

Outlook for the meetings of EU leaders on 25-26 March 2021

One year after the outbreak of the coronavirus pandemic, the fight against the virus will again top the agenda of the European Council meeting on 25-26 March 2021. EU leaders are expected to focus their discussions on 'digital green certificates' (providing proof of vaccination and/or Covid-19 test results) and progress on production, delivery and deployment of vaccines. They will work further on developing a common EU approach to the gradual lifting of restrictions and refer to global solidarity. Other agenda points are digitalisation, including digital taxation, the single market and industrial policy. In respect of external relations, EU leaders will review the situation in the eastern Mediterranean and hold a strategic discussion on Russia. The subsequent Euro Summit will discuss the international role of the euro.

1. Implementation: Follow-up on previous European Council commitments

The [Leaders' Agenda for 2020-21](#) envisaged a physical European Council meeting in March 2021. However, due to the still serious health situation, this has been [replaced](#) by video-conference sessions. As is customary, at the start of the European Council meeting, the President of the European Parliament, David Sassoli, will address the Heads of State or Government. [António Costa](#), the Prime Minister of Portugal, which currently holds the rotating six-month presidency of the Council of the EU, will provide an overview of progress made in implementing previous European Council conclusions. The [Leaders' Agenda 2020-21](#) published in October 2020 placed economic issues as well as Russia on the agenda. The eastern Mediterranean was added to the agenda due to the commitment made at the European Council meeting of 10-11 December 2020.

2. European Council agenda points

Policy area	Previous commitment	Occasion on which commitment was made
Coronavirus	The European Council will return to this issue regularly.	1-2 October 2020
Single market, industrial policy and digital	The European Council will return to the topics of the single market, industrial policy and digital at its meeting in March 2021. In this context, it will also assess the situation regarding the work on the important issue of digital taxation.	1-2 October 2020
External relations	Submit a report on the situation in the eastern Mediterranean and EU-Turkey political and economic relations for consideration.	10-11 December 2020

EU coordination efforts in response to the coronavirus pandemic

Progress on production, delivery and deployment of vaccines

EU Heads of State or Government will address developments regarding vaccine delivery and vaccination across the EU. [Current figures](#) show 69.5 million doses delivered and 51 million doses administered in the EU (state of play 16/03). EU leaders will address the extension of the [export authorisation scheme](#), most likely welcoming it.

EU leaders are also expected to discuss the temporary [suspension](#) of administration of the AstraZeneca vaccine in [20](#) EU Member States, due to concerns over the safety of the jab, despite the World Health Organization (WHO) having [urged](#) countries to continue administering the AstraZeneca vaccine. On 18 March, the European Medicines Agency (EMA) [concluded](#) that the 'benefits still outweigh the risks'.

Moreover, the criticism from some Member States, [spearheaded](#) by Austrian Chancellor, Sebastian Kurz, about the allocation of coronavirus vaccines is also likely to be addressed. In preparation for the summit, the President of the European Council, Charles Michel held a [video-conference](#) on 17 March with the leaders of Croatia, Austria, Bulgaria, Latvia, Czechia and Slovenia.

More positive developments regarding the fight against coronavirus came on 11 March, when the EMA [recommended](#) the Johnson&Johnson vaccine be authorised for use in the EU. This brings the number of [authorised](#) Covid-19 vaccines to four, adding to those from BioNTech-Pfizer, AstraZeneca and Moderna (for a detailed overview of the different Covid-19 vaccines approved or under examination by the EMA see [EPRS table](#)). Moreover, on 16 March, the Commission [announced](#) that BioNTech-Pfizer would accelerate the delivery of 10 million doses for the second quarter of 2021.

Common EU approach to the gradual lifting of restrictions

EU leaders also aim at further developing a common EU approach to the gradual lifting of coronavirus pandemic related restrictions. In that context, on 17 March, the European Commission adopted a communication on ['a common path to safe and sustained re-opening'](#). In this communication, the Commission invites the European Council to 'call for an agreed approach to a safe re-opening based on a solid scientific framework' and 'to support further coordination on efforts to contain the pandemic at a global level, based on the Team Europe approach' (i.e. supporting partner countries in the fight against the coronavirus pandemic and its consequences).

Free movement of persons and digital green certificates

At their last video-conference on the fight against coronavirus, on [25 February 2021](#), EU leaders called for 'work to continue on a common approach to vaccination certificates' and promised that they would return to this issue. On 17 March, the Commission [put forward](#) the 'Digital Green Certificate', with the aim of facilitating safe free movement of citizens in the EU during the Covid-19 pandemic. EU leaders are expected to welcome the proposal and to invite the co-legislators to adopt it rapidly. An in-depth discussion is expected on the proposal, notably regarding the type of rights such a certificate would provide.

The next practical steps will be for the Commission to set up the digital infrastructure to facilitate the authentication of Digital Green Certificates and for Member States to introduce the necessary changes in their national health records' systems.

The 'Digital Green Certificate'

The Digital Green Pass is a proof in digital form that a person:

- has been vaccinated against Covid-19;
- has a negative test result; or
- has recovered from Covid-19.

Travellers holding this certificate should be exempted from restrictions on free movement on the same basis as citizens of the visited Member State.

It ensures a very high level of data protection.

It does not

- present a precondition to free movement or require a person to be vaccinated;
- discriminate between different vaccines, authorised by the EMA;
- share any personal medical data.

Source: [European Commission](#).

Regarding the free movement of people, the eight Member States which had previously set temporary internal border controls due to Covid-19 (Austria, Belgium, Denmark, Finland, Germany, Hungary, Portugal and Spain), have all [renewed](#) them until the end of March or even into April.

Single market, industrial policy, digital transformation and the economy

EU leaders will take stock of progress on the single market, industrial policy and digital transition.

Single market and industrial policy

The return to a well-functioning single market, especially in the field of services, and the protection of fair competition are at the centre of the EU's agenda. In line with previous European Council [conclusions](#), EU leaders will probably highlight the need for an inclusive and sustainable recovery and the removal of remaining unjustified barriers. The European Council will most likely briefly discuss the role of labour markets and skills policies in the green and digital transitions.

EU leaders will debate industrial policy in the light of the update of the Commission's 2020 [Industrial strategy](#) expected for [27 April 2021](#). They will most likely [underscore](#) the need to strengthen competitiveness and resilience, and to accelerate the green and digital transitions.

Digital transition

The European Council will once again discuss the digital transformation, which is a key pillar of the EU's recovery from Covid-19. Charles Michel has repeatedly stated the role that digital sovereignty '[plays in our greater goal of strategic autonomy](#)', while digital transformation is a [prerequisite](#) for a successful economic recovery strategy. EU leaders will also probably endorse the Commission's communication, [2030 Digital Compass: The European way for the Digital Decade](#), and call for the Council to examine it and formulate relevant policy guidelines. In line with the [conclusions](#) of the economic and finance ministers on 16 March, they will most probably put particular emphasis on the need to address the tax challenges arising from the digitalisation of the economy and support the ongoing negotiations on digital taxation in the OECD, which are aimed at achieving a global and consensus-based solution by [mid-2021](#). Despite the efforts of [Italy, Spain and France](#) for a European solution, [a group of low-tax countries](#), Ireland, Luxembourg, Malta, Sweden, Finland, Latvia, Germany, the Netherlands and Romania will push for a global solution. However, the European Council will most likely also state its readiness to move forward with an EU solution, should there be no progress in the G20/OECD format. Indeed, the Commission is expected to put forward a [proposal](#), separate from the OECD negotiations, on a digital levy by June 2021, which the European Council will probably note during the meeting.

European Semester

Following the Council's [conclusions](#) of 25 January, EU leaders will most probably endorse the policy priority areas of the [annual Sustainable Growth Strategy](#) and welcome [the draft Council recommendation on the economic policy of the euro area](#).

External relations

Situation in the eastern Mediterranean

The European Council [is expected](#) to take stock of the situation in the eastern Mediterranean. In 2020, tensions in the region reached a new high. EU leaders have repeatedly called on Turkey to stop its unilateral actions and commit to [de-escalation](#) as a means to facilitate cooperation. They agreed to embark with Turkey on a re-energised [agenda](#) should tensions de-escalate, dialogue be renewed and stability return to the region. In early 2021, Greece and Turkey [resumed](#) bilateral talks on maritime delimitation, with several rounds already [concluded](#), whilst the Council has closely monitored [progress](#). As a parallel process, talks on the Cyprus issue [are expected](#) to resume under UN leadership in April 2021. At the [request](#) of EU leaders, High Representative Josep Borrell will present a report on EU-Turkey relations, which will focus on the political, economic and trade

relationship. [No decision](#) on the way forward in the relationship with Turkey is expected at this stage, as EU leaders will most probably continue to monitor developments.

Russia

For the first time since [October 2016](#), EU leaders will hold a strategic debate on relations with Russia, at a time when bilateral relations are at a 'new low'. The High Representative's visit to Moscow earlier this year [did not succeed](#) in 'reversing the negative trend' in EU-Russia relations, and an opportunity to have 'a more constructive dialogue' was lost. Borrell himself [was criticised](#) not only for undertaking the visit, but also for the lack of results and the negative impact on the EU. To uphold principles and values as well as show unity, the EU activated its recently introduced [global human rights sanctions regime](#) and [imposed sanctions](#) on officials responsible for the illegal imprisonment of opposition leader, Alexei Navalny. EU leaders had [condemned](#) Navalny's detention, and called for his release.

In preparation for the European Council meeting, the Foreign Affairs Council [noted](#) that Russia 'was drifting towards becoming an authoritarian state and away from Europe'. Ministers have reconfirmed their attachment to the '[five guiding principles](#)' which have governed EU relations with Russia since 2016. This reflects continuity rather than adaptation to a rapidly changing environment in which Russia's increased assertiveness is a [reality](#).

In recent years, Russia has multiplied destabilisation attempts, through targeted [disinformation](#) and [cyber-activities](#) against EU Member States and partners in the [Western Balkans](#). In parallel, it has maximised its [action](#) regionally in Syria and in the illegally occupied Crimea where [accelerated militarisation](#) is under way and [human rights](#) abuses accumulate. For the past seven years, the European Council has [succeeded](#) in achieving and maintaining unity in setting and renewing sanctions in response to the illegal annexation of Crimea in 2014. Yet shaping an effective Russia policy requires more than consensus on that one issue. At present, there is a window of opportunity to rethink the EU's Russia strategy in close cooperation with the US, under the new [EU-US transatlantic agenda](#). Furthermore, both the EU and NATO are currently developing their [strategic visions](#) and should grasp the opportunity to reflect (jointly) on their future relationship with Russia.

3. Euro Summit

On 26 March, the Euro Summit will meet in an [inclusive format](#) with all EU-27 leaders (while the 19 leaders of the euro-area countries automatically attend, leaders of the other Member States that have ratified the [Treaty on Stability, Coordination and Governance](#) in the EMU (now all 27) only participate by right in certain discussions). The focus will be on the euro's international role and ways to '[strengthen our autonomy in various situations](#)', in line with the Commission's [communication](#) of 19 January on the European economic and financial system. EU leaders will probably receive an update on the state of play of banking union and fiscal support measures, with a focus on the fiscal strategy, the [fiscal stance in the euro area](#), and the future of the ongoing coordinated fiscal response.

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