## Briefing

### Post-European Council Briefing



March 2017

# Outcome of European Council meeting of 9 March 2017 and of informal meeting of the EU27 of 10 March 2017

After re-electing Donald Tusk as its President, the European Council meeting of 9 March 2017 discussed the economic situation in Europe, progress on measures regarding migration, internal and external security, and external relations. In his first <u>speech</u> to the European Council, the recently- elected President of the European Parliament, Antonio Tajani, outlined his approach to appearing before European Council meetings, he will present the positions of the European Parliament, including minority views. He stressed his commitment to 'fair and constructive cooperation' between the two institutions, stating that 'Parliament will be part of the solution, not part of the problem'. In the end, the meeting produced 'Conclusions by the President of the European Council supported by 27 Member States,<sup>1</sup>' due to a lack of consensus 'for reasons unrelated to its [i.e. the documents] substance'.

At the informal meeting of the 27 Heads of State or Government without the UK (EU27), held the following day, leaders discussed the procedural and content-related aspects of the forthcoming celebrations of the 60th anniversary of the Rome Treaties and the expected 'Rome Declaration'.

#### 1. Implementation of European Council decisions

The European Council's recently agreed <u>new working methods</u> include increased follow-up of previous commitments, hence the President-in-office of the Council <u>reported</u> on progress made. The follow-up to new commitments made at this European Council meeting (see Table 1) will be reported on at future meetings.

Table 1: New European Council committments and requests with a specific time schedule

Policy area	Action	Actor	Schedule
Migration	Return to the issue	European Council	June 2017
Single Market	Review progress	European Council	June 2017
External Security and Defence	Revert to the issue and provide further strategic guidance	European Council	June 2017
Internal security	To agree on the proposal for an Entry and Exit System by June 2017	Co-legislators	June 2017

#### 2. Jobs, Growth and Competitiveness

The European Council discussed the economic situation in Europe, in the <u>presence</u> of Mario Draghi, President of the European Central Bank (ECB), who shared his views on economic developments in the EU and the euro area. Recalling its previous conclusions, the European Council reiterated the commitment to complete and implement the different Single Market strategies by 2018. Member States are encouraged to implement existing measures, and EU leaders called for progress on legislative proposals according to the <u>Joint Declaration</u> on the EU's legislative priorities for 2017 as well as the agenda adopted in the European Council of <u>June 2016</u>. It also emphasised the importance of a flourishing services sector, an interconnected energy market and a strong industrial base for a well-functioning and competitive single market. In the same vein, EU leaders underlined the need to advance the digital agenda, and innovation in particular. In addition, EU

<sup>&</sup>lt;sup>1</sup> The conclusions by the President of the European Council specify that references to the European Council 'should not be read as implying a formal endorsement by the European Council acting as an institution'.

leaders addressed the problem of differing quality of foodstuffs in the single market, and welcomed the Commission decision to follow up on the issue through the work of the <a href="https://line.com/high-level-forum">high-level-forum</a> for a better-functioning food supply chain. In accordance with its <a href="June 2016 conclusions">June 2016 conclusions</a>, the European Council committed to review progress on all single market strategies in its June meeting. As flagged up in the EPRS <a href="Outlook">Outlook</a> for the meeting, EU leaders also addressed Banking Union, the social dimension of Europe and the European Semester.

#### Trade

EU leaders once again reasserted the EU's commitment to a 'robust trade policy', and to an open and rules-based multilateral system. They further underlined the need to equip the Union with effective tools to tackle unfair trade practices and market distortions, and reiterated the call for the finalisation of legislative work on trade defence instruments. The European Council has <u>followed up on this issue</u> throughout the past year and called for an agreement on the <u>2013 Commission proposal</u> on trade defence instruments by the end of 2016. An agreement in the Council <u>was reached</u> on 13 December 2016, whereas the Parliament had already adopted <u>its position</u> back in 2014. '<u>Trilogue</u>' negotiations between the European Parliament, Commission and Council are due to start on 21 March 2017. At their informal meeting on 2-3 March 2017, trade ministers gave their support to the more recent Commission <u>proposal</u> on <u>new anti-dumping and anti-subsidy legislation</u>, which is also part of the wider trade defence reform.

The European Council welcomed the European Parliament's approval of the EU-Canada Comprehensive Economic and Trade Agreement (CETA), and looks forward to its <u>imminent provisional application</u>, expected on 1 May 2017. EU leaders called for progress on all ongoing free trade agreement negotiations, notably with Japan, Mercosur and Mexico. EU leaders stressed that trade relations with China 'should be strengthened on the basis of a shared understanding of reciprocal and mutual benefits'.

#### 3. Security

#### External security and defence

The European Council <u>outlined</u> the progress made on some of the key external security and defence commitments made at its <u>December 2016</u> meeting, based on the <u>overview</u> delivered by the Foreign Affairs Council on 6 March 2017. As <u>expected</u>, progress was achieved in respect of streamlining CSDP decision-making, establishing the principles of a Coordinated Annual Review on Defence (CARD) and the ongoing reflection on options available to activate Permanent Structured Cooperation (PESCO). EU leaders confirmed their pledge to provide 'sufficient additional resources' made at <u>past</u> European Councils, and reaffirmed their call to <u>implement</u> the <u>Joint declaration with NATO</u>. The Heads of State or Government praised work undertaken so far on external security and defence, stressed the importance of having the momentum 'maintained and reinforced', and confirmed their earlier commitment to revert to this topic at their June 2017 meeting, at which strategic guidelines should be adopted.

#### Internal security

EU leaders confirmed their full engagement 'in supporting Member States to ensure internal security and to fight terrorism'. They also stated that the contined implementation of the renewed <u>European Internal Security Strategy 2015-2020</u> is crucial and that they will keep this under review.

#### 4. Migration

Following the presentation of the Maltese Prime Minister and President-in-office of the Council, Joseph Muscat, on the follow-up to the <u>Malta Declaration</u> on the external aspects of migration, agreed at the <u>informal European Council of 3 February 2017</u>, EU leaders discussed both external and internal aspects of migration. They reiterated their determination to deliver on all elements of the Malta Declaration, restated their suppport for the Libyan authorithies, and once again reaffirmed their continuing vigilance on all major migration routes. Heads of State or Government welcomed the Commission communication on <u>a Renewed Action Plan on Return</u> and the accompanying <u>Recommendation to Member States</u>, and invited the Council

to examine them rapidly. They recalled the need to pursue work on a range of well-functioning EU readmission arrangements with third countries.

EU leaders reiterated that the 'effective application of the principles of responsibility and solidarity remains a shared objective' and called for 'further efforts to rapidly deliver on all aspects of the comprehensive migration policy', including the aim of achieving consensus on the EU's asylum policy during the current Presidency.

#### 5. External relations

#### Western Balkans

The European Council <u>described</u> the situation in the Western Balkans as 'fragile', based on an <u>assessment</u> of both internal revival of nationalist tensions and external – 'meddling' by <u>Russia</u> and <u>Turkey</u> challenges that the region faces, and promised continued monitoring. The President of the European Council, Donald Tusk, <u>stated</u> that '[t]ensions and divisions have got out of hand, partly because of unhealthy external influences'. He confirmed the region's European perspective, including the EU's commitment to the <u>Thessaloniki Agenda</u>, although <u>enlargement</u> was not the focus of the EU leaders' discussions. The Heads of State or Government called upon countries in the region to continue reform and strengthen regional cooperation. On 12 July 2017, a <u>summit</u> with the Western Balkan countries, to be held in Trieste, Italy, as part of the <u>'Berlin Process'</u> will <u>focus</u> on security, rule of law and the fight against corruption. The President of the Parliament President, Antonio Tajani, <u>stressed</u> the 'alarming signs' coming out of the region, and underlined that 'Europe must show leadership, remain the benchmark and demonstrate a high degree of unity'.

#### 6. Other items

#### • European Public Prosecutor's Office

As <u>expected</u>, EU leaders discussed the state of play on the draft regulation on the European Public Prosecutor's Office, following a request made by 17 Member States to discuss it at European Council level. Leaders noted that the conditions had been met for 'the possible establishment of <u>enhanced cooperation</u> in accordance with the Treaties.'

#### Election of the European Council President

With 27 Member States in favour and one (Poland) <u>against</u>, the European Council re-elected Donald Tusk as its President for a second term of two and a half years, from 1 June 2017 to 30 November 2019. Allthough <u>the election of the European Council President</u> can be decided by qualified majority voting (Article 15(5) TEU), up until now the President had always been chosen by consensus. Following his re-election, Donald Tusk <u>pledged</u> to 'continue to work for a better and more united Europe with all Member States, without exception'. EU leaders decided in this context to return 'later this year to the process, criteria and balances regarding high-level appointments for the next institutional cycle'.

EU leaders noted the parallel decision of the Heads of State or Government of the Contracting Parties to the <u>Treaty on Stability, Coordination and Governance (TSCG) in the Economic and Monetary Union</u> to re-appoint Donald Tusk as President of the Euro Summit for the period from 1 June 2017 until 30 November 2019.

#### Conclusions by the President of the European Council

This European Council meeting for the first time ended with 'Conclusions by the President of the European Council', as opposed to the normal European Council Conclusions. This was due to the <u>refusal</u> by the <u>Polish Prime Minister</u>, <u>Beata Szydło</u>, to agree the European Council Conclusions - a decision which was not related to their content, but motivated by the re-election of Donald Tusk as President. The latter <u>announced</u> that 'he will be in contact with the Polish government' and that he already proposed 'to have direct cooperation with them also between European Council meetings'.

#### 7. Informal meeting of the 27 Heads of State or Government

In order to prepare for the forthcoming 60th anniversary of the Rome Treaties, EU leaders exchanged views on a first <u>draft text</u> of the 'Rome Declaration', co-authored by the President of the European Council, Donald Tusk, the Maltese Government as holder of the rotating Council Presidency, and the Italian government, which will host the celebrations on 25 March 2017.

The text builds on the discussions held at the <u>informal meeting of the 27 Heads of State or Government</u> on 3 February 2017 in Valletta and the <u>informal concept paper</u> presented there. EU leaders have <u>indicated</u> that the 'Rome Declaration' will be similar to the <u>Berlin Declaration</u> on the occasion of the 50th anniversary of the signature of the Treaties of Rome, emphasising the EU's values and achievements to date.

The draft declaration is structured in three parts: 'achievements of the EU', 'new challenges facing the EU' and 'the Rome Agenda'. The first section looks at the past and the Union's successes, such as the free movement of people, goods, services and capital; the single currency; and a common space of freedom, security, and justice. The second section outlines today's challenges, including terrorism, growing migration pressures, and social and economic inequalities. A third section outlines a long-term vision for the next ten years, which aims for a 'safe and secure European Union', a 'prosperous and sustainable European Union', a 'social European Union' and a 'stronger European Union in the world'. The Rome Agenda would then continue with the policy priorities as outlined in the Bratislava Declaration and Roadmap, namely migration, security, and economic and social development.

President Donald Tusk <u>stressed</u> that the main objective should be to 'strengthen common trust and unity among the 27'. While restating the need for unity and 'preserving the integrity of the single market, the Schengen area, and the EU as a whole,' the draft text also envisages the possibility for groups of Member States 'to move closer, further and faster in some areas, keeping the door open to those who want to join later'. This corresponds to one of the options presented in the Commission's <u>White Paper on the Future of Europe</u>, which <u>will be discussed</u> by the European Council at a later stage. The President of the European Commission, Jean-Claude Juncker, <u>attempted</u> to alleviate some Member States' concerns that such a 'multispeed Europe' scenario would introduce a new dividing-line between Member States.

Speaking to the European Council the previous day, EP President Antonio Tajani stressed the importance of European unity, and recalled the contributions of the European Parliament to the debate on the future of Europe, namely its three resolutions on possible evolutions of and adjustments to the current institutional set-up of the European Union (Rapporteurs: Bresso and Brok), on improving the functioning of the European Union building on the potential of the Lisbon Treaty (Rapporteur: Verhofstadt), and on budgetary capacity for the Eurozone (Rapporteurs: Böge and Berès). He then called upon all institutions to 'work harder to find the answers which ordinary Europeans are looking to us to provide'.

As EU leaders are <u>due</u> in Rome only to adopt the text without discussing it further, it is <u>expected</u> the 'Rome Declaration' will be finalised by the 27 Heads of State or Government through written procedure, ahead of the Rome meeting on 25 March 2017.

To contact the European Council Oversight Unit, please e-mail: <a href="mailto:EPRS-EuropeanCouncilOversight@ep.europa.eu">EPRS-EuropeanCouncilOversight@ep.europa.eu</a>

Manuscript completed on 13 March 2017. Brussels © European Union, 2017.

The content of this document is the sole responsibility of the authors and any opinions expressed therein do not necessarily represent the official position of the European Parliament. It is addressed to the Members and staff of the EP for their parliamentary work. Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

 $\underline{www.europarl.europa.eu/thinktank} \text{ (Internet)} - \underline{www.epthinktank.eu} \text{ (blog)} - \underline{www.eprs.sso.ep.parl.union.eu} \text{ (Intranet)}$