

July 2015

Outcome of the European Council of 25/26 June 2015

What was intended to be a scheduled European Council on 25/26 June 2015 with a comprehensive draft agenda became a crisis European Council. Originally its agenda comprised initiatives corresponding to five of European Commission President Jean-Claude Juncker's ten political guidelines. However, and as predicted in the EPRS Outlook for the European Council, the Heads of State or Government spent much time discussing current developments in the Mediterranean and the future of Greece within the euro area, while issues such as CSDP, the digital single market and the European Semester received less attention than had been originally envisaged. The European Council's Conclusions nevertheless managed to address security and defence issues, jobs growth and competitiveness. Particular attention was paid to the topic of migration while the United Kingdom's plan for a referendum on Europe was also addressed.

1. Migration

Following the extraordinary European Council meeting on migration in April 2015, the situation in the Mediterranean again commanded much of the participants' attention. The fragility of Member State relations on this issue was expressed in the statement of German Chancellor, Angela Merkel, that finding a common EU solution to the situation in the Mediterranean is the 'biggest challenge' Europe had faced in her time in office.

Another illustration of the complexity of the migration debate and the divergence of views was the debate on whether or not Member States would take the decision on the distribution of refugees based on consensus or qualified majority voting, as proposed by European Council President Donald Tusk and European Commission President Jean-Claude Juncker respectively.

The European Council focused in particular on three key dimensions of the European Commission's agenda on migration: relocation/resettlement; return/readmission/reintegration; and cooperation with countries of origin and transit.

Relocation/resettlement

On the issue of relocation, clear differences in opinion persisted regarding the voluntary or mandatory nature of the relocation scheme. European Parliament's President Martin Schulz reminded the European Council that '*voluntary or intergovernmental schemes have been tried in the past and have failed. If this is to work, it must be mandatory and every Member State must take its fair share, otherwise real solidarity quickly turns into mere charity*'. In the end, the Heads of State or Government did not decide on binding quotas but did agree on 'the temporary and exceptional relocation over two years from the frontline Member States Italy and Greece to other Member States of 40.000 persons in clear need of international protection'. The Heads of State or Government also approved setting up 'hotspots' in frontline Member States (i.e. Italy and Greece), where the swift identification, registration and fingerprinting of migrants could be ensured. To facilitate this measure, the European Council also decided to provide enhanced financial assistance to these frontline Member States to help alleviate the costs of receiving and processing applications for international protection. Agreement was also found on 20.000 displaced persons in clear need of international protection being resettled with the participation of all Member States.

Return/readmission/reintegration

The Heads of State or Government asked for a high-level dialogue with the main countries of origin of irregular migrants to be launched by the High Representative as soon as possible. The European Council stressed that existing readmission commitments need to be implemented effectively and that further readmission agreements need to be concluded as soon as possible. Building on the 'more for more' principle (i.e.: the EU will develop stronger partnerships and offer greater incentives to countries that make more progress towards democratic reform), EU assistance and policies will be used to create incentives for implementing existing readmission agreements and concluding new ones. Heads of State or Government also called on the Member States to fully implement the Return Directive, making full use of all measures it provides to ensure the swift return of irregular migrants.

Cooperation with countries of origin and transit

The Heads of State or Government stressed that it is crucial to reinforce the EU's 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. As indicated in the European Council Conclusions, the forthcoming Valletta Summit will try, together with the EU's African partners, to provide assistance to partner countries in their fight against smugglers; to aim for a strengthened cooperation for an effective return policy; to better target development cooperation and to enhance investments in Africa so as to address the root causes of migration, as well as providing economic and social opportunities.

Follow up

The European Council tasked the Commission (and the Member States) with the following short term assignments:

- (to ensure an *effective EU return policy*): to set out, by July 2015, how Frontex would bring immediate support to frontline States on return; to make proposals on this in the 2016 EU budget, and to set up a dedicated European Return Programme; set out the measures to be taken to use the European Asylum Support Office (EASO) to coordinate the implementation of the 'safe country of origin' provisions in the Asylum Procedures Directive.
- (regarding the *relocation scheme*): by the end of July, all Member States would agree by consensus on the distribution of such persons, reflecting Member States' particular situations.
- (regarding *cooperation with countries of origin and transit*): A high-level conference will be organised to address the challenges of the Western Balkans route.

2. Security and Defence

Internal security and the fight against terrorism

The Heads of State or Government decided that work would be progressed on the European Union's Security Agenda and that the full implementation of the orientations on the fight against terrorism agreed at the February 2015 meeting remains a priority.

Common Security and Defence Policy (CSDP)

As foreseen in the June 2015 EPRS European Council Outlook, the European Council reiterated its commitment to the strategic review process and called upon the High Representative Frederica Mogherini to prepare, in collaboration with the Member States, an 'EU global strategy on foreign and security policy'. The document, which is intended to allow the EU to articulate a comprehensive foreign and security policy, will be presented to the European Council by June 2016.

The European Council endorsed the [18 May 2015 Foreign Affairs Council Conclusions on CSDP](#) and stated that 'work will continue on a more effective, visible and result oriented CSDP', particularly in respect to capabilities development, fostering the defence market and strengthening the defence industry, including through defence research programs funded by the EU budget¹. Further action will be devoted to crisis prevention and crisis management, particularly through capacity building and security [sector reform programs](#) in post-conflict countries, as part of the [EU's comprehensive approach](#) to crisis management. The European Council called for more collaborative projects as a means to overcoming existing domestic budgetary constraints and developing timely and rapidly deploying capabilities. The Heads of State or Government underlined the importance of meeting the budgetary targets to which they were committed and 'allocating a sufficient level of expenditure for defence'².

President Donald Tusk, in his post-summit [statement](#), announced that an exchange of views on the common threats (i.e. hybrid warfare, terrorism) faced by the EU and NATO was held on 26 June 2015 in the presence of NATO's Secretary General Jens Stoltenberg, while possibilities of improving cooperation between the two organisations were also considered. Strengthening cooperation with international organizations - the UN, the OSCE and the African Union - remains a priority for the EU, as underlined in the European Council Conclusions.

The [June 2015 European Council Conclusions](#), unlike those of December 2013, did not specify a date when progress on CSDP should be considered again³. Nonetheless, the European Council reiterated its interest in monitoring this policy area by stating that it 'will keep security and defence policy regularly on its agenda'. Initially intended as the core topic of the June 2015 summit, CSDP had been overshadowed by the migration crisis in the Mediterranean and the situation in Greece.

3. Jobs, growth and competitiveness

European Semester

The European Council endorsed the [2015 Country-Specific Recommendations](#) (CSRs), which will be adopted by the ECOFIN Council on 14 July 2015. Member States should undertake relevant policies on budgets, employment and structural reforms in line with those recommendations.

Investment Plan

EU Leaders welcomed the agreement reached between the co-legislators on the creation of a European Fund for Strategic Investments (EFSI): both the [European Parliament](#) and the [ECOFIN Council](#) adopted the [Regulation for a EFSI](#) on 24 June and 25 June 2015, respectively. This paves the way for the EFSI to become fully operational after the summer break, as originally planned by the Commission.

The Five Presidents' report

The European Council took note of the [report on the Economic and Monetary Union](#) prepared by the European Commission President, in close cooperation with the Presidents of the European Council, the European Central Bank, the Eurogroup and the European Parliament. The report outlines the next steps to further strengthen the Economic and Monetary Union in the short to long term. The Council is expected to quickly study it.

¹ On defence market and defence industry see the June 2015 EPSC Strategic Note '[In Defence of Europe](#)'.

² On defence expenditure see the June 2015 EPRS Briefing on '[Progress on European Defence to be evaluated by the European Council](#)'.

³ On CSDP developments since December 2013 see the June 2015 EPRS Briefing on '[Common Security and Defense Policy \(CSDP\): EUCO policy developments since December 2013](#)'.

Digital agenda

Overshadowed by the Greek and migration crises, the debate on the future digital single market was significantly shortened. Nevertheless, the European Council Conclusions on the Digital Single Market strategy for Europe called for the rapid adoption of the Telecommunications Single Market Regulation, the Directive on Network and Information Security, and the Data Protection package. Heads of State or Government stressed also that action must be taken on key components of the Commission communication, such as removing the remaining barriers to the free circulation of goods and services sold online; tackling unjustified discrimination on the grounds of geographic location; guaranteeing the portability and facilitate of cross-border access to online material protected by copyright, ensuring effective investment instruments and improving the innovation climate; identifying and delivering rapidly on the key ICT standardisation priorities; ensuring the free flow of data; improving digital skills; and encouraging e-Government.

Just before the European Council, eight Heads of State or Government wrote to European Council President Donald Tusk and whilst generally supporting the Digital Single Market Strategy for Europe, called on the EU 'to regulate only where there is a clear need to do so' and to concentrate on 'those issues that will deliver the most tangible and practical benefits for European consumers, including, ensuring cross-border portability of digital content, simplification of administration on the internet and eliminating mobile roaming charges'. On the latter, the European Parliament, the Council and the European Commission, found an agreement on the 30 June 2015 which ends roaming surcharges by 15 June 2017.

4. United Kingdom

Over dinner, the Heads of State or Government heard a presentation from United Kingdom Prime Minister, David Cameron, outlining his vision on renegotiating his country's relationship with the EU, including his plans for an 'in/out' referendum. The June 2014 European Council already indicated in its Conclusions that the UK's concerns regarding the future development of the EU needed to be addressed. European Council President Donald Tusk explained that this was the 'the first step in a longer process that will also end at the European Council'. Heads of State or Government committed themselves in the European Council Conclusions to revert to the matter in December.

5. Greece

While not officially on the agenda, the situation in Greece significantly shaped the European Council discussions. European Council President Donald Tusk reported that he 'asked the President of the Eurogroup to brief leaders on the state of negotiations with Greece' and that 'leaders had a long discussion and are fully aware of the situation and potential consequences.'

6. Miscellaneous

Heads of State or Government also expressed their gratitude to Jacques Delors, former President of the European Commission, and bestowed the title 'Honorary Citizen of Europe' on Mr Delors, who thus becomes the third person to be honoured with this rare title, after Jean Monnet and Helmut Kohl.

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