

December 2016

Outcome of the European Council of 15 December 2016

As flagged up in the EPRS [Outlook for the European Council on 15 December 2016](#), this European Council meeting concentrated on migration and internal and external security, as well as economic and social development. As events unfolded, EU leaders discussed external relations at greater length, in particular Syria, and found a solution for the Association Agreement (AA) with Ukraine. Martin Schulz, [addressing](#) the European Council for the last time as President of the European Parliament, called upon Heads of State or Government to 'take proper ownership' of their decisions and to involve the European Parliament, more closely in the 'migration compacts, the Bratislava agenda and the UK withdrawal agreement'.

1. Implementation of European Council decisions

The European Council's [new working methods](#) include increased follow-up of previous commitments, hence the President-in-office of the Council [reported](#) on progress made. The follow-up on new commitments made at this European Council meeting (see table 1) will be reported at future meetings.

Table 1: New European Council requests with a specific schedule

Action	Actor	Policy area	Schedule
Agree on the Entry/Exit System	Co-legislators	Internal security	June 2017
Agree on a European Travel Information and Authorisation System	Co-legislators	Internal security	End of 2017
Revision of the Athena mechanism	Member States	External security	End of 2017
Adopt the Commission proposal on capacity-building in support of security and development (CBSD)	Co-legislators	External security	First half of 2017
Agree on forthcoming Commission proposals for the establishment of a European Defence Fund	Member States	External security	First semester 2017
Report on progress on external security and defence	Council	External security	March 2017
Provide further strategic guidance on external security and defence	European Council	External security	June 2017
Adopt the extension of the European Fund for Strategic Investment (EFSI).	Co-legislators	Single Market Financial affairs	First half of 2017
Complete and implement various Single Market strategies and the Energy Union.	EU institutions and Member States	Single Market Energy Union	By 2018
Further increase the level of ambition, notably in the vital areas of services and the Digital Single Market.	EU institutions	Single Market Energy Union	March 2017

2. Migration

- **Partnership framework on migration**

The High Representative/Vice-President of the Commission (HR/VP), Federica Mogherini, gave EU leaders an update on [progress](#) with priority countries (Ethiopia, Mali, Niger, Nigeria, and Senegal), following which the

European Council [acknowledged](#) the importance of the partnership framework on migration, envisaging also the possibility of additional compacts, or other forms of cooperation. Partnership framework objectives should be mainstreamed into other external instruments and policies of the EU and its Member States. EU leaders will continue to assess progress on stemming migration flows and improving return rates.

- **External investment plan and the external lending mandate of the European Investment Bank (EIB)**

EU leaders called for swift adoption of the legislative proposal on the [European Fund for Sustainable Development](#) (EFSD), and on the EIB's [external lending mandate](#) and welcomed the implementation of the EIB's '[resilience](#)' initiative for the EU's Southern Neighbourhood and the Western Balkans.

- **Implementation of the EU-Turkey statement**

The European Council endorsed the [Joint Action Plan on the implementation of the EU-Turkey statement](#). European Council President Donald Tusk [added](#) that this 'also requires continued efforts from Turkey', and [hinted at](#) the possibility of an EU-Turkey summit in 2017. The European Parliament [called upon](#) the EU leaders to also be critical of Turkey and to freeze the negotiation process.

- **Reform of the common European asylum system**

EU leaders concurred that responsibility and solidarity remain shared objectives. While progress has been achieved in the review of the common European asylum system, further work is required. They invited the Council to reach consensus on the EU's asylum policy during the next Council Presidency. It was the fifth time in 2016 that Heads of State or Government called on Member States to accelerate their relocation efforts.

- **Support for Libya**

EU leaders called for greater support for the Libyan coastguard including through [EUNAVFOR MED / Operation Sophia](#). Heads of State or Government [will discuss](#) Libya and the EU's approach to the Central Mediterranean route at the next informal European Council meeting, in Malta on [3 February 2017](#).

3. Security

- **Internal security**

EU leaders reaffirmed their commitment to the implementation of the [European Union Internal Security Strategy 2015-2020](#), welcomed the [agreement](#) on the [Counter-Terrorism Directive](#), and called for swift adoption of related legislation. They called for effective cooperation with electronic service providers based both inside and outside the EU, and called for rapid implementation of the [revised Schengen Borders Code](#).

- **External security and defence**

As [expected](#), the European Council [discussed](#) a defence package, including: 1) concrete actions to implement the security and defence component of the [global strategy](#); 2) the European Commission's [European Defence Action Plan](#) (EDAP); and 3) the Council's proposals to strengthen EU-NATO cooperation within the framework of the [Warsaw Joint Declaration](#). Martin Schultz [urged](#) the Heads of State or Government to maintain this momentum. For the first time since the [milestone](#) December 2013 European Council, EU leaders have set a clear timetable for a number of specific actions (see table 1 above). The HR/VP was tasked to submit proposals for a permanent operational planning and conduct capability, aimed at streamlining the conduct of both civilian and military EU operations, which is in line with the European Parliament's [position](#).

The European Council's welcoming of the Commission's proposal on an EDAP represents [far-reaching progress](#) since, in [June 2015](#), EU leaders called for defence research and technology expenditure to be funded from the EU budget. Previous calls to spend more on security and defence were [confirmed](#), for those Member States that are also members of NATO.

NATO Secretary-General Jens Stoltenberg, who was also invited, [has underlined](#) the importance of EU-NATO cooperation. The dialogue is based on the seven areas for cooperation identified by the [Warsaw Joint Declaration](#) and its [implementing principles](#). Before the summit, Donald Tusk, Jean-Claude Juncker, and Jens Stoltenberg jointly [outlined](#) the ‘complementarity’ and the need to step up work.

Security and defence will continue to feature on the agenda in the future, EU leaders said.

4. External relations

- **Ukraine**

The [decision](#) taken on the EU-Ukraine Association Agreement (AA), which takes into consideration the [concerns](#) expressed in the Dutch April 2016 referendum, confirms the EU’s intention to deepen relations with Ukraine, while making clear that the country cannot be granted, now or in the future, candidate country status on the basis of the provisions of the AA. It also confirms that the EU will continue to cooperate with Ukraine on crisis management, underlining however that no ‘collective security guarantees or other military aid or assistance’ are granted. This accommodates the [requests](#) of the government of the Netherlands while respecting the aim of the AA. This decision [should](#) facilitate the ratification process in the Netherlands.

EU leaders welcomed the outcome of the November 2016 [EU-Ukraine summit](#), which recognised progress in reforms and compliance with visa-free regime conditions. The Parliament and Council are invited to lift visa requirements for Ukraine as soon as a [revision](#) of the suspension mechanism is completed. They reconfirmed their commitment to the territorial integrity of Ukraine and international law principles. French President, François Hollande and German Chancellor Angela Merkel [informed](#) their colleagues about Russia’s non-compliance with the Minsk ceasefire agreement, after which EU leaders agreed on the renewal of economic sanctions against Russia until 31 July 2017. The Council has since [prolonged](#) them, on 19 December 2016.

- **Syria**

The European Council [expressed](#) its strong condemnation of the ‘continued assault’ on Aleppo and, in particular, ‘the deliberate targeting of civilians and hospitals’ by the Syrian regime and its Russian and Iranian allies. EU leaders called for three measures to be implemented as a matter of priority: evacuation of civilians, with priority given to the sick and wounded, under UN auspices; aid and protection for inhabitants of eastern Aleppo, based on principles of international humanitarian law and [UN Security Council Resolution 2258](#); and protection of hospitals and medical personnel, in accordance with [UN Security Council Resolution 2286](#). The Heads of State or Government [again stated](#) that breaches of international law, particularly war crimes, cannot remain unpunished, and reaffirmed the EU’s support for post-conflict reconstruction in Syria based on a ‘credible political transition’. The [message](#) from Brita Hagi Hasan, Mayor of eastern Aleppo, [reminded](#) EU leaders of Aleppo’s needs. Donald Tusk pointed to existing ‘global limitations and problems’ hampering the process. EU leaders [mandated](#) the HR/VP to work on a negotiated political solution in view of the reopening of peace talks in Geneva.

5. Economic and social development, youth

Specific measures linked to the objective of the [Bratislava declaration and roadmap](#) were addressed.

- **European Fund for Strategic Investments (EFSI)**

In line with [previous conclusions](#), the European Council [asked](#) the co-legislators to advance rapidly on the Commission [proposal](#) to prolong the duration and to increase the financial capacity of the EFSI, with the [agreement reached](#) in Council paving the way for [negotiations](#) with the European Parliament. Leaders also noted the [agreement](#) of a Council position regarding [modernisation](#) of trade defence instruments.

- **Single Market**

EU leaders [underlined](#) the need to better exploit the potential of the common Single Market, repeating their [June 2016](#) commitment to complete and implement the various Single Market strategies and the Energy Union by 2018. They also highlighted the importance of reducing barriers to the free flow of data.

- **Youth initiatives**

The European Council called for the continuation of the [Youth Guarantee](#) and welcomed the [proposed](#) increase in EU financial contributions for the [Youth Employment Initiative](#). EU leaders endorsed the Commission's '[Invest in Europe's Youth](#)' initiative, which includes a series of actions in the areas of developing new competences, increasing mobility and modernising education. Also noteworthy is the [European Solidarity Corps](#), offering young people an opportunity to engage in voluntary activities across Europe.

- **Banking and finance**

The importance of completing Banking Union was [again](#) highlighted, mentioning the Council's [roadmap](#). EU leaders welcomed the recent Commission [package of measures](#) on strengthening the resilience of EU banks, and called for rapid adoption so as to enhance the stability of the EU's banking and financial sector. The President of the European Central Bank, Mario Draghi, briefed EU leaders on recent economic developments.

6. Cyprus

Cypriote President Nicos Anastasiades updated leaders on the Cyprus Settlement negotiations. Further negotiations, in which the EU is ready to support, [will take place](#) in January 2017 in Geneva under the auspices of the UN and in the presence of the guarantor powers (Greece, Turkey and the United Kingdom).

7. Brexit

As the informal dinner of the 27 Heads of State or Government without the United Kingdom was [cancelled](#), the 27 leaders held only a short discussion on the procedural arrangements for the negotiation process which will follow the United Kingdom's expected notification under Article 50 TEU. In the resulting [statement](#), they reconfirmed their [position of 29 June 2016](#) and reiterated their approach of negotiating as soon as the UK has notified. Any agreement will have to be based on a balance of rights and obligations, and access to the Single Market requires acceptance of all four freedoms. European Council President Donald Tusk [described](#) the organisational structure of the negotiation process on the EU's side as 'the European Council maintaining political control over the process and the Commission as the Union's negotiator'. He [tried to justify](#) the limited role of the European Parliament in the negotiation process, pointing to the specific roles of the various European institutions. Ahead of the European Council, Parliament's coordinator on Brexit matters, Guy Verhofstadt, supported by the President, Martin Schulz, [had strongly criticised](#) the intention to limit the involvement of the Parliament in the negotiation process.

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