diplomacy toolbox; **22 March 2018** **The European Council invites the European Commission and the High Representative to take this work [on Chemical, Biological,**	European Council conclusions of 28 June 2018. Communication JOIN(2018)0016 final of 13 June 2018 of the European Parliament, the European Council and the Council 'Increasing

Policy field Specific issue	Conclusion	Follow-up action
	Radiological and Nuclear-related risks] forward and report on progress by the June [2018] European Council. 25-26 June 2015 The European Council recalls the need for: - mobilising EU instruments to help counter hybrid threats;	resilience and bolstering capabilities to address hybrid threats' (Procedure: JOIN(2018)0016)). JOIN(2018)14 final of 13 June 2018 of the European Parliament, the European Council and the Council 'on implementation of the Joint Framework on countering hybrid threats from July 2017 to June 2018'. Foreign Affairs Council conclusions of 16 April 2018.
Financial mechanisms	14 December 2017 **Expects the Council to complete the comprehensive revision of the Athena mechanism for financing common costs of EU military missions and operations;**	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 10 December 2018. Foreign Affairs Council conclusions of 19-20 November 2018. Proposal HR(2018)94 of 13 June 2018 of the High Representative of the Union for Foreign Affairs and Security Policy, with the support of

Policy field Specific issue	Conclusion	Follow-up action
		the Commission, to the Council for a Council Decision establishing a European Peace Facility.
	15 December 2016 **The European Council looks forward to a comprehensive revision of the Athena mechanism, by the end of 2017.**	Speech by High Representative for Foreign Affairs and Security Policy, Federica Mogherini, at the 'Building on vision, forward to action: delivering on EU security and defence' event, 13 December 2017.
EU-NATO cooperation	28-29 June 2018 Welcomes progress on military mobility in the framework of (...) EU-NATO cooperation. **Calls for further deepening of EU-NATO cooperation, in full respect of the principles of inclusiveness, reciprocity and decision-making autonomy of the EU, including through a new Joint Declaration, building on the progress made in implementing the 2016 Joint Declaration and the related proposals for action;**	Joint Declaration of 10 July 2018 on EU-NATO cooperation.

Policy field Specific issue	Conclusion	Follow-up action
	<u>14 December 2017</u> **Asks for work to proceed on implementing the full set of proposals on EU-NATO cooperation, including the additional ones agreed in December;**	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 25 June 2018. Foreign Affairs Council conclusions of 6 March 2018.
	Invites the High Representative, the Commission and the Member States to bring work forward on military mobility [...] in the context of EU-NATO cooperation;	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 25 June 2018. Communication JOIN(2018)0005 final of 28 March 2018 to the European Parliament and the Council on the 'Action Plan on Military Mobility' (Procedure: JOIN(2018)0005). Foreign Affairs Council conclusions of 6 March 2018.

Policy field Specific issue	Conclusion	Follow-up action
	<u>22-23 June 2017</u> As reflected in the Council conclusions of 18 May and 19 June 2017, significant progress has been achieved in implementing [...] the Joint Declaration signed in Warsaw by EU and NATO leaders. <u>16 September 2016</u> **b) start implementing the joint declaration with NATO immediately.** <u>28 June 2016</u> **The President of the European Council and the President of the European Commission will issue a declaration together with the NATO Secretary General in Warsaw in July [2016].**	European Council conclusions of 15 December 2016. Foreign Affairs Council of 14-15 November 2016. Joint declaration of 8 July 2016 on EU-NATO cooperation.
EU rapid response capabilities (EU battle groups)	<u>15 December 2016</u> **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [...] the strengthening of the relevance, usability and deployability of the EU's rapid response toolbox.**	Foreign Affairs Council (Defence) conclusions of 18 May 2017. Foreign Affairs Council conclusions of 6 March 2017.

Policy field Specific issue	Conclusion	Follow-up action
Civilian CSDP Compact	**13-14 December 2018** It endorses the Civilian CSDP Compact. **28-29 June 2018** Welcomes the work undertaken to strengthen civilian CSDP. **... and calls for an agreement on a civilian CSDP Compact by the end of this year, thus providing a new EU framework for civilian crisis management and CSDP missions, with ambitious commitments at EU and national level.** **14 December 2017** **Invites the High Representative [...] to produce, in consultation with the Member States and the Commission, a Civilian CSDP Compact in 2018.**	Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 28 May 2018.
Capacity building in security and development	**14 December 2017** **Requests that the Council adopt, in spring 2018, a recommendation on a new dedicated instrument covering all requirements for**	Proposal HR(2018)94 of 13 June 2018 of the High Representative of the Union for Foreign Affairs and Security Policy, with the support of the Commission, to the Council for a Council

Policy field Specific issue	Conclusion	Follow-up action
	Capacity Building in support of Security and Development after 2020;	Decision establishing a European Peace Facility.
	15 December 2016 **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [...] the covering of all requirements under the Capacity Building in Security and Development (CBSD).**	Foreign Affairs Council conclusions of 6 March 2017.
	In this context, the European Council calls on the co-legislators to work speedily on the Commission proposal on CBSD with a view to reaching agreement in the first half of 2017.	Regulation (EU) 2017/2305 of 12 December 2017 of the European Parliament and of the Council amending Regulation (EU) No 230/2014 establishing an instrument contributing to stability and peace (Procedure: 2016/0207(COD)).
CSDP operations	28-29 June 2018 It recalls that military and civilian aspects need to be addressed in a comprehensive manner with a focus on concrete deliverables;	

Policy field Specific issue	Conclusion	Follow-up action
	14 December 2017 **Invites the High Representative to report in June 2018 on the work undertaken to strengthen civilian CSDP;**	European Council conclusions of 28 June 2018. Foreign Affairs Council conclusions of 25 June 2018. Foreign Affairs Council conclusions of 28 May 2018.
	22-23 June 2017 **It also urges the Council to speed up its work on greater responsiveness of the civilian crisis management.**	Foreign Affairs Council conclusions of 17 June 2019. SWD(2019) 173 final of 30 April 2019 on a Joint Action Plan Implementing the Civilian CSDP compact. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 25 June 2018. Foreign Affairs Council conclusions of 28 May 2018.
	16 September 2016 **a) December [2016] European Council to decide on a concrete implementation plan on security and defence.**	European Council conclusions of 15 December 2016. Foreign Affairs Council conclusions of 14-15 November 2016. Implementation Plan on Security and Defence of 14 November 2016.

Policy field Specific issue	Conclusion	Follow-up action
	15 December 2016 **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [...] the establishment of a permanent operational planning and conduct capability at the strategic level.**	Council decision (CFSP) 2017/264 of 30 May 2017 determining the planning and conduct arrangements for EU non-executive military CSDP missions and amending Decisions 2010/96/CFSP on a European Union mission to contribute to the training of Somali security forces, 2013/34/CFSP on a European Union military mission to contribute to the training of the Malian armed forces (EUTM Mali) and (CFSP) 2016/610 on a European Union CSDP military training mission in the Central African Republic (EUTM RCA). Foreign Affairs Council conclusions of 6 March 2017.
Development of a European technological industrial base	**19-20 October 2017** It encourages the EIB to examine further steps with a view to supporting investments in defence research and development activities. **22-23 June 2017** In this respect, the European Council recalls its invitation to the European Investment Bank to examine steps with a view to supporting investments in defence research and development activities.	

245

Policy field Specific issue	Conclusion	Follow-up action
	15 December 2016 **The EIB is invited to examine steps with a view to supporting investments in defence research and development activities.** 25-26 June 2015 The European Council recalls the need for: - the EU budget to ensure appropriate funding for the preparatory action on CSDP related research, paving the way for a possible future defence research and technology programme;	The EIB Group Operating Framework and Operational Plan 2018.
European defence industrial development programme	13-14 December 2018 The European Council welcomes the significant progress made in the area of security and defence, including in [...] implementing the European Defence Industrial Development Programme. 14 December 2017 **Calls for [...] the swift adoption in 2018 of the European Defence Industrial Development Programme, in time to finance the first capability projects in 2019;**	Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and

Policy field Specific issue	Conclusion	Follow-up action
		innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)).
	19-20 October 2017 **It calls for an agreement within the Council by the end of the year (on EDIDP).**	General Affairs Council conclusions of 12 December 2017.
	The European Council welcomes the work done so far by the co-legislators on the Commission's proposal for a European Defence Industrial Development Programme (EDIDP).	
	with a view to concluding negotiations with the European Parliament (on the EDIDP) as soon as possible;	Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)).
	22-23 June 2017 **It calls for rapid agreement on the proposal for a European Defence Industrial Development Programme with a view to its swift**	Coreper letter of 7 June 2018 confirming interinstitutional agreement.

Policy field Specific issue	Conclusion	Follow-up action
	implementation, before more comprehensive programmes can be envisaged in the medium term.	Decision to enter into interinstitutional negotiations confirmed by the European Parliament (Rule 69c).
European Defence Fund	<u>13-14 December 2018</u> The European Council welcomes the significant progress made in the area of security and defence, including in [...] the negotiations on the proposed European Defence Fund. <u>28-29 June 2018</u> **Calls [...] for further progress on the European Defence Fund both in its research and capability windows.**	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)). Proposal COM(2018)0476 final of 13 June 2018 for a regulation of the European Parliament and of the Council establishing the European Defence Fund (Procedure: 2018/0254(COD)).

Policy field Specific issue	Conclusion	Follow-up action
	14 December 2017 **Calls for further work on the European Defence Fund.**	Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)). Proposal COM(2018)0476 final of 13 June 2018 for a regulation of the European Parliament and of the Council establishing the European Defence Fund (Procedure: 2018/0254(COD)).
	22-23 June 2017 The European Council welcomes the Commission's communication on a European Defence Fund, composed of a research window and a capability window.	
	15 December 2016 **The Commission is also invited to make proposals in the first semester of 2017 for the establishment of a European Defence Fund**	COM(2017)0295 of 7 June 2017 on launching the European Defence Fund.

Policy field Specific issue	Conclusion	Follow-up action
	including a window on the joint development of capabilities commonly agreed by the Member States.	
	15 December 2016 The European Council welcomes the Commission's proposals on the European Defence Action Plan as its contribution to developing European security and defence policy, stressing the importance of fully involving Member States. **The Council is invited to rapidly examine the related Commission proposals [on EDAP].** **Calls on all relevant actors to take work forward [on EDAP].**	Foreign Affairs Council conclusions of 6 March 2017. Foreign Affairs Council conclusions of 17 June 2019. Regulation (EU) 2018/1092 of 18 July 2018 of the European Parliament and of the Council establishing the European Defence Industrial Development Programme aiming at supporting the competitiveness and innovation capacity of the Union's defence industry (Procedure: 2017/0125(COD)). Proposal COM(2018)0476 final of 13 June 2018 for a regulation of the European Parliament and

Policy field Specific issue	Conclusion	Follow-up action
		of the Council establishing the European Defence Fund (Procedure: 2018/0254(COD)).
Development of capabilities **Permanent structured cooperation (PESCO)**	<u>13-14 December 2018</u> The European Council welcomes the significant progress made in the area of security and defence, including in implementing Permanent Structured Cooperation, in improving military mobility,	
	<u>28-29 June 2018</u> **Calls for the fulfilment of the PESCO commitments and the further development of the initial projects and the institutional framework, in a way that is fully consistent with the Coordinated Annual Review on Defence and the revised Capability Development Plan adopted within the European Defence Agency.**	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 15 October 2018.
	It invites the Council to decide on the conditions for third State participation in PESCO projects;	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 19-20 November 2018.

251

Policy field Specific issue	Conclusion	Follow-up action
	Welcomes progress on military mobility in the framework of PESCO.	
	These efforts, which should fully respect the sovereignty of the Member States, be mutually reinforcing and follow a whole-of-government approach, will be reviewed yearly on the basis of a report by the Commission and the High Representative, starting in spring 2019;	Foreign Affairs Council conclusions of 17 June 2019. JOIN(2019) 11 final of 3 June 2019 on the implementation of the Action Plan on Military Mobility.
	14 December 2017 • welcomes the establishment of ambitious and inclusive permanent structured cooperation (PESCO);	
	Invites the High Representative, the Commission and the Member States to bring work forward on military mobility (...) in PESCO;	Foreign Affairs Council conclusions of 17 June 2019. Foreign Affairs Council conclusions of 14 May 2019. Foreign Affairs Council conclusions of 19-20 November 2018. Foreign Affairs Council conclusions of 15 October 2018. Foreign Affairs Council conclusions of 25 June 2018.

Policy field Specific issue	Conclusion	Follow-up action
		Foreign Affairs Council conclusions of 6 March 2018.
	19-20 October 2017 It welcomes the significant progress made by Member States in preparing a Permanent Structured Cooperation (PESCO) notification with a common list of commitments, and on PESCO governance.	
	It encourages those Member States in a position to do so to swiftly notify the Council and the High Representative of their intentions to participate in PESCO.	Notification of 13 November 2017 on Permanent Structured Cooperation (PESCO) to the Council and to the High Representative of the Union for Foreign Affairs and Security Policy.
	22-23 June 2017 A common list of criteria and binding commitments, fully in line with Articles 42(6) and 46 TEU and Protocol 10 to the Treaty - including with a view to the most demanding missions - will be drawn up by Member States within three months, with a precise timetable and specific assessment mechanisms, in order to enable Member States which are in a position to do so to notify their intentions to participate without delay.	Notification of 13 November 2017 on Permanent Structured Cooperation (PESCO) to the Council and to the High Representative of the Union for Foreign Affairs and Security Policy.

Policy field Specific issue	Conclusion	Follow-up action
	<u>15 December 2016</u> **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [...] elements and options for an inclusive Permanent Structured Cooperation based on a modular approach and outlining possible projects.**	[Foreign Affairs Council](#) conclusions of 13 November 2017. [Foreign Affairs Council](#) conclusions of 17 July 2017. [Foreign Affairs Council](#) conclusions of 19 June 2017. [Foreign Affairs Council (Defence)](#) conclusions of 18 May 2017. [Foreign Affairs Council](#) conclusions of 6 March 2017.
Coordinated annual review on defence	<u>19-20 October 2017</u> It welcomes the launch of the trial run of the Coordinated Annual Review on Defence (CARD) which should contribute to spur enhanced defence cooperation among Member States. <u>15 December 2016</u> **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [...] the parameters of a Member State-driven Coordinated Annual Review on Defence.**	[Foreign Affairs Council](#) conclusions of 19 June 2017.

Policy field Specific issue	Conclusion	Follow-up action
	<u>15 December 2016</u> **In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards the development of civilian capabilities.**	[Foreign Affairs Council](#) conclusions of 19 June 2017. [Foreign Affairs Council (Defence)](#) conclusions of 18 May 2017. [Foreign Affairs Council](#) conclusions of 6 March 2017.
	In particular, further to the Council conclusions, the High Representative will present proposals in the coming months as regards [..] the process of developing military capabilities taking into account Research and Technology (R&T) and industrial aspects.	[Foreign Affairs Council](#) conclusions of 19 June 2017. [Foreign Affairs Council (Defence)](#) conclusions of 18 May 2017. [Foreign Affairs Council](#) conclusions of 6 March 2017.
	<u>16 September 2016</u> **a) December [2016] European Council to decide [...] on how to make better use of the options in the Treaties, especially as regards capabilities**	[European Council](#) conclusions of 15 December 2016.
Development of capabilities **Cyber roadmap and projects**	<u>20-21 June 2019</u> The European Council welcomes the adoption of a new framework for targeted restrictive measures, and the work on coordinated attribution	

Policy field Specific issue	Conclusion	Follow-up action
	at EU level in the context of the cyber diplomacy toolbox, to better deter and respond to cyber-attacks.	

7. International trade

A. Background

International trade is not a topic frequently discussed at European Council level. Commercial policy is an exclusive competence of the Union, and trade negotiations fall within the remit of the European Commission, on the basis of a mandate from the Council of the EU. Since 2016, however, international trade has had a higher profile on the European Council agenda; this is linked to changes in the global trading landscape and to a rise in protectionist trade measures that has spill over effects on EU trade policy. Moreover, in recent years, EU trade policy has been marked by increasing scrutiny by EU citizens over its scope and legitimacy, rendering the conclusion of some trade agreements difficult; this was notably the case for the Comprehensive Economic and Trade Agreement with Canada (CETA) and the Transatlantic Trade and Investment Partnership (TTIP) with the US.

The political reflection process on the future of the EU, following the United Kingdom's (UK) decision to leave the Union, has prompted EU leaders to give greater priority to issues that are important for EU citizens, which include trade. Starting at the September 2016 Bratislava Summit and continuing throughout 2017, discussions focused on the contribution that trade can make to economic growth, as well as on the current challenges faced by the EU in a fast-changing global environment. EU leaders consequently discussed ways of protecting EU industries and citizens against unfair trade practices, by paving the way to improving the EU's trade defence instruments, for instance.

Growing trade tensions over US tariffs imposed on steel and aluminium and the US blockage of nominations of members in the World Trade Organization (WTO) Appellate Body have opened up a much wider debate over the future of the multilateral trading system and the role of the WTO. Following the EU leaders' summit in Sofia in May 2018, where trade relations with the US were also discussed, dialogue with the US administration intensified, seeking to find a solution to the trade conflict. In July 2018, Commission President Jean-Claude Juncker and US President Donald Trump reached a joint agreement, committing to dialogue on removing tariff and non-tariff barriers to trade in several areas, and the launch of negotiations on a trade agreement on industrial goods.

Also high on the European Council's agenda are relations with China. These were discussed by EU leaders in the context of the annual EU-China summit in April 2019, where important commitments were made by China. These commitments include action to improve European investors' access to the Chinese market and to work together with the EU on WTO reform, notably on strengthening rules on industrial subsidies and resolving the Appellate Body crisis. Both parties aim to conclude negotiations on an EU-China investment agreement by 2020, as well as finalise an EU-China agreement on geographical indications (GIs) by the end of 2019. Finally, discussions with the UK over its future trade relationship with the EU have been delayed owing to the fact that the UK has not ratified the Withdrawal Agreement. EU leaders will be taking stock of the situation at their Article 50 meeting in October 2019.

B. Legal basis for European Council action in international trade

> **Article 22(1) TEU**: On the basis of the principles and objectives set out in Article 21 TEU, the European Council shall identify the strategic interests and objectives of the Union. Decisions of the European Council on the strategic interests and objectives of the Union shall relate to the common foreign and security policy and to other areas of the external action of the Union.

Such decisions may concern the relations of the Union with a specific country or region or may be thematic in approach [...].

> **Article 216(1) TFEU**: The Union may conclude an agreement with one or more third countries or international organisations where the Treaties so provide or where the conclusion of an agreement is necessary in order to achieve, within the framework of the Union's policies, one of the objectives referred to in the Treaties, or is provided for in a legally binding Union act or is likely to affect common rules or alter their scope.

> **Article 16(6) TEU**: The Foreign Affairs Council shall elaborate the Union's external action on the basis of strategic **guidelines laid down by the European Council** and ensure that the Union's action is consistent.

C. Strategic orientations

> Future of Europe debate: discussing the way forward with 27 Member States

In his invitation letter to the 2016 September Bratislava Summit, European Council President Donald Tusk emphasised that, while encouraging free trade and global competition is in Europeans' interests, they equally pose significant and unprecedented challenges. While openness to global trade has been an engine of economic growth in the EU, benefiting businesses and citizens alike, these benefits are not always evenly distributed among regions and their peoples.

Moreover, the completion of trade negotiations with Canada in 2014, and the start of talks with the US, in 2013 brought the issue of investor-to-state dispute settlement (ISDS)[6] to public attention. Large public protests against TTIP and CETA took place across Europe, with people fearing that these comprehensive trade agreements were being concluded against their interests, and that ISDS mechanisms, in particular, favoured investors' interests to the detriment of the ability of states to regulate in the public interest. Over time, these issues have led to increasing opposition to trade agreements from citizens who feel that these agreements are not concluded with their best interest in mind. Against this backdrop, at the Bratislava Summit, EU leaders committed to work together towards a 'robust trade policy that reaps the benefits of open markets while taking into account concerns of citizens'.

> Towards a robust trade policy: a Europe that protects

The October 2016 European Council prioritised areas where action was most needed to promote a 'robust' trade policy and protect the EU's trade interests. EU leaders focused on two issues, notably on trade defence instruments and on the conclusion of CETA. More effort was needed at EU level to build a consensus on these issues and it was up to the European Council to facilitate agreement among Member States. The summit sent a strong message that the EU was committed to 'open markets for growth and job creation', but the EU was not a 'naive free trader' and would defend itself against unfair trade practices.

Although the October 2016 summit was overshadowed by difficulties over the signature of CETA, after seven years of negotiations, European Council President Tusk underlined that EU trade interests included 'defending and promoting the social, environmental and consumer standards [...] central to the European way of life, as well as the right of governments to regulate'. 'If we are not able to convince people that trade agreements are in their interest, if we are not able to convince

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[6] ISDS mechanisms allow investors to bring a claim against the states in which their investments have been made. Opponents to ISDS mechanisms argue that, among another issues, these mechanisms allow foreign investors the possibility to challenge national regulations that have a potential impact on their investments, e.g. public health or environment regulations. Against this background, in March 2018, the Council adopted negotiating directives for a Multilateral Investment Court (MIC), a permanent institution that would replace the bilateral investment court systems in trade and investment agreements negotiated by the EU.

them that our representatives negotiate FTAs to protect people's interests, then we will have no chance to build public support for free trade' he stated ahead of the October 2016 meeting. One year later, the Leaders' agenda, a work programme to cover the period until June 2019, placed trade issues high on the institution's agenda, including trade defence, free trade agreements, and the screening of investments. The agenda also planned for a discussion at the end of 2018 on the future of trade policy and on the role of the EU in the multilateral trade system, which did not occur.

> 2019-2024 strategic agenda

The strategic agenda calls for a Union able to project itself on the global stage by strengthening its economic base. This should allow the EU to compete on a level playing field with emerging economies, notably China, by ensuring fair competition both within and outside the EU, promoting market access, fighting unfair practices, extraterritorial measures and security risks from third countries, and securing Europe's strategic supply chains. EU leaders acknowledge that a robust EU trade policy would best achieve its objectives within a reformed WTO able to meet the needs of its members and to keep step with technological developments.

D. Noteworthy commitments: specific requests and follow-up

D.1. Trade negotiations with key partners

In recent years, the European Council has called for the conclusion and ratification of trade agreements with Japan, Singapore, Vietnam and Canada. It has welcomed the opening of negotiations with new partners, Australia and New Zealand, and encouraged progress on negotiations with key partners, including Mexico and Mercosur (Argentina, Brazil, Paraguay, and Uruguay). The conclusion of some of these agreements has been particularly difficult.

> **EU-US trade talks**: The European Council welcomed the launch of TTIP talks with the US in 2013 and called for their conclusion before the end of 2015. However, TTIP triggered broad public criticism on both sides of the Atlantic. On the EU side, resistance to investment protection provisions as well as to provisions in sensitive sectors (agriculture and public procurement) led to a stalemate in the negotiations. Following the election of US President Donald Trump in 2016, whose administration expressed a desire to assess the TTIP framework, talks were formally put on hold. Following a Council decision, issued on 15 April 2019, TTIP negotiations have been formally closed.

> Measures taken by the current US administration have signalled a shift towards a more protectionist trade agenda, ranging from US tariffs on steel and aluminium imports to possible tariffs on automotive imports. Early in 2018, the US imposed tariffs on EU steel and aluminium exports. EU leaders underlined that these could not be justified on the grounds of national security as alleged by the US under Section 232 of the 1962 Trade Expansion Act and called for a permanent exemption. In an effort to engage in dialogue, in May 2018, EU leaders agreed to start talks with the US in several areas[7], provided that the EU were granted a permanent exemption to the tariffs.[8] A joint working group was set up to take forward work based on the agreed objectives.

> Following a number of meetings held throughout 2018, in January 2019 the EU and the US released their respective negotiating positions. In April 2019, the Foreign Affairs (Trade) Council endorsed two negotiating mandates on: 1) A trade agreement to remove tariffs on

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[7] They include: 1) Liberalising tariffs on non-auto industrial goods; 2) Strengthening cooperation on energy; 3) Reducing barriers and increasing trade in services, chemicals, pharmaceuticals, medical products and soybeans; 4) Reforming the WTO.

[8] P. Ludlow, briefing note 2018/3, Eurocomment, 4 June 2018.

industrial goods,[9] excluding agriculture; and 2) An <u>agreement</u> on <u>conformity assessment</u>,[10] which would allow companies on both sides of the Atlantic to recognise the technical requirements of the other party, and thus, reduce costs of testing and certification of products. Other <u>issues</u> are also being discussed in view of facilitating trade in a number of <u>identified sectors</u>, such as services, cybersecurity, chemicals, pharmaceuticals, medical devices and soybeans. These talks do not fall under the scope of the two negotiating directives mentioned above.

> No visible progress has yet been made on securing a permanent exemption from the tariffs, although according to the July 2018 <u>EU-US joint statement</u> there is a willingness to resolve this issue. In March 2019, the European Council called for <u>rapid implementation</u> of all the objectives in the <u>joint statement</u>. On 17 May 2019, the US president <u>postponed</u> taking a decision on the imposition of tariffs on auto and auto part imports by six months[11], giving both parties time to negotiate further.

> **EU-China negotiations**: The EU launched negotiations with China on an EU-China comprehensive agreement on investment (CAI) in November 2013. The agreement will replace all bilateral investment treaties concluded by EU Member States except Ireland. Since 2010, the EU has also been negotiating an EU-China agreement on the protection of GIs. The EU has indicated that once the negotiations on the CAI have been finalised successfully, negotiations on a free trade agreement with China could be considered. The 2019 EU-China annual summit saw important commitments by China with regard to the conclusion of the CAI, expected by 2020, while negotiations on the agreement on GIs could be concluded as early as the end of 2019.

> The 2019 annual summit was preceded by a discussion of EU leaders concerning EU-China relations. Issues discussed ranged from the level of openness of Chinese markets to foreign investors to the security of 5G networks, China's relations with Africa, and its role in reforming the WTO. Before the European Council convened, the Commission and the High Representative issued a communication outlining their <u>strategic outlook</u> for EU-China relations, listing 10 priority areas for the endorsement of EU leaders. They underlined that rebalancing all dimensions of the EU's partnership with China required full unity among Member States and that, in engaging with China, all had a responsibility to ensure consistency with EU law, rules and policies. The EU leaders discussed <u>most of these issues</u>, however they did not endorse the communication. While the conclusions of the meeting touched on the <u>economic and investment issues</u>, the text did not single out China. It did however show a hardening of the EU's approach in the face of heightened competition from emerging economies; for that purpose, the EU is by putting in place a more effective 'toolbox' for action to address unfair policies and practices. This includes effective trade defence instruments and screening of foreign investments as well as measures to secure non-discriminatory access to public procurement markets abroad.

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9   Industrial goods encompass all goods other than those included in Annex I of the WTO Agreement on Agriculture.

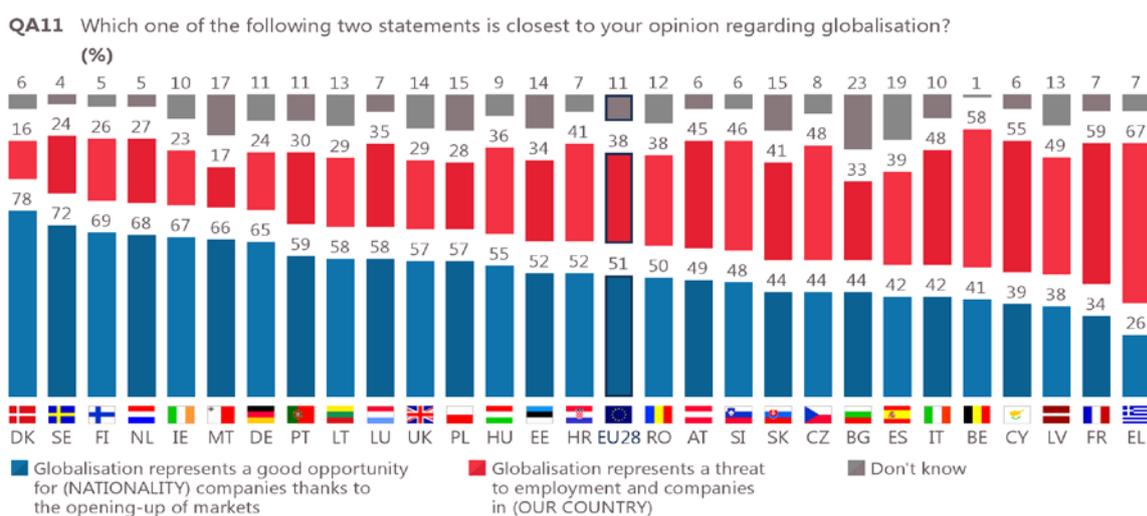10   The conformity of a product is assessed before it being placed on the market, thus the product must meet all legislative requirements in the applicable product legislation. The conformity is assessed through testing, inspection and certification.

11   On 23 May 2018, the US Department of Commerce started a Section 232 investigation into US imports of cars and car parts. Its report was published on 19 February 2019. On 17 May 2019, President Trump signed a proclamation setting a six-month deadline for the US to reach a deal with the EU to 'address the threatened impairment of the national security with respect to imported automobiles and certain automobile parts'.

D.2. Addressing unfair trade practices: trade defence instruments and the screening of foreign investments

The Bratislava Summit's broad objective of working towards a 'robust trade policy' is best illustrated in the words of President Tusk, as striking a fine 'balance between openness and protection', in other words '… to protect our free trade agenda at home, we must prove that we can defend Europe against those who want to abuse our openness'. This approach is reflected in the Commission communications on Trade for All (2015) and Harnessing Globalisation (2017). Analysts note that while the former focuses on pursuing a value-based strategy where trade benefits all, including workers in third countries, the latter maintains these same core principles but places a stronger emphasis on shielding European producers and workers from the negative effects of globalisation. Indeed, as trade in goods and services has become increasingly interconnected, European industries are facing increased competition and potential exposure to unfair trade practices from third countries. Although in a majority of EU Member States, citizens consider globalisation to represent a good opportunity for their companies, globalisation is also seen as a threat and source of social inequality.

Figure 13 – Eurobarometer survey question on the impact of globalisation

QA11 Which one of the following two statements is closest to your opinion regarding globalisation? (%)

	DK	SE	FI	NL	IE	MT	DE	PT	LT	LU	UK	PL	HU	EE	HR	EU28	RO	AT	SI	SK	CZ	BG	ES	IT	BE	CY	LV	FR	EL
Don't know	6	4	5	5	10	17	11	11	13	7	14	15	9	14	7	11	12	6	6	15	8	23	19	10	1	6	13	7	7
Threat	16	24	26	27	23	17	24	30	29	35	29	28	36	34	41	38	38	45	46	41	48	33	39	48	58	55	49	59	67
Opportunity	78	72	69	68	67	66	65	59	58	58	57	57	55	52	52	51	50	49	48	44	44	44	42	42	41	39	38	34	26

■ Globalisation represents a good opportunity for (NATIONALITY) companies thanks to the opening-up of markets
■ Globalisation represents a threat to employment and companies in (OUR COUNTRY)
■ Don't know

Source: Special Eurobarometer 461.

In this context, several issues have gained visibility on the European Council agenda since 2016, including that of the need to tackle the impact of overcapacity in the global steel industry, and ensuring an effective screening of foreign investments in the EU and a higher level of openness on public procurement markets abroad, largely in the context of the China's growing economic clout.

> ➤ **Anti-dumping and anti-subsidies duties**: Given large increases in steel imports to the EU, at prices lower than the 'normal value',[12] in March 2016, EU leaders called for action to remedy the situation through the adoption of modernised trade defence instruments. Trade defence instruments, such as anti-dumping and anti-subsidy duties, allow countries to take action against 'dumped' imports that can cause injury to domestic industry. Since then, the European Council has monitored progress made on the modernisation of trade defence instruments, as

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[12] Companies are considered to be dumping when they export products to the EU at prices lower than the normal value of the product sold on their own domestic markets.

well as on the adoption of a new anti-dumping methodology, which entered into force in December 2017 and June 2018.

- ➤ **Screening of foreign direct investment**: The European Council addressed Member States' concerns regarding foreign direct investments by non-EU investors at its June and October 2017 meetings. As also outlined by the European Parliament, although foreign investments are beneficial for the EU economy, there can be instances where allowing certain investments could bear a risk for the Union's and Member States' security. Following the European Council request, a European framework for screening foreign direct investment has entered into force in April 2019, enabling for strengthened cooperation between the Commission and the Member States, with the latter retaining control over the final decision to block or allow an investment.

- ➤ **International procurement instrument (IPI):** The March 2019 European Council called on co-legislators to resume discussions on an international procurement instrument. While the EU has largely opened up its public procurement markets to third countries, the latter do not necessarily offer the same degree of openness to the EU. In this regard, the IPI seeks to improve the conditions under which EU businesses compete for public contracts in third countries while also strengthening the EU's position when negotiating the opening of public procurement markets abroad.

D.3. Reforming of the World Trade Organization

Over the years, the European Council has regularly expressed the EU's commitment to preserving the multilateral trading system, as embodied by the WTO, the world's main forum for negotiating trade rules and settling trade disputes. Since the beginning of the latest round of WTO trade negotiations in 2001 (the Doha Round), limited progress has been achieved; among the reasons for the stalemate are, notably, the functioning of the institution and its inability to fully address the unfair trade practices of some of its members. Nevertheless, members have been exploring plurilateral solutions in different areas, and more recently, in January 2019, 48 WTO members and the EU agreed to start plurilateral negotiations on setting global rules on electronic commerce. In the last couple of years, the US has expressed criticism with regard to the WTO dispute settlement system, in particular, by blocking the nomination of members to the WTO Appellate Body, the body responsible for hearing appeals. At the same time, recent US tariffs on steel and aluminium have been criticised by some WTO members, and several of them, including the EU, have launched formal complaints against the tariffs[13].

Against this background, in an effort to revitalise cooperation in the multilateral framework, the June 2018 European Council invited the Commission to propose a comprehensive approach to improving the functioning of the WTO in crucial areas, together with like-minded partners. The identified areas include: (i) more flexible negotiations, (ii) new rules addressing current challenges, e.g. industrial subsidies, (iii) the reduction of trade costs, (iv) a new approach to development, (v) a more effective and transparent dispute settlement and (vi) and the strengthening of the WTO as an institution, including in its transparency and surveillance function. On 18 September 2018, the Commission published a concept paper outlining ways to modernise the WTO in three areas: rulemaking, monitoring and dispute settlement.

At the same time, a number of initiatives are being pursued by the EU in different configurations. These include trilateral meetings held with the US and Japan to discuss common challenges, including subsidies, state-owned enterprises and forced technology transfers. At the end of October

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[13]   On 26 April 2019 the World Trade Organization adopted ruling WT/DS512/7, giving its position on what could be considered a 'national security' exemption under Article XXI of the General Agreement on Tariffs and Trade (GATT).

2018, the outcome of a ministerial meeting bringing together 13 WTO members (Ottawa Group),[14] including the EU, broadly reflected the proposals made by the EU in its September 2018 concept paper. At their second meeting, in January 2019, the Ottawa Group agreed to start reviewing the functioning of a number of WTO committees[15].

Following the WTO General Council meetings in December 2018, February 2019 and May 2019, proposals are gradually coming in from the various WTO members, including on the reform of the dispute settlement system, where the US has not yet accepted any proposal, not even the one put forward by the EU. Given the lack of progress on this issue, EU trade ministers agreed at the Foreign Affairs Council (Trade) in May 2019 that the EU 'should reach out to other WTO members to work on an interim solution that preserves the binding character and the two levels of adjudication of the WTO dispute settlement system'. An interim agreement of this kind has already been concluded with Canada, on 25 July 2019; it allows for the use of arbitration in the event of a future trade-related dispute between the two parties (Article 25 of the WTO Dispute Settlement Understanding).

E. Challenges ahead and outlook

As regards trade talks with the US, the US government mandate for the negotiations includes the agricultural sector, despite the fact that the European Commission has indicated, on several occasions, that agriculture was excluded from the scope of the negotiations. Commission President Juncker and US President Trump, at their meeting in July 2018, agreed to focus on areas where results could realistically be achieved without addressing those areas where known sensitivities exist, such as, for instance on automobiles and public procurement on the US side, and on agriculture on the EU side[16]. However, statements on the US side indicate that the conclusion of an agreement with the EU would still require the inclusion of agriculture in the negotiations, in 'some form'. In addition, the US has called for solutions such as voluntary export restraints[17] from trade partners, including the EU, to stave off car tariffs; such solutions are problematic as they are inconsistent with WTO rules and would therefore prove unacceptable to the EU. The Commission has also stated that the EU would suspend trade talks with the US in the event of new measures, such as car tariffs, being adopted against the EU under Section 232 of 1962 Trade Expansion Act and Section 301 of the 1974 US Trade Act, or any other similar US law. The conclusion of the negotiations would only be possible upon the removal of US tariffs on EU steel and aluminium exports.

In addition to the stalemate in the negotiations and the looming threat of car tariffs, the WTO dispute settlement body has settled a long-standing dispute between the EU and US on subsidies granted by the EU to the aircraft manufacturer Airbus. The WTO decision issued on 2 October 2019 is favourable to the US, which entitles it to take action against the EU in the form of retaliatory tariffs. The EU engaged with the US to reach a compromise solution that would avoid new tariffs, but the US did not accept the proposal. Given that, by 2020, the WTO will also be ruling on a case brought

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[14] The 'Ottawa Group', led by Canada includes Australia, Brazil, Chile, the European Union, Japan, Kenya, Mexico, New Zealand, Norway, Singapore, South Korea and Switzerland.

[15] The initial focus will be on the work in four WTO bodies – Rules of Origin, Sanitary and Phytosanitary Measures, Council for Trade in Services, and Technical Barriers to Trade.

[16] In order for a trade agreement to be compliant with WTO rules, this agreement would have to cover 'substantially all trade between the parties', as well as ensure a 'substantial sectoral coverage', which could be difficult to achieve if both automobiles and agriculture were to be completely excluded.

[17] Voluntary export restraints are bilateral arrangements whereby an exporting country (government or industry) agrees to reduce or restrict exports without the importing country having to make use of quotas, tariffs or other import controls.

by the EU against the US regarding subsidies granted to Boeing, the EU may have a chance to retaliate in due course.

The escalation of trade tensions between the US and China, as well as the increasing number of unilateral measures taken by the US in the last year, have created uncertainty in global trade. The threat of collapse of the WTO dispute settlement system, with only one member left to settle disputes by the end of this year, undermines the WTO system as a whole. WTO reform and the EU's relations with China have featured high on the agenda this year, with the 2019-2024 strategic agenda clearly signalling the need for EU action in the face of unfair practices. The 2019-2024 strategic agenda and the guidelines issued by the Commission President-elect place trade issues among the top priorities for the coming years, with a focus on strengthening the EU's global leadership as well as improving the EU's ability to compete on a level playing field on the global market.

The EU remains committed to preserving the rules-based multilateral trading system, as confirmed by a majority of EU Heads of State or Government, who have expressed their support on this issue when outlining their visions for the future of the Union. What is needed now 'is more political unity and determination', and as European Council President Tusk emphasised, 'in order to be the subject and not the object of global politics, Europe must be united economically, politically and also militarily like never before. To put it simply: either we are together, or we will not be at all'.

7.1. Free trade agreements

Policy field Specific issue	Conclusion	Follow-up action
General orientations	<u>22 March 2018</u> The Commission will examine how to strengthen the enforcement of commitments undertaken by third countries. <u>16 September 2016</u> **c) October European Council to address how to ensure a robust trade policy that reaps the benefits of open markets while taking into account concerns of citizens.**	
Transatlantic Trade and Investment Partnership (TTIP) **Negotiation process**	<u>20-21 October 2016</u> **It also invites the Commission to continue the negotiations with the US authorities to be able to present an ambitious, balanced and comprehensive free trade agreement.** <u>17-18 December 2015</u> **It urges all sides to redouble their efforts with a view to concluding an ambitious, comprehensive and mutually beneficial agreement as**	Council Decision of 15 April 2019 authorising the opening of negotiations with the United States of America for an agreement on the elimination of tariffs for industrial goods. The negotiations on TTIP are formally closed. 2017 State of the Union Brochure: talks on TTIP have now effectively stopped. Council Decision of 15 April 2019 authorising the opening of negotiations with the United States of America for an agreement on the

Policy field Specific issue	Conclusion	Follow-up action
	soon as possible with a view to harnessing the full potential of the transatlantic economy.	elimination of tariffs for industrial goods. The negotiations on TTIP are formally closed. US-EU Joint Report of 17 January 2017 on TTIP progress. Foreign Affairs Council of 11 November 2016 adopted conclusions on EU-US trade and investment negotiations. European Commission report of 21 October 2016 the 15th round of negotiations. Foreign Affairs Council of 13 May 2016 discussed recent developments. Foreign Affairs Council of 27 November 2015 discussed state of play of negotiations. Foreign Affairs Council of 7 May 2015 took stock of ongoing negotiations.
	19-20 March 2015 **The EU and the US should make every effort to conclude negotiations on an ambitious, comprehensive and mutually beneficial agreement by the end of the year.**	Council Decision of 15 April 2019 authorising the opening of negotiations with the United States of America for an agreement on the elimination of tariffs for industrial goods. The negotiations on TTIP are formally closed. US-EU Joint Report of 17 January 2017 on TTIP progress.

Policy field Specific issue	Conclusion	Follow-up action
	18 December 2014 **The EU and the US should make all efforts to conclude negotiations on an ambitious, comprehensive and mutually beneficial TTIP by the end of 2015.**	Foreign Affairs Council of 11 November 2016 adopted conclusions on EU-US trade and investment negotiations. European Commission report of 21 October 2016 the 15th round of negotiations. Foreign Affairs Council of 13 May 2016 discussed recent developments. Foreign Affairs Council of 27 November 2015 discussed state of play of negotiations. Foreign Affairs Council of 7 May 2015 took stock of ongoing negotiations. Council Decision of 15 April 2019 authorising the opening of negotiations with the United States of America for an agreement on the elimination of tariffs for industrial goods. The negotiations on TTIP are formally closed. US-EU Joint Report of 17 January 2017 on TTIP progress. Foreign Affairs Council of 11 November 2016 adopted conclusions on EU-US trade and investment negotiations. European Commission report of 21 October 2016 the 15th round of negotiations.

267

Policy field Specific issue	Conclusion	Follow-up action
		[Foreign Affairs Council](#) of 13 May 2016 discussed recent developments. [Foreign Affairs Council](#) of 27 November 2015 discussed state of play of negotiations. [Foreign Affairs Council](#) of 7 May 2015 took stock of ongoing negotiations.
EU-Canada Comprehensive Economic and Trade Agreement (CETA) **Negotiation process**	9-10 March 2017 The European Council (...) looks forward to its (CETA) imminent provisional application. The European Council welcomes the positive vote in the European Parliament on the EU-Canada Comprehensive Economic and Trade Agreement (CETA). 20-21 October 2016 **It underlined the importance of a swift decision to sign (...) the EU-Canada Comprehensive Economic and Trade Agreement and encouraged continued negotiations with a view to finding a solution to the outstanding issues as soon as possible.**	[Comprehensive Economic and Trade Agreement](#) (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part, OJ L11. [Council Decision (EU) 2017/37](#) of 28 October 2016 on the signing on behalf of the European Union of the Comprehensive Economic and Trade Agreement (CETA) between Canada, of

Policy field Specific issue	Conclusion	Follow-up action
		the one part, and the European Union and its Member States, of the other part, OJ L 11. On October 26 2016, a Joint Interpretative Instrument was also adopted providing for a binding interpretation of CETA´s terms on specific issues. Foreign Affairs Council of 18 October 2016 adopted conclusions on the trade agreement with Canada. Council Decision (EU) 2017/38 of 28 October 2016 on the provisional application of the Comprehensive Economic and Trade Agreement (CETA) between Canada, of the one part, and the European Union and its Member States, of the other part, OJ L 11.
	It underlined the importance of a swift decision to (...) provisionally apply the EU-Canada Comprehensive Economic and Trade Agreement.	
Japan **Negotiation process**	13-14 December 2018 The European Council warmly welcomes the positive vote in the European Parliament on the EU-Japan Economic Partnership Agreement (...).	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council (...) looks forward to its (EU-Japan Economic Partnership Agreement) imminent entry into force. 22 March 2018 **It looks forward to the signature and conclusion of the agreement reached with Japan.**	Council Decision (EU) 2018/1907 of 20 December 2018 on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership, OJ L 330. Procedure: 2018/0091/NLE. European Parliament non-legislative resolution of 12 December 2018 on the draft Council decision on the conclusion of the Agreement between the European Union and Japan for an Economic Partnership. Procedure: 2018/0091M(NLE). Council Decision (EU) 2018/966 of 6 July 2018 on the signing, on behalf of the European Union, of the Agreement between the European Union and Japan for an Economic Partnership, OJ L 174. Procedure: 2018/0092/NLE.
	22-23 June 2017 The European Council welcomes the progress achieved recently in the negotiations with Japan, which could pave the way for a political agreement.	

Policy field Specific issue	Conclusion	Follow-up action
	<u>20-21 October 2016</u> **The European Council invites the Commission to actively pursue negotiations on a free trade agreement with Japan, with a view to reaching a political agreement by the end of the year.**	A [political agreement](#) was reached on the trade agreement on 6 July 2017. [Foreign Affairs Council](#) conclusions of 11 May 2017. [Foreign Affairs Council](#) conclusions of 11 November 2016.
Singapore **Negotiating process**	<u>22 March 2018</u> **It looks forward to the signature and conclusion of the agreement reached with Singapore.**	[European Parliament legislative resolution](#) of 13 February 2019 on the draft Council decision on the conclusion of the Free Trade Agreement between the European Union and the Republic of Singapore. Procedure: [2018/0093(NLE)](#). [Council Decision (EU) 2018/1676](#) of 15 October 2018 on the signing, on behalf of the European Union, of the Investment Protection Agreement between the European Union and its Member States, of the one part, and the Republic of Singapore, of the other part, OJ L 279. Procedure: [2018/0096/NLE](#). [Council Decision (EU) 2018/1599](#) of 15 October 2018 on the signing, on behalf of the European Union, of the Free Trade Agreement between the European Union and the Republic of Singapore, OJ L 267. Procedure: [2018/0094/NLE](#).

Policy field Specific issue	Conclusion	Follow-up action
EU-US agreements on industrial goods and conformity assessments **Negotiation process**	21-22 March 2019 **The European Council calls for the necessary steps to be taken towards rapid implementation of all elements of the U.S.-EU Joint Statement of 25 July 2018.**	Commission progress report of 25 July 2019 on the implementation of the EU-U.S. Joint Statement of 25 July 2018. Council Directives of 15 April 2019 for the negotiations with the United States of America for an agreement on conformity assessment. Council Directives of 15 April 2019 for the negotiations with the United States of America for an agreement on the elimination of tariffs for industrial goods.

7.2. Association agreements

Policy field Specific issue	Conclusion	Follow-up action
Republic of Moldova **Negotiation process**	19-20 March 2015 The European Council looks forward to the earliest possible ratification by all Member States of the Association Agreement/Deep and Comprehensive Free Trade Area (AAs/DCFTAs) with the Republic of Moldova. 26-27 June 2014 The European Council welcomed the signature of the Association Agreements, including Deep and Comprehensive Free Trade Areas, between the European Union and the Republic of Moldova.	
Georgia **Negotiation process**	19-20 March 2015 The European Council looks forward to the earliest possible ratification by all Member States of the Association Agreement/Deep and Comprehensive Free Trade Area (AAs/DCFTAs) with Georgia. 26-27 June 2014 The European Council welcomed the signature of the Association Agreements, including Deep and Comprehensive Free Trade Areas, between the European Union and Georgia.	

Policy field Specific issue	Conclusion	Follow-up action
Ukraine **Solution Dutch referendum**	<u>15 December 2016</u> The European Council notes that the Decision set out in the Annex is legally binding on the 28 Member States of the European Union, and may be amended or repealed only by common accord of their Heads of State or Government. It will take effect once the Kingdom of the Netherlands has ratified the agreement and the Union has concluded it. Should this not be the case, the Decision will cease to exist. After having carefully noted the outcome of the Dutch referendum on 6 April 2016 on the bill approving the Association Agreement and the concerns expressed prior to the referendum as conveyed by the Dutch Prime Minister, the European Council takes note of a Decision of the Heads of State or Government of the 28 Member States of the European Union, meeting within the European Council (Annex), which addresses these concerns in full conformity with the Association Agreement and the EU treaties. <u>28 June 2016</u> **The Dutch Prime Minister presented the outcome of the referendum in the Netherlands on the Association Agreement with Ukraine, as well as the concerns expressed in the debate preceding the referendum. The European Council invites the Council to seek a solution addressing these concerns as soon as possible.**	European Council decision of 15 December 2016 on Ukraine.

Policy field Specific issue	Conclusion	Follow-up action
Negotiation process	15 December 2016 Therefore, completing the ratification process remains a crucial EU objective. **The European Council reconfirms its commitment to (…) the conclusion of the EU-Ukraine Association Agreement, including the establishment of a Deep and Comprehensive Free Trade Area. (…)**	Council Decision (EU) 2017/1248 of 11 July 2017 on the conclusion, on behalf of the European Union, of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part, as regards provisions relating to the treatment of third-country nationals legally employed as workers in the territory of the other party. Procedure: 2013/0151/NLE. Council Decision (EU) 2017/1247 of 11 July 2017 on the conclusion, on behalf of the European Union, of the Association Agreement between the European Union and the European Atomic Energy Community and their Member States, of the one part, and Ukraine, of the other part, with the exception of the provisions relating to the treatment of third-country nationals legally employed as workers in the territory of the other party, OJ L 181/4. Procedure: 2013/0151 NLE.

Policy field Specific issue	Conclusion	Follow-up action
	19-20 March 2015 The EU (...) will continue efforts (...) on EU-Ukraine DCFTA implementation. The European Council looks forward to the earliest possible ratification by all Member States of the Association Agreement/Deep and Comprehensive Free Trade Area (AAs/DCFTAs) with Ukraine. **23-24 October 2014** The European Council welcomed the upcoming provisional application of the Association Agreement. **It underlined the importance for the Russian Federation, Ukraine and the European Union to strictly abide by the commitments reflected in the Joint Ministerial Statement of 12 September.** **30 August 2014** The European Council welcomes the trilateral talks initiated between the European Union, Ukraine and the Russian Federation on practical issues with regard to the implementation of the Association Agreement/DCFTA (...).	

Policy field Specific issue	Conclusion	Follow-up action
	The European Council calls on all parties to keep up the momentum (of trilateral talks) in order to reach tangible results within the agreed timeframe. 16 July 2014 It welcomes the holding of trilateral consultations at ministerial level between Ukraine, the Russian Federation and the European Union on 11 July on the implementation of the Association Agreement. The European Council stresses the importance of Ukraine ratifying the Association Agreement with a view to its early provisional application. In this context, it also welcomes the setting up of a consultation mechanism to address potential difficulties resulting from the effects of the implementation of the Deep and Comprehensive Free Trade Area on the implementation of the Free Trade Agreement of the Commonwealth of Independent States. 26-27 June 2014 The European Council welcomed the signature of the remainder of the Association Agreement and Deep and Comprehensive Free Trade Area, between the European Union and Ukraine.	

Policy field Specific issue	Conclusion	Follow-up action
Morocco	21 June 2019 The European Council welcomes the renewed impetus in EU-Morocco relations and looks forward to the upcoming EU-Morocco Association Council.	

7.3. World Trade Organization multilateral negotiations

Policy field Specific issue	Conclusion	Follow-up action
WTO reform	21-22 March 2019 **The European Council reaffirms its commitment to an open rules-based multilateral trading system with a modernised WTO at its core, and to resisting all forms of protectionism and distortions.** 28-29 June 2018 **The EU is committed to working towards its (multilateral system) modernisation and calls on all partners to contribute positively to this goal.** **It invites the Commission to propose a comprehensive approach to improving, together with like-minded partners, the functioning of the WTO in crucial areas such as (i) more flexible negotiations, (ii) new rules that address current challenges, including in the field of industrial subsidies, intellectual property and forced technology transfers, (iii) reduction of trade costs, (iv) a new approach to development, (v) more effective and transparent dispute settlement, including the Appellate Body, with a view to ensuring a level playing field, and (vi) strengthening the WTO as an institution, including in its transparency and surveillance function.**	On 4 September 2019, the Commission adopted a mandate to extend interim appeal arbitration arrangements with third countries. Joint Statement of 23 May 2019 of the Trilateral Meeting of the Trade Ministers of the United States, European Union, and Japan. Joint Communiqué of 24 January 2019 of the Ottawa Ministerial on WTO Reform group meeting in Davos. Joint statement of 9 January 2019 of the Trilateral Meeting of the Trade Ministers of the European Union, Japan and the United States.

Policy field Specific issue	Conclusion	Follow-up action
		[Statement](#) of the EU and other WTO members of 12 December 2018 at the WTO General Council under agenda item 7. [Communication WT/GC/W/752](#) of 26 November 2018 from the EU and other WTO members on the Appelate Body. [Communication WT/GC/W/752](#) from the EU and 11 other WTO Members of 23 November 2018, on notification and transparency. [Joint Communiqué](#) of 24-25 October 2018 of the Ottawa Ministerial on WTO Reform. [Joint statement](#) of 25 September 2018 on Trilateral Meeting of the Trade Ministers of the United States, Japan, and the European Union. On 18 September 2018 the European Commission presented a [concept paper](#) outlining EU's comprehensive approach for the modernisation of the World Trade Organisation.
	22 March 2018 **The European Council reaffirms its commitment to an open and rules-based multilateral trading system with the WTO at its core, firm in the belief that free and fair trade is one of the most powerful engines for growth, supporting millions of jobs and contributing to prosperity.**	

7.4. Market access

Policy field Specific issue	Conclusion	Follow-up action
Public procurement **International procurement instrument**	21-22 March 2019 **The European Council calls for resuming discussions on the EU's international procurement instrument.**	Commission guidance of 24 July 2019 on the participation of third country bidders in the EU procurement market. Foreign Affairs Council (Trade) conclusions of 27 May 2019.
	22 March 2018 **The European Council calls on the co-legislators to make progress on the pending legislative proposal in the field of public procurement.**	European Parliament International Trade Committee tabled amendments to the file on 22 March 2018. European Parliament Committee on the Internal Market and Consumer Protection - Opinion of 26 September 2017.
	22-23 June 2017 **The European Council will revert to this issue at one of its future meetings.**	European Council conclusions of 22 March 2018.
	It also calls on the Commission and the Council to deepen and take forward the debate on how to enhance reciprocity in the fields of public procurement (...).	Foreign Affairs Council (Trade) conclusions of 27 May 2019.

Policy field Specific issue	Conclusion	Follow-up action
Investment **Foreign direct investment**	<u>28-29 June 2018</u> **The European Council calls for the legislative proposal on the screening of foreign direct investments to be adopted as soon as possible.** <u>22 March 2018</u> **The European Council calls on the co-legislators to make progress on the pending legislative proposal in the field of investment.**	[Regulation (EU) 2019/452](#) of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union. OJ L 79/1. Procedure: [2017/0224/COD](#). On 20 November 2018, the Council Presidency reached a [provisional agreement](#) with European Parliament representatives on the proposal. On 13 June 2018, EU ambassadors (COREPER) [agreed](#) on the Council's position regarding the proposed regulation on screening of foreign direct investments. Decision to enter into interinstitutional negotiations [confirmed](#) by plenary on 6 June 2018 (Rule 69c). [European Parliament report](#) of 5 June 2018 on the proposal for a Regulation of the European Parliament and of the Council establishing a framework for screening of foreign direct investments into the European Union.

Policy field Specific issue	Conclusion	Follow-up action
	22-23 June 2017 **The European Council will revert to this issue at one of its future meetings.** **It also calls on the Commission and the Council to deepen and take forward the debate on how to enhance reciprocity in the fields of (...) and investment.** In this context, it welcomes the Commission's initiative to harness globalisation and, inter alia, to analyse investments from third countries in strategic sectors, while fully respecting Members States' competences.	European Council conclusions of 22 March 2018. Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union. OJ L 79/1. Procedure: 2017/0224/COD. On 13 June 2018, EU ambassadors (COREPER) agreed on the Council's position regarding the proposed regulation on screening of foreign direct investments.
Trade defence instruments (TDI) **Modernisation of trade defence instruments**	22-23 June 2017 It calls on the Commission to ensure their swift and effective application through non-legislative implementing measures to make the EU trade	

Policy field Specific issue	Conclusion	Follow-up action
	practices and defence instruments more reactive and efficient and to propose, if necessary, complementary measures. **The European Council therefore calls on the co-legislators to swiftly agree on modern, WTO-compatible trade defence instruments, which will reinforce the ability of the EU to effectively tackle unfair and discriminatory trade practices and market distortions.**	Regulation (EU) 2018/825 of the European Parliament and of the Council of 30 May 2018 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 143. Regulation (EU) 2017/2321 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 338.
	9-10 March 2017 **At the same time, the EU has to equip itself with modernised, WTO-compatible tools to tackle unfair trade practices and market distortions. The European Council calls for the quick adoption of the relevant proposals in this respect.**	Regulation (EU) 2018/825 of the European Parliament and of the Council of 30 May 2018 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection

Policy field Specific issue	Conclusion	Follow-up action
		against subsidised imports from countries not members of the European Union, OJ L 143.
		Regulation (EU) 2017/2321 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 338.
	15 December 2016 It also notes that the Council is now ready to engage in negotiations with the European Parliament on the modernisation of Trade Defence Instruments.	
	20-21 October 2016 **This requires an urgent and balanced agreement on the Council position on the comprehensive modernisation of all trade defence instruments by the end of 2016.**	On 16 April 2018, the Council adopted its position on the modernization of trade defence instruments (proposal COM(2013)0192). On 13 December 2016 the Committee of Permanent Representatives (Coreper) agreed on the Council's negotiating position on trade defence instruments. Foreign Affairs Council (Trade) conclusions of 11 November 2016.

285

Policy field Specific issue	Conclusion	Follow-up action
	In this context, the European Council notes the Commission communication "Towards a robust trade policy for the EU in the interest of jobs and growth" of 18 October 2016.	
	<u>28 June 2016</u> **In this context, the European Council calls for the swift completion of the work on trade defence instruments.**	[Regulation (EU) 2018/825](#) of the European Parliament and of the Council of 30 May 2018 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 143. [Regulation (EU) 2017/2321](#) of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 338.
	The European Council (...) will return to the issue for a comprehensive discussion at its forthcoming October meeting.	[European Council conclusions](#) of 19-20 October 2017.

Policy field Specific issue	Conclusion	Follow-up action
	<u>17-18 March 2016</u> **In the light of the difficult situation of the European steel sector, in a context of overcapacity at global level, the European Council calls on the Council to rapidly examine the Commission's communication with a view to taking strong action in response to this challenge.**	Foreign Affairs Council (Trade) conclusions of 13 May 2016.
Anti-dumping/anti-subsidy new methodology	<u>22-23 June 2017</u> It calls on the Commission to ensure their swift and effective application through non-legislative implementing measures to make the EU trade practices and defence instruments more reactive and efficient and to propose, if necessary, complementary measures. **The European Council therefore calls on the co-legislators to swiftly agree on modern, WTO-compatible trade defence instruments, which will reinforce the ability of the EU to effectively tackle unfair and discriminatory trade practices and market distortions.**	Regulation (EU) 2018/825 of the European Parliament and of the Council of 30 May 2018 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 143. Regulation (EU) 2017/2321 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union

Policy field Specific issue	Conclusion	Follow-up action
		and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 338.
	9-10 March 2017 **At the same time, the EU has to equip itself with modernised, WTO-compatible tools to tackle unfair trade practices and market distortions. The European Council calls for the quick adoption of the relevant proposals in this respect.**	Regulation (EU) 2018/825 of the European Parliament and of the Council of 30 May 2018 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 143. Regulation (EU) 2017/2321 of the European Parliament and of the Council of 12 December 2017 amending Regulation (EU) 2016/1036 on protection against dumped imports from countries not members of the European Union and Regulation (EU) 2016/1037 on protection against subsidised imports from countries not members of the European Union, OJ L 338.
Goods and services **Steel and aluminium**	21-22 March 2019 **The European Council calls for the necessary steps to be taken towards rapid implementation of all elements of the U.S.-EU Joint Statement of 25 July 2018.**	Commission progress report of 25 July 2019 on the implementation of the EU-U.S. Joint Statement of 25 July 2018.

Policy field Specific issue	Conclusion	Follow-up action
		Council Directives of 15 April 2019 for the negotiations with the United States of America for an agreement on conformity assessment. Council Directives of 15 April 2019 for the negotiations with the United States of America for an agreement on the elimination of tariffs for industrial goods.
	28-29 June 2018 In reaction to the United States' decision to impose tariffs on the EU for steel and aluminium products, which cannot be justified on the grounds of national security, the European Council fully supports the rebalancing measures, potential safeguard measures to protect our own markets, and the legal proceedings at the WTO, as decided on the initiative of the Commission. **22 March 2018** **(...) calls for that exemption (from US tariffs) to be made permanent.** The European Council (...) underlines its support for a dialogue on trade issues of common concern.	

Policy field Specific issue	Conclusion	Follow-up action
	It takes note that shipments of steel and aluminium from the European Union have been temporarily exempted from such measures (US tariffs). The European Council strongly supports the steps taken by the Commission to ensure that the interests of the EU are fully protected and to reserve its rights, in compliance with World Trade Organisation rules, to respond to the US measures as appropriate and in a proportionate manner.	

8. Development policy

A. Background

In recent years, discussions in the European Council on development policy issues have placed strong emphasis on relations between the European Union and the African continent. This focus has been linked to a large extent to the consequences of the migration crisis that started to unfold in 2015. The high degree of attention paid to migration issues is reflected in the conclusions of the European Council. In the period between 2015 and 2017, the European Council dealt[18] with migration issues, in particular its external dimension, in at least four to six meetings every year. Amongst the core directions set by Heads of State or Government in order to shape a long-term solution to the migration crisis, high priority was granted to initiatives aimed at tackling the root causes of migration and at promoting economic development in countries of origin and transit. In this context, the European Council reflected, more specifically, on ways to deepen the EU's partnership with African countries.

On several occasions throughout 2018, the European Council expressed its commitment to take the EU's partnership with Africa to a new level, in line with principles and objectives defined in the Agenda 2063, the African Union's (AU) strategic framework for the socio-economic transformation of Africa. This endeavour comes at a time when profound changes are occurring on the African continent, such as the creation of an African single market for goods and services (African Continental Free Trade Area) and a renewed impetus towards the institutional and financial reform of the AU.

At the same time, the Heads of State or Government have also emphasised a renewed partnership with African, Caribbean and Pacific (ACP) countries through the conclusion of economic partnership agreements. The launch of negotiations on the revision of the Cotonou Partnership Agreement (CPA), the framework of cooperation between the EU and the ACP countries, in September 2018, is designed to 'transform the current partnership into a modern political framework geared to deliver on the Sustainable Development Goals'. Negotiations on economic partnership agreements have been finalised with regional groupings in Southern, West and East Africa, but the final agreements have not yet been endorsed by all the states. In his State of the Union address, in 2018, Commission President Jean-Claude Juncker called for these agreements to be developed into a 'continent-to-continent free trade agreement, as an economic partnership between equals'.

B. Legal basis for European Council action in development policy

➤ **Article 22(1) TEU**: On the basis of the principles and objectives set out in **Article 21 TEU**, the European Council shall identify the strategic interests and objectives of the Union. Decisions of the European Council on the strategic interests and objectives of the Union shall relate to the common foreign and security policy and to other areas of the external action of the Union. Such decisions may concern the relations of the Union with a specific country or region or may be thematic in approach [...].

➤ **Article 16(6) TEU**: The Foreign Affairs Council shall elaborate the Union's external action on the basis of **strategic guidelines laid down by the European Council** and ensure that the Union's action is consistent.

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[18] See European Council Oversight Unit in-depth analyses: The European Council in 2017: Overview of decisions and discussions, The European Council in 2016: Overview of decisions and discussions, and The European Council in 2015.

C. Strategic orientations

Cooperation with African partners takes place under several frameworks at EU level. This includes cooperation with countries in Sub-Saharan Africa under the Cotonou Partnership Agreement and cooperation with North Africa countries under the EU neighbourhood policy. The EU and the AU also carry out political dialogue on key issues on the basis of the joint Africa-EU strategy (JAES) adopted in 2007. The strategy sets out the intention of both continents to move beyond a donor/recipient relationship towards cooperation on jointly identified objectives.

The EU-AU summit in Abidjan, in November 2017, attended by European Council President Donald Tusk, was an important opportunity to discuss the future direction for cooperation between the two continents. Leaders agreed to focus on four priorities over the next years: 1) investing in people, through collaboration in education, science, technology and skills development, 2) strengthening resilience, peace, security and governance, 3) managing migration and mobility, and 4) mobilising investments for a structural and sustainable transformation of the African continent.

Following up on these objectives, the June 2018 European Council emphasised that the challenges brought about by migration required a partnership, which could take cooperation between the two continents to a new level. This cooperation would aim at a substantial socio-economic transformation of the continent, with a number of issues on which to further develop relations singled out, notably: education, health, infrastructure, innovation, good governance and women's empowerment. EU leaders called for increased development funding as well as for a new framework enabling an increase in private investment from both African and European investors.

D. Noteworthy commitments: specific requests and follow-up

D.1. Alliance for sustainable investment and jobs

Following up on the Abidjan objectives and in response to the European Council call for increased investments in Africa, Commission President Juncker proposed the creation of an alliance for sustainable investment and jobs (Alliance) in September 2018. The Alliance is intended to encourage investment, support education and skills development, boost intra-African trade and improve the business environment. It is expected to support the creation of 10 million jobs in Africa in the next five years. The October 2018 European Council has welcomed the proposal and called for actions to be taken forward, including through concrete proposals for Member States' involvement. Four joint task forces have now been set up to improve collaboration in the fields of agriculture, digital economy, energy, and transport.

D.2. Cotonou Partnership Agreement

As early as 2013, the European Council emphasised the importance of negotiating a renewed Partnership Agreement with ACP countries before its expiry in 2020. Since then, progress has been made on both sides. On the EU side, negotiating directives were adopted in June 2018, based on the Commission recommendation of December 2017. The mandate for negotiations of the ACP group was adopted in May 2018. The EU supports an umbrella agreement defining common values and interests, with three distinct groups within the African, Caribbean and Pacific countries. Negotiations were launched in September 2018 and first focused on the common foundation at EU-ACP level, with more recent meetings addressing the priorities and needs of the three regions, African, the Caribbean and the Pacific.

D.3. Cooperation with Africa on migration

The November 2015 Africa-EU summit on migration (Valletta Summit) brought EU and African leaders together to address the challenges and opportunities brought by migration. The summit led to the adoption of a political declaration and an action plan based on five strands of action. EU and African leaders thus committed to: 1) tackling the root causes of irregular migration and forced displacement; 2) enhancing cooperation on legal migration and mobility; 3) reinforcing the protection of migrants and asylum seekers; 4) preventing and fighting irregular migration, migrant smuggling and human trafficking; and 5) improving cooperation on return, readmission and reintegration of irregular migrants. Tackling the root causes of migration by providing economic and social opportunities in partner countries are at the core of the EU's long-term approach to the migration crisis.

Two years later, in his remarks at the opening of the Abidjan summit, President Tusk acknowledged that migration was a long-term issue for both Europe and Africa and that it was essential to agree on common ground to effectively cooperate in the years to come. 'It is in all our interests to have orderly migration that is more controlled, more humane and sustainable'. Therefore, in an effort to find common solutions, high-level dialogues have been held with African partners, in particular with countries of origin and transit of irregular migrants. A series of initiatives have been launched with a number of countries, notably partnerships on the management of migration (migration partnerships),[19] based on 'effective incentives and adequate conditionality'. A number of external action instruments have also been launched, including EU trust funds, such as the EU Emergency Trust Fund[20] (EU Trust Fund for Africa) dedicated to implementing the objectives agreed at the Valetta Summit. Moreover, the External Investment Plan, launched in 2017, contributes to implementing the migration partnerships by scaling-up private investment in the partner countries.

Analysts note, however, that since 2015, EU action to address irregular migration has gradually led to the instrumentalisation of development policy instruments for migration management purposes. The EU Trust Fund for Africa and the migration partnerships prioritise the management of irregular migration through the use of different policies and tools, including development aid. The partnerships have explicitly introduced conditionality to cooperation with third countries on return and readmission of irregular migrants. With regard to the EU Trust Fund for Africa, which is largely funded with money from the European Development Fund (EDF),[21] an off-budget fund, concerns have already been expressed by the European Parliament, as the primary focus of the EDF remains the 'economic, human and social development of the host country'. Nevertheless, measures taken so far reflect EU policy approaches on the external dimension of migration[22]: while the short term

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[19] The global approach to migration and mobility had previously led to the creation of bilateral mobility partnerships with key third countries. They served as a bilateral framework for dialogue and practical cooperation to address relevant migration and mobility issues.

[20] Full title: 'European Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa'.

[21] The European Parliament has called in several resolutions for increased scrutiny powers over the EU Trust Fund for Africa. It has welcomed the flexibility and reactiveness of the trust fund, but insisted that similar funding instruments outside the EU budget had to remain the exception, since they fall outside the control the budgetary authority and undermine the unity of the budget. The Parliament has long called for the integration of the European Development Fund, which is financed by yearly contributions from EU Member States, into the EU budget.

[22] The global approach to migration (GAM) was first defined by the European Council in its conclusions of 15-16 December 2005. The GAM comprised the whole migration agenda, including legal and irregular migration, combating human trafficking and smuggling of migrants, strengthening protection for refugees, enhancing migrant rights and harnessing the synergies between migration and development. In 2011, the Commission highlighted the need to strengthen the external migration policy and published a revised strategy, the global approach to migration

priority of migration partnerships[23] is indeed to achieve 'results in terms of [...] returns of irregular migrants', their long-term objective of addressing the 'root causes of irregular migration and forced displacement' remains an essential element of this approach. In its conclusions of 28 June 2016, the European Council endorsed the Commission proposal for a new partnership framework with third countries, and recalled its commitment to the EU's comprehensive approach to migration in its meetings of 20-21 October 2016, 15 December 2016, and 23 June 2017.

E. Challenges ahead and outlook

Regarding negotiations on the Cotonou Partnership Framework, progress has been slow and negotiators have discussed the possibility of an extension of the agreement beyond February 2020, including the necessary transitional measures. Nevertheless, in late September 2019, chief negotiators approved the text of the agreement establishing the economic priorities of the future partnership, and they are set to meet again in late October for the next round of talks. While the EU has chosen to maintain the specificity of its relationship with ACP countries under this framework, the EU also aims to further consolidate the continent-to-continent dimension of its relationship with Africa, as called for by the Heads of State or Government.

Although, in recent years, the migration crisis has been high on the agenda in the European Council, EU leaders have underlined on many occasions their commitment to develop EU's strategic partnership with Africa further, an important priority for the EU as emphasised in the 2019-2014 strategic agenda. The Commissioner-designate for international partnerships, Jutta Urpilainen, has thus been tasked with developing a new comprehensive strategy for Africa by building on the alliance for sustainable investment and jobs.

While measures taken so far in response to the migration and refugee crises have reduced the number of irregular migrants entering the EU, they have also been criticised by experts in the academic and legal spheres. EU Member States are notably criticised for having invested significant resources in strengthening the border management capabilities of third countries, including support to the Libyan coastguards, while only offering limited legal migration opportunities into the EU. Critics point out that the inability to reach agreement on the reform of the common European asylum system (CEAS) has further increased reliance on solutions to the crisis beyond the EU borders. Moreover, in the absence of progress on the legislative reform of CEAS, Member States have been discussing alternative ways to address the issue of the disembarkation of migrants rescued at sea. Following an agreement reached in July 2019 among 14 Member States, a mechanism for temporary disembarkations of migrants is currently being discussed.

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and mobility (GAMM)), later complemented by the European agenda on migration (2015) and the new partnership framework with third countries (2016).

[23] The first migration partnerships were concluded at the end of 2016 with Jordan and Lebanon. Although partnerships were initially envisaged as tailor-made formal agreements (compacts), relations with key third countries of migration origin and transit (Niger, Nigeria, Senegal, Mali, Ethiopia, Tunisia and Libya) have evolved into a more pragmatic form of continued and operational cooperation involving a mix of political, aid and security engagements.

8.1. Development cooperation

Policy field Specific issue	Conclusion	Follow-up action
Africa-EU cooperation **Strategic partnership EU-Africa**	<u>20-21 June 2019</u> **The European Council underlines the crucial importance of the EU's strategic partnership with Africa. We are committed to developing it further with a shared ambition to face together common and global challenges.** <u>17-18 October 2018</u> Our cooperation should be taken to a new level, underpinned by the necessary resources, including through the European External Investment Plan and the EU Trust Fund for Africa. **(The European Council) calls for actions to be taken forward, including through concrete proposals for Member States' involvement (with regard to Africa-Europe Alliance for Sustainable Investment and Jobs).**	On 24 January 2019, the EU-AU Aviation Task Force Cluster was launched. On 18 December 2018, the European Union and the African Union launched the EU-AU Digital Economy Task Force. On 8 November 2018, the European Union and the African Union launched the EU-Africa high-level platform on sustainable energy investments in Africa.

Policy field Specific issue	Conclusion	Follow-up action
	The European Council considers that EU-Africa relations are of paramount importance in a rapidly changing global landscape.	
	It welcomes the presentation of the Commission's initiative for a new Africa-Europe Alliance for Sustainable Investment and Jobs (...).	
	28-29 June 2018 **We need to take the extent and the quality of our cooperation with Africa to a new level. This will not only require increased development funding but also steps towards creating a new framework enabling a substantial increase of private investment from both Africans and Europeans.**	COM(2018) 643 of 12 September 2019 on a new Africa – Europe Alliance for Sustainable Investment and Jobs.
	Tackling the migration problem at its core requires a partnership with Africa aiming at a substantial socio-economic transformation of the African continent building upon the principles and objectives as defined by the African countries in their Agenda 2063.The European Union and its Member States must rise to this challenge.	
	Africa is our neighbour and this must be expressed by increased exchanges and contacts amongst the peoples of both continents on all levels of civil society.	

Policy field Specific issue	Conclusion	Follow-up action
	Particular focus should be laid on education, health, infrastructure, innovation, good governance and women's empowerment. **Cooperation between the European Union and the African Union is an important element of our relationship. The European Council calls for further developing and promoting it.** 19-20 October 2017 It looks forward to discussing cooperation with African partners at the upcoming African Union-European Union Summit.	
Partnership framework/migration compacts	17-18 October 2018 Following the informal Leaders' discussion in Salzburg, the European Council highlights the importance of further preventing illegal migration and of strengthening cooperation with countries of origin and transit, particularly in North Africa, as part of a broader partnership. New [readmission] agreements and arrangements [should be] concluded, while creating and applying the necessary leverage by using all relevant EU policies, instruments and tools, including development, trade and visa.	

Policy field Specific issue	Conclusion	Follow-up action
	19-20 October 2017 This entails strong cooperation with international partners as well as with countries of origin, transit and departure; Creating and applying the necessary leverage, by using all relevant EU policies, instruments and tools, including development, trade and visa, to achieve measurable results in terms of preventing illegal migration and returning irregular migrants. The European Council recalls that addressing the root causes of migration and providing economic and social opportunities in the countries of transit and origin are part of its long-term approach to migration. **22-23 June 2017** To this end they have to act decisively now by stepping up coordination and delivery on all the elements contained in the Malta Declaration, the Partnership Framework and the Joint Valletta Action Plan, underpinned by sufficient financial resources. **3 February 2017** Priority will be given to deepening dialogue and cooperation on migration with all countries neighbouring Libya, including better	

Policy field Specific issue	Conclusion	Follow-up action
	operational cooperation with Member States and the European Border and Coast Guard on preventing departures and managing returns. 15 December 2016 The European Council welcomes the progress on implementation of the compacts with five African countries of origin or transit and the growing ownership in the partner countries. **In order to reinforce the implementation of the Valletta Action Plan and the Partnership Framework, the agreement reached in the Council on the EIB External Lending Mandate should be followed by swift adoption of the relevant legislation.** The European Council calls upon Member States to continue and step up their engagement under the Partnership Framework. The new Partnership Framework of cooperation is an important tool for addressing illegal migration and its root causes, particularly with regard to the Central Mediterranean route.	Decision (EU) 2018/412 of the European Parliament and of the Council of 14 March 2018 amending Decision No 466/2014/EU granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union OJ L76.

Policy field Specific issue	Conclusion	Follow-up action
	20-21 October 2016 **Calls on the High Representative, including in her role as Vice-President of the Commission, to present at the December European Council meeting progress with the five selected African countries and the first results achieved in terms of arrivals and returns.** The European Council welcomes the progress made on developing compacts with Lebanon and Jordan to enhance support for refugees and host communities in both countries. Its objective [Partnership Framework] is to pursue specific and measurable results in terms of preventing illegal migration and returning irregular migrants, as well as to create and apply the necessary leverage, by using all relevant EU policies, instruments and tools, including development and trade. Invites all actors to continue close cooperation on the compacts with a view to intensifying operational delivery, and Member States to reinforce national administrative processes for returns. Takes note of the Commission's "First progress report on the Partnership Framework with third countries under the European Agenda on Migration".	European Council conclusions of 15 December 2016.

Policy field Specific issue	Conclusion	Follow-up action
	Recalls the need to tackle the root causes of migration in the region, including by supporting displaced persons in the region, thus helping to prevent illegal migration and underlines the contribution of the Valletta Action Plan and the proposed External Investment Plan in this context. 28 June 2016 **The Council and the Commission will regularly monitor the process, assess its results and report to the European Council.**	COM(2018) 798 Managing migration in all its aspects: Progress under the European Agenda on Migration. COM(2017) 471 of 6 September 2017 - Fifth Progress Report on the Partnership Framework with third countries under the European Agenda on Migration. COM(2017) 350 of 13 June 2017 - Fourth Progress Report on the Partnership Framework with third countries under the European Agenda on Migration. COM(2017) 205 of 2 March 2017 - Third Progress Report on the Partnership Framework with third countries under the European Agenda on Migration. COM(2016) 960 of 14 December 2016 - Second Progress Report: First Deliverables on the Partnership Framework with third countries under the European Agenda on Migration.

Policy field Specific issue	Conclusion	Follow-up action
	Delivering rapid results in preventing illegal migration and returning irregular migrants requires an effective Partnership Framework of cooperation with individual countries of origin or transit.	COM(2016) 700 of 18 October 2016 - First Progress Report on the Partnership Framework with third countries under the European Agenda on Migration.
	The High Representative, including in her role as Vice-President of the Commission, will lead the implementation of this new approach and ensure close and effective coordination between the EU institutions and services and the Member States, with a view to concluding the first compacts before the end of the year.	EU-Lebanon Association Council of 11 November 2016 agreeing on EU-Lebanon Partnership Priorities. Council Decision (EU) 2016/2131 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Republic of Lebanon, of the other part, as regards the adoption of EU-Lebanon Partnership Priorities, including the Compact, OJ L 331. Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association

Policy field Specific issue	Conclusion	Follow-up action
		Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact, OJ L 345.
	All relevant instruments and sources of funding should be mobilised in a coherent manner in support of the migration compacts. The Council is invited to rapidly examine the proposals made by the Commission to that effect.	Council position adopted on the European Fund for Sustainable Development on 13 December 2016.
	Delivering rapid results in preventing illegal migration and returning irregular migrants requires an effective Partnership Framework of cooperation with individual countries of origin or transit.	
	Building on the Commission communication, the EU will put into place and swiftly implement this Framework based on effective incentives and adequate conditionality, starting with a limited number of priority countries of origin and transit, with the following objectives.	

303

Policy field Specific issue	Conclusion	Follow-up action
	Cooperation on readmission and return will be a key test of the partnership between the EU and these partners. 17-18 March 2016 **It calls for pledges to be disbursed promptly and EU Compacts to be finalised to enhance support to refugees and host communities in both countries [Jordan and Lebanon].**	EU-Lebanon Association Council of 11 November 2016 agreeing on EU-Lebanon Partnership Priorities. Council Decision (EU) 2016/2131 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Community and its Member States, of the one part, and the Republic of Lebanon, of the other part, as regards the adoption of EU-Lebanon Partnership Priorities, including the Compact, OJ L 331. Council agreement of 17 October 2016 on the way forward on partnership priorities and compacts with Jordan and with Lebanon. Council Decision (EU) 2016/2310 of 17 October 2016 on the position to be taken on behalf of the European Union within the Association Council set up by the Euro-Mediterranean Agreement establishing an Association between the European Communities and their Member States, of the one part, and the

Policy field Specific issue	Conclusion	Follow-up action
	The European Council reaffirms its support to Jordan and Lebanon.	Hashemite Kingdom of Jordan, of the other part, as regards the adoption of EU-Jordan Partnership Priorities, including the Compact, OJ L 345.
	15-16 October 2015 **The Commission and the High Representative will propose, within six months, comprehensive and tailor-made incentives to be used vis-a-vis third countries for readmission and returns.**	COM(2016) 385 of 7 June 2016 on establishing a new Partnership Framework with third countries under the European Agenda on Migration.
External Investment Plan/European Fund for Sustainable Development	19-20 October 2017 In this context, the European Council welcomes the recent launch of the European Fund for Sustainable Development, which supports investment in African and Neighbourhood countries.	
	15 December 2016 **In order to reinforce the implementation of the Valletta Action Plan and the Partnership Framework, the agreement reached in the Council on the European Fund for Sustainable Development should be followed by swift adoption of the relevant legislation.**	Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD

Policy field Specific issue	Conclusion	Follow-up action
		Guarantee and the EFSD Guarantee Fund, OJ L 249.
	20-21 October 2016 **The European Council calls upon: the Council to agree before the end of the year on its position on the External Investment Plan, which is aimed at boosting investments and job creation in partner countries, with a view to swift agreement with the European Parliament in the first half of 2017.**	Regulation (EU) 2017/1601 of the European Parliament and of the Council of 26 September 2017 establishing the European Fund for Sustainable Development (EFSD), the EFSD Guarantee and the EFSD Guarantee Fund, OJ L 249. European Parliament position adopted on European Fund for Sustainable Development on 6 July 2017. Council position adopted on the European Fund for Sustainable Development on 13 December 2016.
	28 June 2016 **The Commission is invited to present by September 2016 a proposal for an ambitious External Investment Plan, which should be examined as a matter of priority by the European Parliament and Council.**	COM(2016)0581 of 14 September 2016 Strengthening European Investments for jobs and growth: Towards a second phase of the European Fund for Strategic Investments and a new European External Investment Plan.

Policy field Specific issue	Conclusion	Follow-up action
EU Emergency Trust Fund for Africa	19-20 October 2017 **Commits to ensuring sufficient and targeted funding, including through the North Africa window of the EU Trust Fund for Africa, to underpin the necessary migration-related actions in North Africa and finance all relevant projects in 2017 and beyond, with timely disbursements. It tasks the Council, with the assistance of the Commission, to undertake immediate operational follow-up to ensure delivery on this commitment before the December European Council;** 22-23 June 2017 To this end they have to act decisively now by stepping up coordination and delivery on all the elements contained in the Malta Declaration, the Partnership Framework and the Joint Valletta Action Plan, underpinned by sufficient financial resources. 3 February 2017 (AM) In line with the Valletta Action Plan, the European Union is strengthening the mainstreaming of migration within its Official Development Assistance for Africa, which amounts to €31 billion during this financial period.	Annual report (2017) The EU Emergency Trust Fund for stability and addressing root causes of irregular migration and displaced persons in Africa. New actions approved under the EU Trust Fund for Africa. Three new programmes adopted in the framework of the EU Trust Fund for Africa.

Policy field Specific issue	Conclusion	Follow-up action
	We welcome the Commission's decision to mobilise as a first step an additional €200 million for the North Africa window of the Fund and to give priority to migration-related projects concerning Libya.	
	15 December 2016 **In order to reinforce the implementation of the Valletta Action Plan and the Partnership Framework, the agreement reached in the Council on the EIB External Lending Mandate should be followed by swift adoption of the relevant legislation.**	Decision (EU) 2018/412 of the European Parliament and of the Council of 14 March 2018 amending Decision No 466/2014/EU granting an EU guarantee to the European Investment Bank against losses under financing operations supporting investment projects outside the Union, OJ L76.
	20-21 October 2016 Recalls the need to tackle the root causes of migration in the region, including by supporting displaced persons in the region, thus helping to prevent illegal migration and underlines the contribution of the Valletta Action Plan and the proposed External Investment Plan in this context.	
	28 June 2016 This will contribute towards the implementation of the Valletta Action Plan, which should be stepped up.	

Policy field Specific issue	Conclusion	Follow-up action
	18-19 February 2016 b) implementation and operational follow-up to the Valletta Summit, in particular the agreed list of 16 priority actions, should continue and be stepped up; **17-18 December 2015** Ensure implementation and operational follow up to the Valletta Summit, particularly as regards returns and readmission. **15-16 October 2015** Further increase leverage in the fields of return and readmission, using where appropriate the "more-for-more" principle. Ask Member States to support EU Trust Fund for Africa. Achieve concrete operational measures at the forthcoming Valletta Summit with African Heads of State or Government, focusing, in a fair and balanced manner, on effective return and readmission, dismantling of criminal networks and prevention of illegal migration, accompanied by real efforts to tackle root causes and to support the African socio-economic development together with a commitment concerning continued possibilities for legal migration;	

Policy field Specific issue	Conclusion	Follow-up action
	Effectively implement all readmission commitments, whether undertaken through formal readmission agreements, the Cotonou Agreement or other arrangements;	
	23 September 2015 Increase the funding of the Emergency Trust Fund for stability and addressing the root causes of irregular migration and displaced persons in Africa through additional contributions by Member States.	
	25-26 June 2015 High-level dialogues with the main countries of origin of irregular migrants should be launched by the High Representative as soon as possible, in close cooperation with the Member States.	
	A true partnership between European and African countries, working together to tackle illegal migration in an integrated way, is essential.	
	Development policy tools should reinforce local capacity-building, including for border control, asylum, counter-smuggling and reintegration.	

Policy field Specific issue	Conclusion	Follow-up action
	Commitments set out in trade agreements regarding the temporary presence of persons for the provision of services should be used as an incentive to conclude readmission agreements. b) the Commission will ensure that readmission commitments are implemented effectively as soon as possible, notably those under the Cotonou Agreement (...). **The Council will prepare proposals for areas of cooperation with countries of origin and transit for the Valletta Summit.** The Valletta Summit will seek in particular to achieve, together with the African partners: (...) c) better targeting of development cooperation and enhancing investments in Africa to address the root causes of migration, as well as providing economic and social opportunities. It is crucial to reinforce our overall cooperation with countries of origin and transit, both on stemming the flows of irregular migrants and on tackling the root causes of migration so as to reduce the incentives for illegal migration and to combat the smuggling networks. Development assistance will play an important role in this respect.	[Justice and Home Affairs Council](#) of 14 September 2015.

Policy field Specific issue	Conclusion	Follow-up action
	Building on the "more-for-more" principle, EU assistance and policies will be used to create incentives for implementing existing readmission agreements and concluding new ones.	
	23 April 2015 **It will propose the holding of a summit in Malta in the coming months;**	Valletta summit 11-12 November 2015.
	We today commit to reinforce our political cooperation with African partners at all levels in order to tackle the cause of illegal migration and combat the smuggling and trafficking of human beings.	
	Launch Regional Development and Protection programmes for North Africa and the Horn of Africa.	The Regional Development and Protection Programme for North Africa was launched on 13 July 2016 while the one in Horn of Africa was launched in June 2015.

Since June 2014, the European Council Oversight Unit within the European Parliamentary Research Service (EPRS), the European Parliament's in-house research service and think-tank, has been monitoring and analysing the European Council's delivery on commitments made in the conclusions of its meetings.

This overview of European Council conclusions is the latest edition of the *Rolling Check-List* which has been published regularly by the European Council Oversight Unit since 2014. It is designed to review the degree of progress in achieving the goals that the European Council has set itself and to assist the Parliament in exercising its important oversight role in this field.