

European Council

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| From: | General Secretariat of the Council |
| То: | Delegations |
| Subject: | European Council meeting (20 June 2019) |
| | - Conclusions |

Delegations will find attached the conclusions adopted by the European Council at the above meeting.

I. <u>THE NEXT INSTITUTIONAL CYCLE</u>

1. The European Council adopted a new Strategic Agenda 2019-2024 for the Union. It will discuss the follow-up to the Strategic Agenda in October 2019.

II. MULTIANNUAL FINANCIAL FRAMEWORK

2. The European Council welcomed the work done under the Romanian Presidency and took note of the various elements of the MFF package. It called on Finland's Presidency to pursue the work and to develop the Negotiating Box. On that basis the European Council will hold an exchange of views in October 2019, aiming for an agreement before the end of the year.

III. <u>CLIMATE CHANGE</u>

- 3. The European Council emphasises the importance of the United Nations Secretary General's Climate Action Summit in September for stepping up global climate action so as to achieve the objective of the Paris Agreement, including by pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels. It welcomes the active involvement of Member States and the Commission in the preparations.
- 4. 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. The European Council will finalise its guidance before the end of the year with a view to the adoption and submission of the EU's long-term strategy to the UNFCCC in early 2020. In this context, the European Council invites the European Investment Bank to step up its activities in support of climate action.

¹ For a large majority of Member States, climate neutrality must be achieved by 2050.

5. 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 and to working towards a timely, well-managed and successful replenishment process for the Green Climate Fund.

IV. DISINFORMATION AND HYBRID THREATS

- 6. 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. The evolving nature of the threats and the growing risk of malicious interference and online manipulation associated with the development of Artificial Intelligence and datagathering techniques require continuous assessment and an appropriate response.
- 7. The EU must ensure a coordinated response to hybrid and cyber threats and strengthen its cooperation with relevant international actors. The European Council welcomes the adoption of a new framework for targeted restrictive measures, and the work on coordinated attribution at EU level in the context of the cyber diplomacy toolbox, to better deter and respond to cyber-attacks. It invites the EU institutions, together with the Member States, to work on measures to enhance the resilience and improve the security culture of the EU against cyber and hybrid threats from outside the EU, and to better protect the EU's information and communication networks, and its decision-making processes, from malicious activities of all kinds.

V. EXTERNAL RELATIONS

- 8. On the occasion of the Eastern Partnership's 10th anniversary, the European Council reaffirms the importance of this strategic partnership and 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.
- 9. The European Council welcomes the peaceful transfer of power in the Republic of Moldova and 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.
- 10. 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.
- 11. The stability, security and prosperity of the countries on the southern shore of the Mediterranean are of crucial importance for the EU. In this context, peace and long-term stability in Libya are a common priority. The EU reiterates its support for the UN-led process for the cessation of hostilities and an inclusive political solution.
- 12. The European Council welcomes the renewed impetus in EU-Morocco relations and looks forward to the upcoming EU-Morocco Association Council.
- 13. 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.
- 14. The European Council expresses its utmost concern about the Russian presidential decree of 24 April, enabling the simplified issuing of passports in certain areas of Ukraine's Donetsk and Luhansk regions, which runs counter to the spirit and the objectives of the Minsk agreements.

- 15. The European Council will continue to monitor the situation in eastern Ukraine and stands ready to consider further options, including non-recognition of Russian passports issued in contradiction to the Minsk agreements, in close coordination with its international partners. The European Council calls for an urgent resumption of negotiating efforts with a view to the implementation of the Minsk agreements and for measures aimed at rebuilding confidence among the parties.
- 16. 17 July will mark five years since the downing of flight MH17, which claimed 298 lives. The European Council reiterates its full support for all efforts to establish truth, justice and accountability for the victims and their next of kin, in accordance with UNSC Resolution 2166. 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, and expresses its full confidence in the independence and professionalism of the legal procedures that lie ahead.
- 17. 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 expresses serious concerns over Turkey's current illegal drilling activities in the Eastern Mediterranean and deplores that Turkey has not yet responded to the EU's repeated calls to cease such activities. The European Council underlines the serious immediate negative impact that such illegal actions have across the range of EU-Turkey relations. The European Council calls on Turkey to show restraint, respect the sovereign rights of Cyprus and refrain from any such actions. The European Council endorses the invitation to the Commission and the EEAS to submit options for appropriate measures without delay, including targeted measures. The EU will continue to closely monitor developments and stands ready to respond appropriately and in full solidarity with Cyprus. The European Council will remain seized of the matter and will revert accordingly.

VI. OTHER ITEMS

- 18. The European Council endorses the conclusions on enlargement and stabilisation and association process adopted by the Council on 18 June 2019.
- 19. In the context of the European Semester, the European Council held a discussion on the basis of a horizontal report on Country-Specific Recommendations.

ANNEX

A NEW STRATEGIC AGENDA 2019 - 2024

In recent years, the world has become increasingly unsettled, complex and subject to rapid change. That creates both opportunities and challenges. Over the next five years, the EU can and will strengthen its role in this changing environment. Together, we will be determined and focused, building on our values and the strengths of our model. This is the only effective way to shape the future world, promote the interests of our citizens, businesses and societies, and safeguard our way of life.

This Strategic Agenda provides an overall framework and direction for that response. It is intended to guide the work of the Institutions in the next five years. It focuses on four main priorities:

- protecting citizens and freedoms
- developing a strong and vibrant economic base
- building a climate-neutral, green, fair and social Europe
- promoting European interests and values on the global stage.

Lastly, it sets out how to deliver on those priorities.

Protecting citizens and freedoms

Europe must be a place where people feel free and safe. The EU shall defend the fundamental rights and freedoms of its citizens, as recognised in the Treaties, and protect them against existing and emerging threats.

The common values underpinning our democratic and societal models are the foundation of European freedom, security and prosperity. The rule of law, with its crucial role in all our democracies, is a key guarantor that these values are well protected; it must be fully respected by all Member States and the EU. We must ensure the integrity of our territory. We need to know and be the ones to decide who enters the EU. Effective control of the external borders is an absolute prerequisite for guaranteeing security, upholding law and order, and ensuring properly functioning EU policies, in line with our principles and values.

We are determined to further develop a fully functioning comprehensive migration policy. We will continue and deepen our cooperation with countries of origin and transit to fight illegal migration and human trafficking and to ensure effective returns. Concerning the internal dimension, we need agreement on an effective migration and asylum policy. A consensus needs to be found on the Dublin Regulation to reform it based on a balance of responsibility and solidarity, taking into account the persons disembarked following Search and Rescue operations.

We will take the necessary steps to ensure proper functioning of Schengen.

We will build on and strengthen our fight against terrorism and cross-border crime, improving cooperation and information-sharing, and further developing our common instruments.

We will increase the EU's resilience against both natural and man-made disasters. Active solidarity and the pooling of resources are key in this respect.

We must protect our societies from malicious cyber activities, hybrid threats and disinformation originating from hostile State and non-State actors. Addressing such threats requires a comprehensive approach with more cooperation, more coordination, more resources and more technological capacities.

Developing our economic base: the European model for the future

A strong economic base is of key importance for Europe's competitiveness, prosperity and role on the global stage and for the creation of jobs. As technological, security and sustainability challenges reshape the global landscape, we need to renew the basis for long-term sustainable and inclusive growth and strengthen cohesion in the EU. This requires achieving the upward convergence of our economies and addressing the demographic challenges. We must ensure that the euro works for our citizens and remains resilient, deepening the Economic and Monetary Union in all its dimensions, completing the Banking and Capital Markets Union and strengthening the international role of the euro.

To maximise our impact, we need a more integrated approach connecting all relevant policies and dimensions: deepening and strengthening the Single Market and its four freedoms, designing an industrial policy fit for the future, addressing the digital revolution and ensuring fair and effective taxation.

The Single Market in all its dimensions is a key asset in that regard. The EU cannot afford to underutilise the potential of a market of half a billion people, particularly in the area of services. Shortterm difficulties cannot be invoked as an argument against a long-term strategy that is bold, allencompassing, and forward-looking. This must go hand in hand with a more assertive, comprehensive and coordinated industrial policy. The EU needs both, and needs them urgently.

Over the next few years, the digital transformation will further accelerate and have far-reaching effects. We need to ensure that Europe is digitally sovereign and obtains its fair share of the benefits of this development. Our policy must be shaped in a way that embodies our societal values, promotes inclusiveness, and remains compatible with our way of life. To this end, the EU must work on all aspects of the digital revolution and artificial intelligence: infrastructure, connectivity, services, data, regulation and investment. This has to be accompanied by the development of the service economy and the mainstreaming of digital services.

At the same time, we must step up investment in people's skills and education, do more to foster entrepreneurship and innovation and increase research efforts, in particular by addressing the fragmentation of European research, development and innovation. Investing in our future also means encouraging and supporting public and private investment, including in infrastructure, to finance the growth of our economy and our businesses, including SMEs.

In a world where common rules and standards are increasingly questioned, it will be vital to promote a level playing field, including in the area of trade. This means ensuring fair competition within the EU and on the global stage, promoting market access, fighting unfair practices, extraterritorial measures and security risks from third countries, and securing our strategic supply chains. We will continue to update our European competition framework to new technological and global market developments.

Building a climate-neutral, green, fair and social Europe

Europe needs inclusiveness and sustainability, embracing the changes brought about by the green transition, technological evolution and globalisation while making sure no-one is left behind.

As the effects of climate change become more visible and pervasive, we urgently need to step up our action to manage this existential threat. The EU can and must lead the way, by engaging in an in-depth transformation of its own economy and society to achieve climate neutrality. This will have to be conducted in a way that takes account of national circumstances and is socially just.

The climate transition will afford us a real opportunity to modernise and at the same time to become a global leader in a green economy. Our policies should be consistent with the Paris Agreement. The EU cannot be the only one to act: all countries should move forward and step up their climate action.

The success of the green transition will depend on significant mobilisation of private and public investments, on having an effective circular economy, and an integrated, interconnected and properly functioning European energy market that provides sustainable, secure and affordable energy, in full respect of the Member States' right to decide on their energy mix. The EU will accelerate the transition to renewables, increase energy efficiency, reduce dependence on outside sources, diversify its supplies, and invest in solutions for the mobility of the future.

In parallel, we must continue to improve the environment in our cities and our countryside, enhance the quality of our air and waters, and promote sustainable agriculture, which is vital to guaranteeing food safety and fostering quality production. We will lead efforts to fight the loss of biodiversity and preserve environmental systems, including oceans.

Change towards a greener, fairer and more inclusive future will entail short-term costs and challenges. That is why it is so important to accompany the change and to help communities and individuals adjust to the new world.

This requires keen attention to social issues. The European Pillar of Social Rights should be implemented at EU and Member State level, with due regard for respective competences. Inequalities, which affect young people in particular, pose a major political, social and economic risk; generational, territorial and educational divides are developing and new forms of exclusion emerging. It is our duty to provide opportunities for all. We need to do more to ensure equality between women and men, as well as rights and equal opportunities for all. This is both a societal imperative and an economic asset.

Adequate social protection, inclusive labour markets and the promotion of cohesion will help Europe preserve its way of life, as will a high level of consumer protection and food standards, and good access to healthcare.

We will invest in culture and our cultural heritage, which are at the heart of our European identity.

Promoting Europe's interests and values in the world

In a world of increasing uncertainty, complexity and change, the EU needs to pursue a strategic course of action and increase its capacity to act autonomously to safeguard its interests, uphold its values and way of life, and help shape the global future.

The EU will remain a driving force behind multilateralism and the global rules-based international order, ensuring openness and fairness and the necessary reforms. It will support the UN and key multilateral organisations.

The EU will use its influence to lead the response to global challenges, by showing the way forward in the fight against climate change, promoting sustainable development and implementing the 2030 Agenda, and cooperating with partner countries on migration.

The EU will promote its own unique model of cooperation as inspiration for others. It will uphold the European perspective for European States able and willing to join. It will pursue an ambitious neighbourhood policy. It will develop a comprehensive partnership with Africa. Together with global partners sharing our values, the EU will continue to work towards global peace and stability, and to promote democracy and human rights.

But to better defend its interests and values and help shape the new global environment, the EU needs to be more assertive and effective. This requires us to be more united in the stances we take, and more determined and effective in exerting our influence. It also means making more resources available and better using those we already have at our disposal. And it means giving a clearer priority to European economic, political and security interests, leveraging all policies to that end.

An ambitious and robust trade policy ensuring fair competition, reciprocity and mutual benefits is a central element in that respect, both at the multilateral level in a reformed WTO and in bilateral relations between the EU and its partners.

The EU's CFSP and CSDP must become more responsive and active and be better linked to the other strands of external relations. The EU also needs to take greater responsibility for its own security and defence, in particular by enhancing defence investment, capability development and operational readiness; it will cooperate closely with NATO, in full respect of the principles set out in the Treaties and by the European Council, including the principles of inclusiveness, reciprocity and decision-making autonomy of the EU.

Relations with strategic partners, including our transatlantic partners, and emerging powers have to be a key component of a robust foreign policy. To that end, there need to be far more synergies between the EU and the bilateral levels. The EU can only engage with other global powers on an equal footing if it avoids a piecemeal approach and presents a united front, backed up by EU and Member State resources.

Delivering on our priorities

The EU must address internal and external challenges in an integrated manner. For external action to be effective, we need a strong internal economic base.

Our Institutions must focus on what really matters. In line with the principles of subsidiarity and proportionality, the EU must be big on big and small on small. It must leave economic and social actors the space to breathe, to create and to innovate. It will be important to engage with citizens, civil society and social partners, as well as with regional and local actors.

Our Institutions will work in accordance with the spirit and the letter of the Treaties. They will respect the principles of democracy, rule of law, transparency and equality between citizens and between Member States. Good governance also depends on the rigorous implementation and enforcement of agreed policies and rules, which must be closely monitored.

Each institution should revisit its working methods and reflect on the best way to fulfil its role under the Treaties.

The EU must give itself the means to match its ambitions, attain its objectives and carry through its policies.

Institutions and Member States must work side by side and use their considerable resources in a joint endeavour. The talents of regional and local actors should be harnessed for the benefit of the overall effort.

This Strategic Agenda is the first step in a process that will be taken forward by the Institutions and the Member States. The European Council will follow the implementation of these priorities closely and will define further general political directions and priorities as necessary.